



**Eleventh Session of the Assembly and related meetings**

# **Accelerating the Energy Transition by scaling up investments for renewables**

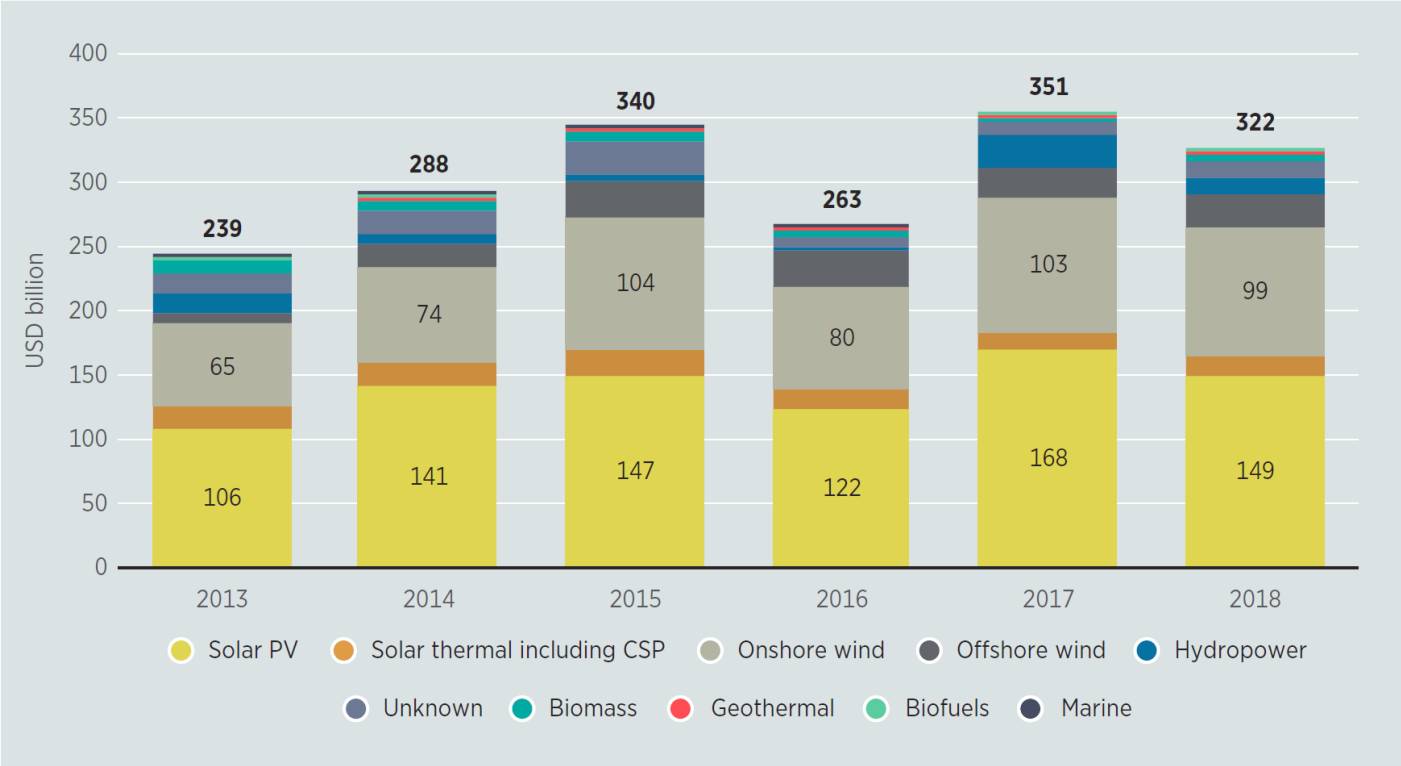
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**Ahmed Badr**  
**Acting Director, Project Facilitation and Support**  
**IRENA**

