

SDG7 Energy Compact of the International Renewable Energy Agency (IRENA) - Project Facilitation to Unlock Renewable Energy Investments - SEforALL

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030. [Please select all that apply]

(Member States targets could be based on their NDCs, energy policies, national five-year plans etc. targets for companies/organizations could be based on their corporate strategy)

<input type="checkbox"/> 7.1. By 2030, ensure universal access to affordable, reliable and modern energy services.	Target(s): Time frame: Context for the ambition(s):
<input type="checkbox"/> 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix.	Target(s): Time frame: Context for the ambition(s):
<input type="checkbox"/> 7.3. By 2030, double the global rate of improvement in energy efficiency.	Target(s): Time frame: Context for the ambition(s):
<input checked="" type="checkbox"/> 7.a. By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	Target(s): <ol style="list-style-type: none"> Mobilise USD 3 billion for financing and implementation of low-carbon and climate-resilient renewable energy projects to contribute to achieving the global energy transition Conduct annual investment forums as project-financier matchmaking events across all 14¹ IRENA regions and facilitate at least 100 projects towards investor readiness Provide technical assistance and capacity building to improve the renewable energy project development ecosystem in IRENA Member States with a geographical focus on SIDS and LDCs Time frame: by 2030 Context for the ambition(s): <ol style="list-style-type: none"> The USD 3 billion would be mobilised through the development of global financing facilitation and matchmaking hubs for the financing and implementation of low-carbon and climate-resilient renewable energy (RE) projects supporting local developers on one side and corporate and private sector investors on the other side. Financing of the projects under this hub model would be contributing to inclusive and just global energy transition and is aligned with the Paris Agreement, countries' Nationally Determined Contributions (NDCs), as well as directly contributing to the achievement of the Sustainable Development Goals (SDGs).

¹ Central Africa, Eastern Africa, North Africa, Eastern Africa, West Africa, Central Asia, Southeast Asia, South Asia, Middle East, Central America, South America, Southeast Europe, Caribbean Islands, Pacific Islands

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	<p>2. Annual regional investment forums would be conducted across all developing country regions (14 in total), for which IRENA would prepare by facilitating at least 100² projects towards investor readiness. IRENA with its partners will provide complete project-level support from sourcing of a pipeline of RE projects, supporting their preparation to the stage when they are eligible for funding, to the organisation of matchmaking events that connect partners and projects (i.e., at the investment forums).</p> <p>3. Each of the select projects (of the min 100 projects to be supported) would be provided with complementary technical assistance and capacity building to improve the RE project development ecosystem in IRENA Member States, with a geographical focus on SIDS and LDCs. RE project developers, entrepreneurs and local financial institutions will be supported to enhance and strengthen their capacities to assess various technologies and business potentials of sustainable energy transition projects, understand local markets and develop viable business plans.</p> <p>This target aligns directly with and supports the commitment of the Climate Investment Platform (CIP), a partnership between UNDP, IRENA, SEforALL and in collaboration with GCF, to advance SDG7 on sustainable energy for all, in line with the goals of the Paris Agreement on Climate Change.</p>
<input type="checkbox"/> 7.b. By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programs of support.	Target(s): Time frame: Context for the ambition(s):

1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050. [Please describe below e.g., coal phase out or reforming fossil fuel subsidies etc.]

Target(s): Time frame: Context for the ambition(s):

SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. *[Please add rows as needed].*

Description of action (please specify for which ambition from Section 1)	Start and end date
<u>Target 1: Mobilise USD 3 billion for financing and implementation of low-carbon and climate-resilient renewable energy projects to contribute to achieving the global energy transition</u>	

