Organization for Security and Co-operation in Europe
Secretariat

EEF.IO/1/19
28 January 2019

ENGLISH only

Conference Services

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Impact of digital economy in the area of energy co-operation and sustainable economic growth

OSCE 2019 Economic and Environmental Forum
1st Preparatory Meeting

Dr. Bertrand Magné

A systemic approach to the energy transition

A three-fold, inclusive strategy

Decarbonization of our economies
- Energy efficiency: A prime objective to accompany the transition

Electrification of energy use
- All end-use sectors are concerned

Decentralization of energy sources
- All assets (incl. buildings, vehicles, storage…) become part of the energy infrastructure

Jean-Pascal Tricoire (CEO Schneider Electric) on the digital transformation: "Disrupt or be disrupted"

The benefits of the digital transformation

The digital transformation in energy management and automation pays off

- Four key sectors: buildings, data centers (cooling, back-up), industry, and infrastructure
- Average return on investment or payback period: just 5.3 years; under one year for some projects (Schneider Electric)

Digitalization is essential to monitor the complexity and the flexibility of these new systems

- Management of digitally-interconnected assets
- People's behavior and consumption habits
- Market fluctuations

Digital technologies are key to support the deployment of decentralized assets

- Decentralized solutions (e.g. minigrids, stand-alone systems) are suitable to address remote populations (incl. in conflict areas)

Key challenges

Countries are often not prepared to embrace the underlying digital transition

- Insufficient energy policy and regulatory frameworks – and enforcement
- Hinders the deployment of efficient solutions and decentralized power capacity

Need to organize the data collection and processing

- What data?
- Who is collecting data?
- Who is verifying data?
- Role for national statistical organizations?

Need for new digital regulations

Develop skillsets to support the deployment of digital technologies

- Dedicated capacity building programmes
- Private sector support

Multiple benefits beyond sustainable energy services

Providing universal access to energy by 2030 will build resilience of the poor and those in vulnerable situations, will reduce their exposure to economic, social and environmental shocks and disasters...

... and will not generate extra CO_2 emissions if only sustainable solutions are deployed

SUSTAINABLE ENERGY FOR ALL

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