

Energy Transition Diplomacy

Actors of the Energy Transition

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Disclaimer

“The views, information, or opinions expressed during the lecture and the following Q & A session are solely those of Dr Urban Rusnák

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Course Description

PRESENTATIONS

INTRO TO THE GOVERNANCE

- Actors of the Energy Transition - WHO ARE THOSE ?
- Instruments of the Energy Transition - WHAT TOOLS DO WE HAVE ?

OBJECTS INVOLVED

- Industries and Technologies (1) - HOW WE CAN MAKE IT ?
- Industries and Technologies (2) - HOW WE CAN MAKE IT ?
- Electricity – NEW ROBE FOR THE OLD QUEEN

FOCUS TO THE PROCESS

- Energy Security and Diplomacy – WHAT ARE WE DOING ?
- Climate Security and Diplomacy – WHAT ARE WE DOING ?
- Energy Transition Diplomacy – WHAT CAN BE DONE ?

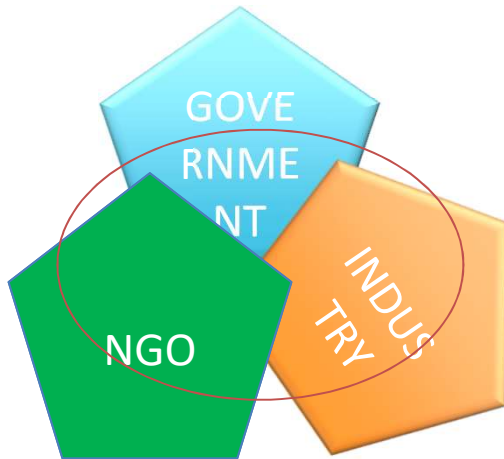
CASE STUDIES/NEGOTIATION GAME

Energy Transition

DEFINITION

A significant structural change in an energy system regarding supply and consumption

ACTORS



Public institutions - universal and specialised multilateral institutions, intergovernmental regional organisations, regional economic integration organisations, states, subnational entities, cities, and municipalities.

Business stakeholders – corporations, industry associations, interest groups, individuals...

Non-Governmental organisations - non-profit association, pressure groups, activists, campaigners, grassroots movements, indigenous groups...

Governance of the Energy Transition ?

Different and Legitimate, but
Contradictory Perspectives:

Energy Security

How to prioritise and align
different perspectives?

Climate Emergency

Are those perspectives
reconcilable at all?

Private Wealth

If yes, how to achieve it ?

