



GLOBAL RENEWABLES
CONGRESS

The Role of Renewable Energies in COVID-19 REcovery Programmes

Contribution by Bärbel Höhn to
the 2021 IRENA Legislators
Forum

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THE GLOBAL RENEWABLES CONGRESS (GRC)



Legislators are vital in catalysing the necessary renewable energy transition to mitigate climate change.



The GRC is a cross-country, cross-party platform for peer-to-peer exchange between and with MPs on the rapid deployment of renewable energy solutions.



We invite current and former legislators to join and use our network to get support and updates!

The GRC offers:

- ✓ Exchange of experiences with other legislators on implementing renewable energy and investments in renewable energy
- ✓ Renewable energy briefings on key topics and events
- ✓ Capacity-building and exchange opportunities through webinars and workshops on issues identified by members
- ✓ Support for the development and utilisation of renewable energy pathways and policies to reach ambitious renewable energy targets across all sectors

COVID-19 IMPACTS ON THE ENERGY SECTOR

- Sudden drop in demand, but still high operational costs, especially for FF generation
- restrictions to travels slowed down project implementation
- disruption in supply chain
- lockdowns and tight enforcement of standard operating procedures (SOPs) led to prolonged projects implementation
- COVID19 changed political priorities and investment decisions
- liquidity deficit



RE AS BACKBONE FOR (POST) COVID-19 STIMULUS PACKAGES

- Renewables can create important socio-economic benefits which can be linked directly to the COVID19 crisis:
 - Flexible supply
 - Higher employment coefficients than fossil fuels
 - Industrial development
 - Cleaner air and reduced health system burden
 - Decreased energy imports
 - Overcome poverty and hunger



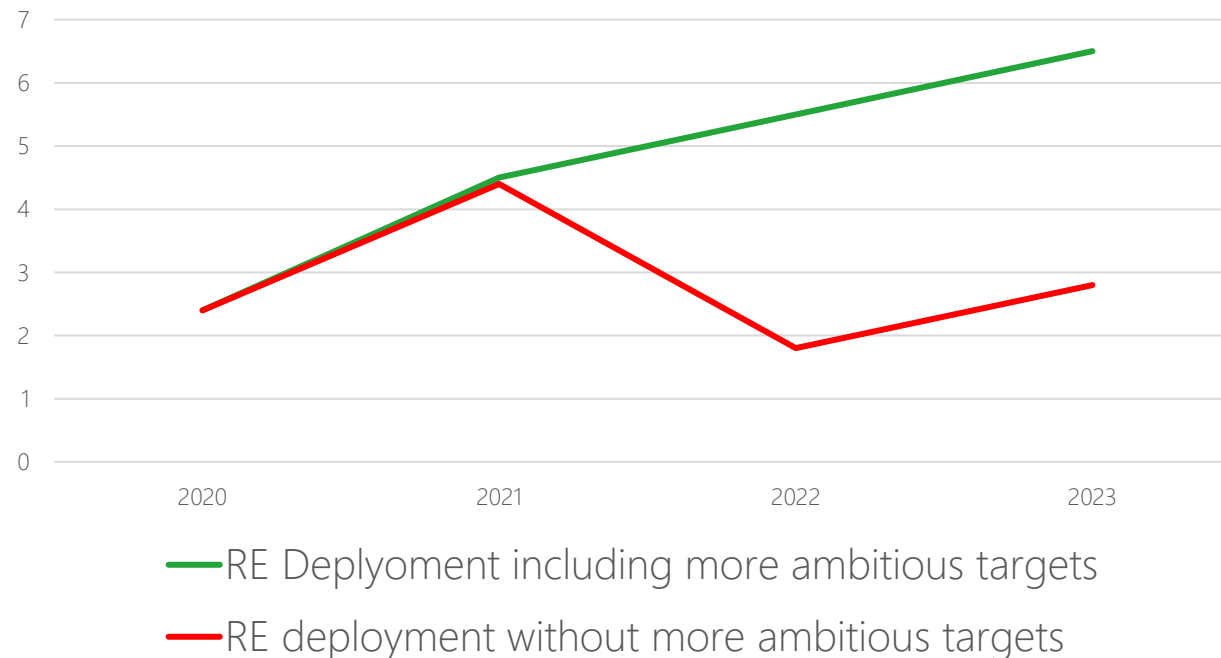
NECESSARY PRINCIPLES FOR RE IN RECOVERY PROGRAMMES

- Scaling Up Renewable Energy Deployment
 - Increase procurement levels
 - Increase funding in terms of fiscal stimulus or tax incentives
 - Support local RE consumption to decrease energy costs
- Incentivise Emerging Technologies
 - Storage technologies
 - Green hydrogen electrolyzers
 - Electric vehicles
- De-Risking of RE Policies
 - Cost of Capital – Green Credit Lines
- Leveraging Central Banks' tools
 - Use Green Bonds and Guarantees
- Increase / update RE Targets
- Reduce and relieve existing barriers

NATIONAL SHORT- AND LONG-TERM STRATEGIES ARE NECESSARY

Stimulus packages including renewables need to be coupled with more ambitious RE and climate targets to avoid stop-and-go cycles!

→ Increase the level of ambition in next NDC round!



