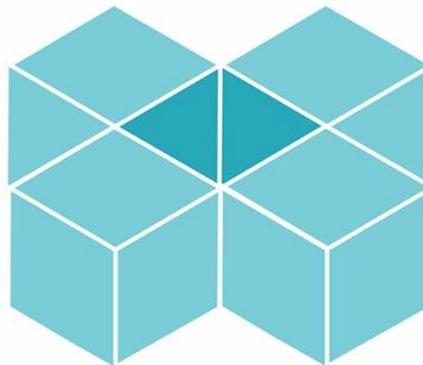


CLEAN ENERGY INVESTMENT

Driving ambitious action in support of the 2019 UN Climate Action Summit, the Nationally Determined Contributions and Sustainable Development Goal 7

ENERGY TRANSITION TRACK

“The Toolbox -- A Framework for Accelerating Investments for Clean Energy Transition”



Third draft (27th May 2019)



Introduction

This paper proposes a framework for the work on “Mobilizing Investments for the Clean Energy Transition”, which is a key deliverable within the Energy Transition Track of the 2019 UN Climate Action Summit.

The objective of the work is to develop a “Toolbox” for governments that seek to increase the level of investments in clean energy within their country, for international organizations and civil society to provide relevant expertise and support for these governments, and for the investor community – public and private – to help identify and overcome barriers while demonstrating willingness to scale up their investments.

Organized around four general principles, the tools do not constitute a one-size-fits-all solution, they aim to be useful to varying markets across developing, emerging and developed countries. Open to continuing improvements, including through ongoing feedback from practitioners, the “Toolbox” should be seen as a pragmatic point of departure – building on many years of collective experiences - for a conversation about what works and how.

The “Toolbox” can be adopted and applied– either as a whole or parts thereof – by stakeholders across government, business, finance, institutions and civil society and will be presented at the UN Climate Action Summit on 23 September 2019 (See also Annex 2.) The principles are evolving, as the process of definition is moving forward (see also Annex 3.)

The Toolbox will aim to eventually use digital platforms, including already existing platforms such as IRENA’s Project Navigator, and the e-tendering platform for solar auctions currently under development by the World Bank, to illustrate the principles and tools. These platforms could also include facilities for continuous co-creation of the “Toolbox”, and eventually connect countries and projects with potential investors.

This draft has been developed in a process involving leading international organizations within the world of energy, with financial actors such as banks and pension funds, with civil society working on the issue of energy and with a variety of governments. For each principle the reader will find described concrete actions, case studies, real world examples and potential relevant organizations to further capacity support, including through existing tools and guidance. The document is work in progress so comments are welcomed.

Summary and Statement of the Principles

Renewable energy and energy efficiency, coupled with deep electrification of end-uses, can provide over 90 percent of the reduction in energy related CO₂ emissions that is required¹. Global uptake within both areas – already growing fast over the past decade – must, however, grow at a much faster rate than at current levels. There are multiple aims that run parallel to this goal, including achieving universal access to energy to be achieved by 2030.

In developed countries, technological advances and availability of finance no longer represent the largest obstacles for rapid global movement towards shifting the global energy industry into cleaner paths, as evidenced in the past decade by uptake of solar and wind energy. For these regions, private investments are expected to fund the majority of this development. To make these happen, enhanced enabling environments for clean energy investments and a decrease in support mechanisms for, and investment in, fossil fuel generation are required.

For certain emerging economies with renewable-rich regions, availability of finance and technology still remain major constraints, particularly for early-stage project preparation. In these countries, policy misalignment, uncertainty, insufficient regulatory frameworks, lack of local capacities and infrastructure lock-in within locally based power systems often present large hurdles to systemically attract private finance at the scale required. In addition, rapid global changes in energy systems are making decisions more complex, but at the same time, creating opportunities for countries to decarbonize the way energy is supplied and used, and increase overall energy security and efficiency.

Getting there is an ambitious objective that will require sound planning, determined strategies, cooperation by all stakeholders, and a decisive shift away from business-as-usual trajectories. All stakeholders can contribute in a way that plays to their strengths and capabilities, by signing on to the principles outlined here and through financial and non-financial commitments, individual or in partnership. Different stakeholders will offer different commitments, just as different countries will require different, context-based solutions.