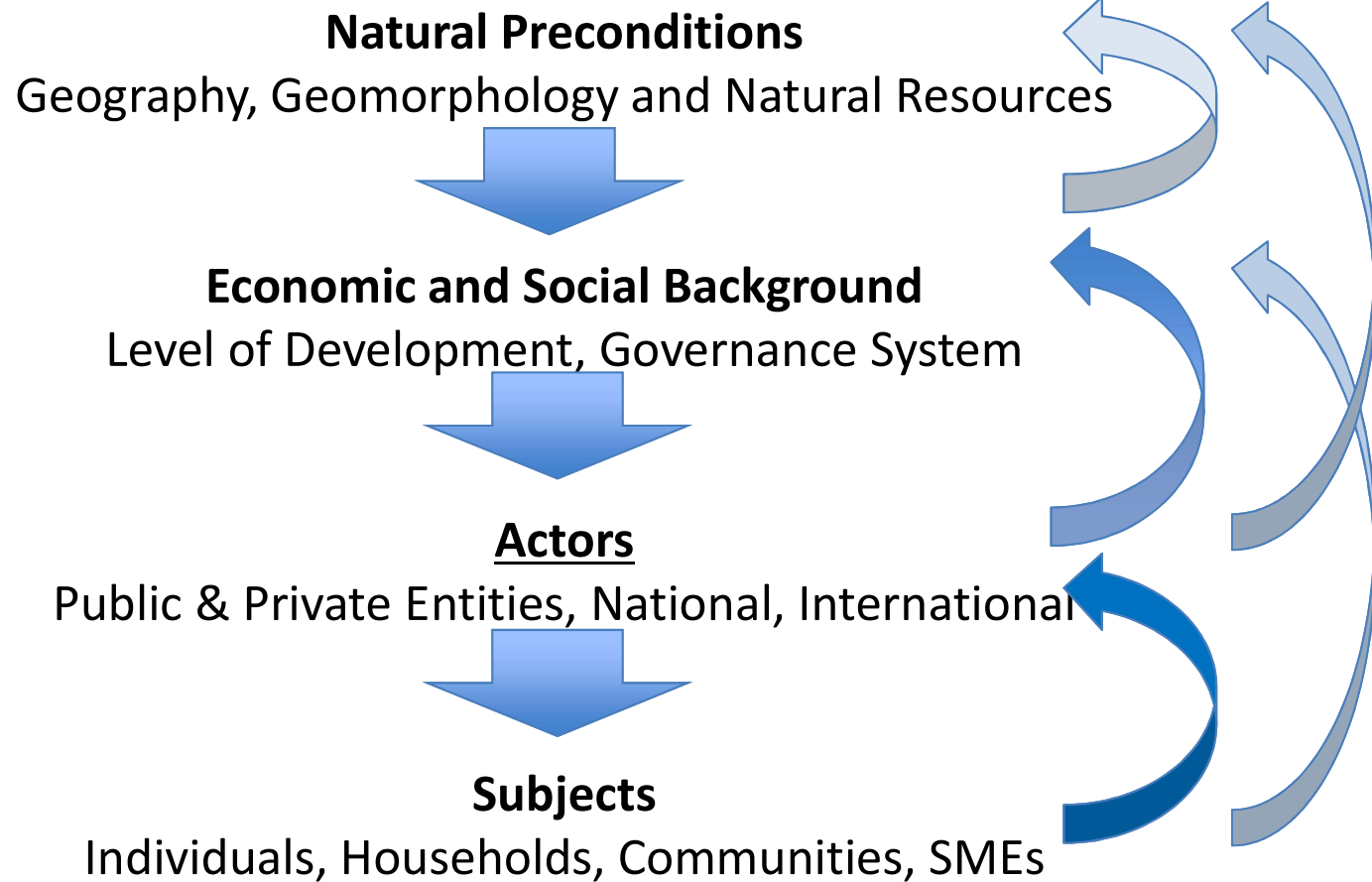
Common Good

If not, what to do ?

Actors, Instruments, Objects and Processes

Structural changes in energy systems are affecting all vertical and horizontal relations in supply and consumption of energy

Actors of the Energy Transition



Public Institutions

- International & Regional
 - UN / universal
 - Intergovernmental Organisations / universal & regional

Sectors: Energy, Climate, Trade, Investment, Environment...
- National & Local
 - Government / central, regional
 - Self-Government / municipalities
 - Science and education / fundamental research
 - Judiciary / enforcement

Business stakeholders

Profit driven entities active in energy with economic and social function

By Ownership:

Private / Public / SOE / Mixed

By Sector of Economic Activity:

Extraction / Production / Generation / Trade / Transportation
/ Distribution / Retail / Vertically Integrated ...

By Incorporation:

Local / National / International / Multinational

Business stakeholders

Innovative strategies/technologies  incremental improvements

- electro mobility
- new energy services
- shale rocks fracking
- geothermal hot dry rocks
- supercritical coal
- photovoltaics
- storage / chemical
- Hydrogen
- CCUS (Carbon Capture, Usage, Storage)
-

R&D based disruptive technologies  radical changes, new sectors

- Nuclear fusion
- Geo-engineering

....

Business stakeholders

Winners vs. losers

internal factors - economic cycle, technological maturity, scale,...

external factors - regulatory framework, geopolitics,...

