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Closing the Climate Divide: How Energy-Transition Plans Can Turn Pledges Into Projects

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Contents

Executive Summary **3**

Energy Transition in Action **8**

A Five-Step Framework for LMICs and Their International
Partners **11**

Executive Summary

To limit global warming to 1.5°C and avoid the worst consequences of climate change, there is only so much more CO₂ the world can emit. This remaining carbon budget is estimated at around 420 GtCO₂ but at the current rate of emissions, we will exceed this within ten years. How the remaining budget is allocated across nations and industries is at the heart of the climate debate, with a divide opening up on the issue between developed and low- and middle-income countries (LMICs). As they have contributed the least to global greenhouse-gas emissions (Africa's share represents less than 3.8 per cent), LMICs believe they should be allocated the lion's share of the remaining budget. Developed countries, which have contributed the most (62 per cent for Europe and North America collectively) argue that technologies have advanced sufficiently to allow a decoupling of emissions from economic development and that LMICs should be able to “leapfrog” direct to cleaner-energy alternatives than fossil fuels.

The truth lies somewhere in between. While it is possible for economic development to take a less environmentally damaging path than the one followed by countries that completed their industrialisation last century, LMICs cannot be expected to hold back progress at their own expense. Furthermore, even if all the pledges of the landmark Paris Agreement are met by 2050, it is unlikely extreme and destructive climate change will be avoided – should the world remain on its current energy path.

Today, more than 3.5 billion people across 81 energy-poor countries live in energy poverty. These nations, which have collectively contributed 8 per cent of global CO₂ emissions since the First Industrial Revolution, will grow and, in some cases, at pace. When this economic development is taken into account, the annual contribution of these 81 countries to emissions could increase from a quarter in 2020 to more than three quarters by 2050, according to the Global Energy Alliance for People and Planet, effectively wiping out any chance of meeting either the goal of 1.5°C or below 2°C. This is why the global community must act now to ensure energy-poor countries are not left behind in the transition – and why developed countries must follow through on existing pledges as well as find new ways to support LMICs on low-carbon energy access.

The speed at which LMICs can establish low-carbon energy systems will be determined by both the decisions they take domestically and the support they receive from developed countries – whether financial, technological or via the opening up of global markets. Technology is crucial here and the extent to which “leapfrogging” is possible will depend on both developed countries and LMICs fostering an environment in which innovation is possible and can be scaled.

The energy pathway taken by LMICs will be key to mitigating the worst impacts of climate change, which is why it is imperative that developed countries honour their climate commitments. It is equally

important that LMICs implement and deliver the plans that will turn these commitments into actual investments. Neither of these actions are happening at the pace and scale needed.

The trust in developed countries to honour their climate-finance pledges is low. The failure to honour the \$100 billion in climate financing annually, made at COP15 in 2009, dented confidence and LMICs are today experiencing “pledge fatigue”, growing weary of the announcements that do not translate into projects on the ground. A year on from COP26, many of the Tony Blair Institute’s government counterparts are rightly asking, “where is the money we were promised?”

On the other hand, developed countries say the money is available, but investment-worthy plans and projects are lacking. It is a tragic paradox that the finance is there for precisely the types of project that deliver the long-term yields required for a successful energy transition, but that investment opportunities have not been developed sufficiently to attract private capital in the necessary volumes – particularly in Africa.

While the challenge is complex politically, economically and institutionally, there is a way to bridge the divide. At the domestic level, LMICs should take ownership of their future by developing and delivering their own energy-transition plans, with developed countries providing the financial support and policy framework needed to achieve this. High-profile partnerships to drive progress on energy transition have been announced over the past year, including South Africa’s US\$8.5 billion investment package – to which the United Kingdom, European Union, United States, France and Germany are contributing funds – which aims to transition the country away from coal. To repair the fragile trust between developed countries and LMICs, it is crucial this commitment and others like it are honoured.

It is equally vital that such partnerships are not only reserved for high-emitting countries. The international community’s focus to date has been on nations that already have a modern energy system but which need international support to transition away from fossil fuels. This means that countries without a modern energy system are being overlooked, which is short-sighted. Support needs to target low emitters too, especially those 81 energy-poor LMICs whose populations and economies are growing fast. Without a new and equitable global approach to supporting energy transition, it will be impossible to avert the worst consequences of climate change. It is in the interest of all countries to more proactively support the transition of energy-poor countries.

