Empowering citizens: Value, challenges and implications
Introductory remarks

Xavier Garcia Casals
The scope of the *required Transition* needs a *structural Transformation*:

- Inclusive
- Participative
- Collaborative
- Involving
- Fair & Just

Successfully overcoming the current *socioeconomic crossroad* requires the active involvement of society itself.
A successful TRANSITION requires increased participation & governance

**Setting the context**

- Empowerment for the transition: opportunities, fronts and challenges

**global North**

- Community-owned RE generation
- Aggregators: Focus on citizen empowerment

**global South**

- Mini-grid from SHS and P2P trading
- Energy access and informal sector empowering
- Collaborative access to sustainable energy

Discussion

Available session’s Context Note: If interested, please contact XCasals@irena.org
Additional subjects for the discussion

• Direct Global South – Global North links:
  • Fair and just transition
  • The global role of social finance
• The other face of the empowerment coin: Advancing in social accountability and responsibility
• Grid defection: challenges and opportunities
• Are market structures enough or society needs to go beyond that exploring the potential of collaborative approaches?
Fair and Just transition

Fair share of costs and benefits
Linked to climate change responsibilities
Compensatory mitigation and adaption
Access and convergence

Just

Incorporating those trapped into the FF-era dynamics

micro-Just
Community focused

Employment
Energy

macro-Just
Region/country focused

Employment
Social

Resources

FF-dependent socioeconomic structure
Fair Transition

Need for global North to think beyond bringing their own emissions to zero, and for global South to effectively articulate the compensatory mitigation and adjust to available budgets

Basic fairness approach for illustration purposes: Capability also to be factored in
Fair shares of mitigation effort for 1.5C

**High Income** (16.0% population; 57.6% GDP; 73.7% RCI@2018)

- Baseline Emissions
- Domestically-funded mitigation
- Mitigation funded in other countries
  - "Fair share" allocation

**Low Income** (25.2% population; 3.0% GDP; 0.4% RCI@2018)

- Baseline Emissions
- "Fair share" allocation
- Mitigation funded by other countries
  - Domestic emissions
Fair transition: Responsibility and Capability Index (RCI)

$30000 luxury threshold ($7500 development threshold)
The global role of social finance

- Aligning finance with social goals (from ROI to SROI)
- Empowering citizens to take their fair share of responsibility

Responsibilities for both sides of the finance chain

Leveraging citizens empowerment for getting all the potential from Social Finance
Advancing in social accountability and responsibility

The other face of the empowerment coin:

**Responsibility:**
- For how power is used and for implications of past representative power

**Social Accountability:**
- Engaging ‘small’ contributions to a ‘big’ problem
- A social distributed and accessible ledger?
Grid / Load defection: challenges and opportunities

**Grid Prices**

**DER costs**

Grid and utilities need to **CONVINCE** of its **VALUE**

Empowerment of choice

Hopefully it comes with its share of responsibility...

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**NORTHEAST POTENTIAL LOAD DEFECTION**

**RESIDENTIAL**

- Traditional Grid Customers
- Potential Load Defection
Collaboration beyond competition

The challenge to lead empowerment beyond the competitive paradigm

Room for overcoming competitive drawbacks through proper balance with collaboration and regulation:

- Increase participation
- Reduce inequality
- Align competitive drivers with social goals
Collaboration beyond competition

From **self-contained** to **embedded** economy (be it market or regulated)

Credit: Raworth K., ‘The Doughnut Economics’
Thank you!

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