



CASE
for Southeast Asia

On behalf of



Federal Ministry for the
Environment, Nature Conservation
and Nuclear Safety

of the Federal Republic of Germany

CASE & COP27

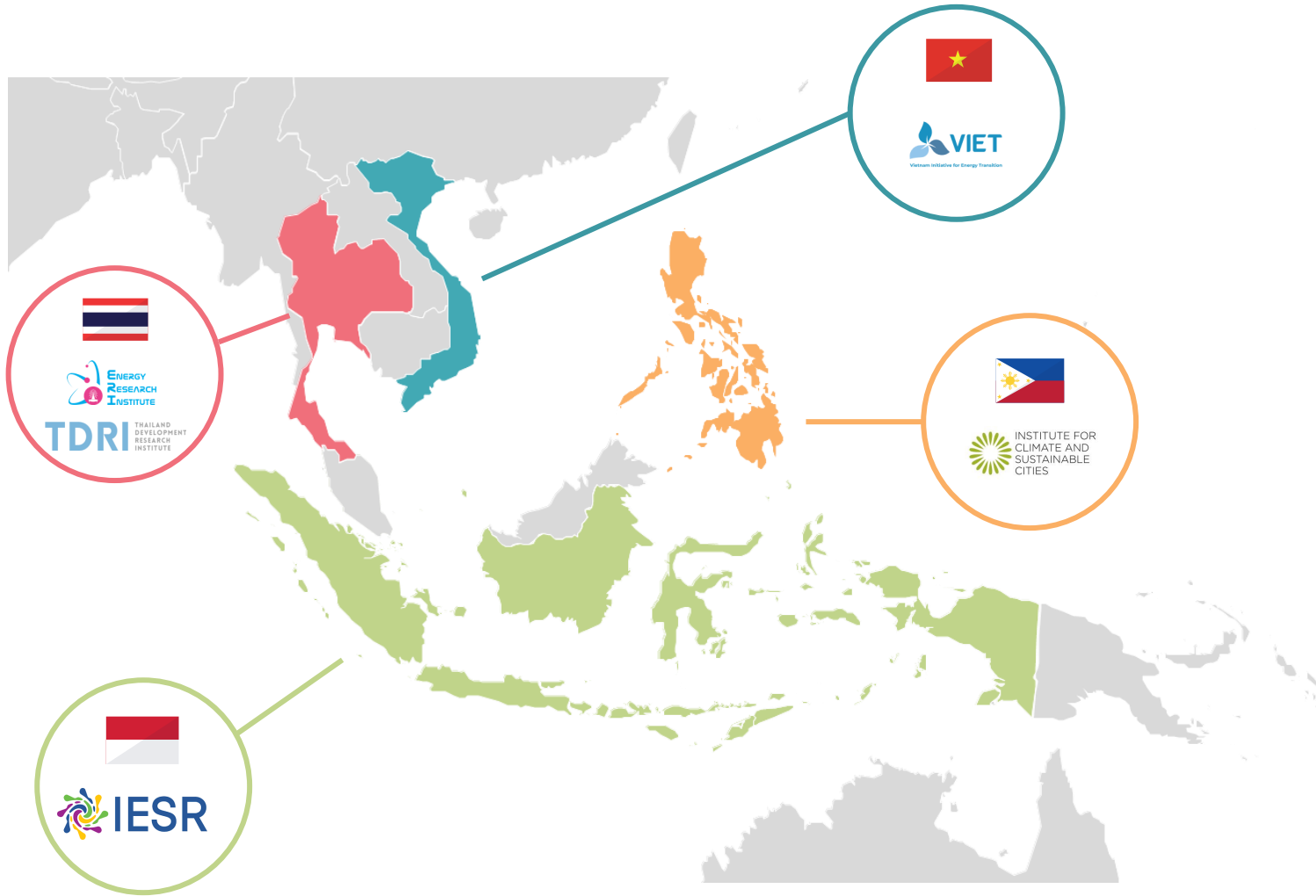
22nd November 2022

Simon Rolland at the National Dialogue on Energy Transition

on behalf of Clean, Affordable and Secure Energy (CASE) for Southeast Asia



CASE Countries and Regional



Timeframe: April 2020 – March 2024

Budget: EUR 20 million

4 countries with **Local Expert Organisations** in:

