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How to Implement and Finance Cities' Efforts for Energy Transitions in the Middle East and North Africa?

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The UfM Ministerial Declaration on Energy of the 1st of December, 2016

Mandate to the UfM Secretariat “for those countries where structures make it relevant and who are willing, explore the possibilities, notably in the framework of the Covenant of Mayors to better coordinate ongoing and future efforts by local authorities in promoting and deploying renewable energy and energy efficiency measures, in reducing greenhouse gas emissions and in addressing the adaptation challenges that a changing climate poses”.



outline

1. Energy transition in Middle East and North African Countries
2. Local authorities in the region
3. Technical solutions for project implementation
4. New forms of decentralized service delivery models
5. Regional cooperation



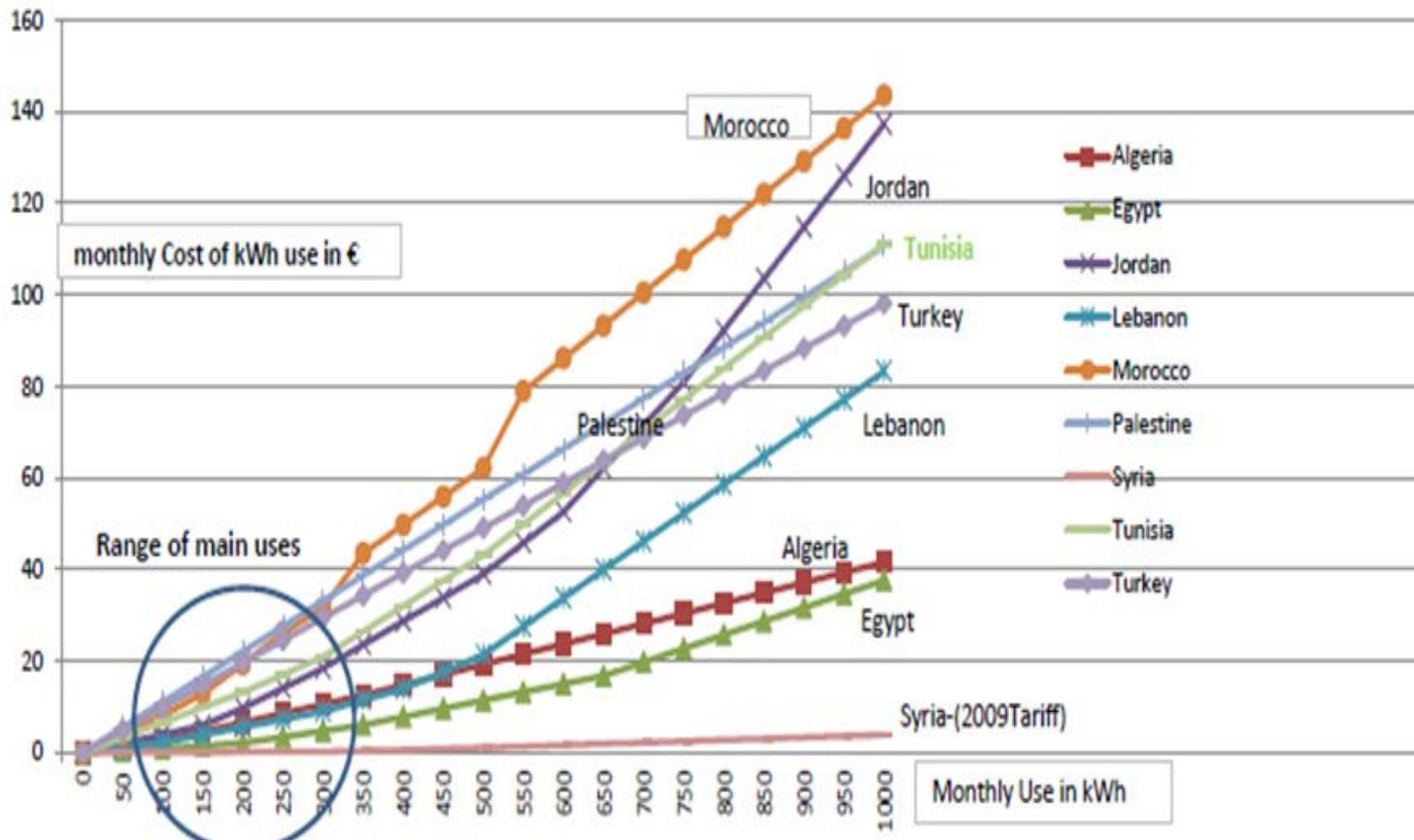
Energy transition in Middle East and North African Countries

Energy management remains a hot issue for the region.

