

# Ministerial Roundtable on the Proposed Medium-term Strategy of IRENA (2012-2015)

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Second Session of the Assembly of the International Renewable Energy Agency

(14-15 January 2012)

Summary Report

## Introduction

During the second session of the Assembly of IRENA, a Ministerial Roundtable was organized to discuss the proposed Medium-term Strategy of IRENA in order to seek Ministers' advice and insights on how IRENA can best achieve its promise and potential, and guide any refinement of the proposed Medium-term Strategic Framework for 2012-2015. Ministers, heads of delegation and selected panellists participated in the Roundtable.

The Ministerial Roundtable was convened on January 14, 2012 in the Park Hyatt Hotel, Abu Dhabi. It was moderated by H.E. Farooq Abdullah, Union Minister of New and Renewable Energy, India. To set the context for the Roundtable discussion, the session began with keynote presentations from Jeremy Oppenheim, Director London Office, McKinsey, Mohamed El-Ashry, former Chairman of Global Environment Facility and a senior fellow with the UN foundation, and Klaus Töpfer, former Executive Director of UNEP and former Federal Minister for the Environment, Germany. Jeremy Oppenheim presented the salient features of the Medium-term Strategy and detailed the context for the three main pillars of IRENA's strategy: a global voice for renewable energy and technologies; an advisory resource in renewable energy and technology for developing countries; and a network hub of country, regional and global programmes. Mohamed El-Ashry's presentation addressed the encouraging trends of renewable energy development and how IRENA, the global focal point on renewable energy, can be positioned to accelerate and sustain such efforts in industrialized and developing countries. Klaus Töpfer highlighted the prospects of renewable energy in the wake of key set of challenges that it faces, and how IRENA can be positioned to advance renewable energy globally.

A Chair's summary of the Ministerial Roundtable was presented to the Assembly. A summary highlighting its main points is annexed.

## **Background**

More than 100 countries have set ambitious targets for their own renewable energy future, many striving for a share of over 20% of renewables in the energy mix by 2020. The increasing global interest in renewables is driven by the recognition that renewable energy technologies can address the three defining challenges of our times: energy poverty, climate change, and energy security. This context has shaped the decision of governments to create IRENA as the global focal point for renewable energy. IRENA is now at the forefront of the new energy transition and has to be positioned to ensure that the benefits of the new energy transition are spread across all countries – industrialized as well as developing. The proposed Medium-term Strategy has been prepared in pursuance of decision A/1/DC/8 of the Assembly that requested the Council and the Director-General to prepare a strategic framework for IRENA for consideration by the Assembly at its second session. As stipulated in the Assembly decision, the objective of the Medium-term Strategy is to define the vision, strategic direction, objectives, role and commitments of IRENA over the next four years in order to fulfill its mandate to accelerate the deployment of renewable energy worldwide.

## **The proposed Medium-term Strategy**

The proposed Medium-term Strategy sets out the context in which IRENA operates, and contemplates the Agency's positioning in the coming years with the view to empowering it to fulfil its mandate of accelerating the uptake of renewables. The Strategy provides the medium term framework to position the Agency to: 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 regulatory frameworks and promote a business case for renewable energy. The Medium-term Strategy outlines the strategic direction for IRENA, structured along three main pillars: a global voice for renewable energy and technologies; an advisory resource in renewable energy and technology for developing countries; and a network hub of country, regional and global programmes. It also analyses the actions and measures IRENA needs to undertake over the medium term in order to follow this strategic direction.

## **Ministerial Discussion**

The synthesis below summarizes the key points in the debate and has been structured around the three strategic pillars proposed in the Medium-term Strategy, of which there was a broad endorsement in the roundtable.