Early adopters vs. stranded investments

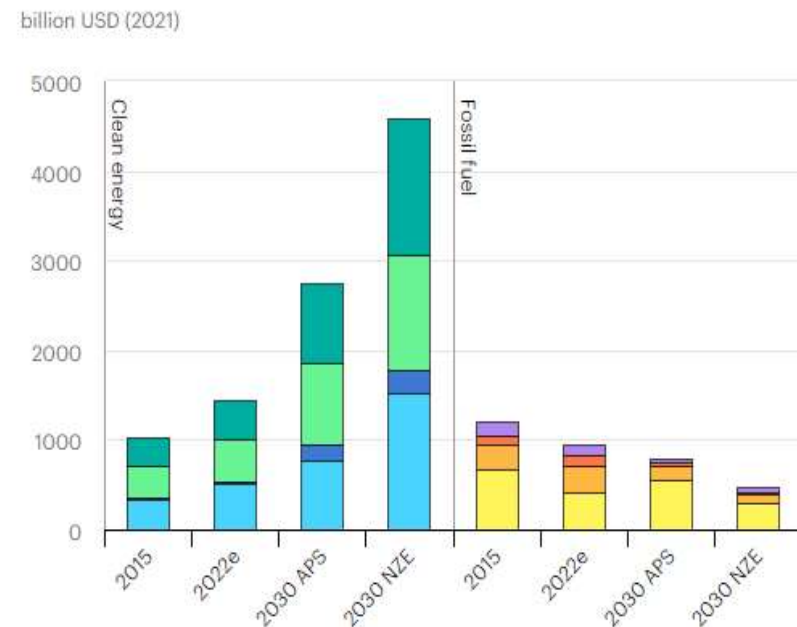
Stranded investments vs. under-investment

TIMING !!!!

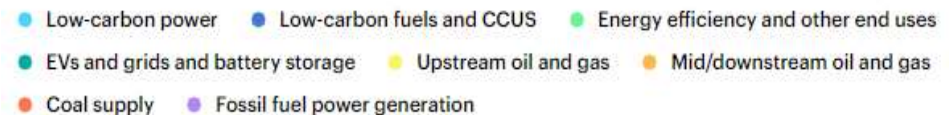
IEA Scenarios
2030 Announced pledges scenario
2030 Net zero emission scenario

Annual global energy investment benchmarked against the needs in 2030 in IEA scenarios, 2015-2030

