

Mobilizing Investment in LEDS and NDCs

NREL in partnership with
SouthSouthNorth

A German International Climate Initiative supported effort



Project Rationale



Methodology for Designing Country Approaches



Common Elements Across Countries



Vietnam and Philippines Approaches – Commonalities



Vietnam and Philippines Approaches – Distinctions and Next Steps



Dominican Republic Approach and Next Steps



Areas for Input



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 Dominican Republic Approach and Next Steps

 Areas of Input

Country Demand

Unlocking private capital to implement country's NDCs requires:

- A progressive and iterative process of stakeholder identification of priority investment subsectors,
- Market analysis, design and implementation of financing measures,
- Public-private partnerships, and
- On-going review of progress and adjustments in the approach.

Many developing countries have expressed demand, through the **Low Emissions Development Strategies Global Partnership (LEDS GP)** and the **Climate and Development Knowledge Network (CDKN)**, for support to navigate the opportunities and challenges of mobilising the necessary investment to implement their NDCs.

Target Countries and Objectives

- The Mobilising Investment (MI) project is focused on **seven target countries: Bangladesh, Dominican Republic, Ethiopia, Kenya, Peru, Philippines and Vietnam supported by the German government.**
- The project is **collaborating closely with LEDS Global Partnership** investment mobilisation cooperation with Colombia, Kenya, Mexico, Morocco, and Vietnam and broader country investment advisory support and learning.
- The ultimate **goal is to mobilise significant investment for NDC implementation** in priority sub-sectors.
- The overarching project objective is to support public actors and the private sector to create favourable conditions for private financing of NDC implementation by incentivising investments and increasing scale of demand, and thus strengthen national capacities and learning on financing NDCs.

Learning and Replication

*A core part of the project is the **gathering and dissemination of good practice and recommendations and enabling learning and replication** within countries, between countries, from national to international and vice versa through peer networks.*





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Vietnam Approach and Next Steps – Commonalities



Philippines Approach and Next Steps – Distinctions and Next Steps

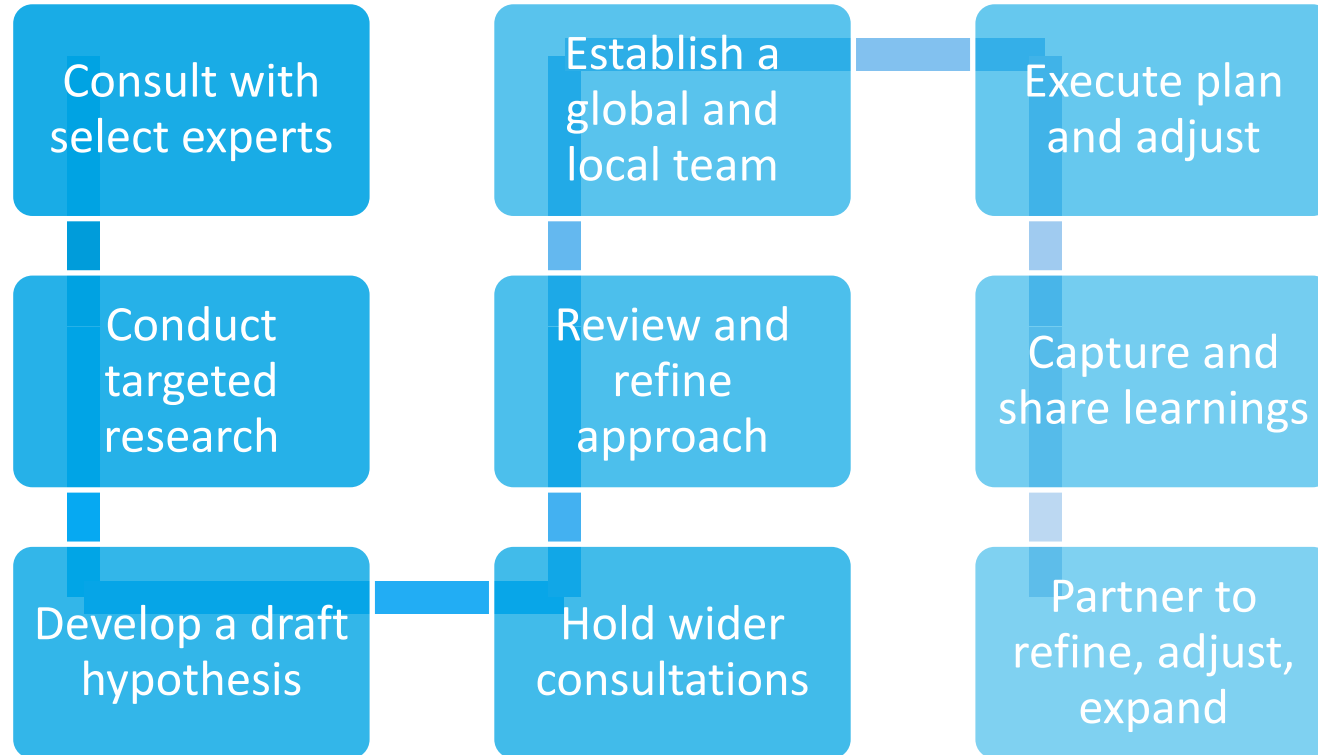


Dominican Republic Approach and Next Steps



Areas for Input

Methodology for Designing Country Approaches



Strong Public-Private Partnerships

Strong public-private partnerships and convenings are key elements of the approach in all three NREL-led countries.

