



Maria Teresa Costa Campi

Professor of Economics-Chair in Energy & Environmental Sustainability Barcelona University

Title - Smart Regulation for the Energy Sector Challenge.

The smart regulation concept is understood in general terms as to keep the regulation simple and to avoid overlapping layers of regulation. The regulatory agencies, created around 20 years ago when the liberalization process started, should update their processes thinking in the twenty-first century. In the next 30 years the world is facing big challenges referring to the energy sector. According to International Energy Agency (IEA) estimations, \$48 trillion of cumulative investment in energy supply and efficiency are required by 2035 to achieve the different security of supply, competitiveness and climate change objectives. In order to reach those goals, regulatory bodies need to design a simple, clear and predictable regulatory framework for business, workers and citizens in the basis of smart regulation. This is even more important when the share of investment in competitive parts of electricity and gas markets has fallen from around one-third of the global ten years ago to around 10 per cent today. This paper aims to shed light on the design of smart regulation for the energy sector. Considering enhanced competition and empowered consumers the pillars of this new regulatory design.