



Global Energy Equity

For Prelims: COP27, Net-zero emission, Energy Poverty, World Economic Forum, International Energy Agency (IEA), United Nations Framework Convention on Climate Change (UNFCCC), Fossil fuels, Russia-Ukraine war, Nord Stream 1 Pipeline, Sustainable Development Goals.

For Mains: Relation of Energy Inequality with Global Order, Challenges Related to Energy Security of India, Renewable Energy Alternatives.

In the **run-up to the [Climate Change Conference \(COP26\)](#)**, last year in **Glasgow**, several developed countries had declared their intention to reach **[net-zero emissions by 2050](#)**. These declarations did not square with the requirements of **“keeping 1.5°C alive”**.

Four-fifths of the global carbon budget has already been exhausted. **Developed countries are responsible for more than half of global CO₂ emission**. But **[global energy poverty is concentrated in developing countries](#)**.

Also, the **average per capita energy use** of the richest 20 countries is **85 times higher** than that of the 20 poorest countries.

In this background, **COP27** affords a critical moment to acknowledge and address the concerns surrounding **energy access and curb energy inequality**.

What is Energy Poverty?

- According to the **[World Economic Forum](#)**, Energy Poverty is the lack of access to sustainable modern energy services.
 - It can be found in all conditions where **there is a lack of adequate, affordable, reliable, quality, safe and environmentally sound energy services** to support development.
- The **[International Energy Agency \(IEA\)](#)** estimates that around **2 billion people** worldwide experience **energy poverty**.

How does Energy Inequality Relate to the Global Order?

- Energy inequality burdens the global south disproportionately.
- Poor and vulnerable communities in the **energy-importing countries of the global South suffer the most**.
 - Almost **90 million people in Asia and Africa**, who gained access to electricity recently, cannot afford to pay their energy bills.
 - The reality of global inequality was acutely evident during the **[COVID-19](#)** pandemic. Several countries in **Africa, Asia and Latin America** are facing severe **agricultural and industrial slowdowns** in the post-pandemic period.
- At a time when the language of **energy poverty and security is re-entering the northern vocabulary**, it is time **to call out the hypocrisy of the advice on fossil use and import of fuel given by the North** to some of the world's poorest regions

What is Energy Hypocrisy of Global North?

- **Commitment to Decarbonization:** 30 years after acknowledging the problem of **anthropogenic global warming** and committing in the [United Nations Framework Convention on Climate Change \(UNFCCC\)](#), to take the lead in climate change mitigation, the level of **decarbonisation in the global North has not matched the expectations**.
 - In the **United States alone, 81% of primary energy is from fossil fuels**.
 - Additionally, in **2022**, even **coal consumption in the U.S. and the EU** is estimated to increase by **3% and 7%**, respectively.
- **Europe's Accusation:** As part of the current global order, Europe accused India of "funding war" in the name of **acquiring oil from Russia** during the [Russia-Ukraine war](#).
 - **Europe's Energy Consumption:** In **Europe**, fossil fuels constitute **76% of the energy consumption** (coal, oil, and natural gas contribute **11%, 31%, and 34% respectively**).
 - The [Nord Stream 1 pipeline](#) supplies [European Union](#) states with about 35% of all the gas they import from Russia.
 - **Bottom Line:** In response to the accusation, the **Government of India** responded in the following manner:
 - If European states manage energy deals in a way that has an impact on their economy, **that freedom or choice should exist for other countries as well**.
 - India is working to **get the best deal for its citizens** amid intense volatility in global energy markets and **"no political messaging should be attached to this**.

What are the Challenges Related to Energy Security of India?

- **High Dependence on Imports:** With its **growing dependency on imported oil**, India's energy security is under severe strain, and the current **disrupted global supply chain** is compounding the problem.
- **Delayed Domestic Production:** Coal, oil, and natural gas are the most important sources of energy in India. A major reason for inadequate domestic supply is delays related to **regulatory and environmental clearances** ([Mining of coal](#) is most affected by this).
- **Affordability Concern:** India ranks **low in affordability of petrol**, notwithstanding the claims of high subsidies to oil.
 - High prices of petroleum products directly **contribute to higher retail inflation**.
 - Diesel prices account for **60-70% of the freight cost in India**. Higher cost of freight contributes to **price rise for products in every sector**.

What Should be the Way Forward?

- **Shifting the Focus Towards Renewable Energy Sources:** Energy generated from [renewable sources](#) is cleaner, greener and more sustainable.
 - In addition to contributing to low-carbon development strategies, renewable energy projects can create **employment opportunities** for India's workforce.
- **Energy Awareness:** It is important to organise energy campaigns that promote green energy and to raise **awareness of efficient energy consumption** at the lowest possible level.
- **Translating Goals into Implementable Action:** To achieve the [sustainable development goals](#) like **zero hunger, zero malnutrition, zero poverty, and universal well-being**, energy security will be crucial.
 - To properly implement energy sustainability, **technology options for effective utilisation of energy resources** should be considered.
 - Also, there is a need to set up a **monitoring mechanism at the local level to oversee implementation of policies in true spirit**.
- **Towards Global Energy Equity:** The question of inequality in energy access should be raised squarely at the centre of all discussion in COP27. As the strapline for **COP27 ("Together for Implementation")** suggests working together with burden sharing and **differentiated but significant responsibilities according to respective capabilities of different countries**.
 - **Global intergovernmental organisation** should be established dedicated to just energy transition, energy access and energy justice to move towards **energy equity**.

Drishti Mains Question:

Discuss the major gaps in global energy security in light of the disrupted global supply chain.

UPSC Civil Services Examination, Previous Year Question (PYQ)

Prelims:

Q. With reference to the Indian Renewable Energy Development Agency Limited (IREDA), which of the following statements is/are correct? (2015)

1. It is a Public Limited Government Company.
2. It is a Non-Banking Financial Company.

Select the correct answer using the code given below:

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans: (c)

Mains:

Q. "Access to affordable, reliable, sustainable and modern energy is the sine qua non to achieve Sustainable Development Goals (SDGs)". Comment on the progress made in India in this regard. (2018)