Vietnam

- Ministry of Industry and Trade
- Ministry of Planning and Investment
- Vietnam Business Forum
- US Foreign Commercial Service
- Large Corporates
- Developers
- Financiers and Investors

Philippines

- Quezon City Local Government Unit
- Climate Change Commission
- Department of Energy
- National Renewable Energy Board
- Electric Cooperatives
- Large Corporates
- Developers
- Financiers and Investors

Dominican Republic

- Climate Change Commission
- Energy Commission
- Energy Ministry
- ECORED Network of Sustainably Minded Businesses
- Schools
- Hospitals
- Developers and ESCOs
- Banks



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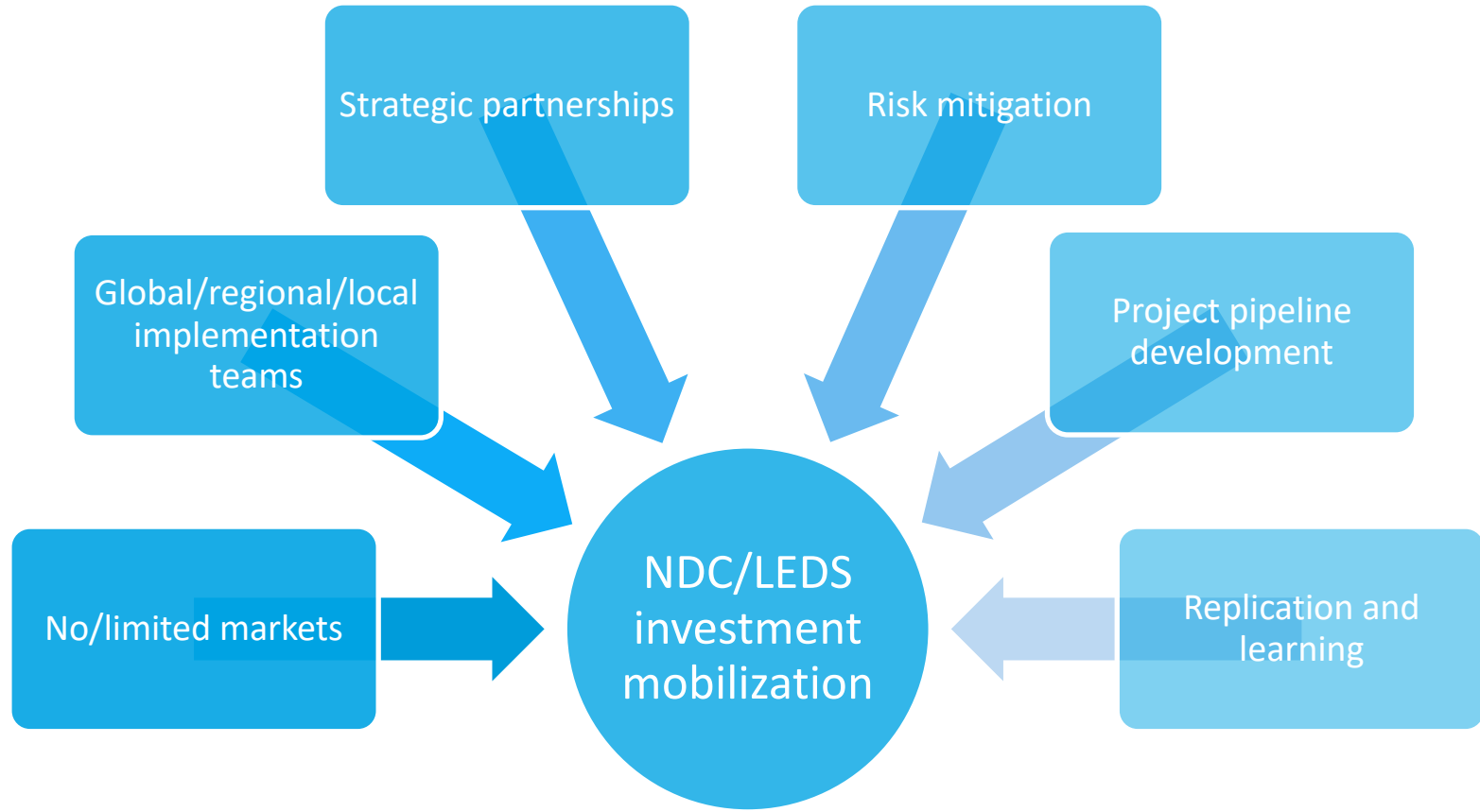


