

## AGORA Brief – December 2013

### **PARLIAMENTS & RENEWABLE ENERGY**

Development of renewable energy resources can address many short-term challenges faced by the citizens of developing countries, while guaranteeing that society is set on the right track to energy security and greater prosperity. But these resources cannot be tapped without establishing the right incentives and legal frameworks.

This first AGORA Brief offers a preview of UNDP and Climate Parliament's 'RENEWABLE ENERGY FOR PARLIAMENTARIANS: A HOW-TO GUIDE', which seeks to assist parliamentarians who wish to promote renewable energy development. This brief has been supplemented with news and case studies that have been published on the [AGORA Portal](#) in the past year<sup>1</sup>.

### **Why renewable energy?**

The development of renewable energy provides a range of benefits. It can create significant economic and employment opportunities and help secure new investments in a wide range of industries, both at local and national level. Renewable energy technologies also provide a unique opportunity to curb carbon emissions without compromising access to energy, which has important implications for slowing **climate change**. Thirdly, developing a country's national renewable resources will create access to energy that is inexhaustible, thereby reducing a country's reliance on foreign resources and strengthening its **energy security**. Moreover, whether used on a mass scale to power a city, or on a small scale to run a village mini-grid, renewables bring considerable **health benefits** by providing clean, safe energy without the negative impacts of fossil fuels.

Beyond these broader benefits, renewable energy is an important catalyst for **rural electrification**. Many rural communities in the developing world have access to at least one form of sustainable energy, be it strong sunshine for solar, a river for micro-hydro or reliable wind for a wind turbine. These resources can be harnessed to provide clean electricity even in communities far from the national grid. This illustrates how, in the coming years, renewable energy has the potential to transform economies throughout the world.

### **Building a Policy Framework**

Facilitating access to renewable energy is one of the most critical long-term policy decisions a country can make, but it requires considerable work on a number of different fronts. Beyond certain technical and economic barriers that have slowed the development of renewable energy, the greatest barrier to

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poly, often a state-owned utility, which is in full control of generation, distribution and the sale of electricity to consumers. This provides very little incentive for the development of alternative technologies. A related challenge is the bureaucracy that must regulate and approve the development of electricity generation (or heating or transport fuel).

The development of on-grid renewable energy can be substantially accelerated by ensuring the policy and legal framework is fully coherent and the decision process transparent. **Building a robust policy framework** is an important prerequisite for the successful domestic development of renewable energy. Here, too, a wide range of options is available.

## Ethiopia Spearheads Green Energy in Sub-Saharan Africa

With its multi-billion dollar projects in wind, hydropower, solar and geothermal energy, Ethiopia's pioneering green energy efforts aim to supply power to its 91 million people and boost its economy by exporting power to neighboring countries. "Ethiopia stands alone in Africa as using green energy for transformative growth," said Ahmed Soliman, from Britain's Chatham House think tank. Current energy production capacity stands at 2177 megawatts (MW), with ambitions to reach 10,000 MW by 2015.

The Ashegoda project was built by France's Vergnet Group, and is the first of several planned wind farms in the country. 780 kilometers (484 miles) from Addis Ababa, Ashegoda is part of ambitious plans to transform Ethiopia into a middle-income, carbon-neutral country by 2025. The \$313 million (230 million-euro) wind farm, funded by the French government and several private French banks, is an indication of growing interest from European companies in Ethiopia, where Chinese, Indian and Turkish investments are also growing.

"Health, education, communication, water supply, industry, these all need sustainable and reliable power supply," Minister for Water and Energy Alemayehu Tegenu said. Only 53 percent of the country currently has access to electricity, with large swathes of rural regions in the dark and relying on firewood for basic household needs.

"Unless you have this kind of ambitious plan, the pace of population pressure will take over and you won't see any change," said Belay Simane, professor of environment at Addis Ababa university.