**13 January 2021 • Abu Dhabi**

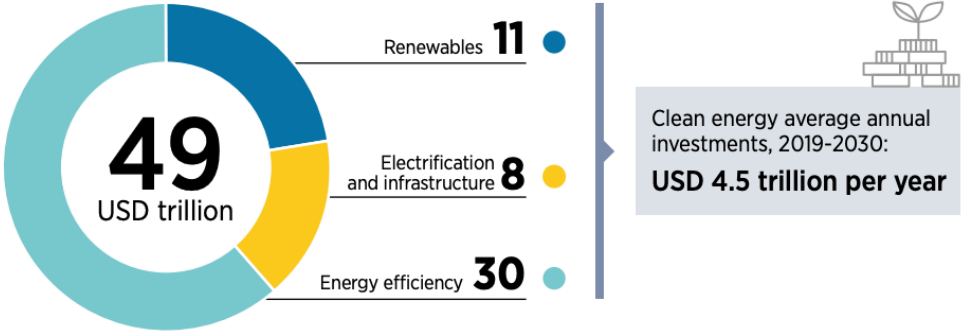
# Renewable Energy Investments

## Annual financial commitments in renewable energy by technology 2013-2018



Source: CPI analysis.  
IRENA and CPI (2020), Global Landscape of Renewable Energy Finance, 2020

## Cumulative clean energy investments between 2019-2030 in the Transforming Energy Scenario (USD<sub>2019</sub> trillion)



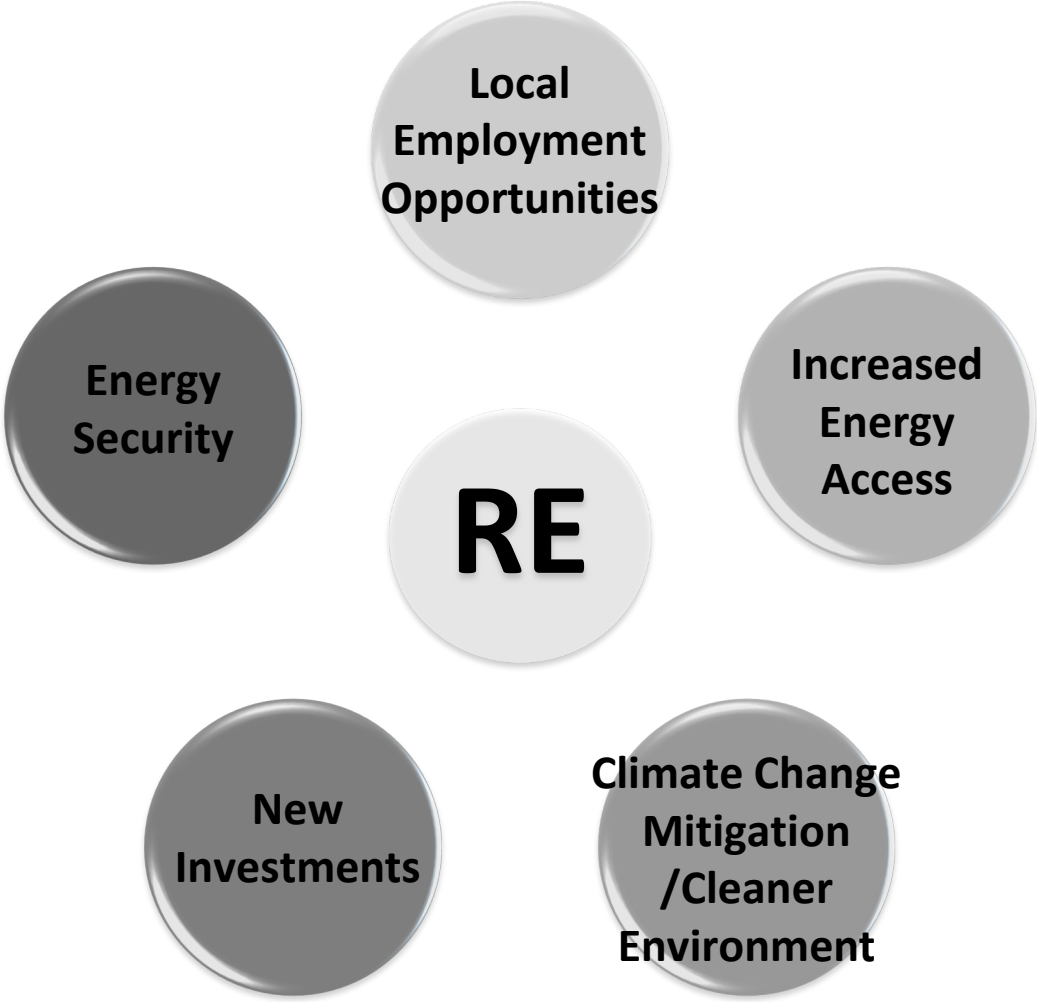
Clean energy average annual investments, 2019-2030:  
**USD 4.5 trillion per year**

Based on IRENA (2020), *Global Renewables Outlook: Energy Transformation 2050*.

