



Inter-Parliamentary Union
For democracy. For everyone.

138th IPU ASSEMBLY AND RELATED MEETINGS

Geneva, 24 – 28.03.2018

Engaging the private sector in implementing the SDGs, especially on renewable energy

*Resolution adopted unanimously by the 138th IPU Assembly
(Geneva, 28 March 2018)*

The 138th Assembly of the Inter-Parliamentary Union,

Reaffirming its commitment to effectively implementing United Nations General Assembly resolution A/RES/70/1 of 25 September 2015, entitled *Transforming our world: the 2030 Agenda for Sustainable Development*, which laid the foundations for an inclusive sustainable development agenda with the involvement of all stakeholders, including the private sector, and set forth Sustainable Development Goal 7 on energy, in which the necessity of renewable energy development is affirmed,

Stressing that the Hanoi Declaration of 1 April 2015, adopted by the 132nd IPU Assembly, recognized parliament's role in mobilizing finance from both private and public sources to attain the Sustainable Development Goals (SDGs) and stated that the environment for private investments should be strengthened in ways that directly support sustainable development; and *reaffirming* the IPU resolution on *Promoting enhanced international cooperation on the SDGs, in particular on the financial inclusion of women as a driver of development*, which was adopted by the 136th IPU Assembly and calls for enhancing women's entrepreneurship and access to financial resources,

Referring to United Nations General Assembly resolutions A/RES/69/313 of 27 July 2015, entitled *Addis Ababa Action Agenda of the Third International Conference on Financing for Development*, and A/RES/71/233 of 21 December 2016, entitled *Ensuring access to affordable, reliable, sustainable and modern energy for all*, and to the outcomes of the United Nations Private Sector Forum 2017, the 2017 High-level Political Forum on Sustainable Development on progress towards the implementation of Goal 7, the 2017 IPU Regional Seminar on Achieving the Sustainable Development Goals for the Parliaments in the Asia-Pacific Region, the 2017 IPU Regional Seminar on the Sustainable Development Goals for the Parliaments of Sub-Saharan Africa, which recognized that the SDGs will have a disproportionate effect on the younger generations, in Africa and around the world, which should be included in the planning and implementation of development policies, and the 26th Annual Meeting of the Asia-Pacific Parliamentary Forum,

Asserting that sustainable development is the common goal of society and that among the interconnected and indissociable 17 Sustainable Development Goals, Goal 7 is a significant linchpin for the success of the others, especially those relating to poverty reduction, education, health and environmental protection in response to climate change,

Emphasizing that the development of renewable energy sources and access to affordable, reliable, sustainable and modern energy sources have a significant contribution to make in ensuring energy security, minimize inequalities in energy access, both within and between countries, create jobs and improve people's livelihoods, including those of youths and women in society,

Recognizing the urgent need to ensure full and equal access of women to renewable energy as a means to enhance their economic empowerment, as well as women's potential, given their key role in producing and using energy in households and communities, particularly in developing countries,

Observing that renewable energy technologies have experienced remarkable cost reductions over the last decade, exhibiting lower unit costs than traditional thermal power plants in many regions, and that similar developments are envisaged for generation and storage technologies in the foreseeable future,

Recognizing that the contribution of the private sector to development goes beyond capital provision and employment creation and that the private sector can be a true development agent which drives technology development and innovation, makes smart investment in key areas, facilitates technology transfer and participates in the transition towards sustainable production, operation and consumption, and that the active involvement of the private sector and the strategic partnership between the private sector and the public sectors, civil society and local communities are critical, especially in the field of renewable energy,

Emphasizing the responsibility of private sector entities for safeguarding and promoting the welfare of the surrounding community in which they operate their businesses, including in terms of environmental preservation and human rights protection,

Stressing, however, that it continues to lie primarily within the State's responsibility to assure and steer the SDG implementation process, not least because private investments tend to flow into middle-income countries and/or countries with a certain level of reliability in their respective investment structures which, in turn, results in a further disadvantage for the group of LDCs and thus for the countries that are the most dependent on support by the international community in implementing the 2030 Agenda,

Acknowledging that the organization and operation of the private sector are diverse, ranging from multinationals, cooperatives, small and medium enterprises, microenterprises, social enterprises and households to the informal sector, and that the modalities and scale and scope of public-private partnership vary from country to country and there should be institutional frameworks for these partnerships,

Affirming the need for countries to support small and medium enterprises through policies that support the creation of synergies between domestic companies and foreign actors,

Cognizant of the fact that developing countries are particularly vulnerable to the impact of climate change, and that although technology advancement has offered a reduction in renewable energy cost, developing countries are at a disadvantage when it comes to the technology and finance required for easier access to renewable energy,

Underscoring the indispensable role of parliaments in institution-building and sovereign oversight of the Government in effectively executing policies on engagement of the private sector in implementing the SDGs, especially in terms of renewable energy,

Wishing to promote international and national legal institutions where there is alignment between the interests of the private sector and poverty eradication and sustainable development, especially renewable energy,