The country is already exporting power to Djibouti and Sudan, with a line to transport energy to Kenya under construction. Soliman said it will solidify Ethiopia's role as a leader in green energy in the region. The hard currency earned from these power exports will go toward increasing the number of renewable energy projects in Ethiopia, according to the government.

Heavy investment in the green energy sector extends beyond economics: the country is keen to avoid the mistakes of countries such as China or India, that experienced rapid economic growth but with grave environmental costs.

"If we invest in these resources, we can develop in a green way without affecting the environment like they did in Europe," said Fisseha Gebremichael, Ethiopian Electric Power Corporation's Ashegoda project manager.

Alemeyahu said he hopes Ethiopia's aggressive investments in wind and other renewable energy resources will persuade other African countries to follow suit. "We don't want to keep African populations in the dark for a long time, we have to run very fast to access light for industry and for social and economic development," he said.

As a first step, governments can choose to employ some immediate policy changes that allow for swift deliveries (**short-term actions**) such as setting national targets, simplifying regulations and awarding subsidies. This will serve to send clear signals on the government's commitment to renewable energy development, which is an important first step in securing investments and building an overarching regulatory framework.

Following this, some of the most prevalent policy options in place today require a more extensive and therefore time-consuming review of the legal framework (**long-term actions**) such as feed-in tariffs, quota mechanisms and tenders. These options can be adopted to further strengthen the regulatory framework as the renewable energy sector grows.

### **Women and the renewable energy sector: Creating opportunities**

When establishing a framework to promote renewable energy sources, it is important to create a policy environment that enhances equal economic opportunities for women. This includes supporting government efforts to remove the legal, administrative and financial constraints on women's economic advancement as well as providing incentives for women's employment in the energy sector.

Measures can take the form of flexible policy options informed by local experience and consultation. This includes anti-discrimination laws, carefully designed quota-systems and targeted investments that help reduce wage gaps and gender-based job segmentation in the energy sector.

**Source:** *Gender and Energy, 2012, United Nations Development Programme.*

### **What can parliamentarians do?**

The development of renewable energy cannot be achieved without **political leadership**. Parliamentarians have all the levers they need in order to act: they vote on laws, impose taxes and approve state budgets; they oversee the operations of government and have direct access to Ministers, Prime Ministers and Presidents; they can influence national policy, build strong legal frameworks, direct spending in new directions, and establish stronger policies and targets for action on renewable energy. In short, the transition to a post-fossil fuels world will benefit considerably from the support of parliamentarians ready to use their political capital for the promotion of renewable energy.

Concretely, parliament's three core functions provide many different entry points for parliamentary action. Through **law-making**, parliamentarians can propose or amend legislation that will strengthen the legal framework and the policies pertaining to renewable energy development. Their **oversight** function empowers them to monitor the government's implementation of set policies and targets, and allows them to hold the government to account. Closely linked to this is a parliament's power of the purse. As

the **state budget** is considered and approved by the parliament on an annual basis, parliamentarians can push for budgetary provisions dedicated to renewable energy development.

Lastly, in their role as **representatives** of the people, parliamentarians play an important role in soliciting constituent feedback and building community support for renewable energy projects. Engaging constituents on the benefits of renewable energy can be instrumental in the successful implementation of a project.

### **Bangladesh: Parliamentarians Submit Memorandums to Ministers of Finance and Power: Implement SREDA**

Members of Parliament from the Bangladesh Awami League, Bangladesh Nationalist Party and Bangladesh Jatiya Party submitted their joint memorandums to the Ministers of Finance and Power, Energy and Mineral Resources on 11 November, asking for the speedy implementation of the SREDA Act (Sustainable and Renewable Energy Development Authority), and for timely and adequate financial support to the renewable energy sector in the country. The cross-party MPs are the members of Climate Parliament Bangladesh Group.