This paper builds on the Tony Blair Institute’s experience of supporting governments to develop and deliver energy-transition plans as well as clean-energy reforms and investments in Africa, Europe and Asia. It offers a five-step framework to LMIC governments setting out how to achieve effective energy transition while highlighting the supporting role that international partners need to play. Case studies from Indonesia, Mozambique and Nigeria, among others, provide practical examples.

The Benefits of an Equitable Effective Energy Transition

Implementing effective energy-transition plans in LMICs is crucial to the world's ability to fight climate change.

For LMICs, energy-transition plans will:

- Drive the development of energy sectors that support the delivery of broader government objectives, including industrialisation and job creation.
- Channel and coordinate the efforts of the various partners that will be needed to deliver the plans, both from within and outside government.
- Serve as a tool for channelling finance, not only by offering certainty on reforms and pathways to potential investors, but also by providing clarity on climate-financing needs.

For developed countries, energy-transition plans will:

- Act as a vehicle to convert ambitious climate commitments into on-the-ground projects while mitigating the risks of distrust and pledge fatigue.
- Provide clarity on where and how limited climate and development financing should be channelled to catalyse and de-risk low-carbon investment.
- Promote green-industrial development in LMICs, which can in turn decarbonise and diversify global supply chains.
- Create investment opportunities in LMICs. According to the International Energy Agency's recent Africa Energy Outlook, approximately \$70 billion needs to be invested annually in green-energy infrastructure on the continent.

Varying Priorities

Energy-transition priorities in LMICs versus developed countries differ significantly. In developed countries, the main focus tends to be the transition from an existing energy system to one that is less environmentally damaging. In contrast, a modern energy system often does not exist or is under-developed in LMICs. For example, almost half the African population (around 600 million people) still lacks access to electricity, and most households use wood as the primary cooking fuel. These contrasting starting points mean that in LMICs:

- Energy transitions need to enable broader government objectives. The reduction of emissions is often not the primary objective for LMICs, which face a range of competing priorities, so any plan

to reduce the carbon intensity of an energy sector will only succeed if it can be linked to other pressing government objectives, such as job creation or food security.

- Energy-transition plans must be more than an investment plan. LMICs do not lack a modern energy system by choice but because of political, institutional and regulatory challenges that need to be addressed as a prerequisite for any plan to succeed.

What Is Required of LMICs?

The global focus on climate change represents a unique opportunity to channel investment to the development of energy sectors that can drive industrialisation and economic growth in LMICS, but they will need to:

1. **Address the fundamental barriers to investment.** Financial sustainability of energy sectors, transparent procurement and the strengthening of institutions are all prerequisites to energy investment.
2. **Develop a narrative to answer the question, “Why are we doing this?”** There needs to be buy-in from the people and decision-makers within and beyond government on the necessity of a low-carbon energy system. Mitigating emissions in itself is rarely a strong enough rationale for countries with more pressing needs, so any energy-transition plan needs to contribute to other domestic priorities, such as job creation, food security and economic growth.
3. **Owning the plan:** External partners can fund consultants to recommend the reforms and investments that will be needed, but these serve as a to-do list – not a plan. They can also share lessons on how plans have been delivered elsewhere. However, only the country’s domestic policymakers can plot a pathway forward, negotiating politically challenging issues such as balancing the desire for low tariffs with the commercial imperative to ensure revenues cover the cost of an energy sector.
4. **Develop a set of clear requests for international partners.** A vague plan results in vague commitments. It is far better to be explicit about what is needed, whether that is climate finance to bridge the gap between the lowest-cost option and a greener solution, the sharing of risks or access to global markets.
5. **Drive delivery and accountability.** Energy-transition plans are complex and require collaboration between government, the private sector and international partners. LMICs must drive delivery and accountability, with this function being carried out by the centre of government.

What Is Required of International Partners?

