Fifth Meeting of the Sustainable Energy for All Advisory Board Brussels, Belgium 15-16 June 2016

Co-Chairs' Summary

Background

On 15 and 16 June 2016, UN Secretary-General Ban Ki-moon and World Bank President Jim Yong Kim convened the fifth meeting of the Sustainable Energy for All Advisory Board. The meeting, which was held in conjunction with the 10th European Development Days, was hosted by the European Commission at its headquarters in Brussels, Belgium.

Opening Remarks

Mr. Neven Mimica, European Commissioner in charge of International Cooperation and Development and the host of the meeting, emphasized the strong and continued commitment of the European Commission to Sustainable Energy for All through its support to accelerate universal access to modern energy services, clean energy and implementation of the Paris Agreement. He highlighted new catalytic approaches towards these objectives, such as the European Commission's ElectriFI initiative, one of the EC's contributions to SEforALL.

The Secretary-General emphasized that because energy is a key enabler for sustainable development, meeting the SDG7 on energy is central to implementing the 2030 Agenda and the Paris Agreement. He stressed that focus must now turn to actions that can accelerate these global agreements and that the establishment of SEforALL as a quasiinternational organization under Austrian law, led by Ms. Rachel Kyte as its CEO, would ensure continued momentum for action to catalyze new partnerships, new investments and new action. The Secretary-General also noted Ms. Kyte's role as his Special Representative for Sustainable Energy for All. He informed the Advisory Board that the UN Department of Economic and Social Affairs would support member states as well as the advocacy and outreach efforts of the Special Representative. He expressed his commitment to continue co-chairing the Advisory Board with the President of the World Bank.

The President of the World Bank praised the role of the Secretary-General in launching the SEforALL initiative. He emphasized the vital importance of living up to the commitments made by the world's leaders at COP21 and that the international community needs to offer the right financial incentives to crowd in resources for investment in renewables and sustainable energy as countries make difficult choices about their energy mix. He cautioned that failing to provide affordable, reliable and sustainable energy would put at risk all the other SDGs, and could jeopardize efforts to combat climate change. He also called on development partners to increase the climate finance needed to live up to the high expectations of the Nationally Determined Contributions set at COP21. SEforALL is an important pillar of this approach. He further noted the role of the Advisory Board as an important collaborative instrument

among public, private and international institutions. He emphasized that SEforAll has played a key role in making energy a priority within World Bank Group country frameworks. He stressed the World Bank remained committed to SEforALL and its support to the new quasi-international organization under Rachel Kyte's leadership.

Presentations

Ms. Rachel Kyte, CEO of SEforALL and the Secretary-General's Special Representative for Sustainable Energy for All, presented the Sustainable Energy for All, Strategic *Framework for Results 2016-21, Going Further, Faster*. Ms. Kyte explained that the new SEforAll platform will aim to empower leaders to broker partnerships and unlock finance to achieve universal access to sustainable energy as a contribution to a cleaner, just and prosperous world for all. It connects stakeholders, marshals evidence, benchmarks progress, amplifies the voices of its partners and tells stories of success. As a global platform, SEforALL lifts up the great work of others. It demonstrates the art of the possible. It makes connections and investments happen. It produces measureable results. In the coming 5 years, SEforALL will catalyze action on energy access; empower leaders to take an 'energy efficiency first' approach and help them scale up renewable energy by leveraging the work of its partners. SEforALL will take an inclusive people-centered approach, amplify the voices of the energy poor and empower women and girls. SEforALL will broker conversations and partnerships that bring leaders together, help them make the right choices on energy policy and action, and, improve the conditions so public and private financing is more likely to flow towards SEforALL objectives. Ms. Kyte also informed the Advisory Board of her intention to revamp communications efforts to better support Advisory Board members and other leaders.

Ms. Kyte also delivered a presentation on *Financing the Energy Transition Towards Sustainable Energy for All*. She underlined that unlocking public and private finance for sustainable energy will be a key priority for SEforALL. A critical next step will be to bring members of the SEforALL finance committee together to discuss ways to translate the 2015 Finance Committee Report recommendations into action, among other things. She recognized the need for removing the hurdles and complexities many actors face in trying to access finance.

Summary of Discussions

Mr. Thomas Gass, Assistant Secretary-General, UN Department of Economic and Social Affairs, and Ms. Laura Tuck, World Bank Vice-President for Sustainable Development, jointly moderated the discussions among the Advisory Board members.