Climate Parliament MPs in Bangladesh have played a significant role in the formulation and enactment of the SREDA Act. Mr. Tanvir Shakil Joy, MP and the convener of Climate Parliament Bangladesh Group in the Jatiya Sangsad Bhaban (the National Parliament of Bangladesh) said:

“Our cross-party group of MPs is committed to see renewable energy as an important tool for the country’s development. The country’s renewable energy policy has put an ambitious target of 5% of total power generation from renewable sources by 2015 and 10% by 2020. Thus, a well-thought institutional mechanism, dedicated for promoting clean energy, is crucial.”

The memorandum demands, among others, adequate budget allocation, administrative, infrastructural and logistical support to SREDA. It also recommends a review of the Renewable Energy Policy 2008 and formulation of a roadmap, estimation and ground validation of renewable energy potential of the country, strengthening of local manufacturing capability and the establishment of a ‘one stop window clearance’ for renewable energy projects.

**Source: Climate Parliament for ‘Blitz’, November 17<sup>th</sup> 2013, <http://weeklyblitz.net/2013/11/parliamentarians-submit-memorandums-ministers-finance-power-implement-sreda/>**

In addition to the specific tools provided by the parliament’s Rules of Procedure, parliamentarians also have a less well-defined authority that enables them to **advocate** effectively on an issue that they feel is of particular importance. Such advocacy is best done in cooperation with other political actors. Outside of parliament, parliamentarians can build a coalition of those who support the development of renewable energy, such as community leaders in off-grid regions, industry figures and investors. Such a coalition can

## Taking parliamentary action

As detailed in the previous section, parliamentarians have many different tools at their disposal through which they can take parliamentary action on renewable energy. The following is an overview of some of the steps that have been taken by parliamentarians around the world, and of the best practices identified by UNDP and the Climate Parliament.

### PARLIAMENTARY ACTION POINTS

#### ASKING QUESTIONS

To understand how their country is performing with regard to renewable energy development and energy access more broadly, parliamentarians can ask parliamentary questions. Research should help contextualize these questions to account for national or regional specifics, but the following 'model questions' may help:

- To what extent are we meeting the population's energy needs? What percentage of the population remains without secure energy access?
- Is intermittency an issue? If so, on what scale, and to what extent is this deterring economic development and investments?
- What do projections indicate with regards to future energy demands? Will we be able to meet growing energy needs with our current generation capacity? How much added capacity do we expect to need, and what strategies are in place to secure this?
- What percentage of the current energy creation is generated through renewable energy ?
- What research has been done to explore the potential of renewable energy development? What does this research project in terms of potential generation capacity, costs and so on?
- Have official renewable energy targets been adopted? Can these targets be reached in the timeframe set?

#### ENGAGING CONSTITUENTS

Parliamentarians, as representatives of the people, can engage citizens on the issue of renewable development by:

- **CONSULTING CONSTITUENTS.** Explore where your constituents stand on this issue, and what kind of local support exists. Are people aware of the potential of renewable energy development for their region? If not, what can be done to educate them with regard to the benefits of renewable energy? Is there a preference for a certain type of technology? Do people feel it could make a tangible difference to their daily lives and economic opportunities?

- **ENGAGING CIVIL SOCIETY ORGANIZATIONS.** CSOs working on renewable energy development, energy access and so on may, through their own research and advocacy on the subject, have already done a lot of legwork. You could take on their suggestions with regard to pilot projects or potential developments, and use their invaluable help to build local support.

## SOLICITING EXPERTISE

Many of the decisions involved in promoting renewable energy development require technical expertise beyond the scope of the work of a parliamentarian. However, parliamentarians can solicit such expertise in a number of ways:

- **COMMISSIONING RESEARCH AND IMPACT STUDIES:** Research and impact studies can go a long way towards convincing your fellow parliamentarians, and relevant government officials, of the potential of renewable energy development. Such studies should always be gender-sensitive and should carefully assess the impact on vulnerable groups such as minorities, indigenous peoples and youth.
- **CONSIDERING BEST PRACTICES:** With renewable energy development significantly on the rise, countless examples exist for governments to draw on. With the assistance of CSOs, experts and parliamentary networks, parliamentarians can collect pilot projects and best practices that might be replicated in their own countries and constituencies.