² At least 10 projects per year

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Activity 1.1: Establishment and operation of the financing facilitation and matchmaking hubs by IRENA and its partners to be aligned with the Paris Agreement, countries' NDCs and directly contribute to the achievement of the SDGs	Now – 2030 (additional commitment may be expected on a roll out basis towards 2030)	
<i>Description of action (please specify for which ambition from Section 1)</i>	<i>Start and end date</i>	
<u>Target 2: Conduct annual investment forums as project-financier matchmaking events across all 14 IRENA regions and facilitate at least 100 projects towards investor readiness</u>		
Activity 2.1: Source at least 100 renewable energy projects and gauge financing interest from potential investors	Now – 2030 (on continuous basis)	
Activity 2.2: Organise regular annual investment forums in all 14 regions where the project proponents and potential investors will meet to connect and further discuss project roll out	Now – 2030 (on an annual basis)	
<i>Description of action (please specify for which ambition from Section 1)</i>	<i>Start and end date</i>	
<u>Target 3: Provide technical assistance and capacity building to improve the renewable energy project development ecosystem in IRENA Member States with a geographical focus on SIDS and LDCs</u>	Now – 2030	
Activity 3.1: Provide tailored technical assistance to the select 100 projects to reach investor readiness phase (in parallel to 2.1)	Now – 2030 (on continuous basis)	
Activity 3.2: Undertake tailored capacity building for Member States' relevant authorities (with a geographical focus on SIDS and LDCs), entrepreneurial community and local financial institutions requesting support in advancing their RE project development ecosystems on project facilitation and financing and risk mitigation	Now – 2030 (on continuous basis)	

SECTION 3: OUTCOMES

3.1. Please add at least one measurable and time-based outcome for **each** of the actions from section 2. *[Please add rows as needed].*

<i>Outcomes</i>	<i>Date</i>
Outcome 1.1: Financing facilitation and matchmaking hubs established by IRENA and its partners operate aligned with the Paris Agreement, NDCs and directly contribute to the achievement of the SDGs	2030 (on a roll out basis)
Outcome 2.1: At least 100 identified renewable energy projects raised financing interest from investors	2030 (on a roll out basis)
Outcome 2.2: Annual investment forums facilitated connection between project proponents and financiers leading to project investment	2030 (on an annual basis)
Outcome 3.1: Select 100 projects that have reached investment readiness stage	2030 (on a roll out basis)
Outcome 3.2: RE project development ecosystems on project facilitation and financing and risk mitigation enhanced in Member States with a geographical focus on SIDS and LDCs	2030 (on a roll out basis)

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SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for each of the actions in section 2.

Total required resources – **USD 27,000,000 (USD 3 billion to be mobilised not accounted for)**

Activity 1.1: Establishment of financing facilitation and matchmaking hubs by IRENA and its partners to be aligned with the Paris Agreement, countries' NDCs and directly contribute to the achievement of the SDGs – **USD 500,000 per year for initial establishment and further operation (total of USD 5,000,000)**

Activity 2.1: Source at least 100 renewable energy projects and gauge financing interest from potential investors – **USD 500,000 per year for staff time (total of USD 5,000,000)**

Activity 2.2: Organise regular annual investment forums where the project proponents and potential investors will meet and connect to further discuss project roll out – **USD 700,000 per year for staff time and USD 200,000 for forum logistics per year per forum (total of USD 9,000,000)**

Activity 3.1: Provide tailored technical assistance to the select projects in order to reach investor readiness phase – **USD 500,000 per year for staff time (total of USD 5,000,000)**

Activity 3.2: Undertake capacity building for Member States' relevant authorities (with a geographical focus on SIDS and LDCs), entrepreneurial community and local financial institutions requesting support in advancing their RE project development ecosystems on project facilitation and financing and risk mitigation – **USD 300,000 per year for staff time (total of USD 3,000,000)**

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]

<input type="checkbox"/> Financing	Description
<input type="checkbox"/> In-Kind contribution	Description
<input type="checkbox"/> Technical Support	Description
<input type="checkbox"/> Other/Please specify	Description

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SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

The activity is global with a geographical focus on SIDS and LDCs – IRENA currently has 165 Members; number of people potentially impacted directly and indirectly includes the populations of the 165 countries

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how each of the actions from section 2 impact advancing the SDGs by 2030.

[up to 500 words, please upload supporting strategy documents as needed]

Activity 1.1: Establishment of financing facilitation and matchmaking hubs by IRENA and its partners to be aligned with the Paris Agreement, countries' NDCs and directly contribute to the achievement of the SDGs

- The activity will promote inclusive and just international cooperation and investment in renewables in IRENA Member States and will contribute to facilitating available finance towards RE deployment (By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.)