INSPIRING EXAMPLES FROM ASIA

Philippines	Malaysia	India	South Korea	Bangladesh
Central Bank issued Sustainable Finance Framework that offers support for energy transition and renewables	1 GW solar tender worth 4 billion Malaysian ringgit (US\$927 million) in investment with a potential of creating 12,000 new jobs	Kusum Scheme (Solar Pump for Farmers) to raise number of stand alone solar pumps to 2 million and solarisation of grid-connected pumps to 1.5 million	Green remodelling of schools and government buildings, support of smart and green Industrial complexes	tax and loan incentives (incl. Green Transformation Funds)
Green Energy Auction to provide price signals on the commercial value of electricity generated from RE facilities	Malaysia's second largest lender plans to phase out coal from its portfolio by 2040	Regional subsidy scheme (State-level) for solar rooftop mechanism through net-metering/ gross metering solutions	Increase the share of renewable energy to 42.7 GW by 2025	National Solar Energy Action Plan to deliver 40GW solar by 2041
Renewable Energy Program for the Agriculture and Fishery Sector (REP-AFS)	Launch of Sustainability Bond for 2021	Block metering for housing complexes in New Delhi	technology development of BIPV and offshore wind complexes	Generating Employable Workforce For Net Metering Rooftop
27 GW Scale Solar Power Projects			Profit sharing models for residents and support for solar rooftop PV, cooperative project for local revitalisation	40,000 Free Solar Home Lighting Systems
Moratorium on new coal plants (excl. those who have received approval)			Support of e-mobility and hydrogen fuel vehicles	

For more information, find the series of GRC post-COVID-19 Recovery Packages here: <https://www.renewablescongress.org/covid-19-recovery/>

INSPIRING EXAMPLES FROM EUROPE

EU	Germany	Spain
Next Generation EU (NGEU) scheme, 750 billion Euro, 37% climate-related expenditure, based on principles of European Green Deal	130 billion Euro in total and in addition to funds of European Recovery Package NGEU	aligned with the European Green Deal & the Sustainable Development Goals
Reinforcing the Just Transition Fund for a just and inclusive transition of European regions heavily relying on fossil fuels	changes in renewables-related policy and taxation regulations	80% of funds covered by EU Recovery Package NGEU
Reinforcing investment programme InvestEU to mobilise private investment for sustainable infrastructure projects across the EU	investments to the promotion of sustainable transportation and mobility	Investments of 241 billion Euro dedicated to deployment of renewables, energy efficiency, electrifying networks, and job creation
Solvency Support Instrument, supporting companies of all sectors for a transition to a cleaner, digitalised, and resilient future	financial reinforcements to the existing hydrogen strategy	Restating 100% renewable energy by 2050
Recovery and Resilience Facility providing grants and loans to fast-track green and digital recovery and transformation of economy (672.5 billion Euro)	investments in the energy efficiency of buildings	250,000 electric vehicles by 2023, 5 million electric vehicles by 2030
		at least 100,000 vehicle re-charging points across the country
		renovation of over half a million homes till 2023

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PROPOSED RE MEASURES FOR VARIOUS SECTORS

Cross Sectoral	Infrastructure Investment
<ul style="list-style-type: none">• Increase R&D funding for renewables to trigger innovations• Invest in storage and other flexibility options• Establish carbon pricing• Establish national green hydrogen strategies in order to decarbonise the industrial sector• Develop biomass incentives that help to protect biodiversity and create regenerative agriculture.• Include de-risking elements into renewable energy policy frameworks	<ul style="list-style-type: none">• Invest in distribution and transmission grid to enable increasing shares of variable renewables• Invest in cross-country interconnections to increase system flexibility• Invest in smart grid technologies• Adjust the gas infrastructure for green hydrogen• (Investing in bike lanes and other sustainable transport infrastructure requirements)

PROPOSED RE MEASURES FOR VARIOUS SECTORS

RE in Electricity	RE in Transport	RE in Heating/Cooling
<ul style="list-style-type: none"> • Increase the targets for wind and solar deployment • Increases in targets should reflect additional demand for the transport and cooling sector • Plan additional procurement for the years 2020 and 2021 (to trigger shorter-term employment effects) • Incentivise dispatchable biomass and hydro power 	<ul style="list-style-type: none"> • Establish targets or quotas for e-mobility (based on green electricity) • Investing in e-mobility charging infrastructure • Establish financial incentives for sustainable electric vehicles • Invest in railways and other electrified public transport options 	<ul style="list-style-type: none"> • Establish binding quota for RE heating and cooling in all buildings – in combination with the retrofitting and making them more energy efficient. • Include renewables in district heating and cooling • Meet increasing cooling demand with renewables • Design programs for solar water heaters

WHAT TO DO WITH FOSSIL FUELS?

- Avoid recovery programs for outdated technologies (stranded assets)
- Low fossil energy prices are an opportunity to phase-out subsidies!
- Strengthen or implement phase-out policies



REcovery Analyses

Find our series of analyses on RE in national COVID19 Recovery Programmes here:

www.renewablescongress.org/covid-19-recovery/



Renewables in the post-
COVID-19 recovery package of the EU



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Thank you for your attention!

For more information, please visit our website:
www.renewablescongress.org