Renewable energy investment is not substantial and there are not enough economic incentives for energy efficiency, as users' energy prices don't reflect primary energy's market prices, due to the high level of public subsidies.



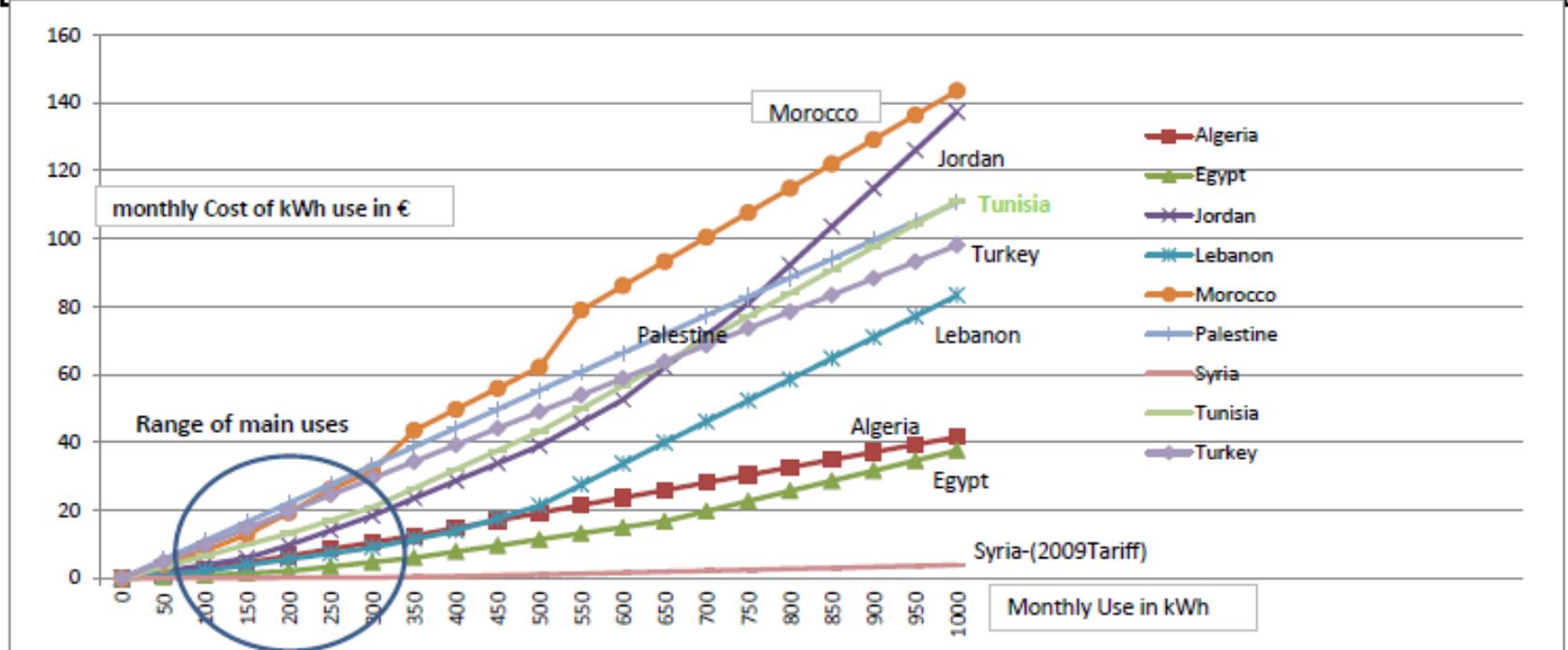
The cost of monthly energy use in kWh in southern and eastern Mediterranean countries (October 2017, tariff exchange rate) *

