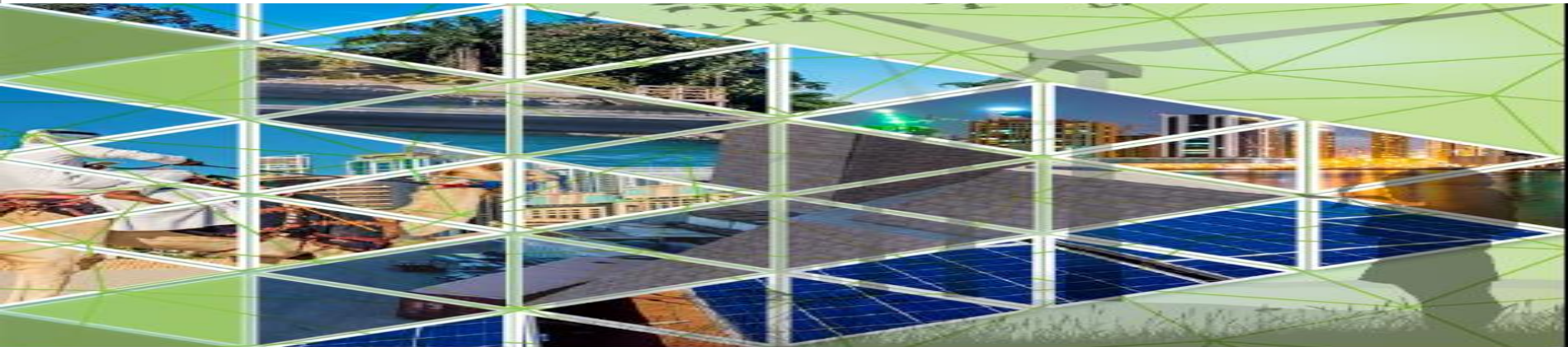




Regional Preparatory Meeting on Energy Issues for the 2018 Forum on Sustainable Development and High Level Political Forum

Beirut, Lebanon, 27-28 March 2018



Global Tracking Framework Regional Report – Arab Region Progress in Sustainable Energy: Key findings

<https://www.unescwa.org/publications/gtf-regional-report-arab-region-progress-sustainable-energy>



UNITED NATIONS

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Energy and Development in the Arab Region: Key Regional Challenges

- Natural resources unequally distributed
- High vulnerability to climate change
- Water scarcity
- Land degradation
- Food Security
- High dependency on fossil fuel
- Increasing vulnerability to international energy price fluctuations
- Very low, subsidized prices for energy, electricity and water
- Access to finance and technology
- War, regional instability and mass migration

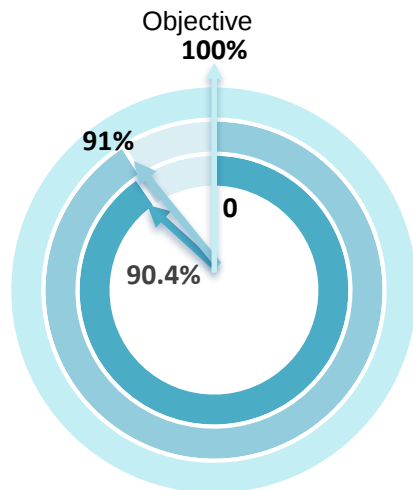


Sustainable energy systems is a crucial priority, especially to meet the expectations of the overwhelmingly young populations for economic opportunities and improving living standards.

Status and Achievements

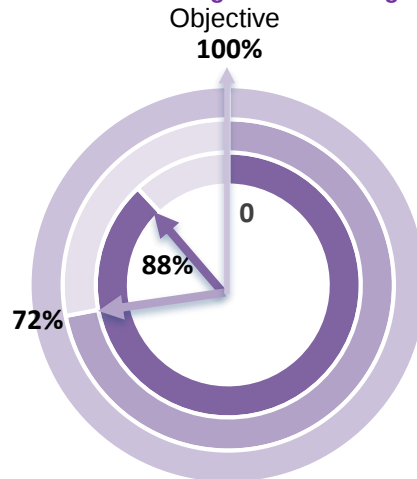
Near-universal access to modern energy but very slow progress in energy efficiency and a marginal role of renewable energy

