

## *Part III: Policies for promoting renewable energy*



Presentation by  
*United Nations Agencies  
(UNDP, UNEP, UNIDO)*

**SREP pilot countries  
meeting  
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**Why include policy formulation and institutional capacity building as a components of a SREP investment plan?**

Contributes to a transformational shift in national, low-carbon development

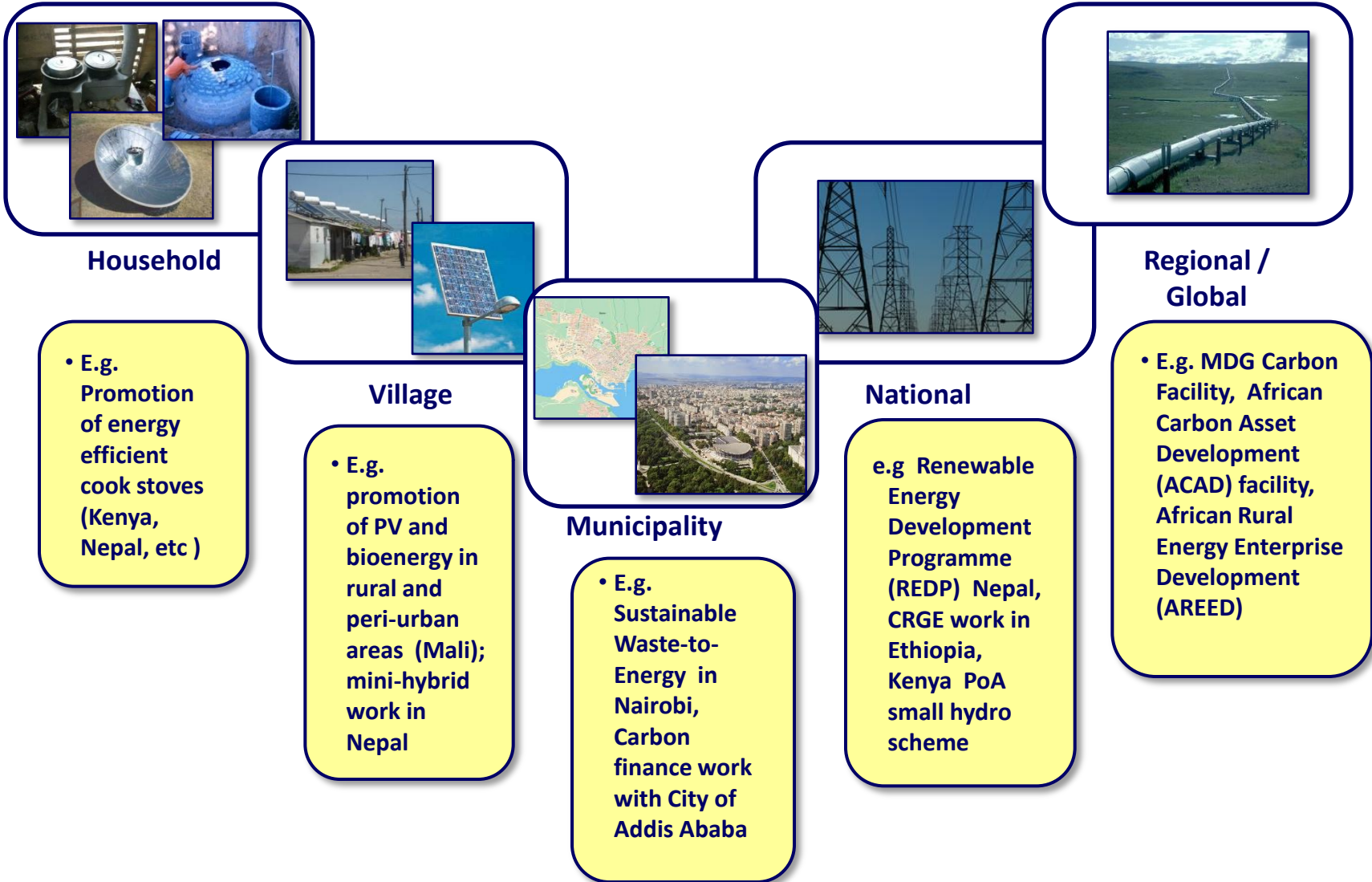
Catalyzes public and private finance to expand energy access for all

## The Importance of Appropriate Domestic Policies in Renewable Energy Access and Linkages with Sustainable Development

“Renewable Energy (RE) can help accelerate access to energy, particularly for the 1.4 billion people without access to electricity and the additional 1.3 billion using traditional biomass. Basic levels of access to modern energy services can provide significant benefits to a community or household. In many developing countries, decentralized grids based on RE and the inclusion of RE in centralized energy grids have expanded and improved energy access. In addition, non-electrical RE technologies also offer opportunities for modernization of energy services, for example using solar energy for water heating and crop drying, biofuels for transportation, biogas and modern biomass for heating, cooling, cooking and lighting, and wind for water pumping. The number of people without access to modern energy services is expected to remain unchanged unless relevant domestic policies are implemented, which may be supported or complemented by international assistance as appropriate.”

