



renewable
energy
& energy
efficiency
partnership



REEEP Strategy Overview 2012 to 2015

1. REEEP's strategic direction

The Renewable Energy and Energy Efficiency Partnership (REEEP) is a Type II Partnership established alongside the Johannesburg World Summit on Sustainable Development (WSSD) in 2002. Our mission is to accelerate the market for clean energy in developing countries and emerging markets.

Through developing *Tipping Point Interventions*, we focus on identifying realistic business propositions for clean energy (this includes both energy efficiency and renewable energy), defining the conditions needed to make particular propositions succeed (leading to policy provisions and investment), and on working with partners both in the public and private sector to implement these solutions.

Through linking *People and Information*, we aim to improve the enabling environment particularly in developing countries. REEEP spearheads communications, information and data provision for clean energy solutions.

REEEP is a public private partnership – it teams up with others to achieve its aims, drawing on wide networks and resources while staying lean and cost-effective.

2. Changing landscape

Since REEEP's foundation, clean energy – renewable energy (RE) and energy efficiency (EE) – has moved from the fringe to mainstream.

Worldwide RE investment soared from \$US 33 billion in 2004 to \$260 billion in 2011 when it exceeded fossil fuel investment for the first time. Key RE technologies such as wind and solar are now approaching commercial viability, and there is already significant manufacturing in the emerging markets of Brazil, China, India, Indonesia, Mexico, and South Africa.

As of 2011, 119 countries had some form of national RE policy target or support in place. The birth of the International Renewable Energy Agency (IRENA) means there is now a major global driver for clean energy policy.



Though more diffuse, EE has moved up the international agenda. With its now-famous curve, McKinsey highlighted EE as the most cost-effective way to meet new energy demand, and new international structures such as the International Partnership for Energy Efficiency Cooperation (IPEEC) mirror this.

Major emitters hold fundamentally diverging views on how to address climate change and how to spread the burden of tackling it. Experience shows, however, that clean energy technologies – both in the renewable and the efficiency sector – can grow despite the fact that support from law makers is still little coordinated.

This would not be unique. By the end of 2011 mobile phone penetration in Africa reached 649 million (approx 65% of the entire population) and 893 million in India (74%), all this with little development aid. This shows that the private sector can drive the transformation of a state monopoly-dominated industry - pulling policy along with it – provided there's a compelling benefit and business model.

Still, 1.4 billion people lack any access to modern energy, primarily in Africa and Asia. And it is those poorest people who carry the heaviest burden of climate change impacts. While the experience from mobile phones cannot one-to-one be translated into the energy sector, the ambition should be to achieve similar growth rates for clean energy – to bring emissions down and provide sustainable energy for all.

3. Assumptions for the next 3-5 years

What will be the conditions for clean energy¹ development in the next period? Which influences will REEEP's strategy have to stand up to? Here are some:

- A) Three fundamental trends will continue to drive clean energy market development:
 - Fossil fuel prices will continue to rise. Day-to-day prices may fluctuate wildly with current events, but the trend will be upwards.
 - The cost of CE technologies is set to fall and thus become steadily more competitive with fossil fuels; however, the speed of this development will continue to depend on fossil fuel prices. Another argument that drives cost reduction is security of supply.
 - In nations and regions that choose to impose a price on carbon, CE technologies will become more competitive with fossil fuels sooner.
- B) As framework policy falls into place in most countries, financing is becoming the key issue for individual clean energy (CE) businesses in developing countries and emerging markets.
- C) EE will offer major potential for increasing energy security and plays a key role in access to sustainable energy. Sectoral approaches are critical to make efficiency more graspable, and policy support such as standard setting is essential.
- D) Any future global political agreement on greenhouse gas reductions is likely to follow these market developments rather than lead them.
- E) On the RE policy front, IRENA will become the global driver at the framework level, though implementation will require capacity-building efforts by many others. IPEEC may assume a similar role for EE. The Climate Technology Center and Network (CTCN) will also become a strong force for the diffusion of new CE technologies.
- F) Decentralised clean energy models will be pivotal in addressing the energy access issue.

¹ In REEEP's usage, Clean Energy or CE includes energy efficiency and renewable energy sources.



renewable
energy
& energy
efficiency
partnership



- G) Increasingly, countries will be urged to open their data sets for free access and re-usability, mainly as a driver for economic growth. Accessible information will be a key driver for clean energy development in developing countries.
- H) Large funders will insist on getting project results such as datasets published in open and re-usable standards.