Open 



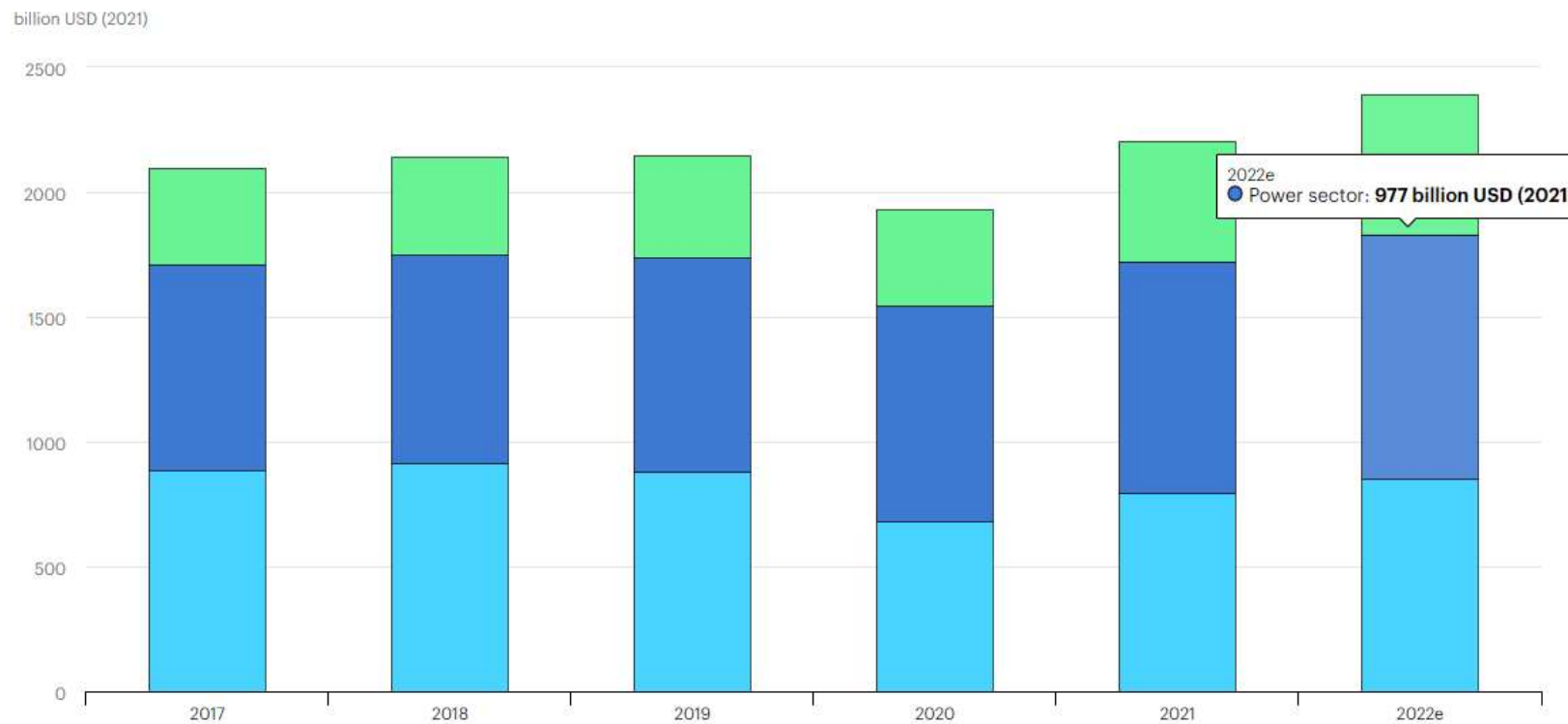
IEA. Licence: CC BY 4.0



Global Energy Investments

Global energy investment, 2017-2022

Open [↗](#)



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● Coal, oil, gas and low-carbon fuels supply ● Power sector ● End use and efficiency



Non-Governmental Organisations

- Ideally - groups of citizens that function independently of any government, usually non-profit, funded by various donors.
- NGOs exist on community, national, and international levels to serve a social or political goals.
- **Operational NGOs**, which focus on the design and implementation of specific beneficiary projects
- **Advocacy NGOs**, which defend or promote a specific cause and seek to influence public policy
- Some NGOs focus on **Climate & Energy**, but also on Just Transition, Environment, Biodiversity, Sustainability, Water,

GONGOs/QUANGOs: government-organized /quasi NGOs. Government-backed NGOs set up to advocate on their behalf a cause usually in the international arena.

Non-Governmental Organisations

Advocacy NGOs
Campaigners
Grassroots movements
Indigenous groups

Several ten thousands
of NGOs worldwide are
active in energy/
climate/just transition



INDIA's Shakti Sustainable Energy Foundation is an enabler for clean energy and climate solutions. We work with policy makers, civil society, industry, think tanks, and academia to identify and scale energy system interventions that will reduce GHG emissions and tackle climate change.

