

Fourteenth session of the IRENA Assembly

Side Event

17 April 2024, 13:00 – 14:30 GST

St. Regis Hotel, Saadiyat Island, Abu Dhabi

GOWA Ministerial Dialogue: Scaling Finance for Offshore Wind as Key to Reach the Tripling Renewables Goal

Background

The imperative to increase global offshore wind capacity as key to achieve the tripling renewable capacity goal by 2030 is intrinsically linked to the urgent need to unlock innovative and accessible financing solutions on a large scale. Offshore wind represents a powerful tool for accelerating the clean energy transition, addressing surging global energy demand, and enabling the strengthening of Nationally Determined Contributions (NDCs) that are essential to combating the climate crisis. However, unlocking its full potential requires overcoming a key barrier: the high capital costs of offshore wind projects, which result from factors such as the current high cost of capital and a high-inflation environment, present unique challenges, particularly for emerging economies and Small Island Developing States (SIDS).

Mobilising substantial private sector investment will be pivotal to rapidly scaling up offshore wind. In emerging and developing economies, this necessitates a concerted effort, including establishing clear policy frameworks, de-risking projects through guarantees and tailoring financial solutions that address the specific needs of developers and investors. Development banks, international financial institutions, and strategic public-private partnerships play a critical role in this process, providing technical expertise, funding and blended finance models to bridge the financing gaps in emerging markets. Robust global collaboration, sharing strategies, and forging strategic partnerships among governments, investors, multilateral organisations, and the wider offshore wind industry are key for widespread deployment. Prioritising adaptable and innovative financing solutions is vital not only for accelerating the growth of offshore wind globally but also for ensuring a just energy transition that benefits developed and developing nations alike.

By focusing on accessible and scalable financing, the global deployment of offshore wind can be accelerated across geographies, create more sustainable and resilient energy systems, bolster ambitious climate goals, and spur new economic opportunities in the burgeoning renewable energy sector.

Background on GOWA

The Global Offshore Wind Alliance (GOWA) was founded by Denmark, IRENA, and GWEC with the ambition to create a global driving force for the uptake of offshore wind through political mobilisation and the creation of a global community of practice. The aim of GOWA is to increase offshore wind deployment worldwide in support of the COP28 commitment of tripling global renewable energy generation capacity by 2030, to contribute to achieving the Paris Agreement's 1.5°C goal, and to enable national and subnational governments to develop their offshore wind sector.

GOWA's vision is a world in which offshore wind makes a significant contribution to the energy transition and the achievement of the sustainable development goals through large-scale renewable power generation, benefiting regions, countries and critical sectors such as industry and transportation. This must be achieved through a responsible and sustainable use of the ocean and while working to preserve marine biodiversity and engaging with local communities, CSOs and other stakeholder groups.

Objectives

This event will convene offshore wind stakeholders to:

Catalyse Investment: Showcase the immense opportunities in the offshore wind sector, highlighting investment pathways and mechanisms to attract both public and private sector capital, particularly for developing economies and SIDS to accelerate progress. Secure high-level commitments from member states on specific actions to accelerate progress aligned with the tripling pledge and NDC ambitions.

Unlock Innovation in Financing: Explore solutions including de-risking instruments, blended finance, and public-private partnerships, with a focus on their potential to scale deployments and address the unique challenges in emerging markets.

Build Global Consensus: Facilitate knowledge sharing on best financing practices, policy frameworks, and collaborative models that enable rapid expansion of the offshore wind sector while promoting a just and inclusive energy transition.

Guiding Questions

- How can stakeholders mitigate risks to enhance investor confidence and support offshore wind project development within various market landscapes?
- How can development finance institutions and governments collaborate to design financing solutions that meet the unique needs of offshore wind projects in emerging economies and SIDS?
- What key policy and regulatory frameworks can create an enabling environment for offshore wind investment, considering the diverse circumstances of different nations?



Associated Publications

[Enabling frameworks for offshore wind scaleup: Innovations in permitting](#) (IRENA and GWEC, 2023)

For more information please contact:

Simon Benmarraze, Team Lead, Technology and Infrastructure, IITC, (sbenmarraze@irena.org)

Ines Jacob, Associate Programme Officer, Technology and Infrastructure, IITC. (ijacob@irena.org)