- **Indonesia**
- **Philippines**
- **Thailand**
- **Vietnam**

Coordinator:

giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

International Expert Organisations:



Aligned programme of



Powering Prosperity and Enabling Sustainability in South East Asia

CASE log-frame



Objective: The narrative of the direction of the energy sector in Southeast Asia has substantially shifted towards an **evidence-based energy transition**, aiming to increase political ambition to comply with the Paris Agreement.

Outputs



Research and Evidence

The evidence base for an energy transition in SEA is improved



Transparency and Mapping

Synergies between different energy transition activities in the region are maximized due to increased transparency and cooperation



Dialogue Non-energy sector

The dialogue on energy transition within government bodies is improved



Technical Assistance (energy)

The capacities of key energy sector stakeholders to undertake an energy transition are strengthened



Promoting public discourse

A public discourse on energy transition is established

COP27 – Sharm El Sheikh

(Selected) headlines:

Mitigation

- No increased ambition globally since COP26
- No additional details on implementation towards goals
- 1.5°C commitment reaffirmed but weakened







Energy transition

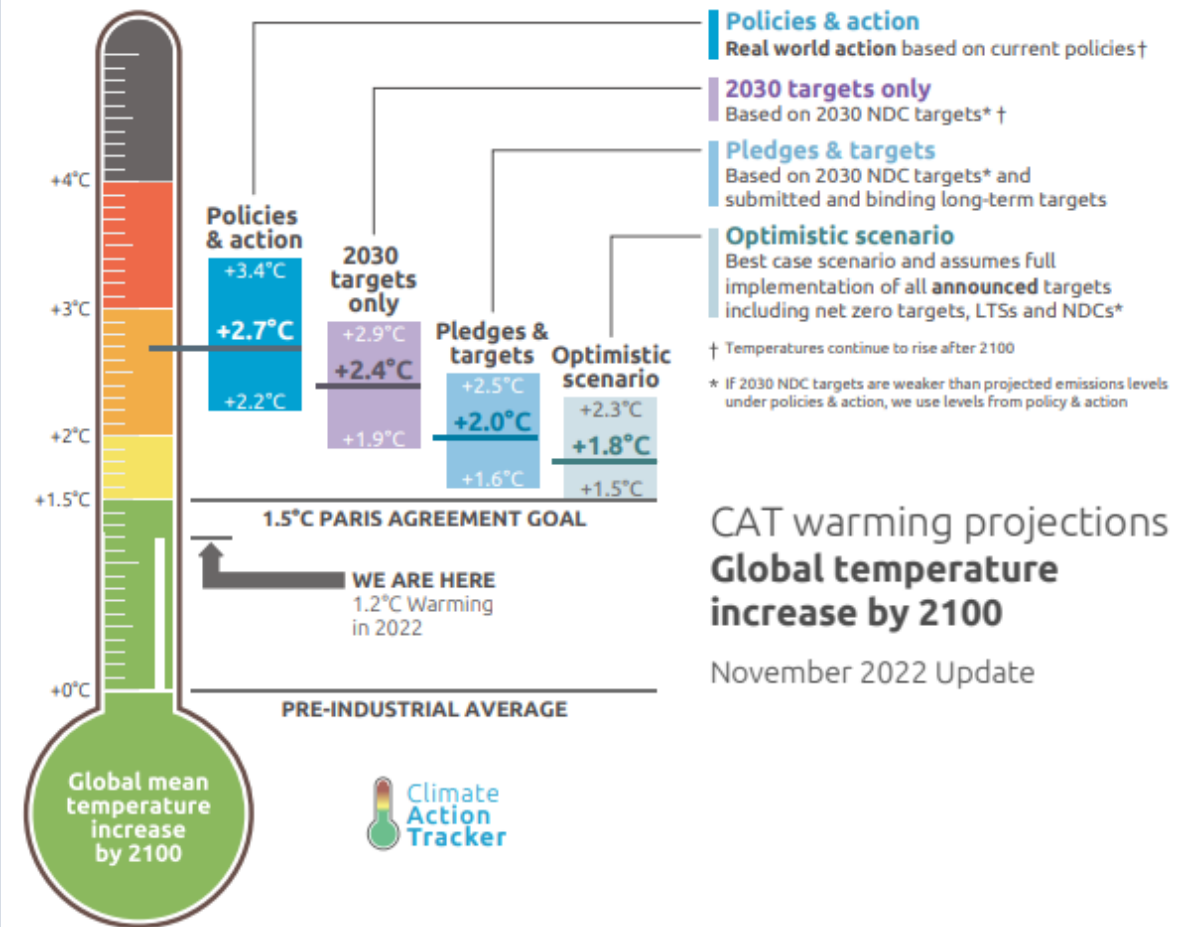
- Large emphasis on “low emission” and renewable energy
- Fossil fuel legacy continues, with no text advancement from COP26