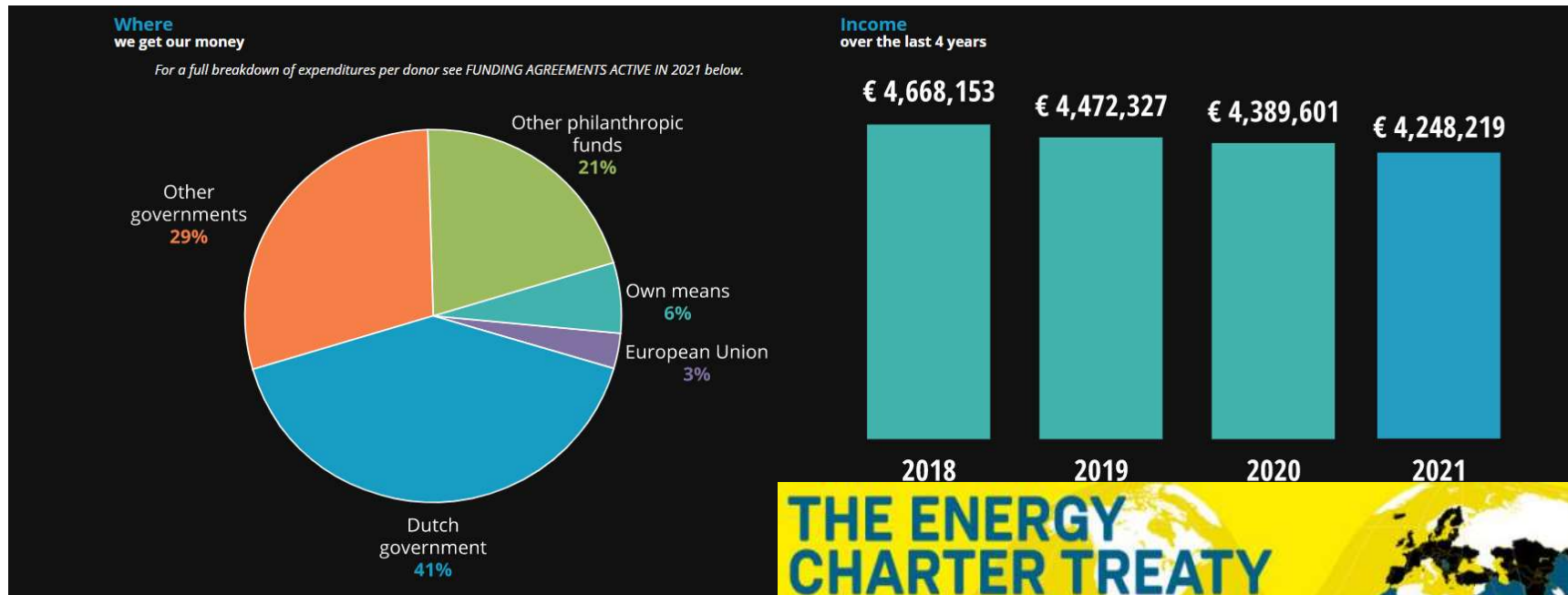


North Carolina, **U.S.A.**
community NGO

RETI in Action

RETI is a nonprofit organization, headquartered in Charlotte, NC. Through educational programs, community outreach, research, advocacy, partnerships and promoting energy efficiency, RETI works to eliminate High Energy Burdens and to make renewable energy solutions more accessible.