**To advance the global energy transformation in the post COVID era, investment in renewable energy needs to be scaled up significantly and urgently**

# Why Renewable Energy?

## Benefits:




## Lowering Barriers:



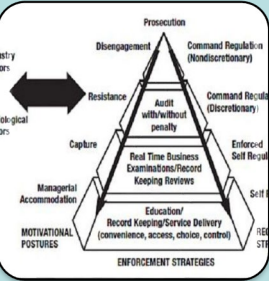
### Technical barriers

- Intermittency
- Dispersal
- Witnessed considerable breakthroughs
- Now RE is more Efficient/ Cost effective/ Accessible



### Economic barriers

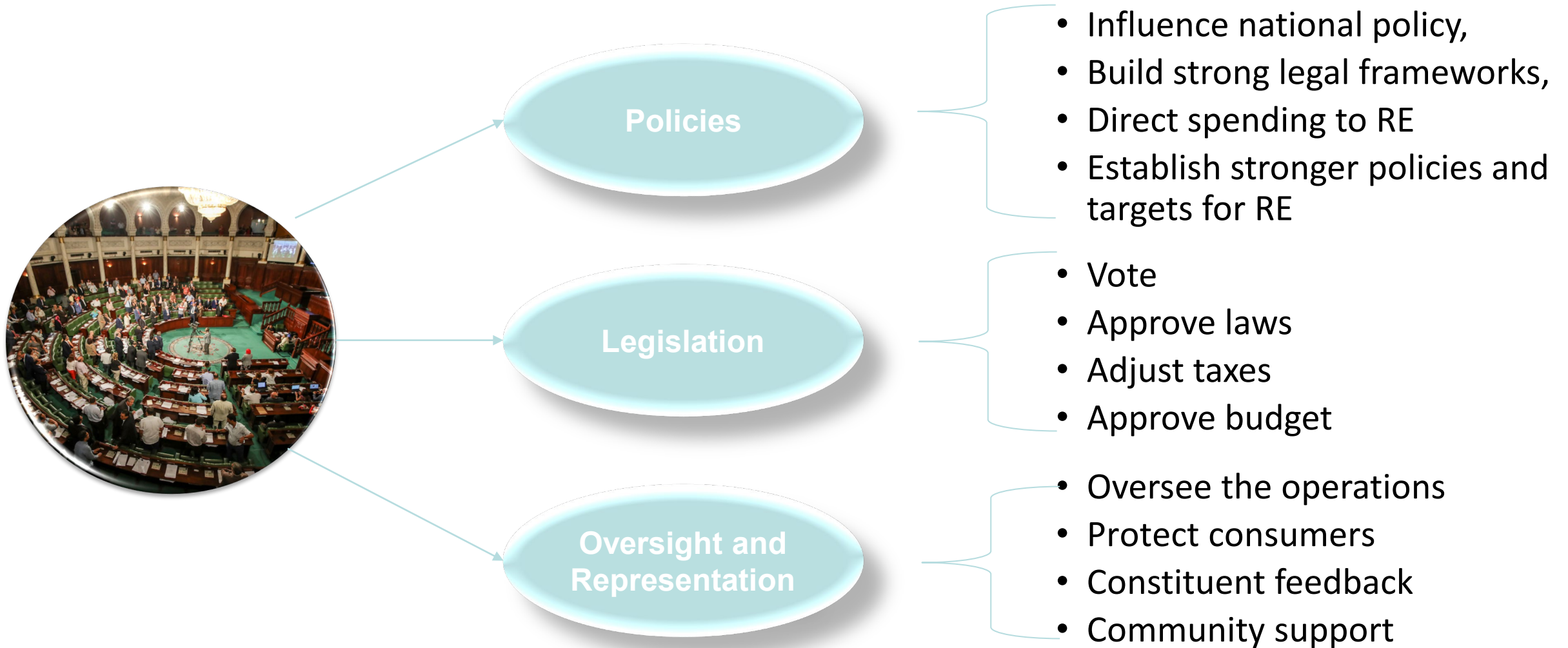
- Up front cost
- Subsidy to fossil fuel
- The cost RE generation has fallen dramatically
- LCOE is less compared with conventional generation