Globally, energy demand is increasing. Mobilizing investments for the clean energy transition needed to support the growing demand and deliver on dramatic reduction of CO₂ is a job that requires both scaling-up some activities and scaling-down other activities, and significant deployment of human and financial capital. Limiting the global temperature rise to 1.5 degrees will require the share of renewables in the global energy mix to advance from the currently 18% share, to 70-85% of global electricity demands by 2050². The main focus of this document is on the need for scaling-up clean energy production and related energy system transformation, while acknowledging that demand-side management and end-use energy efficiency measures are essential to a realizing the objectives in a cost-effective manner. In addition to the deployment of mature clean energy technologies, there will also be a need for an increasing focus on R&D, policy frameworks and financing for new energy technologies.

The following four key principles are proposed as key areas that will support the public sector, composed of national governments, states, municipalities and public sector utilities,

¹ https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2018/Apr/IRENA_Report_GET_2018.pdf

² https://www.ipcc.ch/site/assets/uploads/sites/2/2018/07/SR15_SPM_High_Res.pdf

the private sector investors and the institutions that help enable investments through capacity building and other services:

1. Set targets and commitments for the energy sector and the economy in line with the Paris Agreement, based on solid and specific energy strategies, scenarios and planning.
2. Create an overall financial environment conducive for energy investments through clear policies, strong regulatory frameworks, and offsetting specific market related risks.
3. Implement energy systems design and put energy strategies and policies into action that enable security of supply and clean energy investments.
4. Use targeted measures to accelerate development and financing of clean energy investments through risk mitigation instruments, capacity building, new business models and project development.

If done simultaneously across a number of governments, this will create the international marketplace for governments, investors, intermediaries, and project proponents to meet without being bound to one specific institution, product or investor.

1. Vision, Purpose and Scope

The vision of this “Toolbox” is to facilitate the flow of public and private capital necessary to fund the clean energy investments that are required to achieve the targets of the Paris Agreement on Climate Change and ultimately limit the rise of global temperatures below 1.5 degree by the end of the century, and to achieve the Sustainable Development Goal number 7, “Ensure access to affordable, reliable, sustainable and modern energy for all”.

The purpose of these principles is twofold; to enhance global understanding of the main building blocks needed at national level to attract private finance to ambitious investment levels in the clean energy transition and to improve the required collaboration among stakeholders across governments, financiers, businesses, delivery institutions, and civil society to successfully action the investments.

This transition can only be achieved through mutual learning, adoption and implementation of a best practice, deployment of conducive frameworks and a set of principles for governments including nation states, sub-nationals, and cities. It can only happen in an orchestrated interplay between governments, the private sector, and intermediating organizations. The public sector will also play a fundamental role, as increasing the share of renewable energy in the grid-mix will require bolstering the capacity of the grid. The public sector will not only need to align its own investments on energy with climate friendly policies, but also increase its capacity to systemically attract private finance for the majority of future global clean energy investments. Beyond the traditional energy sector, this could include supporting a paradigm shift in all sectors that are crucial to achieve our climate targets.

Although markets differ, these principles can be applied to developing, emerging and developed countries. Their scope and successful implementation will be made possible and accelerated through coordinated efforts and partnerships comprising of:

- Governments - including national and sub-national governments, regions including municipalities, cities and associated governing bodies, regulators and organizations,
- Investors and Financiers - including public and private financial institutions, equity investors, organizations that consume energy or use energy-intensive inputs, manufacturers of clean energy technologies, energy projects sponsors or developers and energy companies,
- Enabling Partners and Institutions – including global climate finance institutions, UN organizations multilateral development banks, international organizations, bilateral aid agencies, and other public financial institutions, think tanks, philanthropy, the civil society and collaborative platforms.

Currently, knowledge and advice on sound processes and frameworks are often too fragmented. As a result the actions of key market players become misaligned, decision-making ineffective and frameworks ineffectual at best. More specifically, progress often stalls for the following reasons:

- Key stakeholders – leaders, policymakers, regulators and investors – often do not buy in to plans that they had no role in developing, exacerbated by lack of technical capacity to undertake their own analysis. Decision-making processes will be more prone to politicization or isolated opportunities when evidence-based planning is marginalized.

