



Legislation for a sustainable energy revolution

“Staying three steps ahead of government: the oversight role of parliamentarians”

Presentation on: MPs’ pivotal role in overseeing the executive branch on government, reallocating state budgets and advocating for more rapid policy change.

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International parliamentary hearing

Hammamet, Tunisia, 5th & 6th April 2014



Summary of Presentation

- 1. Monitoring government commitment to renewable energy:
HOW and WHY**
- 2. Tools to conduct parliamentary oversight of the renewable
energy sector**
- 3. State Budget and overseeing the funding of renewable energy
projects**



1. Monitoring government commitment to renewable energy: HOW and WHY

Where a government has adopted a policy or legal framework meant to encourage the development & generation of energy from renewable sources, parliamentarians are tasked to constantly scrutinize the actions of government to ensure the framework is as effective as possible.

There are two aspects to effective oversight of government's actions:

1.1. Implementation of laws: Is the government properly implementing the laws passed by parliament? This should include a review of whether or not adequate funds, human resources and detailed policies have been provided to the government agencies tasked with implementing the law.

CASE STUDY: SENEGAL

Laws on renewable energy have already been passed by the Parliament including the 2010 framework law on renewable energy (Law No. 2010-21), but are yet to be formally issued by the executive branch.

MPs are creating parliamentary pressure on the government, the Ministry of Energy, the Prime Minister's office, and the Council of Ministers, pressing for the necessary Presidential decrees to formally implement the laws passed by the last government.

CASE STUDY: BANGLADESH

Sustainable and Renewable Energy Development Authority (SREDA) Act 2012 created independent authority to monitor & expand renewable energy investment. Yet to be implemented. MPs:

- Signed open memorandum to relevant Parliamentary Standing Committee asking that Committee requires Ministry of Power to present an effective plan & budget to implement the law
- Wrote open letters to Minister for Energy and Minister for Finance calling for the establishment of SREDA

In response, Minister has provided a written assurance of implementation, including a timetable



1.2. Allocation of funds: If funding has been allocated in the state budget - or if tax incentives have been created - is the government allocating the funds as specified in the budget passed by the parliament?

Are the funds allocated in the budget sufficient to achieve the goal of promoting the development of renewable energy?

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Hammamet, Tunisia, 5th & 6th April 2014**



2. Tools to conduct parliamentary oversight of the renewable energy sector

The task of a parliamentarian is to gather information and data to assess if and how the government is implementing the law(s) and allocating the funds required. Parliamentarians have several key tools at their disposal:

2.1. Consultation: Parliamentarians can convene stakeholders engaged in the renewable energy industry to learn their perspectives on the implementation of law(s) and funding by the government. These are the people who are directly impacted by the government's actions and who will know what is happening 'on the ground'. Parliamentarians can consult with them, either as a multilateral group or bilaterally, on a regular basis.

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Hammamet, Tunisia, 5th & 6th April 2014**

CASE STUDY: CONGO – BRAZZAVILLE

In 2013, key stakeholders, including the presidents of the Central African Development Bank (BDEAC), Congo's Rural Electrification Company (ANER), the Director of the Agency for Rural Electrification, the Director of Cabinet at the Energy Ministry, the Director of Cabinet at the Sustainable Development Ministry, the Vice President of the National Assembly and major development agencies operating in the country, were consulted to identify windows for parliamentary action and develop strategies for potential legislation.

In August 2013, a parliamentary workshop on climate change and renewable energy was organized including inputs from UNDP, the Ministry of Environment for Water and Renewable Energy, as well as a local NGO 'Femmes et Energie'.

At the conclusion of the workshop, MPs agreed upon a strategy for parliamentary action: developing a specific legal framework to support independent developers of renewable energy in Congo Brazzaville.



2.2. Organizing field visits. This offers parliamentarians a unique opportunity to see how renewable energy development can impact communities and transform lives.

In addition to seeing the technology in action, parliamentarians can explore the impacts on the ground and take home ideas and inspiration for further projects.

Field visits are also an excellent oversight tool, allowing parliamentarians to witness first hand if and how approved projects are being managed and implemented.

**International parliamentary hearing
Hammamet, Tunisia, 5th & 6th April 2014**



2.3. Question time: In many parliaments, parliamentarians can ask questions of government ministers responsible for electricity, energy, development, finance and so on.

Based on information gathered from consultations or research conducted by the parliamentarians or their staff, a question (or, if allowed, a series of questions) can be developed in writing or orally, that will require the minister to state the government's position for the record, the media, and the public.

If the question is timely or the answer is politically controversial, the parliamentarian may garner media attention that can further promote reforms to current laws, funding, or issues of implementation.

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Hammamet, Tunisia, 5th & 6th April 2014**



To assess where a country stands with regards to such indicators, the following ‘model questions’ can be asked by MPs, contextualized to account for local needs and circumstances:

- What percentage of the current energy creation is generated through renewable energy technologies?
- What research has been done to explore the potential of renewable energy development?
- What does this research project in terms of potential generation capacity, costs and so on?
- Is an action plan in place for development of renewable energy technologies?
- Have official renewable energy targets been adopted? Can these targets be reached in the timeframe set?

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CASE STUDY: SENEGAL

6 parliamentary questions, covering the precise nature of the framework law on renewable energy, delays in its implementation, a potential biofuels law, and other topics, were drafted.

These questions were put to the Minister for Energy by MPs publicly in a committee meeting in October 2013.