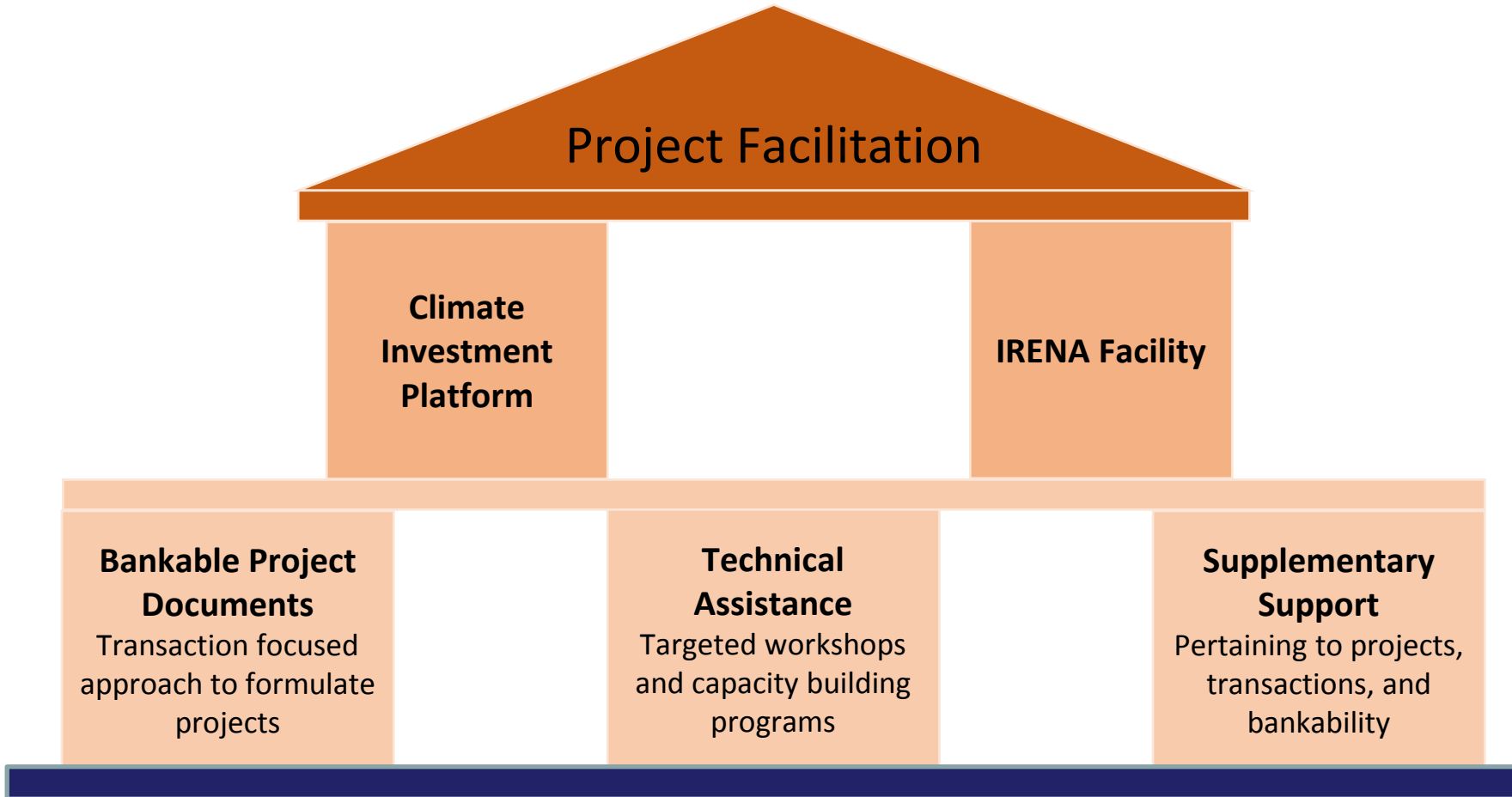
### Regulatory

- Policies and regulations to attract investments
- Electricity markets are commonly operated by a monopoly
- approval points in several government departments
- Development of on-grid renewable energy can be accelerated by ensuring that the policy and legal framework is fully coherent and the decision process is transparent.