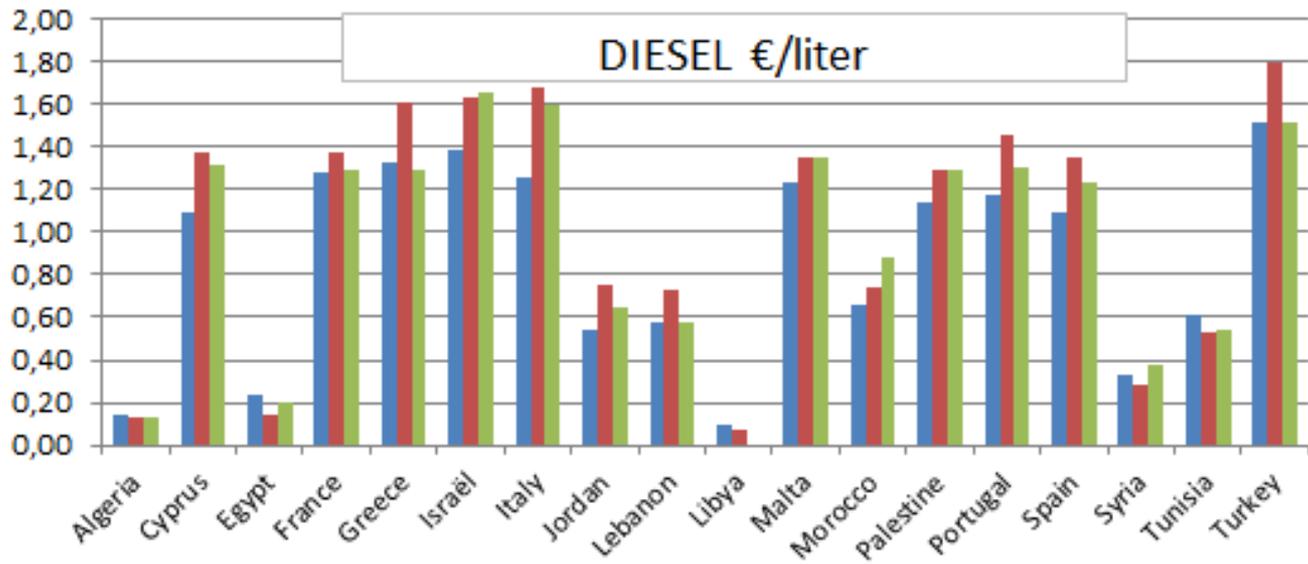
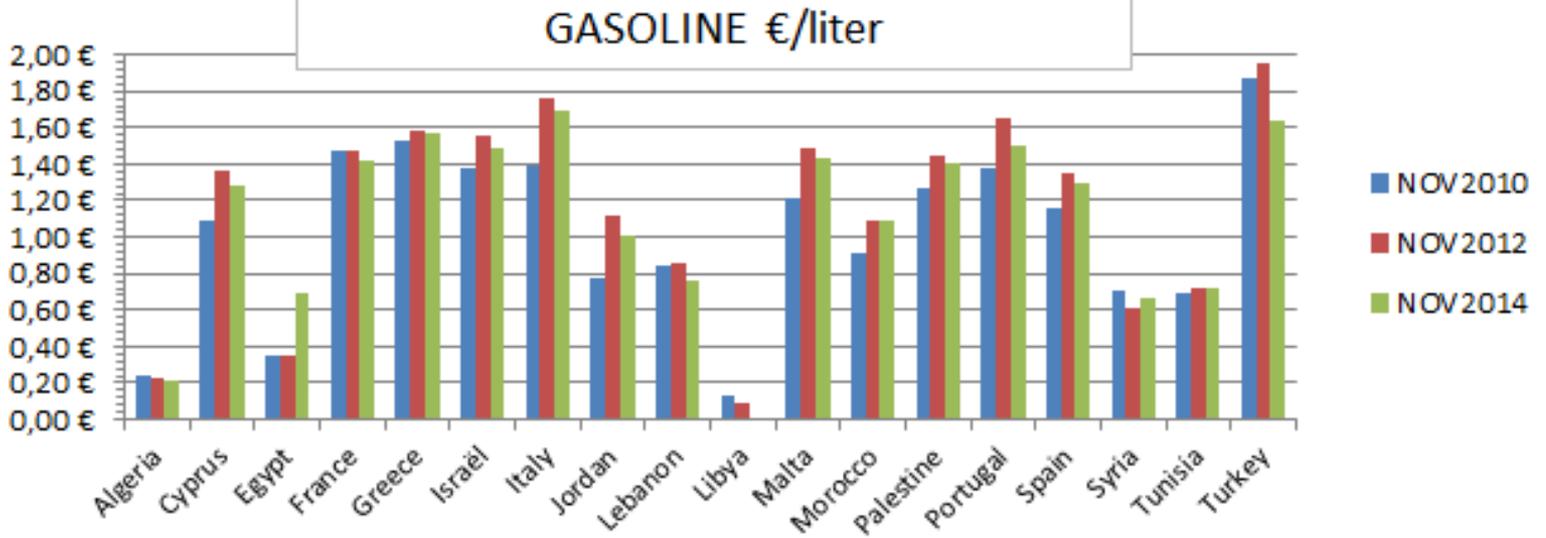


*source study B.Cornut for UfMS 2017

COST of the MONTHLY USE of kWh in several MED COUNTRIES (Oct 2017 TARIFFS & EXCHANGE RATES)