Attempts by Western governments to impose transition plans, either explicitly or by restricting a country’s investment choices (for example, funding for gas) are likely to be ineffective, if not

counterproductive. There is growing agitation in LMICs about climate hypocrisy (“do as we say, not as we do”). Instead, international partners must endeavour to:

- 1. **Support LMIC governments to develop and deliver their own transition plans** by helping clarify the role of low-carbon energy as an enabler of more pressing national priorities.
 2. **Align their support to the needs and priorities of the country.** Typically, this will mean extending the scope of ambition beyond energy transition to other pressing government objectives, such as industrialisation.
 3. **Increase credibility by both following through on their pledges and being upfront about the nature of these commitments.** There is deep cynicism in many LMICs about pledges that either cannibalise existing aid budgets or include a significant element of commercial debt.

Technology as a Top Enabler

Across all major economic sectors, technology has the potential to unlock emissions reduction and move LMICs to the path of sustainable economic development. From hydrogen to digital-optimisation technologies, biofuels to carbon capture, these levers all hold great promise, but the need to scale such innovations is also pressing, especially as leaders understand the importance of green development to futureproofing the global competitiveness of their exports.

Creating the markets to deliver these technologies at scale is often not happening. For instance, Africa boasts 60 per cent of the world’s best solar resources but only 1 per cent of installed solar photovoltaic (PV) capacity. Comprehensive energy-transition plans can help to address this.

International partners must also work with LMICs to unlock the channelling of climate finance to the most climate-vulnerable countries. To de-risk the investment landscape in LMICs, new mechanisms and instruments are necessary to nurture strong local tech ecosystems, build local capacity and accelerate wider economic-development objectives.

Energy Transition in Action

Figure 1 – The Tony Blair Institute is working on the ground in Africa, Asia and Eastern Europe to support governments with their energy-transition plans

ASIA

Indonesia: Carbon markets, transitioning coal to renewables and electric vehicle development

EASTERN EUROPE

Serbia: Delivery of wind generation

Albania: Utility reform

AFRICA

Sahel: Supporting African Development Bank's Desert to Power initiative

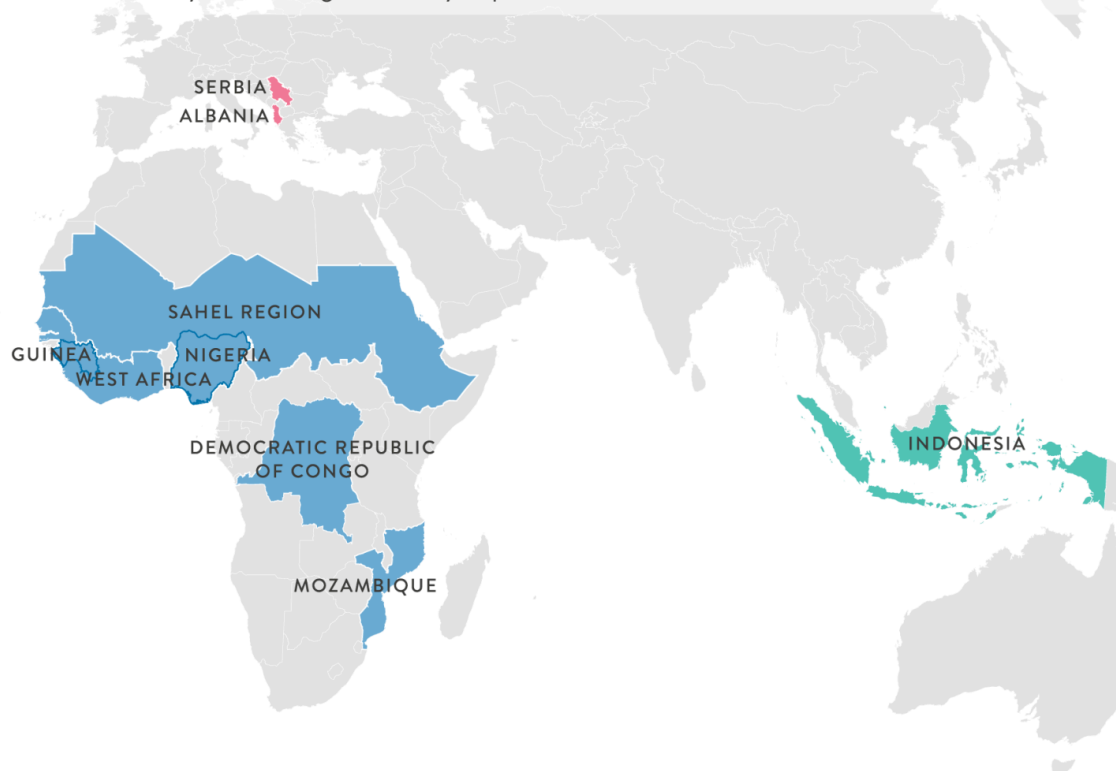
Nigeria: Supporting the presidential working group to address fundamental barriers to investment

