

INTERNATIONAL RENEWABLE ENERGY AGENCY

Third meeting of the Council

Abu Dhabi, 05 – 06 June 2012

**Work Programme and Budget 2013
Preliminary Framework**

At its second meeting, the Council requested the Director-General through decision C/2/DC/4 to present to the third meeting of the Council a preliminary framework document highlighting the major direction of the 2013 Programme of Work.

The Secretariat circulated a draft preliminary framework of the Work Programme and Budget for 2013 to Council members with an invitation to submit initial comments on the draft document to the Secretariat. The present preliminary framework is based on the feed-back received from Council members and is being made available to Council members, as well as all other IRENA Members, Signatories and States in accession, for consideration at the third meeting of the Council.

Work Programme and Budget 2013 Preliminary Framework

Introduction

1. The International Renewable Energy Agency (IRENA) enters its third year in 2013 with its institutional structures in place, and with recognition and support of its activities growing steadily. The Agency is becoming an increasingly effective vehicle for promoting knowledge, capacity and action for the rapid uptake of renewable energy worldwide. IRENA continues to develop its role as a support mechanism for Members and other stakeholders, to consolidate efforts and to provide leadership to address current and future energy challenges, by accelerating the deployment of renewable energy solutions.
2. Pursuant to the request of the Council (C/2/DC/4), this document sets out the Work Programme Framework for the Agency for 2013. The Draft Framework draws on the statutory and legislative provisions, the conclusions of intergovernmental discussions, including at the Ministerial Roundtables, the Assembly, Council and Committee meetings, as well as discussions with Members. It also reflects the lessons learnt from previous programmatic work, and from the on-going implementation of the Work Programme for 2012. The revised draft also reflects the comments received from Council members in response to the initial Draft Framework of 29 April 2012.
3. The Work Programme Framework is intended to provide the basis for a focused discussion on strategic and substantive issues, so as to stimulate a debate and gather insights from the Members on programmatic direction for 2013. The outcome of these discussions will facilitate further and more detailed work. This will involve translating the Framework into specific, identifiable and costed outputs and activities, which will form the Work Programme for 2013. The Framework is developed with a shared and pragmatic view that, while continuity is required in developing the Agency's institutional and programmatic context, it must remain responsive to a changing environment. It also must take into account experiences from the implementation of the current Work Programme when formulating future activities.
4. The Framework is divided into three parts. The first presents strategic directions, as outlined in the proposed four-year Medium-term Strategy and in accordance with received guidance. The second part presents the envisaged activities for each of the three programmatic areas. The third part provides an overview of budgetary requirements.

Strategic directions and challenges

5. IRENA's Medium-term Strategy outlines the strategic direction for IRENA, structured along three main pillars: to increasingly become a global voice for renewable energy and technologies; to be an effective and accessible advisory resource in renewable energy and technology; and to act as a network hub of country, regional and global discussion, cooperation and programmes. It also provides the context to position the Agency to, *inter alia*,: improve market information and intelligence; help overcome technology and innovation related barriers; increase public awareness and acceptance of renewable energy as a viable energy choice; help create the necessary enabling policy and regulatory frameworks; and promote the business case for renewable energy. The proposed Strategy also defines IRENA's vision for the medium-term: "To be the principal platform for international cooperation, a centre of excellence on renewable energy and a repository of policy, technology, resource and financial knowledge and to support countries in their transition to a renewable energy future." It is proposed that IRENA's activities in 2013, and in the coming years, would follow this strategic direction, and that the work would be structured along its three pillars.
6. **Voice.** By the end of 2012, a number of projects will be completed, and the Agency will be in a position to develop analytical tools and perspectives to influence normative discussions in countries and at a global level. In addition, it is envisaged that effective dissemination of information and communication around renewable energy and technologies will become a prominent part of the Agency's work as the voice for renewables. This will include public outreach, communication, and awareness raising, as well as the selection of key messages for dissemination through methods such as target audiences, "flagship" publications, and rollout strategies. The International Year of Sustainable Energy for All (SE4All) in 2012 presents a unique opportunity to raise the profile of renewables in different fora, including at the Rio+20 Conference. The outcome of the Conference, as well as of the United Nations Secretary-General's SE4ALL initiative, will contribute to IRENA's work and focus. Beyond this, IRENA will continue to ensure that the case for renewable energy is mainstreamed in critical global policy debates. These debates cover a wide range of pressing challenges, including energy access, energy security and climate change, with renewables forming an important element in each of these challenges. Shaping the global agenda on energy and related issues, by making a case for renewable energy based on sound, accurate and comprehensive information, will continue to be a critical objective in 2013.
7. **Advisory Resource.** IRENA will continue to support countries in their efforts to develop coherent and effective policy, institutional, technical and programmatic strategies for the accelerated deployment of renewable energy technologies. By continuing to strengthen its internal capabilities and expertise, and through the development of strategic partnerships, IRENA will focus on the assessment of policy frameworks, the provision of policy advice and on building technical and human resource capacity. This will be done in two ways: provision of assistance to countries upon request, and creating materials, templates, platforms, and other tools, which can assist countries in building their business case for renewable energy and technology deployment. Renewables Readiness Assessments (RRA)

