Unlocking Renewable Energy Investments

Through Project Facilitation and Support

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Renewable Energy Investments gap and challenges

In developing countries – different types of barriers exist:

✔ High initial investment costs
✔ Lack of relevant capacities and resources to prepare and develop investment ready RE projects, as well as facilitate access to finance, respectively
✔ Results in inadequate financing for RE projects

❑ Requires strengthened risk mitigation and management measures
❑ Tailored insurance products and implementation agreement templates

Therefore, a more tailored approach to RE financing is required

Channelling such level of investments to energy transitions requires a steady pipeline of investor-ready and scalable renewable projects.
Main Roles of the Project Facilitation Division

- Facilitation of bankable renewable energy projects in developing countries
- Preparation of regional Investment Forums
- Promote and facilitate public-private partnerships
- Support IRENA’s global investment and financing plan in the Post – COVID 19 recovery Agenda
Project Facilitation: helping accelerate lengthy processes

The PFS division hosts two flagship initiatives:

1. The Climate Invest Platform (CIP);
2. and the Energy Transition Accelerator Platform (ETAF Platform).

With the main objective of facilitating actions on the ground, building strong pipeline of bankable projects, facilitating the matchmaking, and building strong partnerships around the energy transition actualization.

The role of IRENA is to reduce transaction time and transaction costs by identifying adequate stakeholders and ensuring that projects are presented with the right content to the right Partner/Financier.
IRENA for CIP – Key Features

Climate Invest Platform (CIP) is a joint initiative of IRENA, UNDP, and SEforALL in coordination with Green Climate Fund (GCF).

The CIP cover four key building blocks in the climate finance value-chain:

- Track 1 - Climate targets
- Track 2 - Policies and regulations
- Track 3 - Market Place
- Track 4 - Financial De-risking

IRENA is leading the CIP risk-mitigation and matchmaking activities through the “IRENA for CIP”

- **CIP’s mandate** is to mobilise capital towards developing countries to accelerate the scale of RE technologies to meet NDCs targets and SDG compliance.

- **CIP is a platform to facilitate the financing matchmaking** between registered financing institutions and registered RE projects’ proponents.

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* Bilateral/Multilateral Financial Institutions and Private Investors (registered on the CIP website and/or have MOU with IRENA. **The statistics come from the analysis of the CIP partners application document.*

**Geographical distribution of the projects (265)**

- Southeast Africa
- Multiple Locations - Africa
- Central America/Caribbean
- Pacific Islands
- Southeast Europe
- Caribbean Islands
- Multiple Locations
- Central Asia
- North Africa
- Central Africa
- Middle East
- Southeast Asia
- Central America
- South Asia
- Southern Africa
- South America
- Eastern Africa
- West Africa

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320 Registered Partners
68 Registered Financial Institutions*
285 Projects Submitted for Consideration
120 Projects Eligible for TA and facilitation support
Who can access the CIP and how to access the CIP support

CIP Projects

The project proponents requesting IRENA for CIP support, from public sector, private sector, and/or public private partnership, will receive TA to prepare their Project Information Documents PIDs to be shared with the potentially matching partners.

To be eligible for the IRENA CIP support, the project must (be):

✓ Contribute to Clean Energy Transition
✓ Aligned with relevant Sustainable Development Goals
✓ Consistent and aligned with national* climate action priorities**
✓ Beyond conceptual stage and completed pre-feasibility or preliminary studies.

CIP Partners

IRENA invites multilateral, bilateral and local financial institutions, other development organizations and other institutions that are prepared to provide financial resources, technical assistance and/or support the realization of projects, along with private companies and private investors, to become partners of the Climate Investment Platform (CIP).

Key Financing Partners

CIP Registered Projects and IRENA’s Project Support

# Projects currently supported*  33
# Projects for financing matchmaking  20
# Projects introduced to partners  15
# Projects matched to partners  8

Projected total installed capacity  470 MW
Projected total capital mobilisation  1.1 US$ billion
Projected total GHG emission reduced  5 tCO2e million
**TARGET:** increase **efficiency and effectiveness** of scaling up investment through facilitating development of bankable projects
CIP Project Facilitation and Support Lifecycle

- The CIP is a demand-driven platform that facilitates the development and scale up of RE technologies through tailored technical assistance to Member countries.

- Project proponents, registered in the platform, are considered for technical assistance and project facilitation support to reach commercial feasibility readiness for financing matchmaking with registered financial institutions.

1. Project register
2. Prescreening of the registered projects
3. Panel Review on the decision to support
4. Development of the Project Information Document (PID)
5. Review/Revision of the PID
6. Financial Matchmaking with CIP Partners (once PID is complete)
The Energy Transition Accelerator Financing (ETAF)

• ETAF is an inclusive, multi-stakeholder climate finance platform to advance the Global Energy Transition.
• The ETAF Platform was launched in 2021 with the aim of mobilizing approximately US$1 billion to support the energy transition by 2030.
• The UAE via the ADFD anchors the ETAF with USD 400 million investment.

ETAF is Leveraging:

• IRENA’s global geographic footprint, its institutional convening power as well as its unparalleled knowledge on renewable energy technologies.
• ADFD’s 50 years' experience in concessional and development financing resources worldwide, and their commitment to climate finance.
• The track record built with the IRENA-ADFD Facility implemented during 2013-2020.
ETAF’s Value Proposition

**To Project Developers**

Access to Funding via an Open Climate Finance Platform: ETAF offers developers access to funding provided by its Funding Partners as well as access to other co-funding sources collaborating with IRENA.

Technical Assistance

ETAF offers access to IRENA’s resources and experts, and project facilitation support team’s curated guidance and technical assistance targeted to local and regional developers.

Project Registration and Submission for Funding Matchmaking

ETAF’s team will hold a rolling “Call for Projects”, and periodically conduct activities to offer guidance on projects’ registration and submission process, eligibility and screening criteria.

**To Funding Partners**

Demand-Driven Project Pipeline

ETAF offers access to a diverse range of small, medium and large scale projects from local and regional developers who know how to navigate the complexities of their countries and regions.

Co-Financings and Co-Investment Opportunities

ETAF offers access to co-financing/ co-investment opportunities with the Funding Partners based on similar credit risk appetite, objectives, and procedures.

Funding Partners’ Credit & Risk Procedures

ETAF’s funding matchmaking process is subject to Funding Partners’ and other co-funding/ co-financing parties’ credit and risk guidelines, compliance procedures and internal policies.
THANK YOU!