Democratic Republic of Congo: Expanding energy access and large-scale hydropower support

Mozambique: Renewable energy auctions and large-scale hydropower investment

West Africa: Supporting regional electricity market

Guinea: Delivery of 600 megawatts of hydropower



Source: TBI

The work of the Tony Blair Institute in Indonesia, Mozambique and Nigeria demonstrates effective energy-transition plans in action, grounded in centre-of-government leadership, economic growth and the unlocking of green energy sources.

Indonesia: Breaking the Link Between Consumption and Emissions

As a middle-income country with a burgeoning population, Indonesia has aspirations of significant economic growth. Inevitably, this will entail increased energy consumption. The country is finding ways to break the link between higher consumption and higher CO₂ emissions by working to decarbonise its power system and energy-intensive sectors.

One of the main challenges of decarbonising the coal-heavy power system is that legacy fossil-fuel infrastructure, which holds surplus electricity in some areas, must be retired before new renewable-energy systems can be built. Indonesia has launched initiatives to meet this challenge, including the Energy Transition Mechanism (ETM) Country Platform that leverages blended finance to accelerate retirement of coal-fired power plants. The Tony Blair Institute's team has contributed to these efforts by providing analysis of potential funding mechanisms for the initiative.

Mozambique: Unleashing the Power of Hydro

While only 45 per cent of the population has access to electricity – with CO₂ emissions per capita accounting for less than 5 per cent of the global average – Mozambique could make an outsized contribution to the global fight against climate change. The country is already Southern Africa's largest exporter of green electricity as a result of its Cahora Bassa Dam, from which 50 per cent of energy is exported to South Africa. But fully utilising this abundant resource will unlock the potential further still and help decarbonise the Southern African Power Pool, one of the most carbon-intensive power systems on the planet.

The government has targeted the development of an additional five gigawatts of hydropower capacity, which could displace the need for coal-based electricity production in Southern Africa and serve as the reliable power source needed to bring online five separate gigawatts of wind and solar to the system. The resulting emissions that would be avoided could amount to 40 million tonnes per year – more than the annual total generated by Portugal. Furthermore, the energy produced could underpin green industrialisation and generate revenues contributing to the country's broader economic-development ambitions.

The Tony Blair Institute is supporting this initiative, working with the president and ministries of finance in strategy and delivery on the areas of investor outreach, the creation of a green-energy certification market and international partnerships. This builds on seven years of support to President Filipe Nyusi's government on the Mozambican power sector.

Nigeria: Coordinating Reforms and Transition From the Centre

Under the presidency of Muhammadu Buhari, the Power Sector Reform Coordination Working Group has convened agency heads, state-government representatives and advisors, with Nigeria's Vice President Yemi Osinbajo at the helm. The Tony Blair Institute has supported the working group since its inception, which, in less than three years, has achieved reforms equivalent to \$4 billion in avoided subsidies.

The government is now seeking to replicate the success of the Power Sector Reform Coordination Working Group to deliver Nigeria's energy-transition plan, which aims to leverage clean-energy sources to create jobs and develop the economy.

