

Rise and shine. Renewables powering a sustainable post-COVID recovery

The COVID-19 pandemic is deeply affecting modern society with the biggest peacetime crisis since 1929. We will probably remember for the rest of our lives the feeling of confusion we felt looking at locked-down city streets. The economy has experienced a record loss of around 5% of global GDP, according to World Bank estimation, and millions of jobs are being lost. We are forced to adapt to a new way of working.

Organizations like the International Energy Agency have highlighted the critical role played by the electricity sector. As factories, airports, high-street shops, and cafés kept silent, energy, the backbone of today's digital and interconnected economy kept humming, powering the networks that enabled smart working options for millions of workers, and ensuring uninterrupted operations for vital health and emergency services still fighting an ongoing battle with a vicious virus.

Fortunately, the sun will keep shining, the wind will keep blowing and water will keep flowing, so green energy is the source that can power the recovery while addressing another long-standing emergency: climate change. According to the Paris Climate Agreement, the world must limit the increase in global average temperature to 1.5°C above pre-industrial levels. The World Economic Forum has stated that renewable energy can stimulate the economy and mitigate climate risks.

Therefore, while the world economy is slowly recovering, not least thanks to a massive combined financial response of \$10 trillion from governments and international institutions, as estimated by management consulting firm McKinsey, we are at a decisive turning point for the future of our society. Will we continue to follow the same path that has brought our climate to an irreversible tipping point and left our economy so vulnerable?

To answer this question, it can be observed that while this emergency has highlighted the vulnerability of the global economic and productive system, it also highlighted the need for fairer and more resilient economies, aligning short-term recovery efforts with medium and long-term sustainable development objectives.

We should take this moment as an opportunity to rethink global systems and accelerate towards an economy that is more sustainable and more focused on everyone's needs. The foundations of these remarks are further strengthened by a report published by the University of Oxford "Building back better: Green COVID-19 recovery packages will boost economic growth and stop climate change" outlining how investments in clean energy infrastructure are very labour-intensive in their early

stages with every \$1 million in spending generating 7.49 full-time jobs in renewable infrastructure and 7.72 in energy efficiency, in sharp contrast to the mere 2.65 in fossil fuels.

As this scenario is emerging, the private sector is responding to the call for significant investments in sustainability and resilience, and inspiring governments to follow the example by implementing a global Green Recovery plan. With a portfolio of renewable power plants worth 46 GW of installed capacity distributed in 23 countries, Enel Green Power is one of the world leaders in clean energy, but our mission goes three steps further by addressing issues like job growth, decarbonising the economy, and implementing a circular economy model.

Through our ambitious plan, we are committed to increasing our renewable capacity up to 60 GW by 2022, while staying on track with our 2030 coal phase-out deadline, leading to a fully decarbonized energy generation portfolio by 2050. Although the phase-out process may be interpreted by some analysts as a source of unemployment, Enel is challenging this assumption by implementing a redeployment program as we train and reskill our people to ensure they can fit in a new role, transitioning from thermal technology to renewable-related job positions and other career paths such as, for example, safety.

Finally, a carbon-neutral world cannot happen without implementing the fundamentals of circular economy, addressing, for example, the European

Green Deal, which established circular economy as one of the pillars to reduce carbon and environmental footprints. To establish circular economy we must design modular and adaptable products to optimise their maintenance, modifications, and regeneration, foster the widespread use of sharing platforms, implement the "product as a service" paradigm, and extend the life cycle of products.

We believe a Green Recovery is the most effective way to address the sustainability needs of the planet while offering businesses an extraordinary opportunity in terms of competitiveness, and job creation, generating value for companies, their customers, and communities.

This belief is supported by numbers as there are estimates that an investment of between €75 and €150 billion would produce €180 billion to €350 billion of gross value added, creating up to three million new jobs and supporting a 15 to 30 percent reduction in carbon emissions by 2030. The Green Recovery is going to change the world for good and we are here to power it.



Salvatore Bernabei, CEO of Enel Green Power and Head of Enel's Global Power Generation