



Agenda Item 6 – 18th session of the Group of Experts on Cleaner Electricity Systems

Financing cleaner energy technologies within a carbon neutral framework

Session 3

20 September 2022, 10.00 – 12.00 CEST (Geneva time)

Objective: The Group of Experts will discuss the financing of cleaner energy technologies with key members of the international financial institutions (IFIs). This is in line with the objectives of the Paris Agreement, Agenda 2030 for Sustainable development, and to support the [UNECE Regional Forum on Climate Initiatives to Finance Climate Action and the SDGs](#).

Context: Attaining carbon neutrality by the mid-century is the common goal of the UNECE region. Actions to implement the decarbonisation of the economy is underway however, existing climate models indicate that the Nationally Determined Contributions fall short in meeting the collective global target of limiting warming to less 1.5 °C. Achievable pathways for policymakers to implement a carbon-neutral energy system have been modelled for the UNECE region. Technology interplay by combining existing and new low- and zero-carbon technologies within an integrated framework is critical, including 1) accelerated phase-out of unabated fossil fuels, 2) electrification of all sectors through renewable energy and nuclear power, and 3) widespread deployment of low- and zero-carbon technologies (incl. CCUS, hydrogen, and next generation of nuclear power). Importantly, modelling shows that there is not a single technological solution that can address the problem, but all low- and zero-carbon technologies are required in various proportions to contribute towards attainment of carbon neutrality.

Approximately 80% of the primary energy mix in the UNECE region is fossil fuel based. Consequently, there is a vast number of people whose livelihoods depend on the fossil fuel energy including coal, oil and gas. To deliver the envisioned integrated energy system with a diverse technology portfolio, the financial sector has a key role to play in providing the upfront investment required for immediate deployment of all currently available low- and zero-carbon energy technologies for consistent energy supply whilst attaining carbon neutrality within the UNECE region.

Opening & Setting the scene: solutions for climate Agenda

The Group of Expert provides an overview of the suite of cleaner energy technologies available to facilitate carbon neutrality.

Mr. Dmitry Mariyasin, Deputy Executive Secretary, UNECE

Ms. Iva Brkic, Project Lead, UNECE

Addressing the gap in climate finance – a Kazakhstan Case Study

- Where is the current climate investment flowing into in the UNECE region?
- What has been achieved so far from climate finance?
- What is the current dominant energy mix in the UNECE region?

Ms. Yuting Zhang, Analyst, UNECE & Imperial College London

Roundtable: Climate financing strategies and perspectives from the financial community

- What technologies are attracting the climate investment from international financing institutions (IFIs)?
- What is the perspective on the continued use of fossil fuel – coal, oil and gas – in some hard-to-abate sectors?

- What is the perspective on CCUS, hydrogen, and nuclear that is currently absent in the IFI's investment portfolio?
- Are we on track to net-zero: what framework are used to assess IFI's progress and how rigorous is assessing climate mitigation impact within the finance sector?
- Have the IFIs ever achieved any large transformation of a nation's energy system such as this in a short time?
- What are the concerns from IFIs regarding the other cleaner energy technologies (CET), i.e., CCUS, hydrogen, nuclear power?
- What are the barriers – what is gridlocking investments to other CET?
- What are the enablers - policy framework is required from member states to facilitate the scale up of other CET?

Moderators:

- Ms. Dr. Carolina Coll, Head of Reservoir Development, CCS and Energy Storage for CCG and a Member of the UNECE Expert Group on Resource Management (EGRM)
- Mr. Sigurd Heiberg, Chairperson, Petronavit and a Member of the UNECE Expert Group on Resource Management (EGRM)

Panellists:

- Mr. Xing Zhang, Senior Climate Policy Specialist, Asian Infrastructure Investment Bank (AIIB)
- Mr. Kenzhekhan Abuov, Project Officer, Mr. Alibek Abdrakhmanov, Senior Investment Specialist, and Mr. Mirzo Iskandar Gulamov, Head of Portfolio and Programming, Asian Development Bank (ADB)
- Mr. Cristian Carraretto, Head of Sustainable Business & Infrastructure, Energy Transition Climate Strategy and Delivery, European Bank of Reconstruction and Development (EBRD)
- Mr. Urvaksh D. Patel, Regional Manager Europe and Central Asia, Green Climate Fund
- European Investment Bank [tbc]
- World Bank [tbc]

Discussion & next steps:

The Group of Expert will discuss next steps on how to contribute to the ongoing discussion on climate financing in preparation for the COP27 in Sharm El-Sheikh in Egypt and the [UNECE Regional Forum on Climate Initiatives to Finance Climate Action and the SDGs](#) on October 17.

- Mr. Jim Robb, Chair of the Group of Experts on Cleaner Electricity Systems
- Ms. Charlotte Griffiths, Officer-in -Charge of the Sustainable Energy Division and the Secretary of the Expert Group on Resource Management
- Mr. Dmitry Mariyasin, Deputy Executive Secretary, UNECE