Dominican Republic Approach and Next Steps



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Areas for Input

Vietnam and Philippines Approaches: Commonalities

- The CEIA is an innovative public-private partnership initiative co-led by Allotrope Partners, World Resources Institute, and NREL.
- The CEIA aggregates corporate clean energy demand and advances the policy and financing frameworks necessary to meet the clean energy needs of large offtakers through three essential elements:
 - Pillar 1: **Purchasers**: Credit-worthy clean energy purchasers (including corporations and governments) creating a demand signal for clean energy,
 - Pillar 2: **Pipeline**: A robust pipeline of “investment ready” clean energy projects, and
 - Pillar 3: **Policy**: Effective policy and regulatory structures.
- Under this work plan, the CEIA will apply this model to **bring together renewable energy buyers to create a demand signal and mobilize clean energy investment to accelerate the deployment of climate-resilient, renewable energy solutions**



Each member of the CEIA team brings unique technical expertise to ensure success



Allotrope is an international clean energy advisory, investment and project development firm specializing in emerging markets and technologies.

- Catalyzing public-private partnerships to scale investment in low-carbon technologies and businesses
- Experience in financial modeling and analysis
- Co-leads RE project design; leads deal structuring



WRI is a global research organization working at the nexus of environment, economic opportunity, and human well-being.

- Aggregation of corporate buyers through REBA and other networks
- Experience with joint RFPs in the U.S. and India
- Leads training of corporate purchasers; co-leads RE project design



NREL is a U.S. government funded research laboratory focused on developing and commercializing clean energy technologies.

- Apply innovative methodologies and tools to assess project feasibility, grid integration considerations, and enabling environment
 - Leads gov't engagement, policy and regulatory strengthening, through established bilateral partnerships and regional and global learning through the LEDS Global Partnership
- NREL | 14



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Unique Attributes of the Vietnam Approach

The CEIA's core activities in Vietnam are focused on **supporting aggregated clean energy buying mechanisms** - including single-site, multi-buyer scenarios like industrial parks, as well as, multi-site, single-buyer scenarios such as retail chains.

- ***Deepened Market Analysis and Research*** on Critical Barriers to Commercial and Industrial (C&I) Clean Energy Deployment in Vietnam
- ***Public-Private Dialogue in Vietnam*** on Clean Energy Solutions
- ***Technical Support to C&I Clean Energy Consumers*** in Vietnam



Unique Attributes of the Philippines Approach

The primary focus of this support will be on **supporting distribution companies and municipalities to accelerate RE deployment and scale investment**. These areas of focus will spur immediate demand for renewable energy and energy efficiency solutions and serve to prove the concept for broader market replication.

- ***Formation of the Philippines RE Buyers Group*** to build capacity of distribution utilities and cooperatives to meet the new Renewable Portfolio Standards mandates and to collaboration with Quezon City Local Government Unit to aggregate purchases
- ***Market segment analysis*** to outline the business case and identify pilot projects



Vietnam Next Steps

- Help companies advocate for a power pricing roadmap to support transparency and planning
- Move forward on DPPA regulations and clean power purchasing demonstration projects
- Provide technical support and facilitate aggregated procurement with C&I consumers
- Develop templates and guidebooks for replication across Vietnam and Southeast Asia

Philippines Next Steps

- Bring together the CEIA Philippines Buyers Group along two tracks:
 - 1) Electric Cooperatives
 - 2) Municipal governments and businesses
- Conduct a RE market segment analysis to help buyers navigate the evolving policy and regulatory framework and implement the new RPS



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Dominican Republic Approach

Currently still in the scoping stages, the following initial opportunities have been identified for further exploration:

- **Partnering with ECORED**, a business network of environmentally conscious companies and leveraging its convening power to reach its member companies to provide energy efficiency training and energy audits.
- **Building project pipelines of:**
 - **PV and energy efficiency retrofits on public sector hospitals.** This concept is a result of a planned agreement between the Ministry of the Environment, the National Energy Commission and the National Health Service with support from the United Nations. The intent is to improve energy efficiency and reduce energy consumption at public sector hospitals.
 - **And/or PV and energy efficiency on new schools** possibly in collaboration with a proposed new school construction program in collaboration with the InterAmerican Development Bank.

Dominican Republic Next Steps

- Identify 1-2 leading near-term focus interventions (e.g., ECORED, schools, or hospitals)
- Establish appropriate working group, intended impacts, and approach to project pipeline development
- Develop cases and learnings as project progresses.



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Next Steps and Areas for Input

Areas for Input

Are there opportunities for enhancing these efforts?

Key partnerships we should explore?

How can we ensure continuation of this work once the IKI grant supported effort is complete?

Are there additional means for regional and global learning that we should undertake?

Thank you

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NREL is a national laboratory of the U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, operated by the Alliance for Sustainable Energy, LLC.

