



Energy  
Transitions  
Commission

# 2023 ETC Work Programme and schedule overview

ETC Commissioner meeting  
23 March 2023



# Agenda – 23 March ETC Commissioner Meeting Session 1

Time (UK)	Agenda
11.00 - 11.10	<b>Welcome and introduction</b>
11.10 - 11.20	<b>ETC 10 Key Messages, March 2023</b>
11.20 - 12.15	<b>Focus on the Asia-Pacific region</b> <ul style="list-style-type: none"><li>• Challenges and opportunities, insights from the ETC Chair's recent visit</li></ul>
12.15 - 12.30	Break
12.30 - 14.30	<b>Overcoming barriers to clean electrification</b> <ul style="list-style-type: none"><li>• Planning &amp; Permitting for wind and solar deployment- recommendations on how to accelerate</li><li>• Resilient clean energy supply chains in a changing world: emerging thinking on potential risks and key actions to resolve</li><li>• Appropriate power market design to accelerate the transition: has the energy crisis changed the ETC's existing view on power market design solutions?</li></ul>



# Agenda – 24 March ETC Commissioner Meeting Session 2

Time (UK)	Agenda
11.00 - 11.05	<b>Welcome</b>
11.05 - 12.45	<b>Fossil fuels and industries in transition: Looking ahead to COP28</b> <ul style="list-style-type: none"><li>• Emerging insights from the ETC's analysis on the role of responsible fossil fuel producers in the transition</li><li>• Update on the Mission Possible Partnership's revised strategy for the 'hard-to-abate' industry</li></ul>
12.45 - 13.00	Break
13.00 - 13.45	<b>Financing the Energy Transition</b> <ul style="list-style-type: none"><li>• Key takeaways from the ETC's March 2023 report</li><li>• Communications and outreach plan for the report</li><li>• Q&amp;A</li></ul>
13.45 - 14.00	<b>Conclusion and next steps</b>



# ETC 2023 work programme

Engaging in the global climate debate



Leveraging ETC Insights (Comms)