- *International Panel on Climate Change (IPCC), Special Report Renewable Energy Sources (SRREN), Summary for Policymakers, May 2011*

# UN agencies' support for RE policy formulation and capacity building functions at multiple levels



# UN Support for Renewable Energy: “Delivering As One”

## Country level

Ensuring national ownership, UN country teams in 166 country offices provide an integrated menu of services to countries under the “Delivering As One” modality. The demand from local stakeholders determines the priority RE interventions and services.

## Regional level

The UN’s renewable energy interventions at the country level are supported by a network of regional centers across the world with policy, technology and financial advisors. These centers provide support to country and regional renewable energy initiatives. UN regional service centers or agency HQs are located in Nairobi, Pretoria, Dakar, Bangkok and Panama City, among other locations.

## Global level

Over 100 experts work on renewable energy, in addition to a network of more than a thousand professionals involved in project-level activities. UN Energy (combining the resources of UNDP, UNEP and UNIDO) plays a key role in ensuring agency cooperation. UN supports global networks (ex. REN-21 and SEFI) with private sector and civil society partners.

# Menu of UN Advisory and Capacity-Building Services

Support for  
Sustainable  
RE  
Implementa  
tion

**Supporting** on-the-ground energy service delivery and the productive use of renewable energy

**Building** incentives for RE through national policies, legislation & regulation.

**Enabling** local actors to install and maintain the most appropriate RE technology

**Leveraging** public finance and private sector investment in RE

**Linking renewable energy** to national energy policy & development strategies, as well as carbon finance markets

**Facilitating** national/local multi-stakeholder dialogues and policy planning

**Analyzing and designing** policy and financing options on renewable energy for decentralized options

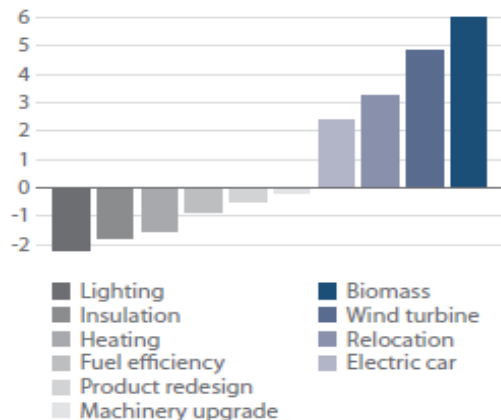
**Designing and enhancing** institutions and delivery mechanisms, particularly for off-grid energy solutions

**Developing human expertise** and skilled professionals at all levels (local communities, national policymakers)

**Knowledge sharing** from international experience to overcome barriers and scale-up RE implementation

# Example of a process of policy formulation and institutional capacity development linked to climate considerations and CC finance

## Step 1: Identify Priority Mitigation and Adaptation Technology Options



## Step 2: Assess Key Barriers to Technology Diffusion

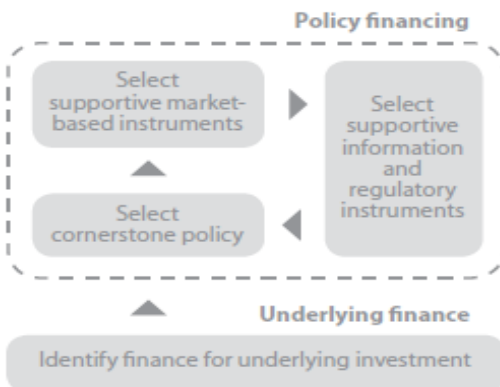
Barriers to technology diffusion	
Behavioural barriers	X
Institutional barriers	
Regulatory barriers	X
Financial barriers	X
Technical barriers	

## Step 4: Select Financing Options to Create an Enabling Policy Environment

This will result in a blend of different public and private funds.

	International	National and sub-national
Public funds	X	
Environmental market finance		X
Private funds	X	X

## Step 3: Determine Appropriate Policy Mix



• UN experience with promotion of RETs demonstrates that a single policy measure is very unlikely to effect change in the absence a range of complementary information efforts, regulations and financial incentives.

• One UN support has piloted energy reforms in the context of climate finance/fiscal policy in several countries.

## Selected Examples of UN Agency Renewable Energy Services

- UNDP supports countries to use, expand and shift towards sustainable energy for development and elaborate low-emission national development plans.
- UNDP is one of the world's largest implementing agencies of GEF-funded RE projects and other recent initiatives UNDP is involved with include the work of the MDG Carbon Facility, the SIDS-DOCK initiative and the GEF FiT Initiative with Deutsche Bank Partners.

