



UN Energy Multi-Partner Trust Fund

Administered by the UN Multi-Partner Trust Fund Office



Progress report 2020

Purpose:

The 2030 Agenda for Sustainable Development, with its 17 Sustainable Development Goals (SDGs), and the Paris Agreement on climate change provide a pathway for a more prosperous, equitable and sustainable future for people and the planet. Despite considerable initial efforts however, the world is at risk of falling short of achieving many SDGs by 2030. At the same time, while COVID-19 is the most urgent threat facing humanity today, climate change remains the biggest threat over the long term and progress towards dealing with it remains grossly inadequate. We must dramatically step up the pace of implementation during the first years of the Decade of Action to deliver the 2030 Agenda as well as the objectives of the Paris Agreement. Energy lies at the heart of both the 2030 Agenda and the Paris Agreement. Sustainable Development Goal 7 (SDG7) represents a first-ever universal goal on energy, with five targets to be achieved by 2030.

Energy is inextricably linked to climate change and many other SDGs, including poverty eradication, food security, health, education, prosperity, gender equality, jobs, transport, ocean, water and sanitation, and the empowerment of women and youth. The Global Sustainable Development Report (GSDR) 2019 identified “energy decarbonization with universal access” as one of the entry points that offer the most promise for achieving the transformations towards sustainable development at the necessary scale and speed. Without urgent action, however, the world will fall short of SDG7 achievement.

Concerted efforts in many countries are expanding electricity access, including through off-grid energy systems. Yet, close to 800 million people still lack access to electricity at present. About three billion people remain without clean cooking solutions, causing millions of premature deaths annually, disproportionately affecting women. While the investment in renewables is expected to outpace the investment in fossil fuel power plants by a wide margin notwithstanding the COVID-19 shock, much more is needed as the deployment of renewables is lagging especially in transport, industry, heating and cooling. Global energy efficiency improvements must increase significantly.

UN-Energy is the principal interagency mechanism within the United Nations system related to energy, under the auspices of the Chief Executive Board of the United Nations. The need for UN inter-agency collaboration continues to be relevant as 2030 approaches and achieving SDG7— affordable, reliable, sustainable and modern energy for all — is not on track without coordinated effort and attention.

The purpose of the UN-Energy MPTF is to support UN-Energy activities aimed at accelerating progress towards SDG7 achievement in support of the 2030 Agenda and the Paris Agreement, in line with UN-Energy Work Plan priorities for the next biennial period of 2021/2022. The UN-Energy MPTF will support UN-Energy activities under the overall direction of the UN Energy Co-Chairs, namely, the Special Representative of the Secretary-General (SRSG) for Sustainable Energy for All and the Administrator of the United Nations Development Programme (UNDP), with the support of the UN-Energy MPTF Fund Secretariat.

Results:

This first report presents the activities undertaken and results delivered in 2020 and centers mainly on progress in establishing the Fund.

1) Development and endorsement of the Terms of References

The UN-Energy MPTF was initially established as the Sustainable Energy for All (SE4ALL) Multi Partner Trust Fund on 28 November 2012. To catalyse collective action on energy as we move into the Decade of Action to achieve the Sustainable Development Goals, the SE4ALL MPTF was extended for an interim period, initially until at least 31 December 2021, under the new name of 'UN-Energy MPTF' to reflect the need for dedicated support to ensure acceleration of SDG7 implementation through coordinated action by the UN-system.

In November 2020, The Terms of Reference of the old UN fund were re-created to align the focus of the MPTF with the overall focus of UN-Energy, i.e. to accelerate progress towards achieving SDG7 goals in support of the 2030 Agenda for Sustainable Development and the Paris Agreement on climate change.

2) Establishment of two funding windows

To act as a catalyst, two clearly defined funding windows for the UN-Energy MPTF were created:

- a) **Global Window:** Under this Global window, the UN-Energy MPTF will support global activities undertaken by the Recipient Organisations under the overall substantive guidance of the UN-Energy Co-Chairs. In order to mobilise all stakeholders to deliver specific actions, the activities under the Global Window will focus on undertaking global advocacy, policy analysis/guidance and knowledge management, facilitating secretariat functions such as convening, liaison, facilitation, analysis, mobilising, tracking and troubleshooting to help facilitate the overall activities of UN-Energy.
- b) **Country Window:** Under this window, the UN-Energy MPTF will support activities of UN-Energy organisations carried out on the ground. It aims to improve in-country coordination and relate to technical assistance, capacity building, project development and facilitating access to investment resources, based on national ownership, in-country demand through the UN Resident Coordinators, UN organisations, international development organisations, and other relevant partners. Accelerating country action is a critical success measure for the overall initiative, which seeks to engage all countries in activities to achieve the three objectives. Multistakeholder partnerships facilitated by UN-Energy organisations will also be supported.