# Parliamentarians, Political Leadership and Support for Renewable Energy



# The Way Forward



**IRENA's project facilitation structure, is a dedicated institutional space to coherently address Members needs and requests in a manner with the guiding principles of being relevant, effective, efficient, and impact oriented**



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**谢谢**

**Thank you**

**Merci**

**Спасибо**

**Gracias**



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# **Accelerating the Energy Transition by scaling up investments for renewables**

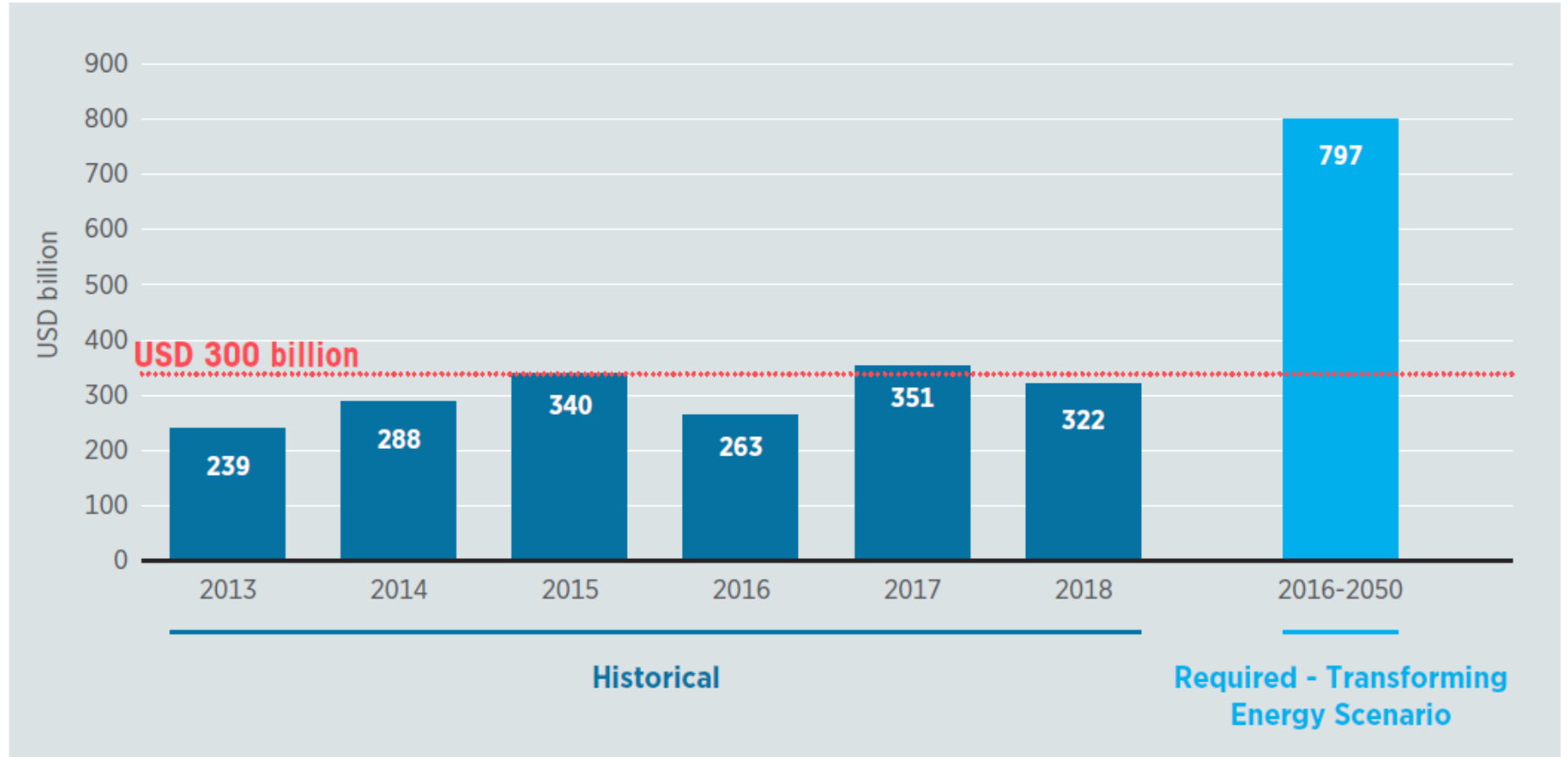
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**Adam Bruce**  
**Global Head of Corporate Affairs**  
**Mainstream Renewable Power**

**13 January 2021 • Abu Dhabi**

# The Challenge

The global energy transition requires a massive scale up of renewable energy investment and the reallocation of capital away from fossil fuels



Source: IRENA, 2019 and CPI analysis.