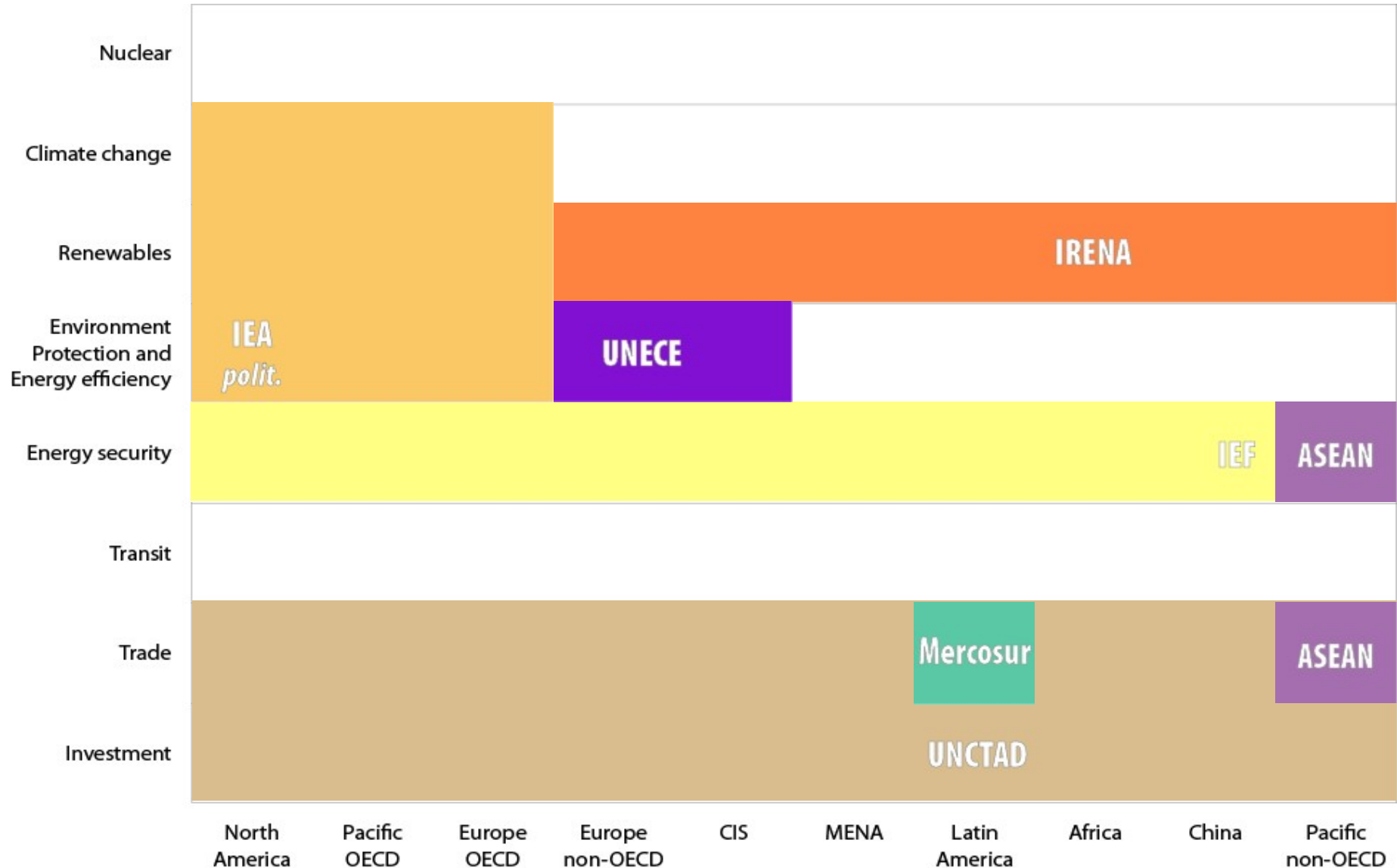
Non-Governmental Organisations



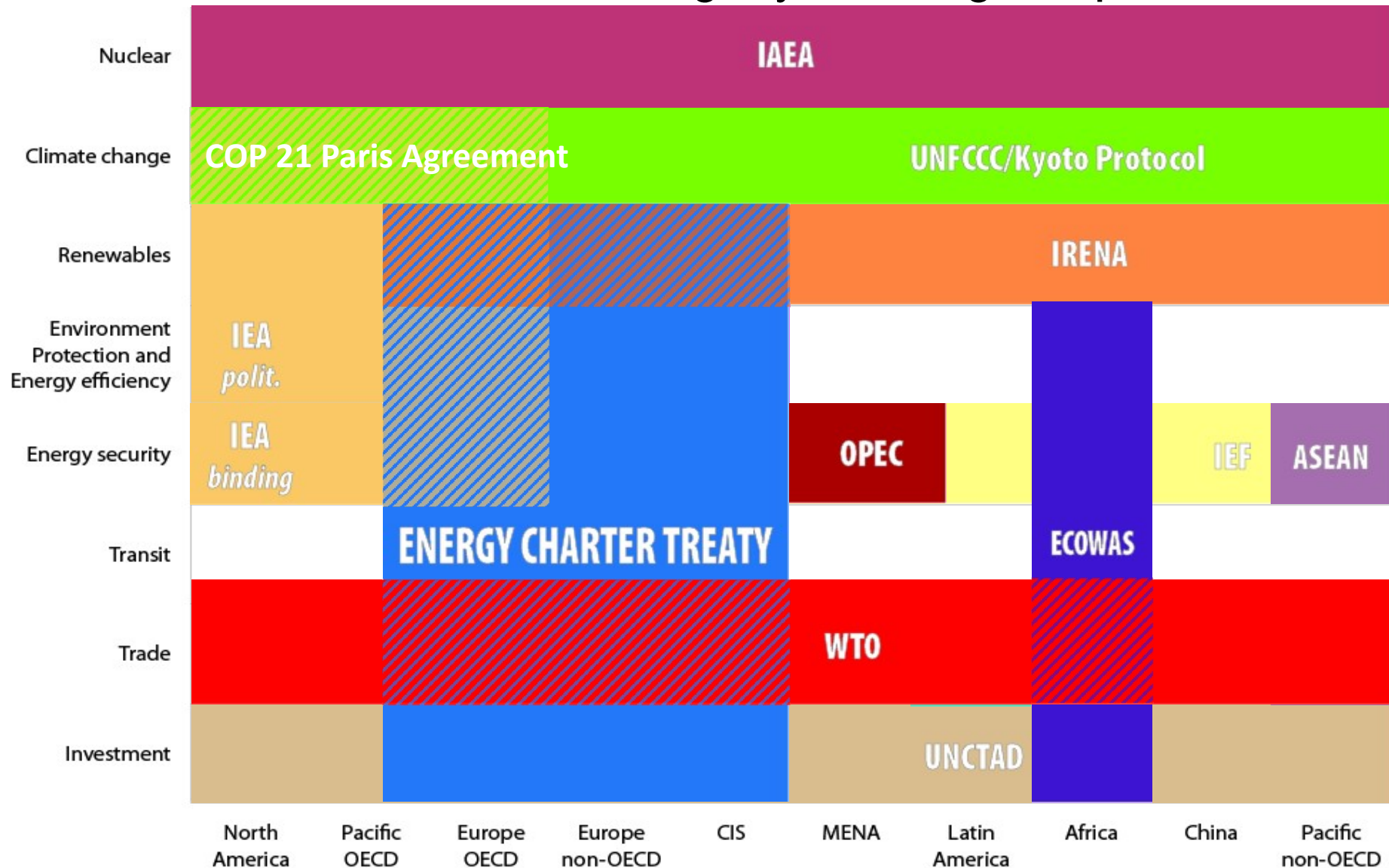
“Energy transition” advocacy NGOs:
 Transnational Institute tni.org
 NL Government financing the ECT criticism
 Corporate Europe Observatory CEO.org
 EU lobby group
 Key element – fighting against ISDS,
 climate cause secondary



