

Executive Summary

Global Governance of the Energy-Climate Nexus: Towards National Engagement Strategies

Dr Mari Luomi, May 2016

- A number of international institutional and legal arrangements have emerged over recent decades for governing the international aspects of both energy and climate change. A key goal of global institutions focusing on this 'energy-climate nexus' is enabling sustainable energy transitions in all countries in order to achieve low-emission, resource-efficient and climate-resilient economies and, by doing so, avoiding dangerous climate change.
- The UN Framework Convention on Climate Change (UNFCCC) alone will not be able to leverage the required transitions, despite the breakthrough in negotiations in December 2015, which resulted in a universal, legally-binding agreement to address climate change. Other governance and cooperation institutions, forums and partnerships will be critical for achieving the goals of the Paris Agreement, as well as the energy and climate change goals set out in the UN 2030 Agenda for Sustainable Development, agreed in September 2015.
- To reach effective outcomes, a clear understanding is needed of where the energy-climate nexus is governed, what and where its key competencies are, and how it is evolving. There is no single global organisation leading on this agenda, but various institutions and other governance forms working on different aspects of it in a non-hierarchical manner, often with overlapping mandates. This governance structure needs to be better understood by government stakeholders.
- This paper develops three visual maps of the current state of the global energy-climate regime complex. It also makes the case for practice-oriented, state-centred analyses that can contribute towards more effective participation in the regime complex and, consequently, enhanced national-level implementation.
- The paper argues that it may be useful for governments to review their existing relationships and engagement strategies vis-à-vis this regime complex. Despite the growing importance of non-state and subnational actors in delivering climate action, states are still the key drivers of low-carbon transitions. They need to understand how to most efficiently engage with these emerging governance and cooperative mechanisms, which can offer states many types of benefits.
- The paper therefore makes a proposal for a three-step, national-level multi-stakeholder process aimed at determining a government's priorities for participation in the global energy-climate regime complex.
- The first step consists of mapping the state's present-day participation profile in the regime complex: what institutions the government engages with, what (human) resources are required to sustain a meaningful participation in different institutions, and what can be achieved from participating in each institution.

- **The second step seeks to define the country's national interest vis-à-vis the regime complex.** In other words, what the state wants and needs from the international level to be able to fulfil its national energy transformation goals. This step will examine national interest regarding: preferences regarding the nature of global regulatory and policy frameworks; support needs in the areas of finance, technology and capacity building; and potential contributions in the areas of finance, technology and capacity building.
- **The third step focuses on identifying optimal ways to pursue national interest within the regime complex** by: evaluating the current engagement strategy, as established in step one, against the national interest, as established in step two; defining options to enhance the state's engagement; and considering regional and national governance frameworks that can complement or even replace similar initiatives at the global level.
- **The paper also provides a short illustration of how this process could be applied in practice, by using the UAE as an example.**