- Planning is often motivated by assessing individual projects, rather than developing a coherent long-term vision for the energy sector as a whole. Often, too much emphasis is given to supply-side issues, and not enough to optimizing energy demands or wider system integration.
- Models and data sets are not always adequate to robustly address issues arising from global energy transition trends, including shifts to integration of variable renewables, greater electrification effects of the economy, the role of smart grids and distributed generation -
- Donor support is often fragmented, with little coherence or strategic alignment of the energy system as a whole. A lack of unified capacity-building efforts and procurement procedures leads to poor continuity and inhibits sharing of data sets, tools, and models. Overall, there is a need to focus in donor support on enabling conditions that will make the private sector move in and altogether will accelerate project development/construction and energy deal flows.
- Platforms and collaborations between international technical institutions to share data, tools and models, where they exist, have gaps and are hard to navigate.
- Investors often lack data and knowledge to adequately assess specific risk factors in other jurisdictions, which often leads to non-realistic risk premiums.
- Local Banks and Financial Institutions also sometimes lack the capacity to price the risks correctly, hence leading to higher interest rates. The high-risk perception coupled with stringent capital requirements (because of international/ local banking regulations) that the Banks have to adhere to, also lead to elevated costs of lending. Local capital markets often lack depth. Also, because of a higher risk aversion, require external support in the form of credit enhancement
- Project developers in emerging markets and developing countries often lack the technical capacity and financial sector knowledge to prepare investment-grade, bankable projects that fit the criteria of private investors. On top of this, few countries are leading the development of bankable programs with medium-term vision and the right risk allocation and signaling to be integrated in the grid.

2. Elaboration of the Principles

The principles, as illustrated below, are split into four different elements, which in brief, include means and measures within target setting, energy policy, de-risking, and market development.

Figure 1

Measures that Enable Clean Energy Investment and Finance



Principle 1

Principle 1: Set targets and commitments for the energy sector and the economy in line with the Paris Agreement based on solid and specific energy strategies, scenarios and planning.

- Nationally Determined Contributions (NDCs), including targets and goals on reducing carbon emissions, should be converted into clear, ambitious clean energy targets, covering both renewable energy, energy efficiency and combinations hereof.
- The NDCs should include targets on reducing the use of, and investment in fossil fuel.
- Clean energy targets should be embedded into the national budget and other relevant sectors plans such as transport, housing, and industry, including sector couplings.
- Regions, cities, corporations and other relevant organizations should likewise develop clear, ambitious targets and commitments for renewable energy and energy efficiency.

Most countries have communicated economy-wide greenhouse gas emission reduction targets within their NDCs and other domestic climate goals. While most of these NDCs mention renewable energy and energy efficiency as key to achieving the targets under the Paris Agreement, their role in achieving emission targets should be clearly quantified. Where possible, the NDCs should include more specific actions to reduce energy related emissions or implement renewable energy and energy efficiency, such as a technology roadmap and corresponding financing plans. About half of the NDCs submitted to the UNFCCC do not include such specific actions.

The urgencies of climate change and the opportunities offered by a global energy transition requires not only to raise the ambition of the NDCs, but also to be more specific on Renewable Energy and Energy Efficiency targets.

At each country-level, once the ambition and the commitment are set, energy plans should have appropriate systems in place for translating the commitments into sets of viable projects, tracking progress against these and troubleshooting roadblocks and/or delays. It is important then to break down overall commitments into relevant sub-sectors, technologies and types of solutions, and add longevity to targets to improve traceability and accountability towards pledges.

NDCs should be an integral part of long-term energy planning and adapted on a regular basis to reflect revised plans and strategies at country level. Long-term energy plans should be developed based on an inclusive country process that involves different stakeholders that represent the entire bandwidth of the energy sector, as energy is becoming more and more integrated with other sectors (i.e. energy transition).