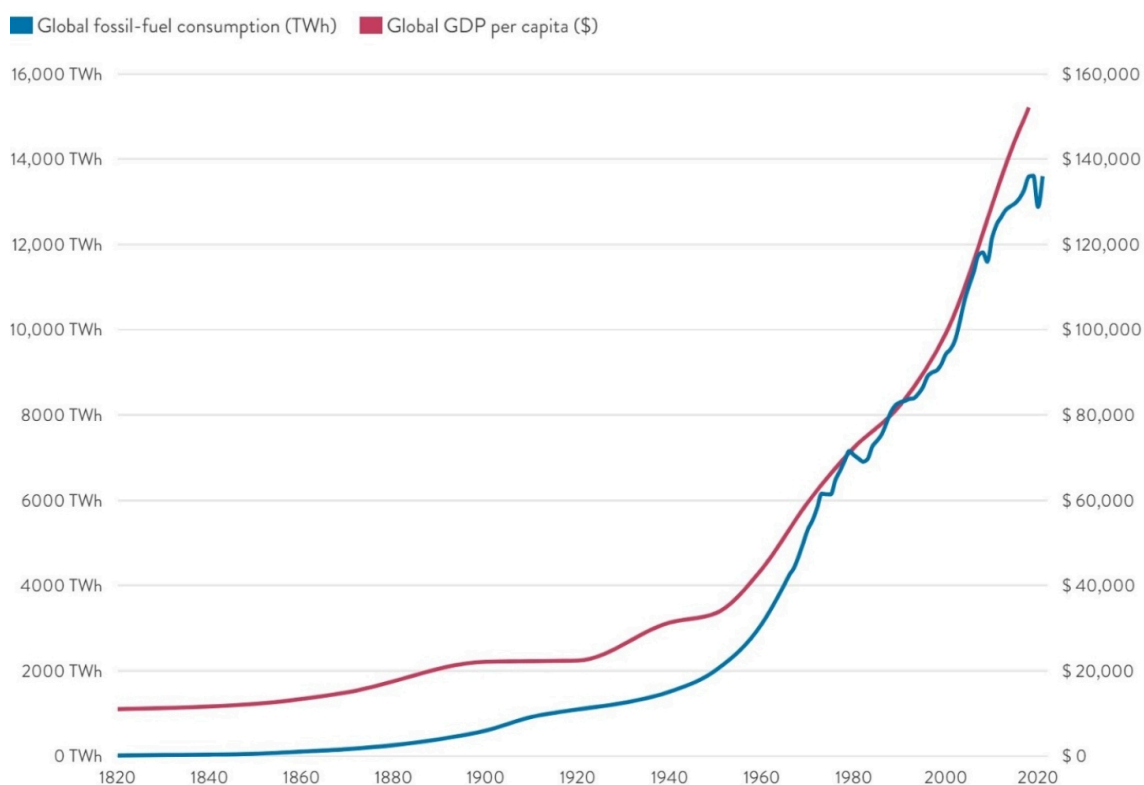
The country is taking an innovative "design, pilot, scale" approach to the accelerated adoption of renewables, with presidential approval for 14 on-grid solar independent power producers (IPPs) that could unlock \$1 billion of investment. Indeed, investor confidence in Nigeria's power sector is growing, with private-sector finance recently mobilised to help deliver 150,000 solar-home systems and several renewable mini-grids.

A Five-Step Framework for LMICs and Their International Partners

For more than a century, the burning of fossil fuels has powered economic development, with GDP and consumption increasing in lock step. However, this development – and, by extension, the use of fossil fuels – has not been evenly distributed across the world. Emissions per capita in Mozambique today are around a quarter of a tonne per person, the same level in the United States of 1840. Almost two centuries on and emissions in the United States are close to 50 times higher than in Mozambique, with GDP per capita almost 100 times more.

Despite its rich energy endowment, Mozambique has not yet developed the type of modern system needed to drive economic growth. The country's entire population of 30 million people consume less power each year than UK households do to operate their washing machines.

Figure 2 – Fossil-fuel consumption and GDP have grown hand-in-hand globally



Source: *Our World in Data*

While addressing climate change will require a global effort and the world cannot afford for LMICs to follow the West's example of fossil-fuel-powered growth, the differing energy priorities of the two must

be acknowledged. While developed countries are prioritising the transition of their energy systems towards reduced reliance on fossil fuels, their LMIC counterparts are yet to transition to a modern energy system.