# South Africa – the REI4P

## Parliamentary scrutiny

### National Development Plan

Sets the context for the country to invest in critical infrastructure to deliver economic growth and meet a range of policy goals

10GW of additional electricity capacity required by 2025

### Integrated Resources Plan

Sets out the optimum generation mix for the country to meet its electricity obligations under the NDP

Gives a twenty year projection and is updated every political cycle

2019 IRP forecasts by 2030 Solar PV (9GW), Wind (18GW) and large-scale Hydro (4.6GW)

### Investor Confidence

### Ministerial Determinations

New Generation Regulations issued by the Minister of Energy cognisant of the objectives set out in the NDP and IRP

Determinations in 2011, 2012, 2015 and 2020

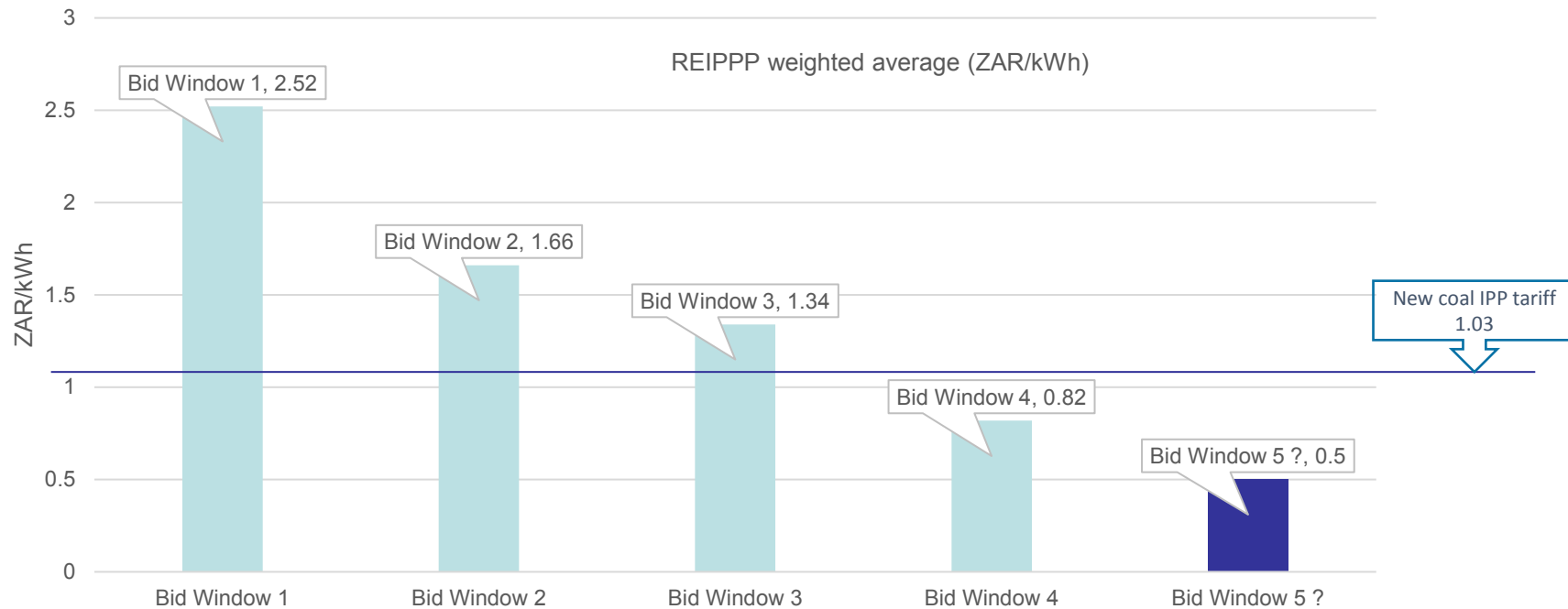
### I4P

The Independent Power Producer Programme is established by the National Treasury, the Department of Energy and the Development Bank of South Africa

The IPP Office exists as a standalone entity to administer the I4P and procure the power sought under the Ministerial Determinations

## Parliamentary support

# The impact of certainty



Over **ZAR201.8bn (USD14bn)** raised in committed capital to project costs, of which 24% has been sourced from foreign investors and financiers.