Activity 2.1: Source at least 100 renewable energy projects and gauge financing interest from potential investors

- This activity will contribute to achievement of NDCs in each of the project countries, while on the global level, it will promote inclusive and just international cooperation and investment in renewables and contribute to facilitating available finance towards RE deployment (By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.)

Activity 2.2: Organise regular annual investment forums where the project proponents and potential investors will meet and connect to further discuss project roll out

- Through the matchmaking activities at the investment forums, inclusive and just investment in RE projects will be facilitated contributing to achievement of NDCs in each of the project countries, while on the global level, financing for RE deployment will be promoted and facilitated (By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.)

Activity 3.1: Provide tailored technical assistance to the select projects to reach investor readiness phase

- By supporting each project reaching investor readiness stage, it will facilitate investment in RE projects and thus contribute to each of the countries NDCs achievement on the project level, while on the global level, it will promote inclusive and just investment in renewables and contribute to facilitating available finance towards RE deployment (By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.)

Activity 3.2: Undertake capacity building for Member States' relevant authorities (with a geographical focus on SIDS and LDCs), entrepreneurial community and local financial institutions requesting support in advancing their RE project development ecosystems on project facilitation and financing and risk mitigation

- By enhancing the RE project development ecosystems in each country, it will facilitate investment in RE projects contributing to achievement of NDCs in each of the project countries, while on the global level, it will promote inclusive and just investment in renewables and contribute to facilitating available finance towards RE deployment (By 2030, enhance

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international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.)

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.
[up to 500 words, please upload supporting strategy documents as needed]

All the activities will contribute to facilitating RE project development and financing in IRENA Member States leading to promote investment in energy infrastructure and clean energy technology, which will in turn reduce CO₂ and other GHG emissions coming from traditional sources of energy (fossil fuels). In addition, by doing so, the activities will also contribute to achievement of NDCs in each of the project countries.

SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed outcomes in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed outcomes.

The progress of the Energy Compact will be monitored by a dedicated team in IRENA's Project Facilitation and Support division. The team will review progress on the above-described activities twice a year and adjust accordingly to meet the target. The team will regularly produce a short report to reflect the progress and present it to the IRENA Member States during IRENA Assembly and Council meetings. Furthermore, given that the roll-out of the activities in this Compact are part of IRENA's work within the CIP, the update on the progress will be discussed with the CIP founding partners.

SECTION 7: GUIDING PRINCIPLES CHECK LIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

I. Stepping up ambition and accelerating action - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

I. 1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?

☒ Yes ☐ No

I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts? ☒ Yes ☐ No

I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defined by latest global analysis and data including the outcome of the Technical Working Groups? ☒ Yes ☐ No

II. Alignment with the 2030 agenda on Sustainable Development Goals – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030? ☒ Yes ☐ No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps? ☒ Yes ☐ No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action? ☒ Yes ☐ No

III. Alignment with Paris Agreement and net-zero by 2050 - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

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III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? ☒ Yes ☐ No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? ☒ Yes ☐ No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? ☒ Yes ☐ No

IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? ☒ Yes ☐ No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? ☒ Yes ☐ No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? ☒ Yes ☐ No

V. Feasibility and Robustness - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? ☒ Yes ☐ No

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives? ☒ Yes ☐ No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)? ☒ Yes ☐ No

SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

Project Facilitation to Unlock Renewable Energy Investments

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

International Renewable Energy (IRENA)

8.3. Lead entity type

☐ Government

☐ Local/Regional Government

☒ Multilateral body /Intergovernmental Organization

☐ Non-Governmental Organization (NGO)

☐ Civil Society organization/Youth

☐ Academic Institution /Scientific Community

☐ Private Sector

☐ Philanthropic Organization

☐ Other relevant actor

8.4. Contact Information

Ahmed Badr, Director, Project Facilitation and Support division, IRENA – abadr@irena.org

8.5. Please select the geographical coverage of the Energy Compact

☐ Africa ☐ Asia and Pacific ☐ Europe ☐ Latin America and Caribbean ☐ North America ☐ West Asia ☒ Global

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8.6. Please select the Energy Compact thematic focus area(s)

☐ Energy Access ☒ Energy Transition ☐ Enabling SDGs through inclusive just Energy Transitions ☐ Innovation, Technology and Data ☒ Finance and Investment.

SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.