will continue to be deployed in different countries to help identify where action is needed to improve readiness, and overcome the main barriers. Different tools that have been, or are planned to be developed, will be made available to countries in a more structured and user-friendly manner. Based on experience and received feedback, it is envisaged that the compilation of and access to best practices case studies in policy and technology will remain an important advisory tool. In 2013, IRENA will strengthen its existing tools and seek new ways of developing its advice and capacity building approaches.

8. **Hub.** IRENA will continue to use its unique mandate and convening power to provide a platform where country, regional, and sectoral stakeholders can combine efforts and provide strategic support to renewables. Sustainable energy is a complex matter of central importance to sustainable development at all levels. A number of global drivers, including economic development, population growth, changes in production and consumption patterns, energy security and climate variability and change, are focusing attention on the potential of renewables to offer solutions. By serving as a hub for Members and other stakeholders, IRENA will aim to accelerate the sharing of information and experience, and promote the business case for renewables in cooperation with relevant partners. Of particular importance will be engagement of the private sector. The establishment of a Business Advisory Council will be proposed to the third Assembly. It is envisioned that in 2013, IRENA will structure this engagement in a creative manner to support specific technology work, develop the business case, and seek to leverage private finance for renewables.
9. IRENA will continue its regional work in Africa and the Pacific Islands. It is intended that through strengthened capacity and partnerships, IRENA will be able to expand its activities into Latin America, the Caribbean, South and East Asia, and Southern and Eastern Europe. Continuous development and strengthening of strategic partnerships and cooperation at all levels remain an essential underpinning of all activities.

Programmatic activities

10. The list below aims to highlight the activities being undertaken in 2012, and those envisaged to be continued, or to be built upon in 2013. This list is neither exhaustive nor final, and will be further developed based on the feedback received, and experience with the implementation of the current Work Programme. Within the areas of respective responsibilities, each division leads the Agency's efforts in different programmatic aspects, in cooperation with, and support of other divisions, as required and appropriate.

Knowledge Management and Technology Cooperation (KMTC)

Strategic direction: Pursuant to Article II of the Statute, the mandate of IRENA includes a focus on the widespread and increased adoption and sustainable use of all forms of renewable energy. In this regard, the development of knowledge frameworks and technology cooperation will be a central element of knowledge management activities. These will include knowledge sharing, dissemination of best practices and supporting policy

frameworks to implement policy and market development. KMTC will continue to assist and catalyse multilateral cooperation by providing a platform for dialogue and by fostering technology cooperation.

Objective: Support countries in accelerating renewable energy uptake, through the dissemination and transfer of knowledge, development of enabling policy, and facilitation of international technology cooperation in the field of renewable energy.

Component 1: Systemize relevant global knowledge on renewable energy

- Further development and implementation of the Knowledge Management Strategy, in partnership with external stakeholders, including the private sector, expert institutions and civil society.
- Further develop the Global Solar and Wind Atlas by adding tools, as well as bioenergy, geothermal and hydropower data, and through the active and wide participation of countries.
- Cooperate with national and international institutions for the compilation of quality data for the provision of key renewable energy statistics, including the development of new and detailed country profiles.
- Based on the 2012 concept note on indicators, develop renewable energy indicators as an integral part of a policy oriented IRENA annual “flagship” publication.

Component 2: Promote regional consensus to adopt renewable energy

- Develop Renewables Readiness Assessments for countries, upon request, and in cooperation with relevant stakeholders.
- Support and develop networks and partnerships in different regions.
- Engage with sub-regional networks and entities and facilitate dialogue amongst stakeholders to identify emerging issues and concerns of countries that could feed into the future work of IRENA.

Component 3: Catalyse multilateral cooperation in renewable energy technology

- Support policy dialogue on technology cooperation.
- Implement the strategy for regional cooperating centres, based on cooperation with existing centres of excellence in the regions.
- Through dialogue with Members, private sector, civil society and other relevant stakeholders, identify elements that contribute to enabling frameworks for specific technologies.