## BUILDING CROSS-PARTY NETWORKS

Parliamentarians are likely to be more successful if other MPs support their views. Cross-party collaboration is particularly effective where renewable energy is concerned, and can take many forms:

- **COMMITTEES AND PARLIAMENTARY GROUPS:** Working with a parliamentary committee or parliamentary group to gather broad-based support for the draft law or amendment will amplify its impact and increase its chances of success.
- **CROSS-PARTY NETWORKS OR MULTI-PARTY CAUCUSES:** Recently, it has become more common to create a group, or caucus, that includes like-minded MPs from different political parties who agree on one issue or policy. Such a group could promote development of renewable energy in parliament and provide added confidence for investors, as proposals with support from across the political spectrum are less likely to be altered following a change of ruling party.
- **NON-BINDING RESOLUTION:** Where the space for introducing draft laws and amendments is limited, parliamentarians may want to look at the introduction and adoption of a motion or resolution by the parliament that endorses the development of renewable energy sources. These are non-binding and do not have the legal effect of a law, but can send a statement to the government that the parliament considers this issue important and is encouraging the government to act.

## Chile and India collaborate on renewable energy plans

Chile has called upon India's burgeoning renewable energy expertise to help the country implement and diversify its renewable energy sector. Chilean energy minister Jorge Bunster has met with Farooq Abdullah, Indian minister of new and renewable energy, to discuss Chile's plans to augment and diversify its renewable energy matrix.

India hopes that the countries' cooperation will strengthen their relationship and create new channels for investment, development and knowledge sharing. Abdullah has visited Chile's ALMA observatory and its energy projects in the Atacama desert, offering the Chilean government five places for students at the Ministry of New and Renewable Energy's institute in New Delhi.

"We'll start their course straight away so there is no delay," Dr. Abdullah told Chilean newspaper the Santiago Times. "Chile will start advancing with green energy in the coming year."

Earlier this year, Chile began taking its first tentative steps towards expanding its renewable energy sector. Its upper house recently passed a revised renewable energy bill that stipulates the country must produce 20% of its energy from renewable sources by 2025.

*Source: PV Magazine, September 23<sup>rd</sup> 2013: [http://www.pv-magazine.com/news/details/beitrag/chile-and-india-collaborate-on-renewable-energy-plans\\_100012808/#ixzz2fzT9y0Ti](http://www.pv-magazine.com/news/details/beitrag/chile-and-india-collaborate-on-renewable-energy-plans_100012808/#ixzz2fzT9y0Ti)*

## Want to learn more?

To learn more about how parliaments can promote renewable energy development, please consult the 'RENEWABLE ENERGY FOR PARLIAMENTARIANS: HOW-TO GUIDE', available on the AGORA Portal. The Guide offers a wide range of case studies as well as several additional 'parliamentary action points' to be used by parliamentarians and parliamentary staff in their work on renewable energy.

The Guide was developed within the framework of **Parliamentary Action on Renewable Energy (PARE)**, a joint project by UNDP and the Climate Parliament, created to help MPs in the developing world to design and implement policies on renewable energy. The PARE project is implemented with the support of the European Commission and the Danish Ministry of Foreign Affairs. For more information on UNDP's work on renewable energy, please [click here](#). For more information on the activities of the Climate Parliament, please [click here](#).

## Renewable Energy on AGORA

To keep informed of new initiatives, projects and parliamentary action on renewable energy, please join AGORA's [Climate Parliament Network Group](#). You may also want to consult the AGORA's Arab Digest on Renewable Energy and Energy Efficiency, available [here](#).

Beyond the updates shared in this group, you are invited to consult the [virtual library](#) and the available [knowledge pages](#). The [AGORA Blog](#) also features regular posts on climate change and renewable energy. For questions or comments, please contact the AGORA team at [info@agora-parl.org](mailto:info@agora-parl.org).