Enabling Tools and Measures

Connecting NDCs to energy targets - Subnational state and city commitments - National EE and RE planning and scenario analyses - Roadmaps and investment plans for energy/infrastructure - Energy sector/-infrastructure policy assessments - Mapping of wind, solar and other RE resources - Planning for RE and EE expansion - Geo spatial mapping - Mini-grid and off-grid design tools - Cost curves and barrier analysis – Climate risk integration

Case: TBD

Tool: TBD

Principle 2

Principle 2: Create an overall financial environment conducive to clean energy investments through clear policies, strong regulatory frameworks, and offsetting specific market related risks.

- Smart and consistent financial policies affecting energy investments, including overall tax and trade regulations, regulation determining economic stability, and limiting the risk of price volatility.
- Improve access to international support from development banks and others for financial structuring, loan and performance guarantees, and enhanced liquidity.
- Review the international regulations for financial flows from private investors in developed countries to developing countries.
- Removal of fossil fuel subsidies.

To bring investment and finance to the scale required for clean energy expansion, more work needs to be done at the country level in reducing the financial risks associated with energy investments. The macroeconomic policies needed for that do not differ from the policies needed to promote foreign direct investment in general. The typical requirements from investors in terms of investment policies and regulations, relates to transparent market entry conditions, long-term political and financial stability and predictability, low demand risks, low correlation with business cycles, and limited revenue volatility. In order to minimize key risks, governments should work with measures such as clear regulatory processes, subordination, securitization, loan or performance guarantees, currency-hedging instruments, standard long-term agreements etc.

Energy sector investment strategies that identify potentials and roadmaps for achieving country targets are important for attracting private sector finance and investments. However, beyond the strategies that would be spelled out through policies and regulations, it is important to give investors, companies and society long-term assurances and remove the impression of investment risk. This should be supplemented by reasonable measures to counter the investment risks for long-term investments.

Principle 2 will not be easy to attain in certain emerging economies. However, even under unstable circumstances, there are a few key areas that are critical to ensure sustainable private sector investments and improvement of investment climate, among others, (i) ensure the legal framework can attract serious international private investors, (ii) a plan to improve the state utility financial viability (losses, circular debt, payment collection, reflective tariff, reduction in cost of generation etc.), (iii) phase-out of fossil fuel subsidies, and (iv) plan for required grid/dispatch upgrades. With regards to EE, standards and clear policies would also need to be required.

Bringing long-term institutional capital from developed countries into developing and emerging countries – as well as mobilizing available domestic capital - is essential for global

clean energy transitions. In order to facilitate this, there is a need for greater predictability and transparency on relevant future public finance flows from developed countries to the rest of the world. Also there is a need to monitor any potential adverse effects on the ability of commercial banks to invest in early stages of energy infrastructure finance in emerging markets and developing countries that may arise from evolving financial regulation.

Enabling Tools and Measures

Regulation of investors and financial markets - Tax and trade policy - Regulation of PPPs and other procurement - Taxonomies and standards for green finance - Regulation of insurance - Investment promotion and facilitation – Regulation of banks and institutional investors - Energy taxation and subsidies - Cost reflective energy prices - Facilitate integration of variable renewables - Strengthen T&D networks

Case: **TBD**

Tool: **TBD**

Principle 3

Principle 3: Implement energy systems design and put energy strategies and policies into action that enable security of supply and clean energy investments.

- Governments should implement reliable and consistent long-term clean energy policies and plans (and similar plans for other relevant sectors), to offset perceived risks from short-term policy changes in light of the long life-span of most energy infrastructure.
- Clear and transparent policies, structures and incentives for both renewable energy and energy efficiency, which perhaps could be supported by independent bodies.
- A strong legal framework for both RE and EE, for consistent energy market structuring.

For the NDCs to be effective, clean energy commitments need to be embedded in national energy laws and policies. Strong, target-built and forward-thinking energy policy frameworks will lead to clean energy transitions that will help attract private sector investment. Energy policies and plans that are long-term, clear, evidence-based and widely agreed on, can help align incentives and actions of governments, investors and partners. Currently, in many cases, energy policies and plans are too incoherent and fragmented to be effective and to align key market players. Country-owned energy plans should improve clarity for both investors and for development partners, enabling them to develop a clear and consistent vision, plan and eventually, policies.