COP28 & Global Stocktake

## Global programmes

### Addressing implementation challenges



Financing the transition



Barriers to clean electrification

- Planning and permitting
- Resource and materials
- Supply chains
- Networks

### Two additional core focus areas



Accelerating energy productivity improvement



Fossil fuels in transition

## Regional programmes

Long established programmes



Affiliated regional programmes



Sub-Saharan Africa



Potential new programmes



Regional Insights Series

## Sectoral programmes

Aggregate energy numbers

### Mission Possible Partnership

Aluminium

Aviation

Cement

Chemicals

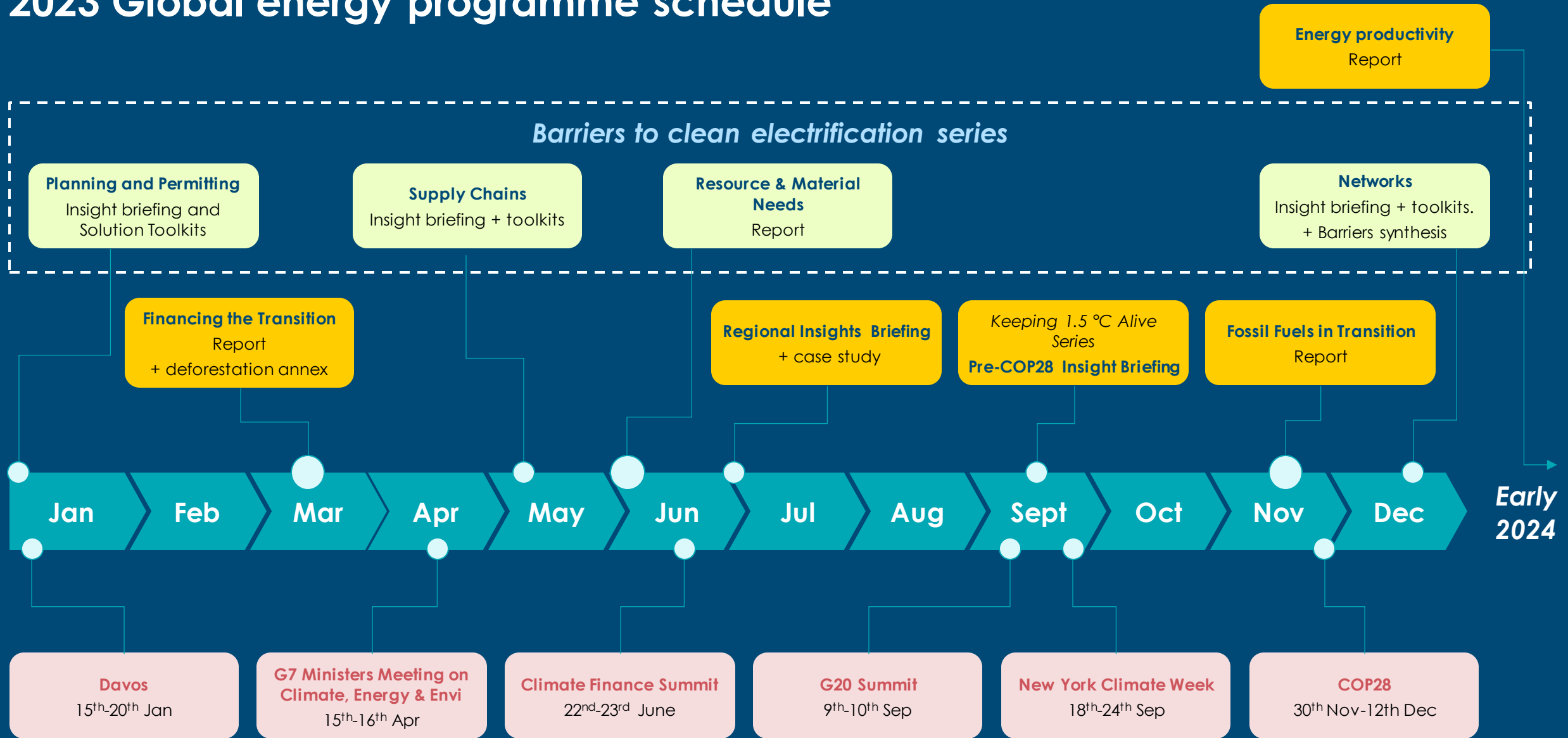
Heavy-duty road transport

Iron and Steel

Shipping

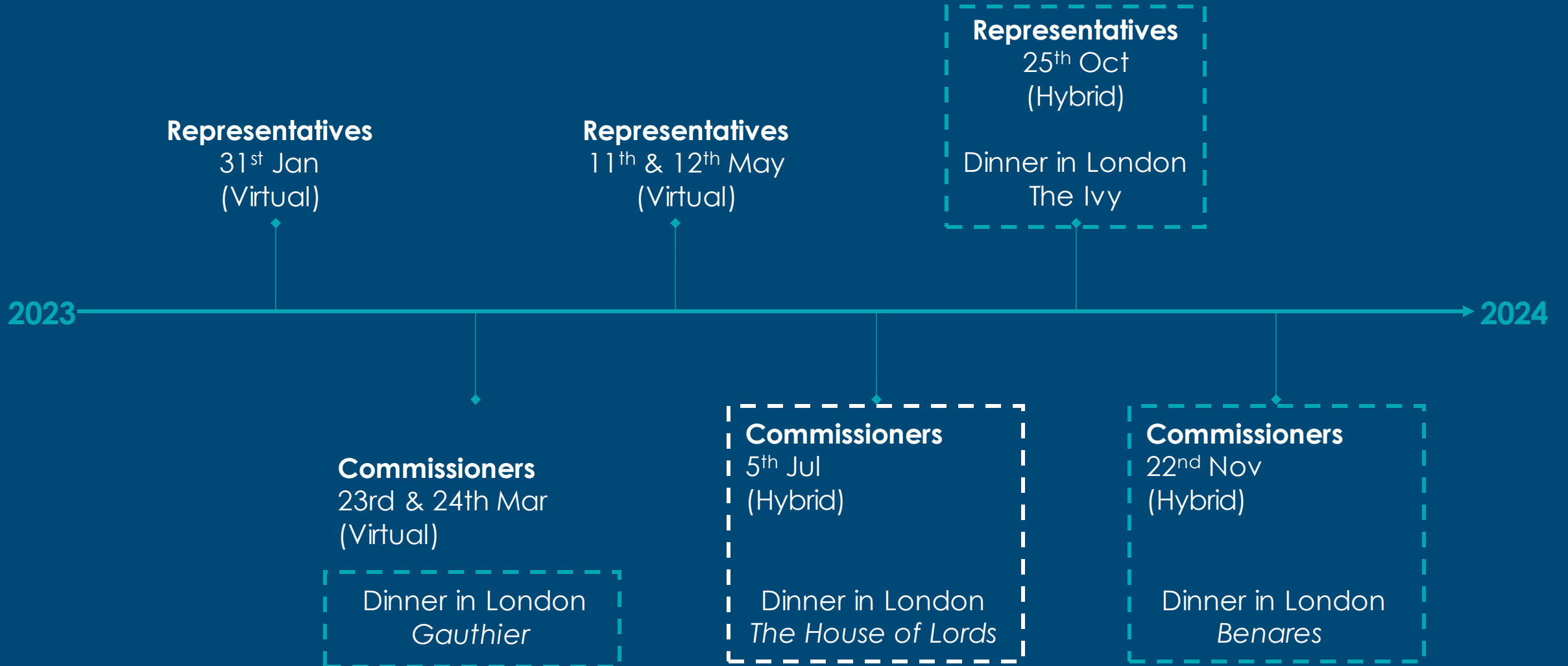


# 2023 Global energy programme schedule



# ETC Commissioner and Representative meetings 2023

 In person



# ETC 2023 Members Meetings and Webinars (UK time)

23 March 2023	10.30-15.30	<b>ETC Commissioners meeting – Session 1 - Virtual</b>
24 March 2023	10.30-15.30	<b>ETC Commissioners meeting - Session 2 - Virtual</b>
05 July 2023	09.00-18.00	<b>ETC Commissioners meeting – Hybrid + Dinner</b>
22 November 2023	09.00-18.00	<b>ETC Commissioners meeting – Hybrid + Dinner</b>
31 January 2023	12.00-15.30	<b>ETC Representatives meeting - Virtual</b>
11 May 2023	10.30-15.30	<b>ETC Representatives meeting - Session 1 - Virtual</b>
12 May 2023	10.30-15.30	<b>ETC Representatives meeting - Session 2 - Virtual</b>
25 October 2023	09.00-18.00	<b>ETC Representatives meeting – Hybrid + Dinner</b>
22 February 2023	12.30-14.00	<b>ETC - Comms Club meeting - Virtual</b>
31 May 2023	12.30-14.00	<b>ETC - Comms Club meeting - Virtual</b>
06 September 2023	12.30-14.00	<b>ETC - Comms Club meeting - Virtual</b>
01 November 2023	12.30-14.00	<b>ETC - Comms Club meeting - Virtual</b>
21 February 2023	13.00-14.30	<b>ETC Webinar - Making Clean Electrification Possible</b>
19 April 2023	13.00-14.30	<b>ETC Webinar - Making the Hydrogen Economy Possible</b>
24 May 2023	13.00-14.30	<b>ETC Webinar - Bioresources within a Net-Zero Emissions Economy</b>
13 September 2023	13.00-14.30	<b>ETC Webinar - Carbon capture, utilisation and storage in the energy transition</b>
08 November 2023	13.00-14.30	<b>ETC Webinar - How Carbon Dioxide Removals Must Complement Deep Decarbonisation to Keep 1.5°C Alive</b>



