

Twenty-sixth meeting of the Council
Abu Dhabi, 19-20 October 2023

Background Note

Status of Work on Energy Transition Accelerator Financing (ETAF) and Climate Investment Platform (CIP)

Background

1. The Energy Transition Accelerator Financing (ETAF) Platform, an initiative led by IRENA, was established to mobilise capital from global financial institutions such as multilateral development banks (MDBs), development financial institutions (DFIs), and the corporate sector. The primary objective is to expedite the implementation of renewable energy projects and accelerate the energy transition in developing countries. The Platform has set key targets. These include mobilising an initial USD 1 billion in soft pledges for project investment by 2023 and expanding to USD 5 billion by 2030. With Masdar and Asian Infrastructure Investment Bank (AIIB) reaching financial close on a 900 MW solar project under ETAF in April 2023, the platform is now aiming to scale the financing of renewable energy technologies to 5 GW by 2030, up from the 1.5 GW initially planned.
2. In this regard, the United Arab Emirates (UAE) pledged USD 400 million in anchor funding for the ETAF at COP26 through the Abu Dhabi Fund for Development (ADFD). The Asian Infrastructure Investment Bank (USD 300 million), Masdar (USD 200 million in equity), and Swiss Re (risk advisory, de-risking strategies, and insurance solutions) joined ADFD as funding partners by signing the ETAF Cooperation Agreements (CAs) during COP27 in Sharm El Sheikh, Egypt. Additionally, the OPEC Fund for International Development, in June 2023, joined ETAF as a funding partner with a soft pledge of USD 250 million, followed by the Inter-American Development Bank (IDB) in July 2023, which also officially joined the platform with a potential investment of up to USD 100 million. IRENA is currently working to increase the funding partner base ahead of COP28 and is discussing with other multilateral financial institutions.
3. Together with the founding partners, IRENA has developed the ETAF Joint Declaration. This document outlines the governance framework for partner collaboration, highlighting the roles and responsibilities of all partners, including IRENA, which serves as the ETAF Secretariat.
4. More than 40 project proposals have been submitted to the ETAF Platform to date, among those, three solar PV projects in Uzbekistan for a total of 897 MW, have already benefitted from financial support by ETAF partners. These projects will produce enough electricity to power more than 1 million homes, 5 million inhabitants while displacing more than 1 million tons of CO₂ emissions each year. The projects are expected to begin operations in 2024¹.

¹ More information [here](#).

5. Since the launch of its Project Facilitation and Support Division in 2020, IRENA has undertaken significant work to operationalise the Climate Investment Platform (CIP), which is a joint initiative led by IRENA, the United Nations Development Programme (UNDP), Sustainable Energy for All (SEforALL) and in cooperation with the Green Climate Fund (GCF). The CIP aims to mobilise capital towards developing countries to accelerate the scale-up of RE technology deployment. In comparison to the ETAF, the CIP is less stringent in terms of eligibility criteria. In fact, there is no minimum or maximum ticket size or project size for a project to be considered for support under the CIP. Since its inception, the CIP has supported 70 projects with development of project documentation to be presented to financiers.
6. To improve the bankability of selected projects, IRENA provides technical advisory support at the request of the proponent, through ETAF and CIP. The Technical Assistance (TA) component endeavours to support the implementation of transaction-based, RE-specific projects and programmes for governments, energy organisations, private sector, and other stakeholders by building/developing the quality of project proposals (to be able to attract investment) in terms of technical advice/support/observations on technology being deployed, relevant financial analysis, socio-economic impact, amongst others.
7. Additionally, the TA component contributes expertise and inputs to organise capacity building workshops on project development, financing and IRENA's project facilitation tools. The training workshops are important to bolster renewable energy-related technical skills and project appraising capacity of the local financial institutions/banks and proposal development capacity of the sponsors as well as to enrich understanding about the renewable energy sector for state actors, enabling them to enact conducive policy instruments, especially in developing countries.

Objective of the session

The objective of the session is to present an update on the progress of the ETAF platform and the Climate Investment Platform as well as present the projects that have been achieved through the ETAF platform, particularly on the road to COP28 in Dubai, United Arab Emirates. Members are invited to share their feedback and guidance on the priority areas for IRENA's ongoing work on project facilitation.

Guiding questions

- Is your country considering submitting projects through the ETAF Platform and/or CIP?
- What are the priority areas to enable the deployment of renewable energy projects in your country?
- How can IRENA support your work in these areas?

Associated Publications

[Global Landscape of Renewable Energy Finance](#) (2023)

[World Energy Transitions Outlook 2023: 1.50C Pathway](#) (2023)

[Renewable Capacity Statistics](#) (2023)

[Renewable Power Generation Costs in 2022](#) (2023)

[Scaling Up Renewables in Landlocked Developing Countries](#) (2022)