Clear and transparent market entry mechanisms enable competition as a driver for aligning sustainability and affordability of energy supply. This is true both in competitive segments of the energy sector, and for competitive processes to award build-operate-transfer contracts (or similar arrangements) in other contexts. In both cases, risk allocation patterns should be made as clear as possible, to facilitate credible financial assessments and enable decisions from investors and financial institutions.

Approaches to increase flexibility in energy systems come from the synergies of different innovations across all dimensions of the energy sector: technology + market design + business models + systems operation. The implementation of the different innovations and the design of optimal strategy to increase system flexibility depend on the country context, yet it is important to underscore that there are purely technical and physical challenges and solutions related to systems operations and security of supply, including increased integration of renewable energy, as well as more effective systems, that are general in nature and cuts across countries and regions. Energy plans should also account for such a systemic approach, fostering the engagement of all, traditional and new, market actors as well as unlocking the synergies by combining innovations in all the dimensions of the energy sector.

Enabling Tools and Measures

Power market design and competition policy including flexibility - Auctioning for renewable energy - Incentives and regulatory support for RE and EE - Financing mechanisms for RE and EE - Contracting and off take arrangements - Frameworks for corporate sourcing - Utility regulation and EE requirements – Building standards - Carbon pricing and monitoring - Various aspects of RE grid integration and energy access – Regulations on IPPs – Regulations on mini-grids – Grid code – Feed-in Tariff Policies – Renewable Energy Auctions - Standard policies and regulation mechanisms for energy transition policies.

Case: **TBD**

Tool: **TBD**

Principle 4

Principle 4: Use targeted measures to accelerate development and financing of clean energy investments through risk mitigation instruments, capacity building, new business models and project development.

- Governments should implement a sound and profitable marketplace for clean energy, for example elements for scaling such as aggregation of infrastructure assets and the creation of funds and bonds.
- Alignment of investment criteria by private investors should be considered in order to facilitate access to capital by emerging and developing countries with less capital market capacity.
- The incentives for MDBs and private investors to focus on energy infrastructure deals in emerging and developing markets and bringing them to investment grade should be reviewed.
- A set of measures that, at a reasonable level, offset political risks for investors, such as political risk insurance, guarantees, and valid contracting and off-take arrangements.
- Matchmaking and partnership platforms should be supported to stimulate the interaction between project owners and investors, and to stimulate the creation of a market.
- Emerging and developing markets should actively explore blended models of combined public and private finance, where the public finance is focused towards reducing project and investment risk.

Encouraging increasing levels of private investment in clean energy will require scaled-up use of targeted risk mitigation instruments such as guarantees and co-investments by mature economy governments and multinational/national development banks to encourage overseas investment. Inadequate supply of bankable, investment-grade projects for investors, and importantly, lack of a process to help generate this supply is often cited as a key reason why available capital for clean energy projects is not being applied. Governments and enabling partner organizations such as public financing institutions should support developers on project identification and project preparation. They should focus on general and project risk-reduction measures to increase deal-flow and the bankability of renewable energy and energy efficiency projects. Finally, it is important to ensure efficient capital markets, alignment of investment criteria and incentive structures in MDBs and private investors for energy infrastructure deals and a working bank intermediation system.

Public-private partnerships, including blended finance models to reduce risk and secure government buy-in, have proven very useful in developing new markets for clean energy investments. Models and best practices for public-private partnerships should be shared across governments and other relevant players in a systematic way, in order to gain scale on

the application of these types of business models.

Enabling Tools and Measures

Structured investment funds - Standardized project, and legal framework - Corporate sourcing Guarantee instruments - Refinancing and capital market access vehicles - Insurance instruments Green banking systems - Green bonds - Utility business models - Supply chain development - Cost-recovery mechanisms - Securing RE and EE appliance standards certification - Project preparation facilities - Platforms to match projects with finance - Public-private partnerships platforms – Investment criteria - Incentives

Case: **TBD**
Tool: **TBD**

ANNEX 1:

Drafting of the “Toolbox” and the Key Principles for Increasing Global Investments in Clean Energy

The draft was prepared by the Government of Denmark, based on an open consultation process and in conjunction with the following organizations (in alphabetical order):