Energy-Climate Related International Organisations with More Political Forum Functions



Energy-Climate Related International Organisations with More Legally-Binding Requirements



Energy Transition Actors

Roles of Actors

- Energy Transition is not their *raison d'être*
- Ongoing Energy Transition is driven by externalities
- Actors are adapting to the process
- There are different interdependencies

Interactions

- Complementarity
- Co-operation
- Competition
- Mutual Exclusivity

Complementarity - mutual exclusivity

Conflicts, and their management

Complementarity vs. Exclusivity

- Actors can play supportive, neutral or hampering role in the Energy Transition
- Energy Transition is a non-linear process
- Mutually Exclusive Interests

Decarbonisation Policies vs. Fossil Fuel Industries

Public Good vs. Private Wealth or Oil Consumers vs. Oil Producers ?

Fossil Fuel based State Revenues (Taxes, Licenses...) vs. Climate Emergency Costs ?

Energy Subsidies vs. Free Market (RES, Coal, Nuclear, Gasoline,...)

Conflicts and their management

Conflict Management – integral part of the Energy Transition

Conflicting Interests, Principles and Policies

Land Use vs. Energy Infrastructure Development

Predictability of the Investment Climate vs. Right to Regulate

Free Market Competition vs. Technology Specific Subsidies

Security of Supplies vs. Climate Commitments

Respect for Citizen's Rights vs. NIMBY-ism

Right for Development vs. Environmental Rights

National Sovereignty over Resources vs. Climate Commitments

Legal Instruments / Political Instruments

Key Takeaways

- All actors of the Energy Transitions are in a dynamic interaction – it is a non-linear process
- There is no single decision making body and all actors are in a permanent realignment
- Any action may trigger unforeseen side effects due to the complexity of the issue
- Public and private interests are intertwined in all imaginable ways
- Science and technology evolution will shape the ultimate outcome of the energy transition
- Transition costs are spread unevenly – winners vs. losers
- Only small steps at a time can be made

??? Questions for Participants ???

What is the most important actor/institution in the Energy Transition ?

Is the energy industry in favor or against the Energy Transition?

Are NGOs speeding-up or slowing-down the process?

Do international organisations matter at all?

What conflict management/resolution tools you can refer to?

What's matter more: a stable investment climate or a flexible alignment with public expectations?

People in the Energy Transition Diplomacy



Professor Dr Eli
Jidere Bala, Director
General of the
Nigeria Energy
Comission
Abuja, 2016

The End

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LESSON 1 – ACTORS OF ENERGY TRANSITION

NEXT

LESSON 2 – INSTRUMENTS OF THE ENERGY TRANSITION