# New for this year: 10 key messages for Commissioners

- Live transition talking points, curated by the ETC team
- Refreshed at every Commissioners meeting
- Linked to ETC workstreams, but also considering wider relevant developments



## ETC March Commissioners Meeting Ten Key Messages on the Energy Transition

**Key message #1: Fossil fuels are close to peaking but have yet to fall – investments in low-carbon energy supply must triple from ~\$1 trn to ~\$3.5 trn to accelerate the shift to a net-zero energy system.**

- **Context:** Global energy-related CO<sub>2</sub> emissions grew by 1% in 2022, reaching an [all-time high of 36.8 GtCO<sub>2</sub>](#). Despite high prices and a global rush to develop LNG trade capacity, the IEA estimated [fossil fuel supply investments stayed flat in real terms in 2022](#), in line with requirements in their Net-Zero outlook. For the first time, the IEA expects stated policies to be sufficient to induce [a peak in fossil fuel demand by 2030](#), with EVs displacing oil demand and renewables replacing coal and gas use in power generation.
- **ETC link:** The ETC's *Financing the Transition* report, published on 21<sup>st</sup> March, sets out our estimates of how low-carbon investment needs to scale over the next three decades. Our upcoming *Fossil Fuels in Transition* work will identify plausible fossil fuels demand pathways in a 1.5°C trajectory.

**Key message #2: Revised IEA projections show the importance of well-designed real economy policies: if implemented, policies across the US, Europe and China will lead to over \$2trn of investment by 2030 – and this needs to rise even further.**

- **Context:** Following key policy developments – mainly in high income countries – such as the US Inflation Reduction Act, the IEA expects low-carbon investments to [reach \\$2 trillion in 2030](#), up from around \$1 trillion today. However, the same report also highlights how far the world still has to go – the IEA estimates low-carbon investment needs to hit \$4 trillion/year by 2030.
- **ETC link:** The ETC's *Financing the Transition* report, published on 21<sup>st</sup> March, sets out our estimates of how low-carbon investment needs to scale over the next three decades.