1. Asian Development Bank (ADB)
2. African Development Bank (AfDB)
3. Institutional Investors Group on Climate Change (IIGCC)
4. Inter-American Development Bank (IDB)
5. International Energy Agency (IEA)
6. International Renewable Energy Agency (IRENA)
7. Investor Group on Climate Change (IGCC)
8. Organisation for Economic Co-operation and Development (OECD)
9. Principles for Responsible Investment (PRI)
10. United Nations Development Programme (UNDP)
11. The Green Climate Fund (GCF)
12. World Bank Group (WBG)
13. World Resources Institute (WRI)

ANNEX 2 ‘TOOLS’³:

TOOL #1

GCF ONLINE INVESTMENT PLATFORM (currently being developed)

TOOL #2

AfDB Energy Planning Effort that is being led by a coalition of partners under the leadership of DFID

TOOL#3

IIGCC “Global Investor Statement to Government”

TOOL #4

IIGCC “Investor Guide on Climate Scenario Analysis”

TOOL #5

IIGCC “Addressing Climate Risks and Opportunities in the Investment Process”

TOOL #6

IRENA, 2019, Global energy transformation: A roadmap to 2050 (2019 edition), International Renewable Energy Agency, Abu Dhabi.

TOOL #7

UNDP De-Risking Renewable Energy Investment (DREI)

TOOL #8

The World Bank and the French Development Agency (AFD), in partnership with the International Solar Alliance (ISA) are developing through the Solar Risk Mitigation Initiative (SRMI) a robust and integrated risk mitigation framework to support the development of sustainable solar roadmaps leveraging private sector investments.

- The following tools are contemplated under this framework:
 - **Guidelines for Sustainable Solar**, a diagnostic tool identifying the core principles to develop sustainable solar roadmaps and articulating the related key steps as well as designing key actions governments need to implement to bridge the identified gaps; and
 - **An e-tendering platform** to manage the procurement process of solar projects, improving quality and transparency of the process and attracting investors who could get access to the overall pipeline of solar projects across countries.

TOOL #9

OECD, 2015, [Policy Guidance for Investment in Clean Energy Infrastructure](#)

³ Non-exhaustive list of suggested tools to be included in main text

TOOL #10

OECD, 2017, [The Empirics of Enabling Investment and Innovation in Renewable Energy](#)

TOOL #11

IRENA, 2018, Renewable energy in national climate action

TOOL #12

Adapting Market Design to High Shares of Variable Renewable Energy

ANNEX 3 ‘CASES’⁴:**CASE #1**

[ADB, Climate Change Operational Framework 2017-2030](#)

CASE #2

Relating to Principle 4:

Room to Run (R2R) of the African Development Bank

Sustainable Energy Fund for Africa (SEFA)

CASE #3

Related to Principle 1:

The decarbonization strategy of Chile, with the “mesa de descarbonización”

CASE #4

South Africa’s Renewable Energy Independent Power Producer Procurement Programme

CASE #5

Principle 1: UNDP De-risking Renewable Energy Investment: Tunisia

CASE #6

IRENA Case Studies

CASE #7

Financial Stability Board, 2018, Evaluation of the effects of financial regulatory reforms on infrastructure finance

Annex 4 ‘Reports’**REPORT #1**

OECD, 2015, Mapping Channels to Mobilise Institutional Investment in Sustainable Energy

REPORT #2

OECD, 2017, [Mobilising Bond Markets for a Low-Carbon Transition](#)

REPORT #3

OECD, 2016, [Green Investment Banks: Scaling-up Private Investment in Green Infrastructure](#)

⁴ Non-exhaustive list of suggested cases to be included in main text

REPORT #4

[OECD DAC Blended Finance Principles for Unlocking Commercial Finance for the Sustainable Development Goals](#)

REPORT #5

OECD, 2018, [Developing Robust Project Pipelines for Low-Carbon Infrastructure](#)

ANNEX 5 “Commitments”