Finance

- Loss & damage fund established after 30 years
- Finance mechanisms gaining momentum

Low focus on mitigation as urgency grows

-  Globally, mitigation efforts and ambition have been stagnant in 2022
-  New policies, NDC pledges, and long-term targets have not changed global warming projections from COP26
-  All CASE countries, including Viet Nam submitted new NDCs, but only a small % of the world
-  No details on implementation was advanced (work on mitigation)
-  References to 1.5 °C is moved down in priority in the COP text
-  No reference to peaking global greenhouse gases by 2025 at the latest, a key result of the IPCC 6th Assessment Report



Source: Climate Action Tracker (2022)

A mixed COP for energy transition signals



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Opportunities:

- ❖ More clean energy deals struck than fossil-fuel deals ([a complete list](#))
- ❖ Launch of [Global Renewables Alliance](#), an alliance between global renewable industries to accelerate transition and sustainable development
- ❖ [Global Methane pledge](#) gains momentum with 130 members: Viet Nam, Philippines, Indonesia are all signatories
- ❖ Agreed text that the energy crisis “underlines the urgency to rapidly transform...by accelerating clean and just transitions to renewable energy”
- ❖ New wind and solar capacity cheaper than existing fossil fuel plants in Viet Nam, Philippines, Thailand

A mixed COP for energy transition signals



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Challenges:

- ❖ Countries failed to agree to a phasedown of *all* fossil fuels, no advancement from a call to phasedown coal at COP26 in Glasgow
- ❖ Strong fossil fuel influence at COP from 600+ oil and gas lobby, with major gas deals signed on the sidelines
- ❖ References to “low emission” energy considered a loophole that could include further gas and fossil fuel development
- ❖ CASE countries, particularly Viet Nam and Indonesia are ranked among highest in coal dependency ([IEA Coal Transition Exposure Index](#))

Historic progress on Loss and Damage



Launch of the [Global Shield against Climate Risk](#) initiative

- A cooperation by V20 and G7 to establish pre-arranged financial support that is rapidly available during climate disasters



Setting up the [Santiago Network](#) to provide TA for minimizing and addressing L&D

