

Keynote Address

by

**Mr. Adnan Z. Amin**

**Director-General**

**International Renewable Energy Agency**

at the

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Commissioner Miguel Cañete

Distinguished Ministers,

Your Excellencies

Ladies and Gentlemen,

I am very pleased to take part in this 9<sup>th</sup> CEM in Copenhagen and I am delighted that it is hosted by the Nordic countries and the EC, which have been strong supporters of IRENA since its inception. The energy collaboration in the EU and between the Nordic countries is an inspiring example of how energy interdependence based on clean energy can contribute to economic growth and prosperity.

Across IRENA's growing global membership of 157 members and 25 more in the process of joining, we continue to witness an unprecedented expansion of renewable energy driven by technological advances, falling costs, enabling policy frameworks and the imperative to meet sustainable development and climate objectives. In 2017 alone, a record-breaking 167 GW of renewable energy capacity were added globally, making it the sixth consecutive year in which additional power generation capacity from renewables outpaced additions from conventional sources.

Cost declines, which are central to the strong business case of renewables, are set to continue. Based on current trends, our latest costing analysis estimates that by 2020, all currently available mainstream renewable energy technologies will be cost-competitive with fossil-fuels in most parts of the world.

As a result, we see many countries adopting ever more ambitious renewables targets and policies. Nordic countries are leading in this respect. Sweden and Denmark are on track to run on 100% renewable electricity by 2040 and 2050 respectively. Norway is a leader in electric mobility with electric vehicles having the largest share in the car market. Finland is a global leader in bio-energy. And in a report recently prepared with the European Commission, we estimate that the EU could raise its ambitions and increase its share of renewables to 34% by 2030 in a positive economic scenario. Even the world's largest oil producing countries are taking bold steps to scale up renewables. Saudi Arabia and Japan's SoftBank recently signed an agreement for a 200 GW solar power by 2030. And our host country, the United Arab Emirates plans to generate 44 per cent of its power from renewable energy by 2050.

Ladies and Gentlemen,

While these developments are promising, we need to further accelerate the deployment of renewables if we are to meet climate objectives. IRENA's *Roadmap to 2050*, released last month, shows that renewable energy and energy efficiency combined can meet 90% of the emission reductions needed to achieve the well below 2°C target of the Paris Agreement by 2050.

To get there, renewable energy will need to increase to two-thirds of Total Final Energy Consumption by 2050 and 85% of power generation. This in turn will require renewables to be scaled up at least six times faster than in recent years. Deployment of renewables will also need to be accelerated across end use sectors. But this energy transformation is not just about the deployment of technologies, it is increasingly about sustainable economic growth, industrial transformation, jobs and prosperity. According to the *Roadmap to 2050*, global GDP can grow to be 1% higher than the business-as-usual case in 2050. The cumulative gain through this increase will amount to USD 52 trillion from now till 2050. Global welfare would improve by 15% compared to the current trajectory. This includes benefits not captured by GDP such as better health and environmental benefits. And renewable

energy jobs would reach 28 million. With 500,000 new jobs in the sector added this year, the global total is now 10.3 million.

Ladies and Gentlemen,

Governments alone cannot undertake an energy transformation of the scale and magnitude I have just described. The private sector has an essential role. And from this perspective, it is encouraging to see more and more private companies turning to renewable energy to power their businesses. The CEM campaign on Corporate Sourcing of Renewables, which IRENA coordinated, helped put the spotlight on this growing momentum. Today, we will be releasing our *Corporate Sourcing* report – the first global comprehensive study of industry and market trends in corporate sourcing – and we will be discussing it at a dedicated ministerial roundtable later this morning. The report shows that corporations from a wide range of sectors in 75 countries are procuring or self-generating renewable energy. Last year, corporate sourcing of renewables was estimated to be around 465 terawatt-hours. That is close to France’s overall electricity demand. Many global corporations, including Ikea, H&M, Apple, Google, and Microsoft already source all, or the vast majority, of their energy from renewables. The report also includes a series of

recommendations on how governments can further encourage such corporate demand.

Ladies and Gentlemen,

International cooperation can help take the energy transformation to the next level. The challenges are immense. We need to scale up investments, upgrade the infrastructure to integrate variable renewable energy and further unlock the potential of smart technologies including batteries, artificial intelligence, and the use of “big data”. We also need to strengthen proactive planning for a power sector with a high share of renewable energy.

At IRENA, we stand ready to contribute to international efforts in these areas with our analytical work and on-the-ground activities. In this regard, we are pleased to be the Operating Agent for the new CEM campaign to be launched on *Long-term Scenarios for the Clean Energy Transition* and which will focus on sharing country experiences, showcasing cutting-edge tools and methods for energy modelling and capacity building.

Ladies and Gentlemen,

The energy transformation is both technically feasible and economically attractive, and its benefits significantly outweighs its costs. With the right policies, informed choices and, most importantly, bold leadership, a sustainable energy future is within our reach. IRENA stands ready to work with all of you to harness the immense opportunities the energy transition provides for all of us today. We must change the narrative from challenges to opportunity and the CEM is a principal forum for that effort.

Thank you.