

Twenty-second meeting of the Council
Abu Dhabi, 26-27 October 2021

Note by the Director-General

Medium-term Strategy 2023-2027

I. Background

The Medium-term Strategy (MTS) is a strategic framework that defines IRENA's "vision, strategic direction, objectives and activities" over the course of five years (A/1/DC/8)¹. The implementation of the second MTS, adopted at the eighth session of the Assembly in 2018 (A/8/DC/2)², is ongoing and is due to be completed in 2022. The draft MTS 2023-2027 will be presented to the Assembly for its consideration at its thirteenth session in January 2023. In preparation and pursuant to the Assembly guidance, MTS will be considered at each Council meeting to enable a sustained and inclusive engagement framework. The work of the Council is facilitated by a Working Team, which provides an inclusive platform for detailed discussions on topics of high relevance for the future of the Agency. The MTS Working Team is co-led by Denmark and Kenya and is open to the participation of the Membership. To date, twenty-one countries have expressed interest in participating in the MTS Working Team, namely:

1. Algeria
2. Belgium
3. Canada
4. China
5. Denmark
6. Ecuador
7. European Union
8. France
9. Germany
10. Italy
11. Japan
12. Kenya
13. Kiribati
14. Norway
15. Netherlands
16. Spain
17. United Arab Emirates
18. United Kingdom
19. United States of America
20. Uruguay
21. Zimbabwe

¹ Available [here](#).

² Available [here](#).

II. First Meeting of the MTS Working Team

The co-leads of the MTS Working Team convened the first meeting on Wednesday, 8 September 2021 (see Annex), to provide an opportunity to Members to have the first exchange on the topics of strategic relevance for the Agency and identify the areas Members wish to discuss in detail to help shape the upcoming Medium-term Strategy 2023-2027. This discussion was also the first step in the development of the program of work for the Working Team.

The meeting was attended by more than 45 participants from 27 Members. The Director-General stressed the importance of this process, in view of the highly consequential period ahead. He noted the limited time left to achieve the SDG Agenda and get on the path aligned with the Paris Agreement goals. The Director-General emphasised IRENA's forward-looking mandate and global reach, which makes it a unique tool at the disposal of membership.

Participants shared preliminary thoughts on the focus and direction of the upcoming MTS and considerations on how IRENA's comparative advantages can be effectively prioritized and deployed to drive change at all levels.

Participants noted that the current MTS is still valid and a solid bases for any new strategic direction the Agency takes. IRENA's universal membership is considered a major advantage at the time when there is an acute recognition that only an inclusive and global action on energy transition will bring the needed outcomes. Members underlined that IRENA should remain relevant to all countries, regardless of their stage of development. IRENA's global mandate is considered main comparative advantage which differentiates IRENA from other organisations, underpinned by its immense knowledge on renewables, and current policy priorities such as just transition.

In this regard, the importance of hard data and policy guidance was noted. Among specific topics of interest, hydrogen was singled out, especially in the context of decarbonizing hard to abate sectors and cost reductions, along with topics like education and clean cooking. Participants noted that energy transition needs to move beyond mitigation to include adaptation. The promotion of international and public-private cooperation was also deemed critical. Based on these inputs, co-leads will develop a work plan for further MTS WG activities, to be shared at the upcoming Council.

ANNEX

Background Note

Medium-term Strategy 2023-2027

I. Background

The Medium-term Strategy (MTS) is a strategic framework that defines IRENA’s “vision, strategic direction, objectives and activities” over the course of five years (A/1/DC/8). The Agency’s first MTS was adopted at the third Assembly session in January 2013 (A/3/DC/14). The implementation of the second MTS, adopted at the eighth session of the Assembly in 2018 (A/8/DC/2), is ongoing and is due to be completed in 2022.

The draft MTS 2023-2027 will be presented to the Assembly for its consideration at its thirteenth session in January 2023 and the Assembly will endorse a process for its development. From 2022, the MTS will be considered at each Council meeting to enable a sustained and inclusive engagement framework. The work of the Council will be facilitated by a Working Team, which will provide an inclusive platform for detailed discussions on topics of high relevance for the future of the Agency.

The MTS Working Team is co-led by two Members and remains open to the participation of the Membership. It should be noted the MTS Working Team would comprise Members only, but external participants could be invited for a specific discussion, if deemed appropriate and valuable. To date, 19 Members expressed interest in participating in the Working Team. The Council Chair informed the Membership on 19 July 2021 that Denmark and Kenya have agreed to co-facilitate this work.

The Working Team, supported by the Secretariat, will develop its work plan based on Members’ input. Such a work plan would be refined as needed, given the regular Council considerations of the future MTS. This first meeting of the Working Team will provide an opportunity to Members to discuss and set the agenda and work of the Team.