**Key message #3: Favourable economics and volatile fossil fuel prices mean renewables keep growing rapidly. Overcoming wider barriers to renewables deployment, from planning and permitting to supply chain blockages, should be the current priority for business and governments.**

- **Context:** Electricity from renewables (solar, wind and hydropower) is set to be the largest source of generation globally by 2025, according to a recently published [IEA outlook](#). Growth in renewables supply is driven by continued cheap cost. Although costs for wind and solar have risen slightly due to increased commodity prices and financing costs, the increase in coal and gas costs has been much larger than renewables due to rising fossil fuel prices.
- **ETC Link:** The ETC's [Making Clean Electrification Possible](#) report set out clearly how low-cost renewables could help grow the power system 3-5x from current levels, and our ongoing work on [Barriers to Clean Electrification](#) studies the potential blockages to achieving this.

**Key message #4: The potential for domestic wind and solar in APAC is greater than many had previously believed, but despite the opportunity, nations are not yet on a path to scaling renewables quickly. Clear government targets, bold leadership and strong business action is needed to overcome entrenched mentalities and the debilitating prevalence of fossil subsidies.**

- **Context:** Offshore wind potential is estimated to be >550 GW in Japan, but the current government target for 2030 is only 10 GW; [solar PV potential in Malaysia is estimated to be ~340 GW](#), but only 1.8 GW was installed by 2021. There is potential for a significant scale-up in wind and solar, pushing back against beliefs that APAC countries are resource constrained (e.g., [large wind potential in Japan](#)). There is strong potential [to exploit these resources and increase energy security](#) across the region, if local blockages are overcome.



# ETC KEY MESSAGES 1/4

**Key message #1:** Fossil fuels are close to peaking but have yet to fall – investments in low-carbon energy supply must triple from ~\$1 trn to ~\$3.5 trn to accelerate the shift to a net-zero energy system.

**Key message #2:** Revised IEA projections show the importance of well-designed real economy policies: if implemented, policies across the US, Europe and China will lead to over \$2trn of investment by 2030 – and this needs to rise even further.

**Key message #3:** There are early signs that the tide is shifting for financing the transition in lower income countries – but progress is not happening fast enough. Accelerating coal phase-out, alongside increased lending and reform of MDBs, is an urgent priority for 2023.

**Key message #4:** Favourable economics and volatile fossil fuel prices mean renewables keep growing rapidly. Overcoming wider barriers to renewables deployment, from planning and permitting to supply chain blockages, should be the current priority for business and governments.



## ETC KEY MESSAGES 2/4

**Key message #5:** The potential for domestic wind and solar in APAC is greater than many had previously believed, but despite the opportunity, nations are not yet on a path to scaling renewables quickly. Clear government targets, bold leadership and strong business action is needed to overcome entrenched mentalities and the debilitating prevalence of fossil subsidies.

**Key message #6:** Higher investments and strategic planning are needed to drive the grid build-out required to connect large amounts of new renewables capacity, in particular to address lengthy grid queue times and rising grid costs.

**Key message #7:** While some generators are increasingly turning to merchant revenue streams and corporate Power Purchase Agreements (PPAs) (amidst many undersubscribed auctions), well-designed long-term generation contracts (such as Contracts for Difference) remain crucial to provide long-run certainty, low consumer prices, and enable renewables deployment at scale.



## ETC KEY MESSAGES 3/4

**Key message #8:** Governments and businesses need to keep pushing innovation as a key solution to high prices and scarcity of key energy transition materials.

**Key message #9:** A wide-ranging set of industry and policy responses are needed to resolve a perfect storm of rising input costs, slow planning and permitting, high interest rates and falling power generation revenues affecting wind and solar. If these challenges are not addressed, a lack of profitability will hinder companies from delivering the energy transition at the pace and scale required.

**Key message #10:** Countries are increasingly looking to set out industrial strategies for clean energy manufacturing. The landscape is not zero-sum: all countries could grow domestic production, given the significant growth required in clean energy technologies. However, relocation of production to more expensive locations is likely to raise costs in the near-term, and benefits of relocation will depend on specific country trade-offs and political priorities around resilience, jobs and value add.



# ETC KEY MESSAGES 4/4

**Key message #11:** Oil and Gas companies must reinvent the well and rapidly implement cost effective mitigation measures to curb upstream and midstream emissions, and policies have a crucial role in encouraging this.

## IPCC: key options to reduce emissions by 2030