4. Success and Lessons Learned

REEEP has a strong track record with successes and lessons learned. We find four experiences especially important for our future strategy:

- **Selecting, funding, monitoring, and evaluating projects** – In the last seven years, REEEP co-funded 154 projects worth €14.4 million plus €29.4 million in co-funding leveraged for a total of €43.8 million, focussing on stable long-term policy frameworks and on finance and sustainable clean energy business models. REEEP has become known for working inclusively and ensuring the local stakeholders become closely involved in projects, as well as for its robust, transparent governance.
The key LESSON is that a proliferation of model projects adds up their influence, yet the up-scaling effect is too limited. REEEP therefore will increasingly focus on the up-scaling process itself.
- **Networking** – REEEP's 400 Partner organisations including 45 national governments, and 5500 individual Friends of REEEP, provide a strong basis for REEEP's communications outreach. The Regional Secretariats (RS), based in emerging regions and hosted and supported by major energy stakeholder organisations that share REEEP's agenda, are central to REEEP's work in the field.
We need to address the fact that currently, the official REEEP partners are not necessarily those we work with day to day. We need to review who of the existing partners remains interested in collaboration, and transform and more strongly involve those that are. In addition, we work closely with dozens of organisations who are not partners today – REEEP partnership should become a tool and base for strong long-term engagement with others.
- **Providing data services** – REEEP established reeple (with REN21), a clean energy info portal attracting 250,000 users per month, and is fast becoming a leading clean energy player in the Linked Open Data (LOD) movement.
The key LESSON is that to stimulate clean energy business in developing country markets, information and support need to be provided free of charge and in re-usable format, especially in developing countries. Linked Open Data services are an essential part of the answer, and so are social media tools to foster professional exchange.
- **Stimulating Champions** – we have a range of tools available to stimulate those people who are at the frontlines of clean energy developments. On the one hand we operate through our policy networks - Sustainable Energy Regulation Network (SERN); Renewable Energy in International Law (REIL); and the Energy Efficiency Coalition (EEC), which spawns networks to take national action on the topic. On the other hand we have a process of review, evaluation and impact assessments of our projects, combined with annual meetings of the project developers and implementers to share their experiences.
The LESSON is that these networks are vitally important but we need to make them more active, use the inter-linkages more and provide people-focussed tools and outputs that are immediately useful for network members. On the project side, improving our analytical work and stimulating exchange between professionals have great potential.



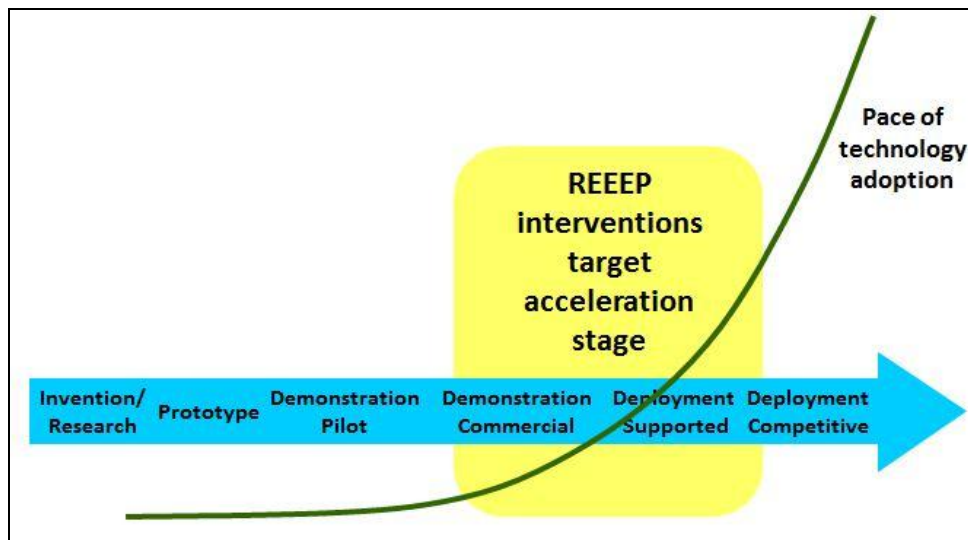
renewable
energy
& energy
efficiency
partnership



5. REEEP's focus on making markets work

As a market accelerator, REEEP will shift focus primarily to helping the private sector in developing countries to expand and mainstream clean energy solutions.