1. *Strongly urges* parliaments to raise public awareness about the need for the engagement of multi-stakeholders in SDG implementation, especially renewable energy, by increasing the number of educational and awareness-raising campaigns and activities reaching out to all members of society in order to equip them with enhanced knowledge on sustainable development, and also to incorporate sustainable development content into curricula at all education levels, especially undergraduate and graduate courses in investment, production, business and commerce in order to change the business mindset towards SDG implementation;
2. *Calls on* parliaments to support gender-responsive legislation, policies and budgets aimed at ensuring equal access of youth, women and men to science and technology, education and training, capacity-building programmes for women, especially in rural areas, and equal opportunities to engage in all stages of the renewable energy value chain, including entrepreneurship opportunities, jobs and careers, as well as equal participation in local, national and international decision-making processes in the renewable energy sector;

3. *Also calls on* parliaments to support capacity-building programmes for poor and vulnerable sections of the population, and promote legislation and policies with a view to reducing energy poverty for vulnerable consumer groups;
4. *Urges* State agencies to recognize the important role of the private sector and simultaneously enlighten the private sector on its own important part and responsibility in SDG implementation, especially renewable energy, and to further promote entrepreneurship for sustainable development, boost corporate social responsibility and support social enterprise development so that the private sector is encouraged to integrate sustainable development concerns into its respective core business areas;
5. *Welcomes* the joining of hands by parliaments with governments to adopt national development strategies with mid-term and long-term sustainable development targets in which the engagement of the private sector as a stakeholder in SDG implementation is identified and SDGs are built into innovative and sustainable investment programmes;
6. *Appeals* to parliaments to build, and supervise governments in following, the road map to accelerate the transition to a low carbon economy, increase the share of renewable energy in the national energy mix, mitigate environmental pollution, implement solutions for efficient-effective energy usage and the use of renewable energy, develop green technologies and new environment-friendly materials as well as to develop domestic industries and infrastructure supporting renewable energy production, distribution and use;
7. *Also appeals* to parliaments together with governments to reorient financial markets to advance sustainability and consider suitable risk-sharing partnerships, such as innovative blended public-private finance mechanisms for funding sustainable development that ensure transparency and accountability and the balancing out of returns on private capital with social impacts;
8. *Urges* parliaments to establish, and support the development of, a transparent and competitive electricity market that will ensure that the production of electricity from renewable energy sources is self-supporting;
9. *Suggests* that parliaments safeguard policy space for investment into off-grid renewable energy and encourage private investment into off-grid renewable energy technology, including small-scale electricity generators converting power from renewable energy sources and mini-grids, through support to building risk management tools for such investments and an enabling regulatory and institutional framework and by preparing reliable long-term rural electrification road maps that mitigate the risks of grid extension interfering with private mini-grid and off-grid markets;
10. *Exhorts* parliaments to allocate appropriate budgets for investment and stimulate private investment into research and development (R&D) and innovation, and prioritize investment into essential infrastructure for renewable energy development;
11. *Urges* technologically advanced States to lead research in the practical application of technical solutions for storing and utilizing hydrogen produced from renewable energy, thereby making this technology a powerful option for the effective utilization of renewable energy;
12. *Calls on* parliaments to support the establishment of transparent and reliable databases for potential private investment in sustainable development, especially pipelines of small projects, the setting up of broader investor networks in the field of sustainable development, performance indicators, reporting systems for joint monitoring and evaluation on investment impacts, and standards for sustainable products and technologies, as well as the organization of multi-stakeholder forums allowing for constructively sharing knowledge, technical know-how, success stories, causes of failure and lessons learned in sustainable investment, production, operation and consumption;

13. *Also calls on* parliaments to continue their efforts to build economic institutions which foster an enabling business climate for the private sector to engage in SDG implementation and ensure the participation of the private sector and other stakeholders in policymaking and assessment;
14. *Further calls on* parliaments to support regulations for comprehensive, detailed and real-time energy measurements to facilitate cost-reflective billing and transparent revenue models;
15. *Recommends* that each parliament issue suitable incentive policies for the private sector, particularly small investment in small projects, in accordance with the respective socioeconomic conditions of the country in its own development period and without distorting functioning markets;
16. *Invites* parliaments, governments, international and regional organizations to identify and deliberate on new generation international investment agreements that focus on the promotion of sustainable development policies, bearing in mind the implementation of existing climate funding mechanisms;
17. *Proposes* more exchanges and enhanced cooperation between countries in order to promote the transfer of high-end technologies with more incentives, build policies that widen access to environmentally sound technologies, strengthen the means of implementation and revitalize the global partnership for sustainable development as set forth in SDG Goal 17;
18. *Encourages*, in particular, the participation of parliaments and their members in specialized organizations and forums on renewable energy, such as the International Renewable Energy Agency (IRENA), and the establishment of networks of parliamentarians, including between parliaments, parliamentary organizations and parliamentarians, to facilitate exchanges on best practices and enable knowledge transfer, including on policy, technology and finance; and *invites* the IPU to cooperate with these bodies with a view to enhancing parliamentary support for the SDG Goal 7 renewable energy targets.