

CLIMATE INVESTMENT FUNDS

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ENERGY+ GUIDING PRINCIPLES
(SUBMITTED BY THE GOVERNMENT OF NORWAY)



Guiding Principles

This document expresses the intent of Partners of the International Energy and Climate Initiative – Energy+, hereinafter called Energy+, present at the Oslo conference “Energy for all – financing access for the poor”, to establish a voluntary Energy+ Partnership to support international action to increase access to sustainable energy services and avoid greenhouse gas emissions. The Partners of Energy+ will coordinate and scale-up efforts to increase access to sustainable energy through the use of renewable energy and energy efficiency. Any country, organisation or actor that agrees with the principles of the Partnership and wants to contribute in some form to Energy+ actions can join the Partnership.

The Goal of Energy+

The International Climate and Energy Partnership - Energy+ - will support transformational change to achieve universal access to sustainable energy and avoid greenhouse gas emissions in developing countries by scaling-up access to renewable energy sources and increased energy efficiency. The Energy+ Partnership is uniquely designed for building momentum in policy, technical support and finance.

Energy+ will directly support the poverty reduction efforts of developing countries, while contributing to the international goal of limiting global warming to below 2 °C and to commitments made under the United Nations Framework Convention on Climate Change (UNFCCC).

Energy+ will support the implementation of the United Nations Secretary-General’s “*Sustainable Energy for All*” (SE4ALL) initiative, which calls for by 2030 to reach universal access by all, doubling of energy efficiency and doubling of the share of energy from renewable energy sources. In turn, this will contribute to energy and job security, business opportunities for investors, improved health and national economic growth.

The Energy+ Partnership

We, the Energy+ Partners¹, led by the aspirations of developing country governments, recognize the need to collaborate with a wide range of actors to achieve our shared goal and have agreed to establish the international ‘*Energy+ Partnership*’ as a means to achieve it. The Energy+ Partnership requires the unique contributions of several Partners including developing and developed country governments, investors and enterprises, foundations, international organisations and civil society. Most importantly, the Partners consider that the voluntary approach of the Energy+ Partnership will prove most effective, as only through the desire and drive to succeed will transformational change be possible.

The Energy+ Partnership will promote action and results on the ground. The Partnership will not simply be a knowledge-sharing forum: Because it is aimed at serious results, it is designed for those Partners capable of building momentum in policy, technical support, and finance. Specifically what each Partner has to offer will vary depending on the national/regional setting.

¹ Confirmed partners as of 6. October 2011: Bhutan, Kenya, Liberia, Ethiopia, the Maldives, UK, France, Switzerland, Denmark, the World Bank Group, Asian Development Bank, African Development Bank, United Nations Environment Programme, United Nations Development Programme, United Nations Industrial Development Organisation, International Energy Agency, World Business Council on Sustainable Development, United Nations Foundation, Global Village Energy Partnership.

The *developing country Partners* among us will demonstrate strong political will and national support to achieve the Energy+ Partnership goals, including coordination of actions and policy changes to facilitate access to renewable energy and energy efficiency investments.

The *developed country Partners* among us intend to provide funding for scaled up development and implementation of low carbon development and energy strategies and actions, including demonstration activities, based on payments for results achieved, as well as required capacity building.

The *private sector Partners* among us recognise the business opportunities in promoting energy access through the delivery of renewable energy and energy efficiency and intend to scale up investments and seek innovative solutions to reach the goal of Energy+.

The *international organisations* among us intend to provide finance, policy advice, technical assistance and coordination for implementation of priority renewable energy and energy efficiency investments, including development of appropriate enabling frameworks for public-private partnerships.

The *civil society organisations (CSOs)* among us intend to contribute as policy innovators and watchdogs for social and environmental safeguards, organizers of community participation, capacity builders at the local level and promoters of transparency and accountability.

The Energy+ Actions

Meeting the ambitious set of goals will require a committed, coordinated and sustained response on behalf of the Partners, leading to radically scaled-up investment and service delivery by the private sector. Energy+ actions will be guided by the following principles:

- Developing country actions in the energy sector will be supported through best-practice policy reforms, technical support and at scale results-based financial investments to increase access to renewable energy and avoid emissions of greenhouse gases relative to a business-as-usual baseline;
- Activities will be country driven and support low carbon development strategies and poverty reduction strategies of developing country Partners. Specific solutions will respond to the available resources, needs and capacities of each developing country sharing the Energy+ goals;
- The private sector can help support energy development, and can bring in much-needed finance, but only where there is a supportive policy and regulatory environment. Governments can use policy and regulatory tools to promote significant investments, allowing scarce donor and domestic public resources to be dedicated to solving market failures, targeting the poor, and supporting innovation;
- Recognising the constraints on the availability of public funds and the need for private investment, Energy+ will adopt a results-based approach to both catalyzing action on the ground and the achievement of results at the national level;
- Energy+ will employ a three-phased approach to country engagement: i) support for strategic planning (e.g. low-carbon and energy sector strategies), and policy and regulatory reforms, where needed, ii) the use of results-based financing modalities to create and expand markets, encourage innovation, and leverage private sector investment, iii) performance-based incentives offered to developing country governments for successful delivery against a small number of agreed country-level indicators;
- The use of results-based approaches will necessitate the development of robust indicators to measure outputs, outcomes and impact. In some cases this will necessitate the strengthening of country reporting systems, coordination mechanisms at national and international levels, establishment of country-level tracking systems (e.g. registry) for renewable energy and energy efficiency investments and international agreement on definitions and methodologies; and

- Wherever possible, Energy+ Partners will work through existing programs and institutions, thereby limiting transaction costs and speeding up progress.
- All investments and activities implemented under the auspices of the Energy+ Partnership will comply with national and international social and environmental commitments, standards and practices.

Energy+ will be aligned with, but not part of, the UNFCCC processes. The aim is to contribute towards global efforts on climate change mitigation by successfully demonstrating the attractiveness and viability of low carbon development as a way of promoting economic growth and reducing poverty. The use of results-based approaches will also help inform the design of the Green Climate Fund.

Operationalizing the Energy+ Partnership

We will implement the Energy+ Partnership in an inclusive manner and the Partnership will be open to all parties that can help deliver against the objectives listed above.

Partners will develop and refine the overall concept, methodologies and operational modalities of the Partnership together. To that end we will establish an Energy+ Interim Working Group comprised of representatives from Partners. The Interim Working Group will propose an organizational framework for the Energy+ Partnership, including further elaboration of the Energy+ principles. The Interim Working Group's framework will be submitted to the Partners within six months. The Government of Norway will host the inaugural meeting of the Energy+ Partnership in 2012 before the Rio+20 Conference.

Energy+ will be a contribution to the “2012 International Year of Sustainable Energy for All”, the United Nations Secretary General’s initiative “Sustainable Energy for All” and support energy-related processes linked to the Rio+20 Summit and possible revisions of the Millennium Development Goals.

October 6, 2011