Step One: Address the Fundamental Barriers to Investment

In developed countries, including the UK where our research suggests that politicians are often lagging behind the public on the urgent need to decarbonise, energy transition is largely an investment and delivery challenge. For many LMICs, the challenge is more fundamental. For example, the development of a modern energy system has been among the top priorities of presidents and governments in many parts of Africa for more than a generation, yet little progress has been made, often for similar reasons:

- Most countries have investment plans but many don't follow them, resulting in uncertainty, increased risks for investors and a power sector that limits rather than enables economic growth – either because there is not enough power available or because a surplus needs to be subsidised.
- Most investment is still secured through bilateral negotiations rather than competitive tendering. At best, this results in delays and higher prices but, more frequently, it means that government efforts are expended on projects that simply do not advance.
- In most power sectors, the cost is higher than revenues, resulting in government subsidies that are regressive (often benefiting the highest energy consumers) as well as uncertainty among investors over whether they will be paid.

These challenges are almost always political in nature. As one of the prerequisites for attracting investment in energy transitions, strong institutions and stable government are required in order for plans to be executed, and for competitive procurement processes to be implemented. Electricity costs are often highly politicised, with adjustments considered to be contentious among voting publics.

Attempts by Western donors to address these issues have yielded mixed results. Despite it being one of the most prominent policy stipulations to African countries by multilateral banks, only two countries on the continent have electricity tariffs that cover the cost of the sector. Relying on the same failed approach whereby international consultants and institutions dictate what needs to be done, with minimal ownership or involvement of LMICs, is detrimental. Moreover, it puts at risk both the economic development of LMICs and the global fight against climate change.

Reforming to Stabilise the Sector and Reduce Subsidies in Nigeria

President Buhari prioritised reforming the failing power sector from the time he took office in 2015. Fundamental to this was bridging the gap between the sector's revenues and cost, which was holding back the private sector from investing. This was a political conundrum. It was extremely challenging to increase the cost of energy when the quality of service was so poor yet improving quality required attracting more investment, something that was only possible if energy costs increased.

To resolve this impasse, the government implemented an innovative solution: the creation of a tariff based on the quality of service. The Tony Blair Institute supported on the implementation and, despite political challenges and tense negotiations with consumer groups and trade unions, presidential leadership helped to drive the solution forward.

The impact of the reform was immediate: a 20 per cent increase in energy sold to consumers through the national grid. From an environmental perspective, the benefits of replacing power produced by diesel generators with power from the grid (a mix of gas and hydropower) was the equivalent to a reduction in carbon emissions of around 3.5 million tonnes in the first year.

Financially, the reforms reduced the need for government subsidies equivalent to more than \$600 million.

Step Two: Develop a Narrative to Answer the Question, “Why Are We Doing This?”

There are multiple reasons for LMICs to establish low-carbon energy systems:

- create a mechanism for crowding-in investment;
- decouple from increasingly volatile fossil-fuel markets;
- drive green industrialisation;
- and demonstrate climate leadership.

For LMICs, it is crucial the motivations for an energy-transition plan can be articulated in a way that makes it a priority for the government and electorate alike. The development of such a plan must be seen as a stepping stone to higher-level national objectives, otherwise it risks being overtaken by events or changes in government.

Why Are We Doing This? Revving Up Industrial Policy in Indonesia and Mozambique

Indonesia aims to leverage its abundant nickel reserves – the largest in the world – to become a leader in electric vehicle (EV) battery production. Companies such as Hyundai, LG and CATL have plans to invest in the country, which has passed regulations to accelerate domestic EV adoption. Beyond reducing emissions through the replacement of petrol-powered cars, the regulations could grow both the domestic market for these vehicles and spur further investment into Indonesia's battery manufacturing.

Mozambique is already home to Africa's second largest aluminium smelter. But there is an increasing global demand for green aluminium made using hydropower, as car manufacturers in particular seek to decarbonise their supply chains. The green baseload power that could be generated by planned hydro-investments in the country could increase the price that Mozambique's aluminium fetches in international markets, making it more attractive for companies to invest in its downstream green industries.

For international partners, broadening out the scope of their support at bilateral and multilateral levels is essential. At the bilateral, it is important to establish links between support for energy transitions and overarching domestic aims. For example, by ensuring domestic workers and local businesses benefit from the transition. Beyond the obvious short-term benefits, such an approach ensures that a suitable national ecosystem is being developed and that momentum in the transition can be maintained through vital lobbying efforts (South Africa has exemplified this approach). Additionally, by supporting not only the development of low-carbon energy but also the value chains that will utilise this energy, industrial development can also be catalysed.