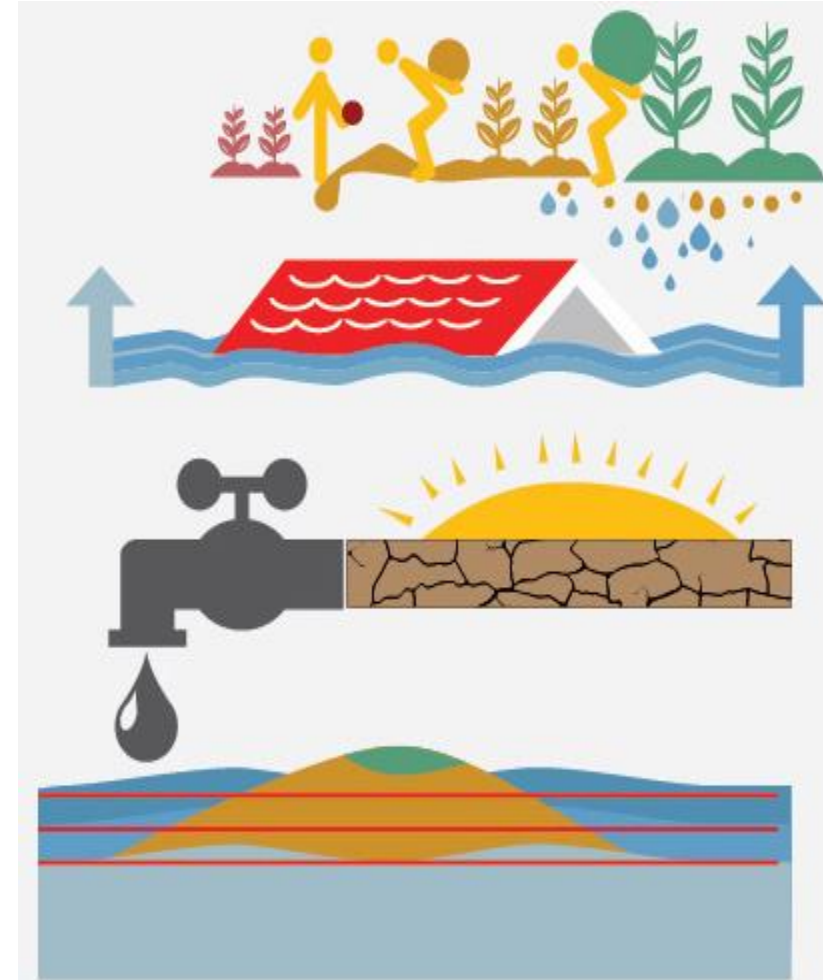


[€340M euros](#) in new pledges for L&D

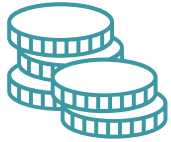


Agreement to establish a [loss and damage fund](#)

- No clarity on terms, who will pay, and who will receive
- UN to convene two workshops prior to COP28, led by a transitional committee



Climate finance mechanisms moving, but yet to be realised



Announcements on additional finance provision from the Champions Group



Climate finance gap remains and undermines trust between countries, but \$100 bn finance target getting closer and expected to be achieved in 2023



Study found that the overall private finance for power sector transition in emerging and developing economies has declined, almost half still for fossil fuels



- Little progress in the *Joint Statement from Multilateral Development Banks* – no mention of phasing out fossil fuel financing
- [Bridgetown agenda](#) to reform int'l financial system gaining momentum – concrete proposal by February 2023

Just Energy Transition Partnerships (JETP) gaining momentum



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Indonesia deal struck

- Keeping the warming limit of 1.5°C within reach
- Peaking power sector emission by 2030
- Net zero emission in the power sector by 2050
- RE share at least 34%
- Initial \$20 billion public and private finance

Other news:

- South Africa releases investment plan for \$98bn in over five years to begin 20-year energy transition. \$8.5bn finalised
- Vietnam, Senegal, Egypt, others negotiations ongoing



Implications for CASE

- ❖ Need continued stronger efforts on raising mitigation ambition
- ❖ The energy transition is moving, but support needed to focus on country implementation, finance, and including the “Just” in project work
- ❖ Energy crisis and security concerns established to require a rapid scale up of renewables, and phasing out fossil fuels will help ensure energy security and affordability
- ❖ The economic case for new wind and solar capacity to displace existing FF plants are cemented in most CASE countries
- ❖ Weakened text and potential loopholes could see an increased momentum for gas and fossils. Increasing fossil lobby influence and disinformation need to be combatted



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