## **IRENA as a global voice for renewable energy and technologies**

The Medium-term strategy proposed that IRENA's role should be to become the unifying global voice for renewable energy and technology, while providing a strong and consistent case for renewable energy as well as a comprehensive information base. IRENA should provide easily accessible and accurate information on renewable energy to support governments, investors, the public, and industry stakeholders in decision-making. There was an agreement amongst participants that IRENA's role as a global voice is critical. Some participants noted that IRENA needs to fill gaps in knowledge, policies and technologies, which are in many instances major barriers to the accelerated deployment of renewable energy. To do so, IRENA will need to continue building partnerships with key stakeholders. The need for IRENA to increase visibility by gaining substantive authority in international forums was also emphasized. In order to be the authoritative voice for renewable energy, IRENA should use its unique status to organize and coordinate communication on the promotion of the business case for renewable energy. Given divergent needs and conditions prevailing in different countries, it was noted that IRENA will need to be mindful of country-specific requirements and circumstances. Participants underlined IRENA's role in promoting renewable energy knowledge, capacity building and raising awareness in the context of sustainable development.

Given resource constraints, the participants stressed the need to do a few things well as IRENA establishes its track record, with a particular focus on countries that have ambitious renewable energy targets. The participants noted that there is a need to compile a coherent and comprehensive information base, to create the renewable resources maps and datasets for governments and industry stakeholders, which could help stimulate investment. It was also stressed that an engagement with the financial community to catalyze and scale up investment flows is needed. As a global promoter of renewable energy, IRENA needs to strengthen its role in renewable energy education. It was recognized that this process has started, and needs to be sustained with IRENA continuing to build partnerships with international organizations and the private sector. It was emphasized that IRENA needs to be the authoritative voice for all aspects of renewable energy, and vocal in promoting its business case. The participants also stressed that it is essential for IRENA to maximize its ability to consolidate and disseminate knowledge on renewable energy.

## **Renewable energy and technology advisory resource for developing countries**

The Medium-term Strategy proposes that a major focus for IRENA in the coming years should be to assist developing countries to build their technical and institutional capacity and their own business case for renewable energy and technology deployment. IRENA would serve as an advisory resource to assist developing countries acquire their own capabilities and master all the steps across the renewable energy value chain. It was noted that Member States would benefit from this strategic support, and that IRENA could assist in different ways, including by providing in-house and external expertise, and through

facilitating partnerships. Some areas where advice was deemed to be particularly valuable included: understanding the different technology choices; the practicalities of designing renewable energy tenders and power purchasing agreements; regulatory frameworks and incentives to accelerate renewable deployment; and access to financing. IRENA was encouraged to strike the right balance between providing broad-based support, and investing more heavily in a few potentially transformative cases. Many officials stressed the importance of capturing and synthesising the learning that is available from Member Countries, both on the successes and failures. It was also suggested that IRENA should gradually broaden the scope of technologies that it has addressed to date. The participants emphasized that strategic tasks for IRENA in shaping the debate should include tackling some of the persistent myths around the unreliability and costs of renewables; capturing and sharing best practices as to what has worked; and building core competencies and a knowledge base in order to accelerate such trends. Some participants emphasized the need to balance between countries on the speed of delivery due to the different nature of the overall context of countries, where, in some cases, this issue may be of higher urgency.

### **Network hub of country, regional and global programs**

The Medium-term Strategy proposed that IRENA becomes the broker and accelerator for national, regional and global entities and programs. IRENA would seek to understand the range of different programs and approaches; to facilitate the transfer of best-practices by understanding the performance of individual programs and approaches against the varied policy goals as well as associated levels of risk; and to assess the relative cost effectiveness of the different approaches. Participants emphasized that IRENA's role as a network hub is fundamental to its mandate. Participants noted the benefits of peer-to-peer learning, and the potential role for IRENA as a convener of different country peer groups with similar challenges and opportunities and possibilities to learn from each other. It was suggested that, in acting as a hub for the overall network, IRENA should look to: (i) support countries in integrating their renewable energy agenda into their overall development priorities, making the business case at a national level; (ii) enable access to training resources that could help with the major challenge of human and institutional capacity-building; (iii) help the key ministries and agencies act as real champions and ambassadors for the renewable energy agenda in their countries; and (iv) create effective vehicles for public-private interaction with an emphasis on market-making rather than just more dialogue. Participants noted that IRENA could increase the depth of its regional programmes, and that the business case for renewable energy could also be made by piloting projects. It was also noted that countries need to know how to bring together renewable energy technologies, investors, financing mechanisms and utilities in order to generate revenues. In this context, it is essential that IRENA act as a responsive network hub.