- UNEP is the UN's centre of environmental expertise and support for sustainable renewable energy implementation.
- Examples are the African Carbon Asset Development (ACAD) Program, the Solar and Wind Energy Resource Assessment (SWERA) and the Climate Finance Innovation Facility (CFIF).

- UNIDO focuses on clean production and industrial use of RE technologies.
- UNIDO's Regional Center for Small Hydro-Power in Trivendrum (India) and UNIDO's Regional Centre for Small Hydro Power in Abuja (Nigeria) are examples of local offices that provide technical assistance at the regional level.



## Summary Recap of UN agency engagement to date with SREP Government Partners and potential service linkages



### Ethiopia:

- UN agencies participated in the first scoping mission in February 2011.
- On a broader level, over the past two years the UN has been one of the government's core partners – together with DFID and GGGI – in the development of a Climate-Resilient Green Economy (CRGE) strategy for the GoE.
- Following the scoping mission and preparatory work by MoWE, the Environment Protection Agency (EPA) – the government focal point for SREP – has made a request of the UN to support the development of the investment plan.

# Summary Recap of UN agency engagement to date with SREP Government Partners and potential service linkages



## ETHIOPIA: Renewable Energy for GREEN ECONOMY

Hydropower	Biomass energy	Wind energy	Geothermal energy	Solar energy
45,000 MW exploitable potential	1,120 million tons exploitable potential	>10,000 MW exploitable potential	5,000 MW exploitable potential	4-6Kwh/m2/day exploitable potential
				

### A Carbon Neutral Climate Resilient Ethiopia by 2025

Biodiversity conservation

Reduced emissions and climate change impact

Gender and education co-benefits

Enhanced energy access

Enhanced access to carbon finance

Expansion of small scale irrigation

Green Energy for the MDGs

Green Energy for Carbon-financing

Green Energy for Sub-regional Benefits



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### Honduras:

- UN agencies in Honduras participated in the scoping mission and was designated by the government as one of the partners to be involved in the design and development of the Investment Plan in the *Preparation Grant Proposal for the Development of an Investment Plan* submitted to the CIF secretariat by the Secretary of Finance (Secretaria de Finanzas de Honduras or SEFIN)
- Honduras is a key country for UN's CDM and capacity development for carbon finance work (CD4CDM)

## Summary Recap of UN agency engagement to date with SREP Government Partners and potential service linkages

### Nepal:

- The relevant UN agencies have been closely involved in SREP preparatory activities to date and both participated in the joint scoping mission. UNDP and UNEP, among others, have been in discussions on their comparative advantages to assist the SREP process in Nepal.
- The UN is hiring an International Consultant to add inputs to how the SREP aligns with other on-going initiatives for the UN in Nepal.
- UN agencies continue to strengthen their relationship with the Alternative Energy Promotion Centre, which is the lead government assigned agency for SREP. UN agencies have supported AEPC for the past 14 years during the implementation of the Rural Energy Development Programme.

## Summary Recap of UN agency engagement to date with SREP Government Partners and potential service linkages

### Maldives:

- UNEP Risoe supports solar and wind resource assessments
- Possibility to utilize SREP funds to scale up past or ongoing UN projects (e.g. CDM Green Facility with UNEP Risoe)

## Summary Recap of UN agency engagement to date with SREP Government Partners and potential service linkages

### Kenya:

- The relevant UN agencies have been closely involved in SREP preparatory activities to date and participated in the joint scoping mission and provided inputs into the draft Investment Plan.
- We believe that both priority components of the final IP (geothermal development and hybrid mini-grids) could benefit from technical and capacity-building support services that the UN is well-positioned to offer.
- UN agencies are actively supporting different GoK stakeholders in linkages with carbon markets and various types of technical support.

## Summary Recap of UN agency engagement to date with SREP Government Partners and potential service linkages

### Mali:

- UN agencies have provided inputs to the initial scoping mission and every subsequent follow-up meeting.
- Both agencies are contributing to the elaboration of the following specific programs as agreed upon with government stakeholders: promotion of PV, micro-hydro & energy from biomass (including agrofuel).
- Possibility to utilize SREP funds to scale up past or ongoing UN projects (e.g. Resource Assessments, Multi-functional platforms and CDM)

# Summary

UN agencies are ready to assist with pre-investment and implementation-related support for SREP as required.

The comparative advantage and expertise of UN agencies lies in capacity-building of local actors, technical support and assisting SREP countries develop national energy policy & low-carbon development strategies, as well links with carbon finance markets.

Requests for assistance are coordinated within the UN resident coordinators system that links the investment plan implementation to in-country UN capacities and a multi-stakeholder consultative process