



Climate Parliament
Legislators working worldwide to combat climate change



*Empowered lives.
Resilient nations.*

International parliamentary hearing

Attracting Investment in Renewable Energy

How can we make our countries a safe bet for big investments in energy from sun, wind and water?

This parliamentary hearing, co-sponsored by the Climate Parliament and the United Nations Development Programme, will bring together legislators from developing countries which all have vast renewable energy potential, and which are all severely threatened by climate change. The countries are: Bangladesh, India, Jordan, Lebanon, Morocco, Senegal, South Africa, Tanzania and Tunisia.

Our focus will be on how legislators can attract significant investment to renewable energy in their countries. We will address the key question:

What do investors need in order to put their money into renewable energy?

The discussions will explore four requirements:

- 1. Stop financing fossil fuels.** The International Monetary Fund estimates that governments commit at least \$1.9 trillion a year (around 8% of government expenditure) to prop up the fossil fuel industry. Who wants to invest in an enterprise when the competition is massively subsidised? We need to find better ways to support access to energy for the poorest citizens.
- 2. Share the risk.** National governments and multilateral development agencies must address the informational, technical, regulatory, financial and administrative barriers that currently impact the competitiveness of renewable energy investments in developing countries. These risks can be addressed through policies designed to directly dismantle said barriers; financial instruments that transfer investor risk to public institutions such as development banks; or direct financial incentives.
- 3. Ensure grid connection.** Investors in renewable electricity must be able to deliver their power to their market – whether it is through a village mini-grid, through the national grid, or through long-distance interconnectors to neighbouring countries.
- 4. Guarantee a good price.** Investors cannot know if they will make a profit or loss unless they are working within stable, transparent pricing frameworks that allow them to estimate future income from their investments in renewables. Clear and well-designed regulatory regimes, consistent pricing policies, and tools such as feed-in tariffs can contribute to stable prices.

Friday 4th October

Opening presentations

- 09:00 – 09:20 Welcome and opening remarks**
Sir Graham Watson MEP, Chairman, Climate Parliament
Charles Chauvel, Parliamentary Development Advisor, UNDP
Hon. Karim Ghellab, Speaker of the House of Representatives, Morocco
- 09:20 – 09:45 Introductions ('tour de table')**
- 09:45 – 10:05 The climate threat and the keys to massive investment**
Nicholas Dunlop, Secretary-General, Climate Parliament
- 10:05 – 10:25 Q&A**
- 10:25 – 10:45 Tea & Coffee**

Session 1: Stop financing fossil fuels

- 10:45 – 11:05 Presentation:** Stefania Fabrizio, Deputy Division Chief for Expenditure Policy, IMF
- 11:05 – 11:25 Q & A**
- 11:25 – 12:05 Debate: Should any country still be subsidising fossil fuels in 2020?**
Should fossil fuel subsidies be phased out at all? How can we ensure the poor don't suffer? Are there any situations in which ongoing subsidies are justified?
- 12:05 – 12:45 Key points for policy and legislation:**
Policy drafting in smaller groups based on language and region.
- 12:45 – 14:00 Lunch**

Session 2: Share the risk

- 14:00 – 15:00 Presentations:** Oliver Waissbein, Finance Specialist, UNDP
Sanjay Kumar, Climate Parliament Senior Advisor
Mustapha Bakkoury, CEO, Moroccan Agency For Solar Energy (TBC)
- 15:00 – 15:45 Q & A**
- 15:45 – 16:05 Tea & Coffee**

16:05 – 16:45 Debate: What is the most efficient form of risk-sharing?
What are the lessons from Ouarzazate? Should the Ouarzazate model be replicated elsewhere? Should governments or development banks guarantee to pay investors back part of their money even if the project fails? Should governments participate in insurance policies against adverse policy changes by subsequent governments?

16:45 – 17:30 Key points for policy and legislation:
Policy drafting in smaller groups based on language and region.

Saturday 5th October

09:00 – 09:15 Keynote address: Hon. J. D. Seelam, Indian Minister of State for Finance

Session 3: Ensure grid connection

09:15 – 09:35 Presentation: Mouldi Meled, Desertec Foundation & University Network

09:35 – 09:55 Q&A

09:55 – 10:25 Debate: Whose job should it be to build grid networks that are ready for the transition to RE?
Should regulators require grid operators to give priority to renewable energy? Should village mini-grids be built by the state or by private entrepreneurs? Should international interconnectors be paid for by public funds or by the end consumer as part of the price of the electricity?

10:25 – 10:45 Tea & Coffee

10:45 – 11:25 Key points for policy and legislation
Policy drafting in smaller groups based on language and region.

Session 4: Guarantee a good price

11:25 – 11:45 Presentation: Ansgar Kiene, World Future Council

11:45 – 12:05 Q & A

12:05 – 12:45 Debate: Can we afford to allow the price for RE to be set by market forces alone?
Should renewable energy producers be guaranteed a good price for their energy? How should the level be set, and by whom? Should exporting countries take royalties, as oil states do?

12:45 – 14:00 Lunch

14:00 – 15:00 Key points for policy and legislation

Final drafting session in smaller groups based on language and region.

15:00 – 15:20 Presentation: *How to attract investment: a financier’s perspective* Dima Rifai,
Paradigm Change Capital Partners

15:20 – 15:40 Q&A

15:40 – 16:20 Tea & Coffee (facilitators prepare final part of outcome document)

16:20 – 17:30 Final Plenary Session: Discussion and approval of outcome document
Finalise ‘Key points for policy and legislation’ document



MINISTRY OF FOREIGN AFFAIRS OF DENMARK
DANIDA INTERNATIONAL DEVELOPMENT COOPERATION



World Future Council

The organisers wish to thank the European Commission, the Danish Ministry of Foreign Affairs and the World Future Council for their generous financial support for this project.