Why Are We Doing This? Job Creation in Morocco

Morocco has made steadfast progress on renewable-energy capacity. Taking the green transition as an opportunity to develop green-manufacturing capabilities, the Moroccan government invested in industrial clusters to produce renewable-energy equipment. This includes a solar cluster that specifically supports the capabilities of small and medium enterprises. With a strong focus on building partnerships with foreign investors and international companies, the government's initiative has led to firms such as Siemens investing in pioneering manufacturing plants, notably one for turbine blades that has been funded by an initial investment of €100 million and resulted in the creation of 1,200 jobs.

At the multilateral level, providing incentives that encourage LMICs to transition towards a low-carbon energy system will be much more effective than limiting their investment choices. For example, the recent phasing out of funding for fossil-fuel projects has not resulted in a significant increase in new renewable projects moving forwards because there have been no incentives for LMIC governments to

address fundamental sector barriers, such as transparency and financial sustainability. Instead, it has merely contributed to a growing sense of resentment about the West's hypocrisy.

The European Union's Carbon Border Adjustment Mechanism (CBAM) is an example of a tool that, if correctly calibrated, could incentivise the production of green commodities and products in LMICs. The mechanism has been established to avoid products produced in a more environmentally damaging way outside the bloc from undercutting those made within its borders by levying an additional tax on carbon-intensive commodities including cement, steel, aluminium and fertiliser. This represents both an opportunity and a threat to LMICs. Those that can produce aluminium or fertiliser in a low-carbon way using renewables are likely to be able to command a premium as a result of the reduced levies that will be applied when these materials are imported into the EU. Those that continue to rely on fossil fuels risk their products decreasing in value.

While the CBAM and similar initiatives present an opportunity, much work will need to be done by LMICs to ensure the EU's standards of monitoring, verifying and reporting are catered for.

Step Three: Plan to Deliver

International partners can fund consultants to recommend the reforms and investments that will be needed by LMICs, but these serve as a to-do list – not a plan. They can also share lessons on how similar plans have been delivered elsewhere. However, only the country's domestic policymakers can plot a pathway forward, negotiating politically challenging issues such as balancing the desire for low tariffs with the commercial imperative to ensure revenues cover the cost of an energy sector.

Those who implement the plan need to be fully involved in the process of defining the root cause of existing bottlenecks, exploring possible solutions and helping to lay out clear workplans with strongly defined deliverables. Civil servants and technocrats in LMICs are stretched on time and resources. One of the best methods to ensure progress is through Delivery Labs, which have been implemented across the world and are described in more detail in the context of the Tony Blair Institute's work in Malawi.

Accelerating Delivery Through the Lab Approach In Malawi

Malawian President Lazarus Chakwera describes a delivery lab as “*an intense problem-solving environment ... with a full-time team working in iterative manner towards creating implementation activities*”. Through the approach, government decision-makers are engaged to ensure that complex problems can be solved, interactions with stakeholders streamlined and clear programmes developed. This approach has accelerated delivery on reforms and created an enabling environment for investment. For example, in its Private Sector Labs, the government committed to more than 50 policy and service-delivery solutions to transform the business environment, including open tendering for large power projects and the introduction of the country’s first agricultural tariff. Progress is being monitored by the Presidential Delivery Unit to ensure workplans stay on track.

Step Four: Develop a Clear Set of Requests for International Partners

When LMICs seek international partners to foster low-carbon technologies, the following considerations will foster a more productive package of support:

- **Additionality:** International partners need to understand they are providing something that would not otherwise be available on a commercial basis in an LMIC or, if secured on commercial terms, would make the investment in a lower-carbon alternative unviable.
- **Leverage:** The levels of concessional finance available are below what is needed to wholly fund the energy transition. International partners need to understand that their limited finance is being used to “leverage” private-sector finance, often mitigating risk.
- **Narrative and justification:** Clearly articulating why support is required is essential. Alongside crafting a domestic narrative for the transition, it is vital to develop a separate one for international partners. When outlining why support is required, needs should be expressed in terms of their priorities such as emissions mitigation, regional integration, economic development and rural empowerment. Numbers are also important to demonstrate, for example, the CO₂ savings the support will unlock.
- **Credibility:** Partners will want to see that LMIC governments are serious about delivery. Committing to the often politically challenging work of addressing sector fundamentals is imperative as is strengthening and empowering the institutions tasked with delivery.
- **Specificity:** A vague set of requests risks being met with a vague set of commitments. It is vital that governments are specific about what they are asking for.