Medium-term Strategy 2018-2022

IRENA’s vision for its MTS 2018-2022 was for the Agency to “*play a leading role in the ongoing transformation of the global energy systems as a centre of excellence for knowledge and innovation, a global voice of renewable energy, a network hub for all stakeholders and a source of advice and support for countries*”.

Overall, the MTS envisaged IRENA to become an authoritative global voice for the energy transformation, delivering its mandate through leadership along four strategic objectives:

- Centre of excellence for energy transformation;
- Global voice of renewables;
- Network hub; and
- Source of advice and support.

The strategy reflects a careful assessment of the context in which the Agency operates, as well as of the trends that indicate where its contribution to the sector and beyond would be most impactful.

As the only international organisation dedicated to renewable energy, IRENA was called to continue to rely on its key strengths, which include:

- Focused and clear mandate;
- Broad membership base and strong Member engagement in the work of the Agency;
- Consultative, inclusive and participatory approach to all facets of the work;
- Direct and continuous engagement with countries at all levels;
- Increasing intellectual capital accumulated through programmatic work and interaction with countries; and
- Growing credibility and authority based on substantive products and inclusive platforms for cooperation.

The MTS also calls on the Agency to continue to enhance the institutional approaches, tools and mechanisms to improve its overall outputs and delivery with fewer but more sharply articulated programmatic activities. This shift has included a greater outreach that leads to more discernible and traceable impact of IRENA's actions to the benefit of Members.

The MTS also requests a mid-term external evaluation to assess the validity and ongoing relevance of the direction and inform the development of subsequent Medium-term Strategy. Accordingly, an external review was undertaken and presented to the 11th Assembly in 2021. The review concluded that the current mission and objectives remain valid and can effectively guide the Agency's work for the remainder of the period until the end of 2022. The review also highlighted that participating Members and stakeholders expect IRENA to assertively lead the global energy transition, as its clear mandate and global Membership provide the Agency with a unique position in the global energy landscape.

II. Future orientation for IRENA

The establishment of IRENA was the culmination of discussions held in various international conferences, with a focus on energy and renewables in particular, over many years. The Agency was the response to a growing need for international cooperation on renewable energy in support of sustainable development and climate action.

The IRENA Statute came into force six years prior to the adoption of the 2030 Agenda for Sustainable Development and the Paris Agreement. The Statute spells out a promising role of renewables in addressing energy access, energy security, greenhouse gas emissions while stimulating sustainable economic growth and creating employment. As such, IRENA created new space for Governments to jointly address and find solutions to existing and emerging energy-related challenges and promote climate-proof technologies. The Agency also became a source of high-quality research and analyses, and a tool to provide targeted support to countries and an inclusive platform for stakeholder action.

A decade after its establishment, IRENA's contribution to the global discourse on energy is undeniable. IRENA brought renewables to the forefront of discussions, helped prove the business case of renewable technologies and thus mainstream renewables-based energy transitions.

Today, there is a global consensus on the central role of renewables in decarbonising energy systems and enabling sustainable development. This is also reflected in the rapid growth of entities engaged in the topic. The recognition of the harmful effects of fossil fuels and the need to divest and stop subsidising the sector is another clear indication that the world is changing its energy trajectory.

Since the adoption of the current MTS, new considerations have emerged, most notably the pressing need to accelerate the pace of change and to do so in a just and inclusive manner that leaves no one behind. To successfully navigate the challenges and opportunities of energy transitions, it is paramount to engage in timely, practical and forward-looking international cooperation. With its global reach and clear mandate, IRENA can play an instrumental role in ensuring that all Members make the step-change in time for a future that is more inclusive, equitable and resilient.

The next MTS period will require a careful consideration of how IRENA's comparative advantages can be effectively prioritized and deployed to drive change at all levels. To facilitate the discussion of the Working Team and guide the development of the work plan, a number of questions are listed below. Members are invited to provide their views on these, as well as other questions they deem relevant for the discussion on the 2023-2027 strategy.

1. In shaping the new MTS, what do Members see as the major trends that will shape the energy sector and should influence IRENA's strategic direction?
2. What do Members consider to be IRENA's comparative advantages that should be harnessed in the coming period? Where can the Agency be most impactful?
3. In which areas should IRENA direct its analytical efforts to remain abreast of the developments in the sector?
4. Given the vast amount of knowledge and experience in national administrations, what are the avenues to systematically contribute Members' knowledge, expertise and skills to IRENA's programmatic work?
5. Bearing in mind the growing and diverse needs of Members how can the Agency ensure the most balanced and objective approach to selection of priorities?
6. How should the resource requirements be integrated in the MTS?