

Introduction in the price of renewable energy continues to

[Business](#), [Strategy](#)



Introduction In modern day society, there is a heightened need — in both developed and developing countries alike— for reliable and affordable energy sources to support economic expansion. As of 2018, the international community relies heavily on non renewable resources such as petroleum, coal, and natural gas.

With fossil fuels currently supplying over 90% of the international communities' energy, scientists predict fossil fuels will run out within 100-200 years. This being said, it is imperative that we shift our dependence on fossil fuels towards renewable resources such as geothermal, solar, wind, hydropower, and biomass energy. Although this transition is not as simple as it may appear. Given that a majority of the world's power systems are designed specifically for fossil fuels, a realignment in energy sources will be costly and complicated.

However, if this transition is not made in the near future, the international community will reap the consequences of climate change as brought on by the use of fossil fuels. But as the price of renewable energy continues to decrease and its accessibility continues to increase, the fate of the world may not be so grim. When addressing the issue of affordable, sustainable energy, it is imperative to take into consideration factors such as, “ as the rapid evolution of the global energy trade, supply-chain vulnerabilities, terrorism, and the integration of major new economies into the world market” . In doing so, we can ensure the security and well being of the environment and global community. Jordan believes providing access to reliable, affordable energy is imperative. In 2007, Jordan authorized a

National Energy Strategy FY 2007 – 2020— with renewable energy as its main priority. Seeing as Jordan imports 97% of its energy and fuel requirements, the nation has turned its attention to renewable, sustainable energy— specifically wind and solar energy. The Jordanian Government is currently seeking an investment of \$18 billion in the energy sector with specific focuses on developing civil nuclear power, oil shale and renewable energy.

With many more measures underway ensuring the accessibility of affordable and sustainable energy, Jordan hopes to be recognized as a proponent of energy security. II. United Nations Involvement In 1992, the United Nations Framework Convention on Climate Change (UNFCCC) was founded with the purpose of implementing various solutions meant to reduce the effects of climate change with a focus on renewable energy investment.

The UNFCCC was closely linked to the creation of the Kyoto Protocol, an international agreement which set legally binding targets for 37 developed nations for the reduction of greenhouse gas emissions as well as creating various flexibility mechanisms. One of the key organizations in supplying, affordable, sustainable energy has been the United Nations Development Programme (UNDP). The UNDP's main priority is improving the accessibility of alternative, reliable energy through policy advice and crafting financial policies that incentive investment in the renewable energy sector. Working alongside the UNDP is the The United Nations Environment Programme (UNEP). The UNEP operates similarly to the UNDP through advocating for renewable energy resources and resource efficiency. The most recent

Rio+20 Summit crafted “ The Future We Want” framework which focused on providing universal energy access through solutions that centered around promoting jobs in the renewable energy sector. The most recent efforts against climate change can be found in the Paris Climate agreement which replaced outdated emission reduction targets with updated versions along with allocating large amounts of funding to green technology and emission reduction measures. III.

Country Policy and Solutions As a developing nation, Jordan believes that efforts in ensuring affordable, sustainable energy must be directed towards less developed countries and rural areas. This is why Jordan suggests implementing national systems of feed-in tariffs and tax deductions to offer cost-based compensation to sustainable energy corporations and individuals in developing countries. These payments would be conditional on the percentage of energy produced in terms of kilowatts, with bonus payments allocated to businesses which export excess energy to regional grids. Incremental tax deductions would be given to corporations that meet a target amount of renewable energy to run their operations. These subsidies can be funded by partnering with organizations such as UN-Energy and the UN Energy Access Practitioner Network. Furthermore, our nation encourages the creation of a new branch within the Public- Private Partnership Infrastructure Resource Center (PPPIRC) of the World Bank. This branch would serve as a platform for entities within the private sector to invest into sustainable energy development within developing countries. This would be done through the creation of an online marketplace where national

governments and local authorities can advertise national climate change plans with an associated portfolio of projects and clear, transparent budget mechanisms for allocating the international aid to those projects.

Additionally, Jordan recommends the use of green banks. Green banks utilize innovative financial mechanisms and market development tools in partnerships with the private sector to promote and create renewable energy technologies. These banks use public funding to leverage private investment in sustainable technologies which have struggled to establish a presence within consumer markets. One advantage of green banks is their ability to remain stable in times of political instability and budget adjustments. Such flexibility allows green bank to react quickly to the ever-changing market.

Moreover, Jordan suggests the use of special drawing rights (SDR). An SDR is the IMF's electronic unit of account that governments use to transfer funds amongst each other and defend themselves against currency crises. During the height of the recession, the IMF issued over 250 billion dollars worth of SDR, a majority going to developed market countries who have little need for SDRs due to flexible exchange rates. In turn, many remain unused today. Jordan encourages investing these unused SDRs into bonds issued by the UN green climate fund, a highly successful fund designed to channel revenue to developing nations' sustainable energy projects. If the inflationary consequences of using SDRs in this way are benign, it could be used to justify the additional issuance of SDRs, with the commitment that developed-market countries would direct their share of the new reserves to the the

development and implementation of renewable energy. The issuance of these extra SDRs every five years could be capped, such that it is never more than five percent of global foreign exchange reserves. Finally, Jordan recommends the use of Agreements on Technology Development Objectives.

The technology development objective would establish a set of critical clean energy technologies which must be developed to meet the goals of the agreement. The achievement of the technology development objective would be supported by a set of Technology Action Plans for each identified technology and a Technology Development Executive. The role of the Executive would be to monitor global efforts to deliver a portfolio of critical technologies, including public and private efforts, and propose complementary support and activities at the multilateral level needed to deliver agreed technology outcomes.