Policy Advice and Capacity Building (PACB)

Strategic direction: Pursuant to Article IV of the Statute, IRENA analyses, monitors and systematises current renewable energy practices, including policy instruments and incentives. Furthermore, it will provide policy advice and assistance when requested, and support capacity building efforts, including by providing training and education. PACB activities are

aimed at assisting countries in fostering an enabling policy, financial, institutional and human resource framework for the deployment of renewable energy technologies.

Objective: Strengthen countries' abilities to design and implement appropriate policies and supportive financial frameworks, as well as build the human and institutional capacities required to achieve IRENA's vision.

Component 1: Strengthen countries' capacity to design long-term enabling renewable energy policy frameworks and maximize socio-economic benefits

- Provide qualitative and quantitative assessments of support policies for renewable energy.
- Further the Renewable Energy Policy Advice Partnership by gathering, analysing and disseminating best practice and peer to peer support.
- Analyse socio-economic impacts of renewable energy, including employment effects, economic growth, and mitigation of import dependency.

Component 2: Improve understanding of economic and financial conditions to leverage renewable energy investment

- Enhance the role of the private sector in the development of energy markets.
- Conduct further analyses of renewable energy financial mechanisms and risk mitigation mechanisms and policies.
- Identify key components of the Abu Dhabi Fund for Development portfolio that could help leverage renewable energy investment, and provide administrative and technical support to the IRENA/ADFD project cycles.
- Systematic engagement with financing institutions to promote investment in renewables, and to provide a platform for dialogue with the financing community.

Component 3: Promote local capacity and competence in Member States, and facilitate education and training related to renewables.

- Continue the implementation of regional capacity building initiatives in the Economic Community of West African States (ECOWAS), in Pacific small island developing states, and in Latin America and the Caribbean (LAC).
- Develop a repository of capacity building programmes and facilitate regional and global collaboration in capacity building.
- Expand the IRENA Renewable Energy Learning Partnership (IRELP) by adding a Global Academy and Forum.
- Manage the IRENA Scholarship Programme for 20 scholars annually, and provide a high-level lecture programme on renewable energy topics.

IRENA Innovation and Technology Centre (IITC)

Strategic direction: In keeping with the objectives stipulated in Article II of the Statute, IITC will continue its work on creating the framework for technology development and deployment support, and on renewables competitiveness and markets. This work will be performed with consideration of priorities and benefits of the deployment of renewable energy, which includes considering energy efficiency measures, environmental preservation, security of energy supply, and economic growth and social cohesion.

Objective: Provide governments with targeted information, data and tools for an accelerated technological change and the use of innovation, to transition to renewable energy based systems.

Component 1: Assist governments on request in energy planning for more efficient and effective renewable energy technology and innovation strategies

- Develop scenarios and strategies to support Renewables Readiness Assessments.
- Continue monitoring and assessing the impact of existing and emerging factors likely to influence energy scenarios in 2015-2050.
- Develop new roadmaps, including on smart grids, storage and country-specific.
- Expand work on the environmental impact of renewable energy, based on the analysis undertaken in 2012.
- Compile renewable energy technology briefs to highlight current status and issues.

Component 2: Facilitate a better understanding of cost, and the potential for cost reductions, through technology development and market deployment to accelerate renewables

- Cost/benefit analysis for renewable energy technologies.
- Expand renewable energy competitiveness work, based on analysis undertaken in 2012.
- Create additional tools for the project development and business model design toolbox.
- Continue work on developing renewable energy-based systems for islands.

Component 3: Promote efficient and effective renewable energy innovation strategies

- Expand renewable energy standardization and intellectual property rights work, based on analysis undertaken in 2012.
- Enhance technology application and local content analysis, and provide assessment and analysis background to support technology cooperation efforts.
- Continue assessment and analysis of elements influencing innovation strategies and frameworks.
- Develop networks and partnerships on technology and innovation in different regions.

Budgetary implications

11. It is envisaged for 2013 that the current core staffing level will remain close to the current level, complemented by the engagement of project staff and consultants as is currently the case, so as to maintain flexibility. As the Agency matures and expands its substantive capacities, any potential substantial additional funding for programmatic activities will be sought on extra-budgetary basis for 2013. In the coming months, the Agency will explore different options for obtaining additional voluntary funding. The expectation of additional accessions/ratifications may serve to reduce any additional burden on individual countries currently assessed for contributions. The objective is to keep the contributions of individual Members to the current core budget at the same level, or with a marginal increase, while enabling the expansion of programmatic activities. The 2013 Programme implementation, as well as the Medium-term Strategy, will help to clarify the need for a more ambitious funding level in subsequent years.