

Policy Challenges in Sustainable Energy Development in the Arab Region

Economic And Social Commission For Western Asia



UNITED NATIONS

الاسواق

ESCWA

Laura El-Katiri
ESCWA Consultant

Expert Group meeting on Tracking Progress Towards Sustainable Energy-Horizon 2030 in the Arab region
14-15 2017, Cairo, Egypt

Challenges to sustainable energy development...

Non-existent market incentives

- State-centred energy supply model
- Long-established practice of under-pricing energy

Political will versus popular expectations

- Sustainable energy policy takes time to show benefits to the larger economy, but people want want tangible benefits now

Information deficits

- Industrial users, final consumers and sometimes governments equally lack access to data and information, and often choice

Weak civil societies

- Support from civil society organisations for sustainable energy policies is almost non-existent

Political and social conservatism on energy matters

- “We have always done it like this”; Path-dependency and the value of “doing nothing” versus the risk of doing something

Conflict and long-term planning

- Conflict and political instability necessitate priorities to be set on short-term horizons in policymaking

But the cost of "doing nothing" is potentially high as well



Progress in Sustainable Energy Development means Opportunities



Energy Access	Energy Efficiency	Renewable Energy
<ul style="list-style-type: none"> ▪ Greater food security ▪ Health ▪ Economic growth ▪ Jobs ▪ Inclusive development ▪ Gender ▪ Reduced conflict of resources 	<ul style="list-style-type: none"> ▪ Fiscal long-term savings ▪ Consumer savings ▪ Positive linkages across sectors: energy-water-food ▪ Sustainable living spaces 	<ul style="list-style-type: none"> ▪ Cost savings ▪ Environmental benefits (air, water) ▪ Climate benefits ▪ Jobs ▪ Sustainable living spaces
<p>Overall socio-economic development</p>	<p>A better use of limited natural resources: doing more with less</p>	<p>Combining economic savings with cleaner energy</p>

Policy solutions



Proactive policymaking



Linking energy, climate and the environment to positive social and economic goals

Using innovative policy approaches

Ensuring policy rigidity

Improving government communication

- Consulting rather than just informing
- Identifying the full cost of business-as-usual
- Using quantifiable goals and targets that help the public understand progress

Empowered, competent institutions



A clear mandate

Credible institutions

Professionalization of the public sector

Increasing the role of local governance and cities

Using existing competence

Strengthened civil society institutions

Practical financing and incentives



Understanding barriers to sustainable energy access

- Initial cost of switching technology
- Initial cost of investment
- Missing (private) markets
- Missing financial products (from large projects to micro-projects)

Financing solutions – learning from good practice

- Private finance – bringing in the private sector
- International funding: development banks, Green Finance
- Public banking products

Sustainable energy and energy subsidies

- Long history of subsidised energy in the Arab region - with positive impact on energy access but many unintended consequences
- Energy subsidies distort market signals, to the detriment of energy efficiency and new energy sources entry (renewable energy)
- Fuel and electricity pricing reform gaining momentum in a number of Arab countries

Information and awareness-creation



Data collection and dissemination

Information-sharing between institutions

Communicating with final consumers

Re-prioritising sustainable energy use and environmental consciousness in the public discourse

Media and academic freedom

Depoliticizing data

Empowering civil society to present their interests

THANK YOU

Economic and Social Commission for Western Asia



UNITED NATIONS

الاسكوا

ESCWA