SDG 7.1.1: Electrification



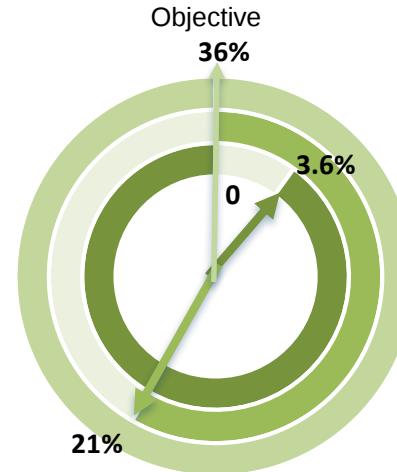
- Access to electricity, 2014, Arab region
- Access to electricity, 2030, IEA estimates, globally
- 2030 Target: Ensure universal access to electricity

SDG 7.1.2: Clean Fuels and Technologies for Cooking



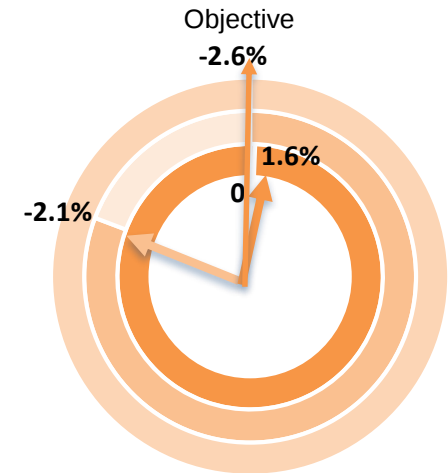
- Access to CFTs, 2014, Arab region
- Access to CFTs, 2030, IEA estimates, globally
- 2030 Target: Ensure universal access to CFTs

SDG 7.2: Renewable Energy



- Renewable energy share of TFEC, 2014, Arab region
- Renewable energy share, 2030 - IEA estimates, globally
- 2030 Target: Double the share of renewable energy in the global energy mix

SDG 7.3 : Energy Efficiency



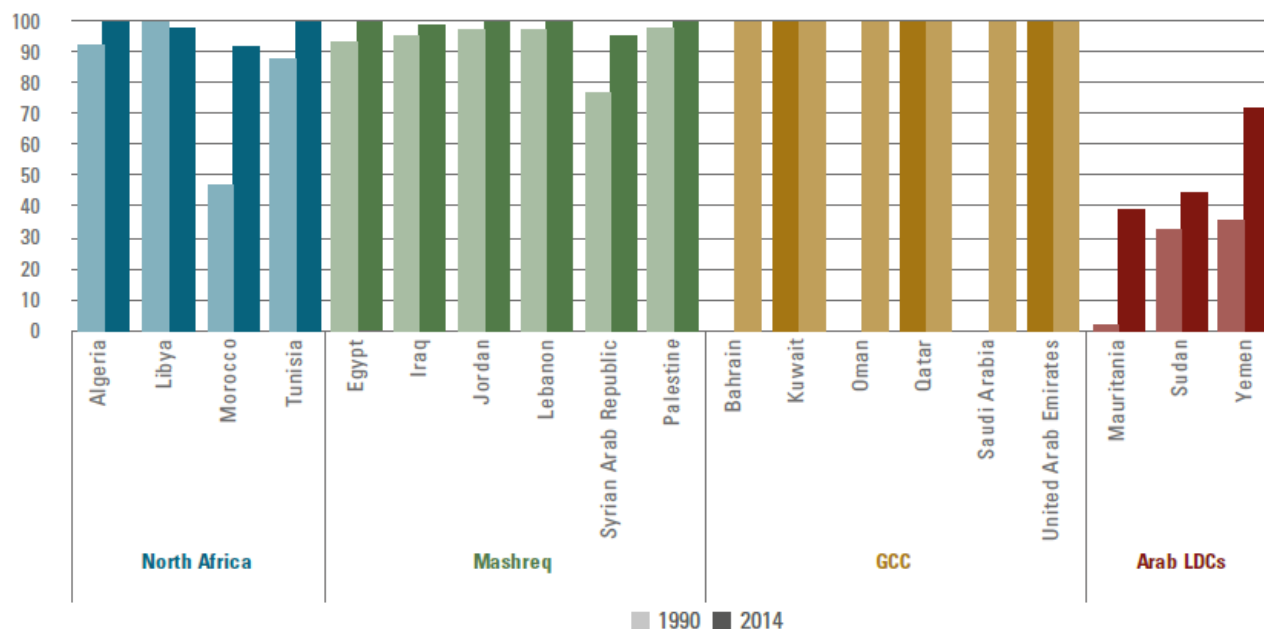
- Change in energy intensity, 2010–2014, Arab region
- Compound annual growth rate of primary energy intensity, 2012–2030, current trends, globally 2030
- 2030 Target: Double the global rate of improvement in energy efficiency, expressed as compound annual growth rate of primary energy intensity