Country	0	50	100	150	200	250	300	350	400	450	500	550	600	650	700	750	800	850	900	950	1000
Algeria	0	0,9	2,7	4,6	6,6	8,6	10,5	12,6	14,8	17,0	19,3	21,5	23,7	26,0	28,2	30,4	32,6	34,9	37,1	39,3	41,6
Egypt	0	0,3	0,8	1,5	2,1	3,4	4,7	6,1	7,8	9,6	11,4	13,2	15,0	16,8	19,8	22,7	25,7	28,7	31,7	34,7	37,6
Jordan	0	2,0	4,0	5,9	9,8	14,1	18,4	23,5	28,7	33,8	39,0	45,8	52,6	62,1	71,6	81,0	92,3	103,5	114,8	126,1	137,3
Lebanon	0	1,1	2,2	3,9	5,6	7,3	9,0	11,5	13,9	17,7	21,4	27,6	33,8	40,0	46,2	52,4	58,5	64,7	70,9	77,1	83,3
Morocco	0	4,1	8,1	12,9	19,3	26,3	31,5	43,5	49,7	55,9	62,1	78,9	86,1	93,3	100,5	107,7	114,8	122,0	129,2	136,4	143,5
Palestine	0	5,5	11,1	16,6	22,1	27,7	33,2	38,7	44,2	49,8	55,3	60,8	66,4	71,9	77,4	83,0	88,5	94,0	99,5	105,1	110,6
Syria	0	0,0	0,0	0,1	0,1	0,2	0,3	0,4	0,6	0,8	1,1	1,3	1,6	1,9	2,2	2,5	2,8	3,0	3,3	3,6	3,9
Tunisia	0	3,3	6,6	9,9	13,2	17,0	20,9	26,5	32,0	37,6	43,1	49,9	56,7	63,5	70,3	77,1	83,9	90,7	97,5	104,3	111,1
Turkey	0	4,9	9,8	14,7	19,6	24,5	29,4	34,3	39,2	44,1	49,1	54,0	58,9	63,8	68,7	73,6	78,5	83,4	88,3	93,2	98,1





Source: GIZ - International Fuel Prices 2010/2012/2014 Selection & processing: Bernard Cornut 10/2017 for UfM

Local authorities in the region

The global issue of growing urbanisation also remains a challenge for the Mediterranean region

One of the most urbanized region in the world, with around 60% of the total population living in urbanised areas, and a 45% increase in urban populations projected by 2030. However, local authorities' governance models and their technical and financial resources do not follow the same trend.



Technical solutions

International support creates pilot actions and starts energy planning in the region.

However, it also creates a system of dependency on international aid, grants and funding, as they are not accompanied by national policies that might create an ecosystem for the multiplication of these actions and the development of long-term policies.



New forms of decentralized service delivery models

Within the limits of local governance, institutionalisation of energy transition at the local level is a must for ensuring the sustainability of efforts

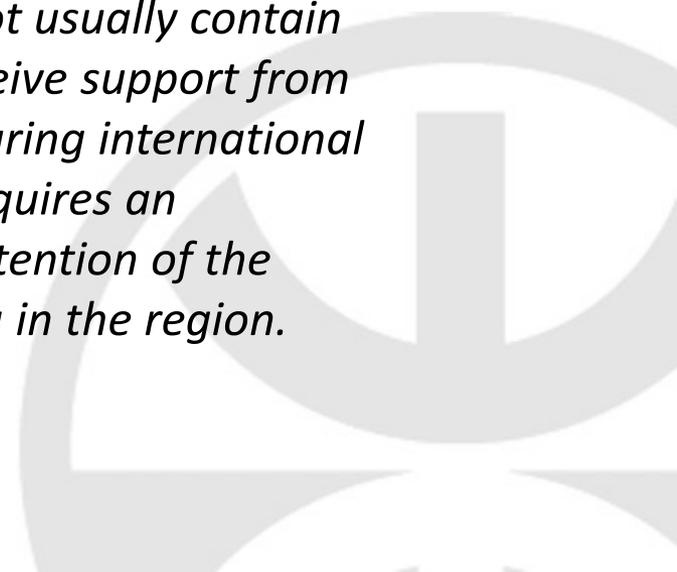
Non-traditional actions like energy transition require creative thought, thus allowing new forms of decentralised service delivery models, such as public-private partnership (PPP) frameworks, to emerge.



5. Regional cooperation

an intergovernmental organisation such as the UfM can be a convenient platform where project promotion can be used as a tool to ensure cooperation

Local authorities face several layers of challenges when they undertake actions. On the one hand, weak financial and human resources limit their ability to undertake actions in response to their energy transition needs. On the other hand, energy transitions do not usually contain all the necessary frames required to receive support from a national policy, instead relying on securing international funding. However, sustainable action requires an institutional frame that can draw the attention of the private sector, which is currently missing in the region. (Turkey is a notable exception here.)



UfMS Initiative for Energy Transition @ Local

- **Peer-to-Peer Dialogue**
- **Database for Actions**
- **Capacity Building Program**