The Strategic Framework for Results was strongly welcomed as a substantive, action-oriented instrument for catalyzing action toward SDG 7 and the Paris Agreement. Many Advisory Board members offered ongoing engagement and contributions towards its implementation. Advisory Board members emphasized, inter alia, the importance of:

- focusing on *slow-moving but high-impact countries* and the concept of country *heat maps* to help direct resources and attention to key strategic levers,
- *equity and justice* for the poorest, and for reaching the furthest first in order to

not leave anyone behind,

- the needs of *women and girls*, including the urgency to address clean cooking solutions,
- <u>diversity and inclusiveness</u>, including enhanced involvement of developing countries and all multi-stakeholders such as business, civil society and youth,
- *strategic partnerships*, such as G20, the Africa Renewable Energy Initiative, the Global Solar Alliance, and the Clean Energy Ministerial,
- leveraging <u>synergies and complementarities with other efforts towards delivering</u> <u>SDG 7 and the Paris Agreement</u>, and avoiding duplication and fragmentation,
- *unlocking public and private finance* for sustainable energy,
- a *strong relationship between the new SEforAll quasi-international organization and the UN,* including clarity on this relationship, and
- clarity on *the roles of thematic and regional hubs*, while taking note of Ms. Kyte's on-going efforts to define standardized relations bearing in mind the different nature of different hubs.

On *Financing the Energy Transition Towards Sustainable Energy for All*, the main points noted were:

- The need for more than \$1 trillion in annual investment to achieve the three SEforALL goals with every stakeholder playing a different, yet important role. Priority should be given to operationalizing the Finance Committee Report with the engagement of the Advisory Board to help define: (a) what needs to be unlocked and how; (b)how to move to scale; and (c) creating the partnerships to address challenges.
- The need to develop a strategy to unlock financing that employs a multistakeholder approach and gives priority to slow moving but high impact countries.
- The need for *capacity building* throughout the entire energy value chain, including to:
 - $\circ~$ effectively harness the potential of micro, small and medium enterprises,
 - o understand different markets,
 - demonstrate pilots, and
 - promote credit enhancements.
- SE4ALL could play a role with Advisory Board members in promoting donor coordination, building evidence based analytics, tracking needs and flows, helping to set priorities, and sharing best practices.
- <u>SEforALL could mobilize a coalition of actors to</u>:
 - *improve country enabling environments* including national policy, regulatory, trade and fiscal frameworks,
 - encourage the development of *investment plans, project preparation, and investment fora*,
 - strengthen project development capacity to create pipelines of solid bankable projects, and
 - *promote holistic and integrated financing packages* at the grass roots/local levels with a focus on:

- the access dimension and social protection needs, using for example digital opportunities for financial inclusion,
- affordability and how to use public funds complemented by MDB resources and private financing, and
- bottom-of-pyramid solutions, engaging women, youth and local entrepreneurs as agents of change.
- SEforALL should highlight the importance of the user perspective, the crosscutting thinking and the concept of "one-stop shops" [EC made a brief presentation detailing its ElectriFI initiative.]

On the *Leadership of the Advisory Board*, members voiced their full support to a continuation of the Advisory Board and welcomed the commitment by the Secretary-General and the World Bank President to continue as Co-Chairs. The following key points were emphasized:

- the Advisory Board should be a multi-stakeholder body and should continue to provide *overall advice and guidance* to Sustainable Energy for All and empower the quasi-international organization and its CEO.
- <u>action-oriented sub-committees</u>, including at expert-level, could be used to engage on specific issues and to bring different voices, without making the Advisory Board too unwieldy.
- *further clarity is needed on how the Advisory Board will relate to the new SEforALL quasi-international organization*, given its own governance structure.
- further reflections are needed on how the Advisory Board could offer input to *inter-governmental processes related to SDG7* and energy, e.g. UN High Level Political Forum.

<u>Next Steps</u>

- Final version of the Strategic Framework for Results in July.
- The business plan for SEforALL's Global Team is due in October.
- A joint letter by the UN and SEforALL quasi-international organization to the Advisory Board, providing an update on the new arrangements and how the two organizations will work together, by mid-July (Note: This may be delayed to end of July).

<u>Annexes</u>

- Annex 1: List of Attendees
- Annex 2: Agenda of Advisory Board Meeting
- Annex 3: Presentation of an advanced version of the "Sustainable Energy for All, Strategic Framework for Results, 2016-21, Going Further, Faster."
- Annex 4: Presentation on "Financing the Energy Transition Towards Sustainable Energy for All."