3) Elaboration of matrix of results

The co-chairs together with the Fund Secretariat finalized a robust result matrix to enhance results orientation reporting for the Fund. The results matrix will be used to report against the outcomes stated in its next annual report. See annex 1 for more details.

4) Coordination and consultation between relevant entities

Significant in-kind support from co-chair organization as well as the Fund's secretariat was invested in the establishment of the UN Energy MPTF Fund in 2020. This included regular coordination meetings between the co-chairs and the Secretariat to design various elements of the Fund, including the Terms of References, as well as support to development of technical documents such as the results matrix. This paved the way for operationalization of the Fund in 2021 and mobilization of resources to enable the implementation of the UN Energy activities in line with the UN Energy Plan of Action for 2020-2021.

Way forward:

A new and major new agenda emerged in early 2020, with the announcement of the High-Level Dialogue on Energy to take place in September of 2021 and in response to a resolution taken by the UN General Assembly in its 2019 session. This being the first meeting at Summit level on energy since 1981, the importance and timeliness cannot be overstated, in view of the lack of progress on SDG7, with less than 10 years to go until 2030, as well as the Paris goals, and the need to build back better following the Covid pandemic.

Given this, the UN Energy MPTF will support UN Energy's shifted focus toward providing support to the UN HLD on Energy during the course of 2021, following the appointment of its Co-Chairs by the SG to be Co-chairs of the Dialogue and the UN Energy secretariat as the Secretariat for the Dialogue, and charged with providing both technical and organizational support to the process. See annex 2 for more information on UN Energy priorities for 2021.

UN-Energy will also support the efforts to mobilise voluntary commitments from Member States and other multi-stakeholders in the form of "Energy Compacts" that will detail key outcomes, milestones and implementation timelines with clear tracking frameworks towards 2030. The Energy Compacts are designed to reinforce and complement the Nationally Determined Contributions, representing political will, ambition, and increasing support specifically for energy goals.

In 2021, the HLD and the UN Climate Conference (COP26), and the preparatory processes leading up to those key events, represent important opportunities to influence national and local policymakers, finance institutions, business leaders and others on how to support the full achievement of SDG7 and the Paris Agreement. The UN Energy MPTF support to the UN Energy during the course of 2021 will convey and take advantage of these critical moments and to ensure accelerated progress and increased ambition towards SDG7 by 2030 and the net-zero goal of the Paris Agreement by 2050.

Annex 1 – Results framework/Theory of change for UN-Energy MPTF

Impact

Countries are on track to achieve their SDG7 targets by providing universal access to energy (both electricity and clean cooking) to their populations and by transforming their energy systems and transitioning them to become long-term fully sustainable and de-carbonized. Achieving this will enable countries to attain many of the other SDGs.

Overall outcome

Countries adopt sustainability and “leaving no one behind” as the guiding principle to reform their energy sector and its governance, and put in place the enabling policy conditions, reforms, incentives, business models, and partnerships to catalyze greater action and investment in sustainable energy solutions.

Intermediate Outcomes

Outcome 1 – Increased level of political will results in countries having reinforced and integrated energy goals and targets aligned with SDG7 and the Paris Agreement ambitions into national strategies and development planning through multi-stakeholder collaboration.

Output 1.1 – Successful High-level Dialogue on Energy undertaken in 2021

Output 1.2 – Ongoing, periodic, advocacy events and activities at global and regional level

Output 1.3 – Annual stocktaking/progress SDG7 event in Sept of each year, starting in 2022 until 2030

Output 1.4 – Health and Energy Platform of Action fully operational/enabled to promote electrification of healthcare facilities and clean cooking.

Outcome 2 – Increased level of investment (public and private) available and flowing into the sector results in countries implementing evidence-based, energy sector reforms, in line with national priorities.

Output 2.1 – Energy Compacts agreed and in place in countries, with clear plans, milestones and targets that chart a pathway to achieving SDG7 goals and targets.

Output 2.2 – Joint energy sector interventions by UN Energy members in priority countries.

Output 2.3 – Diagnostics, assessments and policy analysis undertaken in priority countries, coordinated through UNCT

Output 2.4 – Financing partners mobilized and engaged, through UNCT.

Outcome 3 – Individual, institutional and planning capacities for energy sector action, including for creating energy access (through electrification plans and clean cooking strategies) and transition their energy system strengthened at national and local level.

Output 3.1 – Diagnostics, undertaken to assess needs for strengthening capacities at various levels in priority countries, coordinated through UNCT

Output 3.2 – Capacity development support provided through UN Energy members to national institutions in priority countries, coordinated through UNCT.

Output 3.3 – National level training programs developed and delivered, coordinated through UNCT.

Outcome 4 – UN system has a coordinated and coherent approach to energy sector support to countries and an improved knowledge base that can serve to inform and guide countries in building their capacity to achieve their energy goals.