CASE STUDY: MOROCCO

25 parliamentary questions were drafted, thirteen of which were subsequently raised by MPs in plenary sessions of the National Assembly and meetings of the Energy and Environment committees.

The questions focussed on several areas, including the ability of the Moroccan Government to reach its target of a 42% share for renewables in the energy mix by 2020; the progress of the Ouarzazate concentrated solar power plant, Morocco's flagship renewable energy facility; future budget allocations for renewable energy; efforts to make the Moroccan Renewable Energy Agency more proactive; and others.

Five questions were answered by the Moroccan Minister of Energy, Mines, Water and the Environment, in plenary sessions on November 12th and the 19th.



CASE STUDY: INDIA

In 2010, a cross-party group of parliamentarians wrote several letters to central ministers (including the PM, Minister of Energy & Minister of Planning), urging them to support a target of 15% renewable energy & to improve grid infrastructure. The issue was also raised and discussed in parliamentary debates following the letters.

In 2011, MPs from 11 different parties wrote to the PM on the same topic, and followed up with questions in parliamentary debates.

Over the course of 2013, 141 questions were drafted and submitted to government. The questions covered a broad range of topics, including the achievement of the 15% target of renewable energy by 2020 as per the National Action Plan on Climate Change, & evolving governmental policies on off-grid renewable energy applications.

As a result of Parliament's continuous oversight, MPs succeeded in doubling India's 2020 renewable energy target to 15% (up from 6 % in the new Five Year Plan).

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Hammamet, Tunisia, 5th & 6th April 2014**



2.4. Interpellation: In some parliaments, parliamentarians can request an interpellation.

This is a designated time for a debate about a topic that requires the responsible minister to answer detailed questions from parliamentarians.

In some parliaments, an interpellation must result in a confidence vote for that minister; in such cases, this tool should only be used where there is a serious political issue related to the electricity sector or energy development.



2.5. Parliamentary committee hearings: One of the core functions of a parliamentary committee is to monitor the actions of the government and to hold it accountable.

Many parliaments provide specific rules for a committee to request and receive documentation, or to require a minister or senior government official to testify and answer questions.

A parliamentarian who is a member of a committee with jurisdiction over a subject related to renewable energy (e.g. economic development, environment, rural development, natural resources) should encourage that committee to hold hearings and conduct regular investigations into the actions of the government.

This provides important insights into the government's ability to effectively implement current law(s) and properly allocate funding from the state budget.

**International parliamentary hearing
Hammamet, Tunisia, 5th & 6th April 2014**

CASE STUDY: THE UNITED KINGDOM

To meet its Renewable Energy Directive target of 15% of energy from renewable sources by 2020, the Government anticipates that around 12% of heat will need to come from renewable energy.

To date, uptake of renewable heat technologies has been disappointing; renewable heat has recently been described as “the sleeping giant of UK renewable energy policy”.

In response, the Government developed a domestic Renewable Heat Incentive (RHI) scheme that was planned to be introduced in summer 2013, to contribute towards the Renewable Energy Directive.

The Energy and Climate Change Committee of the UK House of Commons led an investigation on the 'Renewable Heat Incentive' by calling for evidence on the RHI.

The evidence was used to identify witnesses for oral evidence at a widely-reported public committee hearing on 26 March 2013.



3. State Budget and overseeing the funding of renewable energy projects

- Depending on the specific rules in effect, a parliamentarian may have the ability to directly or indirectly influence the content of the state budget to encourage more resources and incentives for development of renewable resources.
- If parliament allows individual members to move amendments to the state budget, this is an excellent opportunity to, at the very least, spur debate about the need for more investment in renewables to meet the country's renewable energy target for instance.
- This may include an increase in the budget allocation for project development or the creation of tax incentives to encourage greater private investment in renewables, for example.



3. State Budget and overseeing the funding of renewable energy projects

Where parliament does not allow members to move amendments to the state budget, individual parliamentarians can still influence the content of the budget, albeit indirectly.

By working with their parliamentary group, a parliamentary committee or civil society, they can build political pressure for allocation of state funds or revisions to the tax code to encourage development of renewable resources.

Such revisions should form part of a wider ‘value for money’ strategy that parliaments and parliamentarians pursue in maximizing the use of public funds.

Through public consultations and hearings, it is possible to garner enough media and public attention to encourage the executive to respond to a parliamentarian’s points with adequate budget allocations.



- The role of parliament shifts once the budget passes. A parliamentarian can then work with those parliamentary committees that have a mandate to scrutinize government expenditures, such as a Public Accounts Committee or Budget and Finance Committee, to ensure the allocated funds are properly spent. This can be done by organizing public hearings that explore whether the government is delivering on its commitments made when the budget was passed.
- Where greater detail as to the costs and expenditures is required, it may be advisable to engage the independent state auditor (also known as the auditor-general) to conduct a detailed investigation of the government's actions in the development of renewable resources.

CASE STUDY: TANZANIA

MPs are now preparing to press for at least 20% of the new Government revenues from offshore gas to be devoted to rural renewables.

CASE STUDY: INDIA

In December 2011, the Estimates Committee started advocating for 1% of the national budget to be spent on the development of renewable energy.

The Committee later produced a report endorsing this goal and, following a face-to-face meeting with MPs, by 2012, India's Prime Minister had flagged that he would generate a plan for implementing this recommendation.

Through the initiative of the Estimates Committee of Parliament, MPs doubled the renewables budget. They persuaded the Government to re-establish a generation-based incentive for wind power with funding of US\$130 million, and played a key role in launching \$157 million in tax-free bonds for renewable energy.



Questions/feedback/comments:

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