

Global Green Growth Week 2016 IRENA Side Event

**Unlocking renewable energy investment:
The role of risk mitigation and structured finance**

6 September 2016, 11:00 AM – 12:30 PM

Jeju International Convention Center Room 401A&B, Jeju Island, South Korea

BACKGROUND

Investors' willingness to commit capital to the renewable energy sector is driven by the perceived risk/return profile of investments. To better understand the risks and barriers in renewable energy investments, IRENA has been focusing on identifying and analysing financial instruments and approaches that could address the challenges, which has resulted in a recent publication 'Unlocking Renewable Energy Investment: The role of risk mitigation and structured finance'.

The report finds that investment in renewable energy can be scaled up rapidly to accelerate the global energy transition if the right policy and financial instruments are used. Building on sound policy frameworks, a pipeline of investment-mature projects and local financial capacity, public finance institutions should direct their limited resources to leveraging a greater level of private capital in renewable energy investment, through risk mitigation and structured finance mechanisms.

Collective effort by policymakers and international financial institutions to scale of renewable energy investment can be grouped into five action areas:

- 1) Advance renewable energy projects from initiation to full investment maturity;
- 2) Engage local financial institutions in renewable energy finance;
- 3) Mitigate risks to attract private investors;
- 4) Mobilise more investment from the capital markets;
- 5) Create dedicated facilities to scale up investment in renewable energy

This event will seek practical ways to advance the recommendations proposed under these action areas and explore how governments, public and private finance institutions and intergovernmental and nongovernmental organization can contribute to scaling up renewable energy investments.

Outcomes from this event will guide the way towards developing a practical tool or dedicated financing facility to support renewable energy projects and scale up investments.

PROGRAMME

11:00 – 11:05	Opening Remarks <ul style="list-style-type: none">- Yvo de Boer, Director-General, GGGI
11:05 – 11:20	Summary of the Findings from IRENA Publication <ul style="list-style-type: none">- Henning Wuester, Director of IRENA's Knowledge, Policy and Finance Centre
11:20 – 12:05	Panel intervention and discussion <ul style="list-style-type: none">- Mr. Cesar Purisima, Former Secretary of Finance, the Philippines- Mr. Hussain Khansaheb, Director of Green Development, Ministry of Climate Change and Environment, UAE- Dr. Barbara Buchner, Executive Director, Climate Policy Initiative- Mr. Berthold Breid, CEO, Renewables Academy AG- Mr. Suki Atwal, Principal Investment Specialist, Investment & Policy Solutions Division, GGGI
12:05 – 12:20	Open discussion with audience
12:20 – 12:30	Summary and concluding remarks

SPEAKER INTERVENTIONS AND DISCUSSION TOPICS

Following IRENA's introductory presentation based on a recently published report, speakers from government, private and public finance and think tanks will make a brief intervention to add topics including:

- Challenges faced by governments in scaling up renewable energy investment
- Finance policies enabling and incentivising renewable energy investment
- Country experience in on-lending structures and the role of governments in strengthening local lending capacity
- Funding mechanisms supporting project development and project facilitation tools
- Ways to engage and support local financial institutions
- Prerequisites for the effective use of risk mitigation instruments for renewable energy investment
- The role of standardised project documentation and contracts in attracting private investors
- How to support green bond issuance and capital market transactions in developing countries

The panel will discuss how the elements identified can be brought together and advanced through appropriate facilities at global, regional and/or national level. The audience will be invited to join the discussion, focusing on the following questions:

- What support will governments need in advancing on this agenda?
- What is the evolving role of public finance institutions such as multilateral development banks, bilateral development agencies and climate finance institutions?
- What can international organisations do to accelerate action that scales up renewable energy finance?

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