- ❑ Significant gaps to EA in the LDC
- ❑ Access to CFTs remains precarious in the Arab LDCs (less than 40%)
- ❑ RE still concentrated in a few Arab countries, dominance of Hydro-power
- ❑ Over 2/3 of the region's consumption of RE is based on biomass in rural area
- ❑ The only world region where energy intensity has been increasing, not declining since 1990
- ❑ Energy net exporters in GCC and North Africa drive the regional trend in rising energy intensity
- ❑ Residential and service sectors account for at least 2/3 total annual electricity consumption

Energy Access (EA): Many countries in the region are not able to provide adequate energy services for a significant portion of their population

- Inequalities in access to natural resources
- Growing rate of urbanization
- Urban-rural divide
- Significant gaps in the LDC
- Income divide
- Frequent disruptions in energy supply
- Insufficient generation capacity & network quality;
- Informal housing;
- Conflict and political instability
- Mass migration

Share of population with electricity access in the Arab region, 1990 and 2014 (%)



*Data gaps: Bahrain (1990), Oman (1990), Saudi Arabia (1990)

Source: World Bank (2017a).

Renewable energy (RE) : still a largely untapped resource despite recent efforts involving several Arab countries

RE Issues	Measuring RE and harmonization of Definitions
Cost barriers (i): Cost of technology: Modern RE technologies such as wind and solar were long not cost-competitive (ii): Cost barriers Fossil fuel pricing and subsidies: Prices for electricity and competing fossil fuels are so low that utilities have no incentive to use RE, nor do final consumers Technological challenges. Intermittency, viability of decentralized feed-in generation. Market design. Lack of utility market liberalization means utilities have no incentive to experiment with new technologies to drive down costs. Consumers have no choice over the source of their electricity supply. Political will and policy priority. Enhanced policies and market frameworks would have the potential to be 30% higher in the MENA region by 2021 (<i>accordingly to IEA accelerate case medium term outlook</i>). Missing other incentives. Lacking “fit” of energy security argument in fossil fuel exporters, low profile of environmental policy in energy market design.	▪ Biomass is not by definition a modern fuel. The efficiency of biomass – whether modern or traditional – does not compare to RE technologies such as solar, wind or hydropower. ▪ Measuring and tracking the sustainable use of solid biofuels – and bioenergy in general – at country level is extremely complex for at least the following reasons: - the assessment of sustainability relates to multiple dimensions with their own set of indicators. - the assessment is applied at a “situation” level, - measurement is data-intensive and few data are in the form required, - periodic tracking would require an organizational structure and data-collection platform that few countries have.

Energy efficiency (EE) – The Arab region lacks sustainable resource management, particularly in the areas of EE