When setting out requests, it’s important to think beyond traditional development-finance instruments such as equity, concessional lending, grants and guarantees. Since mitigating emissions will deliver

benefits beyond the borders of the country in which the investment is made, countries should also explore relevant emerging market opportunities.

Carbon markets, for example, facilitate the trading of certificates that guarantee avoidance or removal of greenhouse-gas emissions from the atmosphere. A new era of carbon markets is being ushered in under Article 6 of the Paris Agreement in the form of internationally transferred mitigation outcomes and voluntary markets that allow the mitigation benefits to be traded. Another emerging opportunity is the market for low-carbon commodities and products. As part of their engagement with international partners, LMIC governments should be discussing how their commodities and products can access these global markets as well as drive further investment in renewables and job creation.

Mozambique Clearly Articulates Its Requests

In developing the Zambezi Hydro Cascade project, there are specific requests the government of Mozambique is making to its international partners. Without them, the project would not be able to proceed.

Mozambique has cheaper yet more carbon-intensive power-generation options than hydropower. This is why it is exploring carbon markets to provide the additional revenue needed to make the cascade project viable. Without international support, the project would entail risks that could inhibit progress, so the government is also engaging with international partners for support on managing hydrological, climate-related and financial concerns through insurance and guarantees.

With aluminium representing Mozambique's largest export, two-thirds of which is already sent to Europe, a key part of the investment case for the Zambezi Hydro Cascade is the production of green aluminium. Mozambique will be seeking guarantees that it can continue to access the European market, on terms reflecting the reduced-carbon characteristics of its product.

Step Five: Drive Delivery and Accountability

Ultimately it is the LMIC government that must drive delivery of its own energy-transition plan. But the set of stakeholders needed to realise delivery is often large, typically including local and international private-sector companies, financiers, partner countries and development partners.

To successfully drive something as complex as an energy-transition plan, the following factors are essential:

1. **Planning and prioritisation:** Without this, there is a risk that efforts are poorly coordinated as stakeholders focus on their own priorities rather than the delivery of a coherent plan.
2. **Political authority:** Those given the mandate to drive delivery must have the authority to do so. This

is often best done by linking the unit tasked with delivery to the president or prime minister.

3. **Performance management:** Implement regular performance tracking, reporting and problem-solving to ensure accountability.

Driving Reforms From the Centre of Government in Nigeria

In February 2020, after years of stagnation in the Nigerian power sector, President Buhari and Vice President Osinbajo took personal responsibility to drive through the necessary reforms through the establishment of the Power Sector Reform Coordination Working Group. Key to its success was the appointment of a secretariat – empowered by the president and led by the president’s special advisor on infrastructure – to track the plan, unblock issues and hold those responsible for delivery to account. Stakeholders were approached for inputs but given clear responsibilities too while partnerships were prioritised – without the local context being forgotten. The ultimate responsibility for identifying and delivering on the power agenda has remained at the centre of government.

Conclusion

The global focus on decarbonisation represents an unprecedented opportunity for LMICs to establish a modern, low-carbon energy system that can drive their development and economic growth. There is also a strong global imperative to foster this transition if we are to mitigate the worst impacts of climate change. The investment required is vast and the programmes required to mobilise this funding are inherently complex – commercially, technically and politically.

Energy-transition plans are therefore a crucial and practical tool to turn pledges into projects. International partners must acknowledge that an energy-transition programme is not something that can be imposed on a country. To succeed, they must rather be developed and owned by LMICs, with emissions mitigation enabling a path to the achievement of higher-priority national objectives, such as job creation, industrialisation and sustainable economic development.

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