**Establishing a Renewable Energy Goal**

**and Related Technology Cost Goals for the APEC Region**

Accelerated deployment of renewable energy technologies and fuels is a shared goal among APEC economies. For years, APEC Leaders have committed to developing cleaner energy sources as a means to address climate change, support economic growth and innovation, and create jobs. With the establishment of a regional energy intensity reduction goal in 2011, APEC demonstrated its willingness to set ambitious targets to support important economic, environmental and social objectives.[[1]](#footnote-1) While UN Secretary-General Ban Ki-Moon has set a goal of doubling the share of renewable energy (currently approximately 15 percent) in the global energy mix by 2030 under his Sustainable Energy For All (SE4All) initiative, not all APEC economies have committed to this goal. APEC members, once again, have a unique opportunity to demonstrate leadership in clean energy by applying the SE4All objective to the APEC region and doubling the share of renewable energy in the regional energy mix by 2030.[[2]](#footnote-2)

To realize this ambitious goal, the price of renewable energy must be competitive in the market with non-renewable sources of energy. Thus, to provide technical rigor and direction to this overarching goal, the United States proposes the establishment of regional cost goals for specific renewable energy sources, to be met by 2030. Establishing such goals would provide a constructive lens through which economies could develop strategies for accelerated deployment of renewables, and share best practices. The Energy Working Group would work in 2014 to develop these technology-specific goals under this proposal.

Finally, as a first, tangible step towards achieving these ambitious goals, we propose a workshop be held in 2015 for economies to exchange best practices in setting and achieving government-wide renewable energy consumption targets. Government leadership in clean energy can send powerful signals to national energy markets and be a significant driver of green growth. This workshop would include APEC economy representatives responsible for establishing green government procurement goals as well as relevant private sector, academic and NGO stakeholders.

**APEC Energy Working Group Role**

The APEC Energy Working Group’s Expert Group for New and Renewable Energy Technology (EGNRET) would be tasked with developing a strategy to meet the aforementioned renewable energy generation and cost goals. This group possesses the expertise to address issues such as levelized cost of energy disparities for specific renewable energy sources among economies, policy barriers to renewable energy development, project financing, grid connectivity and many others. Establishing discrete cost goals for renewable energy technologies will help drive a constructive dialogue in the EGNRET and the full EWG on the factors that are keeping the costs of these technologies high and on how these factors can be addressed. With the finalization of a five-year strategic plan in the Energy Working Group in 2014, EGNRET members will have an opportunity to include projects that address challenges identified through this dialogue.

In addition, the EWG’s Expert Group on Energy Data and Analysis (EGEDA) would be tasked with collecting better, more granular data on APEC economy renewable energy production and consumption. By improving the transparency of such factors, EWG members will be in a better position to identify the true drivers of renewable energy production costs in their economies, the barriers to deployment and will be more able to benchmark their progress in meeting the aforementioned goals.

**Collaboration with the International Renewable Energy Agency (IRENA)**

The International Renewable Energy Agency (IRENA) is the renewable energy hub of the SE4All initiative and supports SE4All partners in a variety of ways. By committing to a goal, in line with the SE4All goal, of doubling renewables in the regional energy mix by 2030, APEC will have a strategic partner in IRENA to help realize this vision.

Crafting an appropriate program of work to support an ambitious renewable energy goal in APEC will require an extensive analysis of available policy options, access to a variety of data and a diversity of expertise. By coordinating closely with IRENA staff, APEC’s Energy Working Group will be better positioned to design projects that can effectively target key barriers to renewable energy deployment in APEC economies. In particular, IRENA’s work on renewable energy costing and policy roadmaps could serve as invaluable resources to APEC economies as they attempt to meet the aforementioned technology cost goals.

In addition, there are important synergies that can be drawn from cooperative work with both ASEAN’s Renewable Energy Support Program and the East Asia Summit’s Renewable and Alternative Power Generation Workstream.

**Proposed Timeline**

SOM 1 - Members to discuss committing to a regional renewable energy goal in line with the SE4All goal of doubling renewables in the regional energy mix by 2030.

EGNRET 42 - Expert Group for New and Renewable Energy Technology members to discuss technical aspects of renewable energy goal as well as technology cost goals in Honolulu, April 7-11. Members will also engage in an initial roadmapping discussion of how to achieve these goals in the proposed timeframe.

EWG 47 - Energy Working Group approves aforementioned goals and 2015 workshop as a key component of its Five-Year Strategic Plan.

EMM 11 - Energy Ministers endorse goals and Five-Year Strategic Plan.

AELM 22 - Leaders endorse goals.

1. Specifically, in 2011, APEC Leaders “[aspired] to reduce APEC's aggregate energy intensity by 45 percent by 2035”. [↑](#footnote-ref-1)
2. We estimate that a doubling of renewable energy by 2030 in APEC would result in a renewables share of 20%-30% of primary energy. However, this proposal would leave it to Energy Working Group members to determine what a “doubling” of renewables in the primary energy mix would mean in percentage terms. [↑](#footnote-ref-2)