Output 4.1 – Fully functional UN Energy as the main coordination mechanism at the global level with regular meetings, dedicated website, annual report, and yearly advocacy event to showcase UN System’s results and impacts on energy at all levels.

Output 4.2 - Mapping of ongoing initiatives and activities by UN-Energy members on energy access and the energy transition.

Output 4.3 – Development of tools, guidelines and knowledge products that further, facilitate and accelerate the implementation of SDG7 in countries.

Output 4.4 – Global and regional leadership and training programs and packages developed and delivered.

Annex 2 – UN Energy MPTF Priorities for 2021

Priority Actions for 2021

1. Supporting the UN High-Level Dialogue on Energy

With just 9 years to meet global energy goals, and with global momentum pressing for action on climate ambition, and to build back better and more sustainably post-COVID, the High-level Dialogue on Energy aims to capitalize on this once-in-a-century opportunity to push for bold action on energy access and transition with the first UN leaders-level summit on energy in 40 years.

The High-level Dialogue on Energy focuses on five broad themes, namely, i) energy access, ii) energy transitions, iii) enabling SDGs through inclusive, just energy transitions, iv) innovation, technology and data, and v) finance and investment. Each of the five themes will be supported by a multi-stakeholder Technical Working Group (TWG).

UN-Energy, in collaboration with relevant international organisations and other stakeholder groups, will provide support for the TWGs to help identify substantive challenges and opportunities. UN-Energy will also support the efforts to mobilise voluntary commitments from Member States and other multi-stakeholders in the form of “Energy Compacts” that will detail key outcomes, milestones and implementation timelines with clear tracking frameworks towards 2030. The Energy Compacts are designed to reinforce and complement NDCs, representing political will, ambition, and increasing support specifically for energy goals.

The HLD and COP26, and the preparatory processes leading up to those key events, represent important opportunities to influence national and local policymakers, finance institutions, business leaders and others on how to support the full achievement of SDG7 and the Paris Agreement. The outreach and work is underway now to convey this critical moment and to begin securing Energy Compacts from the most influential countries and institutions in advance of the fall events.

The Co-Chairs of UN-Energy were appointed by the Secretary General to be the Co-Chairs of the HLD on Energy and, as such, the primary focus of UN-Energy in 2021 will be to utilize the opportunity of this leadership and the High-level Dialogue to drive this progress forward.

More specifically, the role of UN Energy is to facilitate substantive content development, multi-stakeholder mobilization and inter-agency support. The support consists of:

- Leading the curation of discussions in the Technical Working Groups and by providing technical input and guidance.
- Leading the process of originating and developing *energy compacts*, provide technical guidance, including in assisting with the planned due diligence process to be applied.
- Supporting efforts to catalyze Energy Compacts, including through outreach to target countries, companies and multi-stakeholders;
- Leading on the monitoring of metrics – sets of indicators tracked and publicized by UN-Energy, including planning a post-HLDE strategy for Energy Compact tracking and monitoring
- Assist mobilizing multi-stakeholder partnerships that aim to accelerate progress towards achieving SDG7 targets, aligned with the HLD on Energy.

- Provide any required inter-agency support to aspects of the HLD process as may be required.
- Support overall planning and day-to-day coordination of UN-Energy activities related to the preparatory process of the HLD, including high-level events and technical-level meetings in the lead up to the Dialogue as well as the day of the Dialogue.

2. Three-year workplan 2022-2024 and new strategy for UN Energy for the current Decade of Action

In 2021 UN-Energy will build on the first substantive principals meeting of UN-Energy on 9 December 2020. At that meeting the Co-chairs presented the meeting with an ambitious set of aims for the body (see attached) including a visionary pledge for UN-Energy organisations. During 2021 UN-Energy will further refine this strategy to develop a new three year workplan and a strategy for UN Energy for the current Decade of Action, aligned with the outcomes of the High-Level Dialogue, including a plan for resource mobilization for the re-defined UN Energy Multi Partner Trust Fund (MPTF).

Additional activities of an ongoing nature

3. Information sharing, data and public presence

UN-Energy will coordinate and share information and data, growing the public presence and profile of UN-Energy at selected opportunities. This action item is of an ongoing nature, with deliverables mostly linked to the High-Level Dialogue in 2021, except for a revamping of the website (sub-item d) below).

- a. UN-Energy members commit to sharing information regarding their programming and work on sustainable energy, but also to better exchanging data related to progress to SDG7 and provide any necessary support to Member States.
- b. To facilitate information-exchange the UN-Energy Secretariat will investigate how to more effectively allow UN-Energy members to exchange information and whether there could be a more effective common structure for this exchange.
- c. Given the diffuse and diverse nature of UN resources committed to sustainable energy UN-Energy members commit to stock-take and exchange information on financial and personnel resources committed globally in this area.
- d. The secretariat will also review the current UN-Energy website and suggest ways for improvement to ensure a more accurate and high-profile presence for the body.