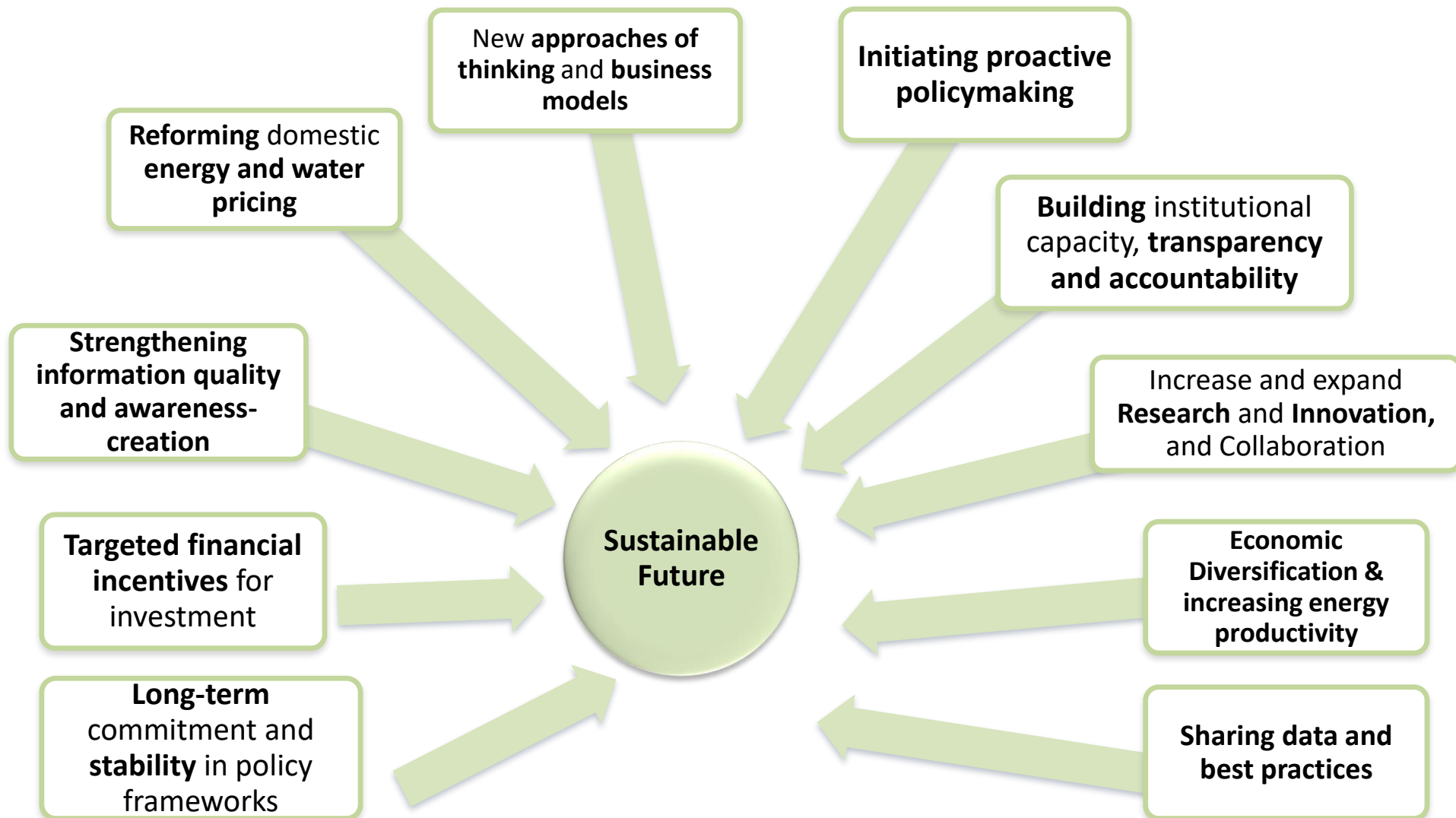
Energy efficiency : Key issues

- **Cost of energy to consuming sectors** (*industries, utilities, final consumers*)
- Limited motivation to invest in EE improvement: **Very low, subsidized prices for energy, electricity and water** for End User
- **Infrastructure:** Lag in availability and inadequacy of public transport systems, aging fleets, increasing mobility
- **Structure of local economies** (energy-intensive industrialization)
- **Market design** in key energy-consuming sectors (utilities, industry): state companies versus **competitive markets**
- **Lack of policy priority and capacity:** regulation deficits, market incentives
- **Deficiency of financial** products suited to the needs
- **Information deficits:** missing data and consumer information

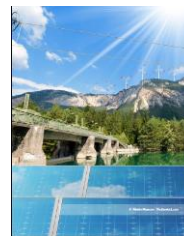
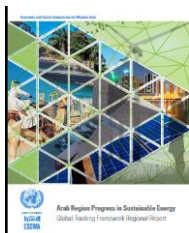
Measuring energy efficiency

- **Data harmonization:** no standardized measure of energy efficiency
- **Measuring energy efficiency through energy intensity:** - using energy intensity as a proxy for energy efficiency would require more detailed disaggregation of data to sectors, subsectors and individual end-use activities..

Without rapid progress in the area of secure, affordable and clean energy (SDG 7), it will be impossible to deliver on other Sustainable Development Goals by 2030 within the Arab region



Policymakers are key for accelerating progress in sustainable energy over the coming years.



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Economic and Social Commission for Western Asia

Thank YOU



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