

The role of trade and services in enhancing STI for promoting a fair transition to sustainable energy

Why **services** matter to the energy transition

How **trade** enhances **services** for the energy transition

Miho Shirotori

Acting Director, Division of International Trade & Commodities, UNCTAD

10 July 2023



Energy Transition

Necessary for...

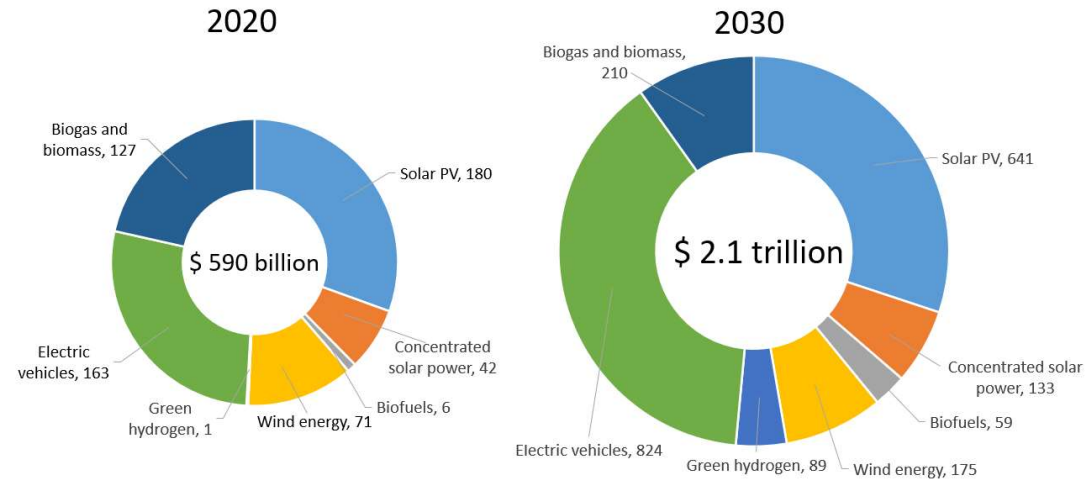
- Climate change mitigation via reducing GHG emissions

Enables...

- Energy diversification
- New economic activities (top figure)
- Lower energy cost (bottom figure)

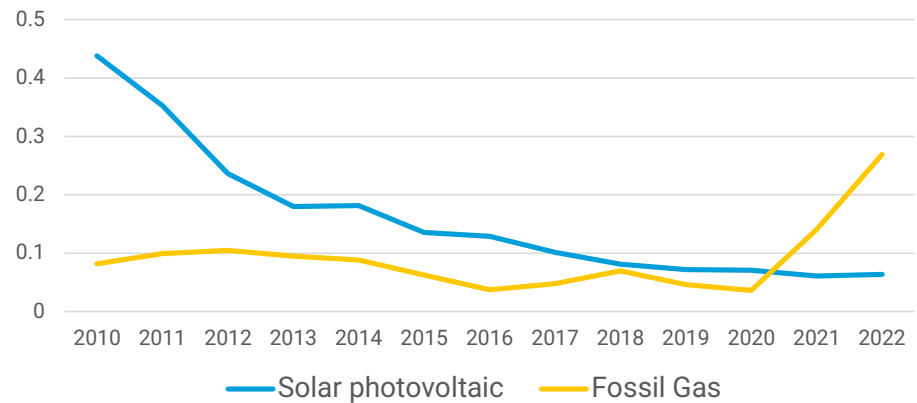


Market size estimates of technologies for energy transition (US\$ billions)



Source: UNCTAD based on Technology and Innovation Report 2023

Utility scale solar PV vs fossil gas generation cost in Europe (US\$/kWh)



Source: IRENA

How services matter to the energy transition

Project Planning phase

(Planning, site acquisition, generator permit, secure financing, etc.)

e.g.

- Research & Development services
- Design & Engineering services
- Legal services
- Financial services

Installation & Grid Connection phase

e.g.

- Construction services
- Installation services

Operation & Maintenance phase

e.g.

- Business/Maintenance services
- Waste Management services

How trade enhances services for the energy transition

Trade improves access to quality and affordable services for promoting energy transition.

1

Access to Technology

Importation of critical technology and knowledge

2

Export Opportunities

Exports relevant services for energy transition to other countries



Picture from @Canva

How trade enhances services for the energy transition

3

Impact on Labour Market

More skilled workforce to meet labour demand in renewable energy

4

Attract Investment

Accelerating the labour demand

5

International and regional Cooperation

Aligning trade and energy transition policies



Jobs in renewable energy has grown by 70% in the past 10 years

Millions



Source: UNCTAD calculations based on IRENA.

Questions to Experts

Sharing policymaking experiences:

- *What are the most relevant services for energy transition in your country?*
- *What are the critical challenges in improving the performance of service sectors?*
- *What trade or STI policies do you have to achieve the above?*
- *What are examples of international cooperation or trade/investment agreements that have promoted the energy transition?*

Sharing project experiences:

- *How have your renewable energy projects enhanced innovation in key services sectors, e.g., ICT, engineering, business, or financial services?*

**Wishing you
a fruitful discussion!**