Clean Energy Commitments Template

Types of Organizations	Types of Commitments	Sample Commitments (examples and comments)
<p>GOVERNMENTS</p> <p>Nations, states/regions, cities, associated bodies and organizations</p> <p>Commitment guidelines:</p> <p><i>Specific investment targets provided that investment and finance is available.</i></p> <p><i>Creating conditions that enable investments within their jurisdiction.</i></p>	<p>Share of renewable energy in energy consumption</p> <p>Increase in renewable energy capacity</p> <p>Increase energy efficiency across all end use sectors</p> <p>Strategies to transition from fossil fuel dependent energy systems to diversified clean energy systems</p> <p>Enact sector and economy wide targets and regulation</p> <p>Develop Paris-aligned energy strategies, scenarios and planning.</p> <p>Support for the Clean Energy Investment Framework</p> <p>Capital market development</p>	<p><i>“Commit to 50% generation of electricity from renewable resources by 2030”</i></p> <p><i>“Additional 20 000 MW installed renewable capacity beyond 2020”</i></p> <p><i>“600 trillion Btu increase in statewide energy efficiency by 2030”</i></p> <p><i>“Commit to outphase electricity from coa-fired power plants by 2025”</i></p> <p><i>“Express willingness to implement an investment enabling policy framework”</i></p> <p><i>“Commit to developing energy strategies, specific targets, scenarios”</i></p> <p><i>“Commit to investing in developing financial sector infrastructure and private sector engagement capacity”</i></p>

<p>INVESTORS AND FINANCIERS</p> <p>Private financial institutions, public finance, development finance, companies and organizations that consume energy or use energy-intensive inputs, manufacturers of clean energy technologies, developers and energy companies</p> <p>Commitment guidelines:</p> <p><i>Commitments in real economy (GW) or finance (USD) or share of portfolio.</i></p> <p><i>Commitment to evaluate and/or engage in markets where the right framework conditions exist</i></p>	<p>Bn USD of Investments in renewable energy and energy efficiency</p> <p>Supporting needed infrastructure for integrating more RE, e.g. smart grids, energy storage</p> <p>Use of renewable energy and energy efficiency</p> <p>MW/GW of installed RE capacity Divestment from fossil fuel</p> <p>Support for the Clean Energy Investment Framework</p> <p>Align investment criteria and incentive structures</p> <p>Invest in project preparation and lifting project portfolios and pipelines to investment grade</p>	<p><i>“Has pledged to spend 100Bn USD of its assets over the next 10 years in RE and clean technologies”</i></p> <p><i>“Committed to invest 2Bn USD in RE projects with total combined capacity of 4GW”</i></p> <p><i>“Commitment to divest our 10Bn USD pension fund from coal-related companies”</i></p> <p><i>“Signing on to consider investment in countries with proper framework conditions”</i></p> <p><i>“Has pledged to align investment criteria for infrastructure projects in emerging and developing markets”</i></p> <p><i>“Has pledged to deploy capacity in emerging and developing markets to bring infrastructure projects to investment grade”</i></p>
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<p>ENABLING PARTNERS AND INSTITUTIONS</p> <p>Multilateral development banks, international organisations, bilateral aid, and other public financial institutions, think tanks, philanthropy, collaborative platforms</p> <p>Commitment guidelines:</p> <p><i>Specific support that addresses some or all the investment enabling measures as needed.</i></p> <p><i>Commitments to support governments in enabling investments.</i></p>	<p>Funding for project development</p> <p>Provide public finance (de-risking and blending)</p> <p>Support for the Clean Energy Investment Framework</p> <p>Invest in project preparation and lifting project portfolios and pipelines to investment grade</p> <p>Review incentive structures</p> <p>Monitor the effects of evolving financial sector regulation</p>	<p><i>“We create a project development facility for energy efficiency for 25 Mn USD”</i></p> <p><i>“We provide 200 Mn USD in matching finance for clean energy projects”</i></p> <p><i>“We Commit to provide xxx mil USD to support preparation pipeline of bankable RE projects.”</i></p> <p><i>“Commit to providing knowledge, policy support, capacity building, and analyses accordingly”</i></p> <p><i>“Commit to help facilitate the implementation of a joint framework to attract investments”</i></p> <p><i>“Commit to support country x with capacity building to enact x targets, scenarios etc”</i></p> <p><i>“Has pledged to deploy enhanced capacity in emerging and developing markets to bring infrastructure projects to investment grade”</i></p>
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