## **Conclusions**

The participants expressed appreciation for the work that IRENA has done in a very limited time, and noted its promising potential and outlook as the global authority on renewable energy. There was a common agreement that IRENA has a unique role in making a business case for renewable energy at both global and national levels. Participants broadly endorsed the three pillars proposed in the Medium-term Strategic framework, namely, a global voice for renewable energy and technologies; an advisory resource in renewable energy and technology; and a network hub of country, regional and global programmes. It was emphasized that the proposed strategy needs to be further refined and translated into real and measurable deliverables. This would chart the unifying course of future work programs and help ensure the likelihood of achieving long-term impact.

## **ANNEX:**

### **Ministerial Roundtable on Proposed Medium-term Strategy of IRENA**

**January 15, 2012**

#### **Summary**

IRENA organized a high-level roundtable of ministers and heads of delegations to discuss the refinement and targeting of the proposed Medium-term Strategic Framework for 2012-2015. The roundtable was very well attended by ministers and heads of delegation with substantive engagement and interventions from the participants. This confirms the level of interest the countries have in accelerating the renewable energy agenda and shaping the prominent role of IRENA in this context.

It is pertinent to mention that the Assembly of IRENA took a landmark decision by calling for a medium-term strategy. This decision of the Assembly (A/1/DC/8 ) required the Council and the Director-General to prepare a strategic framework for IRENA. The proposed Medium-term Strategy has already been presented and discussed at the Council meeting in November 2011.

The participants appreciated the work that IRENA has done in a very limited span and its promising potential and outlook as a global renewable energy organization. There was a common understanding that IRENA has a unique role in making a business case for renewable energy at both the global and national levels. To do so effectively and with authority requires IRENA to articulate and quantify the benefits of renewable energy. There was a broad endorsement of the three pillars suggested in the proposed medium term strategy framework namely: IRENA as a global voice for renewable energy and technologies; as an advisory resource in renewable energy and technologies and as a network hub of country, regional and global programmes.

The participants emphasized that given IRENA's global membership, the agency has a strong intrinsic legitimacy in helping to shape awareness of the central, transformational role that renewable energy can and must play in the evolution of national (and global) energy systems. The world will need to deliver on energy access and meet the rising demand for energy with a step-change in renewable energy deployment as a major component. Strategic tasks for IRENA in shaping the debate include tackling some of the persistent myths around the unreliability and cost of renewables; capturing and sharing best practice as to what has worked; and building core competencies and knowledge base in order to accelerate such trends.

IRENA needs to facilitate advisory services to countries and regions. IRENA was encouraged to strike the right balance between providing broad-based support and investing more heavily in a few potentially transformative cases. Many stressed the importance of capturing

and synthesizing the wealth of knowledge that is available from member countries, both on the success and failure.

In acting as a knowledge and information hub on renewable energy, IRENA is well placed to support countries and regions in integrating renewable energy into their overall development agenda. The participants stressed the benefits of peer-to-peer learning and, potential role for IRENA as a convener for country peer groups with similar challenges and opportunities. The participants stressed that it is essential for IRENA to maximize its ability to consolidate and disseminate knowledge on renewable energy.

It was evident from the discussion that there was a broad endorsement of the approach that was stipulated by the Director-General in the proposed Medium-term Strategy. The three pillars highlighted above should be further refined with a view to addressing the needs and aspirations of countries. The participants stressed that IRENA should be mindful of the necessity to balance between the speed and scale of the agency's activities in the medium term in order to evolve and establish its presence as the global renewable energy authority. It should be forward looking and ambitious but with humility in order to build reliable grounds and earn recognition as a global authority on renewable energy.