Local industry has grown out of the RFP requirements and this includes **factories** for wind turbine tower fabrication, PV panel assembly, **logistics** companies sourcing large cranes and abnormal local fleets and **interconnection** infrastructure (e.g. high voltage transformers).

Local investment entities have broadened their **asset investment** classes to include renewable generation facilities.

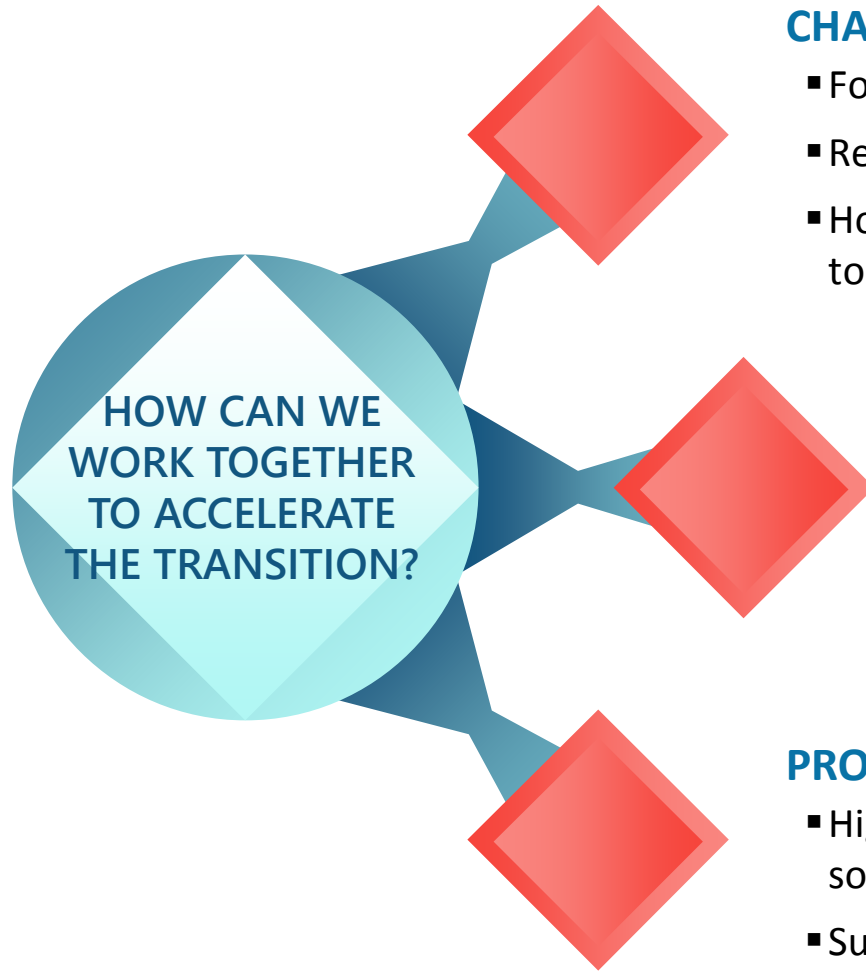
The IPPO, through their mandate, have established a **transparent** procurement process that has attracted **international** and **local** investment.

REIPPPP has delivered **6.4GW** of new generation capacity in **8 years**, by successfully aligning to the NDP, IRP and RFP in a well-structured process.

As of June 2017, REIPPPP had created **32,532** direct, Full Time Equivalent (FTE) person-years of employment.

# Moving forward together

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## CHAMPION THE TRANSITION

- Form Parliamentary/ All Party groups to promote all renewables
- Review government progress in delivering on national targets
- Hold regular evidence sessions and call on local and international partners to identify barriers to investment

## SHARE BEST PRACTICE

- Support initiatives like the IRENA/ASEAN roundtables
- Call for evidence from countries that are “getting it right”
- Look “over the horizon” (beyond the power sector)

## PROMOTE LOCAL

- Highlight the opportunities for community benefit, employment and socio-economic transformation
- Support supply chain initiatives to help expand economic opportunities for local businesses



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