

Energy in Development Cooperation – The Need for Inter-Institutional Coherence

Background

The ratification of the 2030 Agenda and the Paris Agreement in 2015 has spurred new development in the fight against climate change. Among the 17 targets of the Sustainable Development Goals that are set up to eradicate poverty and fight climate change, the importance of energy and renewable energies in particular is specifically highlighted. However, to achieve universal access to energy by 2030, greater policy coherence among stakeholders, especially the European institutions, is needed.

Policy Problem

Approaches towards sustainable development, climate change mitigation and the eradication of poverty are manifold and essential in their own right. With regard to development assistance, however, energy access displays one of the vital infrastructures that are needed in order to accelerate human and economic development. The provision of energy does not only affect every fibre of human life, it improves healthcare and education systems, impacts people's communication and mobility patterns, enhances economic development and may even influence state security. In addition, the provision of energy and renewable energy technologies in particular mitigate the impacts of climate change – on a global as well as on the individual level. While the international community acknowledges the reduction of CO₂ emissions as one of the key challenges in the fight against climate change, local access to clean, renewable energy sources can influence individual development cycles in lasting ways. Thereby, the allocation of clean cooking technologies or access to solar home systems does not only improve one's individual health by preventing indoor air pollution, it provides additional time for education, especially to women, and may even provide additional business opportunities.

Considering the fact that 599 million in Sub-Saharan Africa had no access to electricity in 2011 and that this number is expected to increase to 645 million people by 2030 (IEA, 2013), the delivery of sustainable energy services becomes a crucial matter for international development and environment policies alike. In fact, with the ratification of the Sustainable Development Goals and the Paris Agreement in 2015, international cooperation on energy and international climate change policies have entered a new phase. While SDG 7 specifically addresses the ensured access to affordable, reliable, sustainable and modern energy to be

achieved by 2030, the importance of renewable energies in the fight against climate change are reinvigorated in SDG 13. In addition, an unprecedented surge of international activity in the field of energy development cooperation, growing financial flows, new funding mechanisms and emerging initiatives highlight the crucial role of energy in development.

For the European Union itself, energy has become a vital part of its policies in recent years. This is not only the case with regard to internal policies - the development of the European Energy Union for example - but especially with regard to external, development cooperation policies. As a matter of fact, the European Union has become the global leading donor in the field of energy and development cooperation. In 2015, EU collective ODA increased to €68 billion, representing 0.47% of EU Gross National Income (European Commission, 2016). Regarding energy and development, the European Commission has specifically allocated a total amount of over €3 billion to future action on energy and development. Besides, EU member states continue to invest in sustainable energy endeavours either bilaterally or multilaterally. The growing institutional complexity and the new international drive for the sector demand, however, that the European Union does not only remain a dominant player in this field but that it bundles its efforts and articulates a united voice at the international level.

Since many of the processes agreed in Paris are legally binding except the plans to which countries commit themselves, the unity of the European Union as an international leader in global environmental governance is needed to further nourish the achievements of Paris, to present a strong counter balance towards the US climate scepticism and to increase coherent policy initiatives and investments in order to achieve universal energy access by 2030. In times of increasing populist incentives and a looming Brexit that may alter the dynamics of spending patterns within the Development Cooperation Instrument, it is important to improve the internal coherence of European energy development cooperation policies, to pool resources and further align joint undertakings. However, this can only be successful if the involved stakeholders, in their scope of sharing competences, pursue the same goal. If individual competition between the involved stakeholders, namely the various departments of the European institutions dealing with energy and climate change, External Action Service and European delegations is decreased, resources and knowledge get shared in a more coordinated and coherent manner and Europe starts speaking with one voice again, at least in pursuit of achieving the 2030 agenda.

Recommendations

In order to achieve the targets of the 2030 Agenda, coherent and coordinated policy action beyond the nation state is needed. With regard to the European Union this means:

1. Coherent policy making and further coordination of energy policies targeting international development cooperation

The various departments within the European institutions working on climate and energy policies are encouraged to streamline their agenda and activities to improve knowledge exchange and coherent policy making. After all, the multitude of departments across the Commission, competing interests regarding neighbourhood and international cooperation policies imbalances Europe's ability to speak with one voice and make appropriate use of the resources already in existence.

2. Increasing information and knowledge exchange on sector-specific developments and pooling of resources.

Without inter-institutional coordination and coordinated approaches towards the increasing number of international initiatives (e.g. SE4All, Covenant of Mayors) only a fraction of what is actually achievable will be implemented in the end.

References

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