Fig. 1 – REEEP's intervention space on the technology adoption curve



We are using the classic technology adoption curve to frame and clarify the intervention space for REEEP. As can be seen in this curve, we specifically target the market acceleration stage by

- identifying clean energy (CE) business models that are reaching demonstration stage, and acting as conduit for their up-scaling and policy making;
- Linking People and Information – provide information, data access, and knowledge sharing for developers, business people and policy makers.

The scope of REEEP's work encompasses activities from simple business solutions at a national level up to multi-national policy solutions, with the main focus on developing countries. The principle is to provide practical experiences and integrate their lessons learned into the policy and financial design of major markets. REEEP aims at identifying and structuring up-scaling interventions, solidifying them through policy interventions, and playing a broker role for knowledge and information sharing.

Tipping Point Interventions – provide systematic up-scaling analysis and development

At the centre of REEEP's thinking is the endeavour to identify specific up-scaling mechanisms: to identify the possible business models and barriers, and understand what will move a given model up the curve from demonstration stage to wider roll-out.

Interventions will be based on a systematic analysis of comparable projects in different locations, leading to a deeper understanding of the opportunities and barriers. REEEP is working on a set of analytical tools that will help analyse projects in advance as well as post-hoc, in order to gain the best possible set of experiences, learnings, and business cases for designing broader interventions.



renewable
energy
& energy
efficiency
partnership



REEEP's Regional Secretariats, as experts in their respective areas, will be instrumental partners, from the analysis and identification process to taking a champion role in overseeing the implementation.

Intervention should be undertaken in cooperation with one or more larger funders whose interest it is to review the methodology of a project type before investing in large-scale deployment. The aim of each intervention is therefore to achieve wide commercial deployment of a specific business solution for clean energy. Typical funders will be public or foundations but the aim is for interventions to lead to sustainable business solutions.

REEEP is currently examining its own project portfolio for strong up-scaling potential, and we are investigating several interesting prospective topics with partners, such as energy linked to the health sector or the food sector.

People and Information – ensure exchange of experiences and access to information

To stimulate clean energy business, project developers, business people, and policy makers need to get free access to good quality information and data. And they need opportunities for exchange of experiences and advice on common projects in order to test information and turn it into knowledgeable actions.

REEEP supports the acquisition and distribution of knowledge in two ways, by actively managing its friends, partners, and thematic networks, and by building up information and knowledge services through its web portal reegle.info and its pivotal role in the Linked Open Data movement. In both cases, REEEP acts as a rapid, lean and flexible service provider helping other organisations to enhance their work and link people, Information, and knowledge.

PEOPLE: Activating the Partners and Friends of REEEP will work in three stages: (1) checking the validity of the current lists, and where necessary narrowing down to meaningful relationships; (2) develop our exchange and engagement tools on the basis of existing structures such as contributing to existing conferences, and using social media tools such as LinkedIn; (3) enhance existing knowledge management tools (own ones and those of partners) and create new ones where needed, e.g. smart-phone compatible information sources.

INFORMATION: REEEP is at the forefront of the Linked Open Data movement and can help to clear the way for governments and businesses to open up their data, provide them with re-usable and linked data formats, and build links and cooperation between trusted partners. Linked Open Data systems are today favoured by the governments of the US and the UK, the European Commission and the World Bank are turning to this new technology; others are following. REEEP will greatly enhance its work on building a non-proprietary communications and data infrastructure for clean energy.

6. Positioning: REEEP as a service provider

That principle of REEEP as a service provider underpins REEEP's new positioning. That way, REEEP can strengthen the clean energy movement rather than competing with the many other players in the field.



renewable
energy
& energy
efficiency
partnership



Tipping Point Interventions

Numerous organisations are running Clean Energy projects, from government and multinational agencies to commercial actors and investors, NGOs, universities and science organisations. REEEP has a name in this field as a competent funder with significant experience in managing and evaluating projects – yet it is not easy to stand out. REEEP will use its capacities as service provider and its strong network to engage existing and new partners around specific interventions, build up a knowledge and tool base for up-scaling in these specific areas, and provide collective expertise for new up-scaling ventures.

People and Information

Many speak about Information and knowledge management but this field is distinctly less crowded. In fact, many of our interlocutors in the last few months have indicated that they have problems with knowledge management and/or with Linked Open Data, and that they could do with support in reaching their precise audiences. This indicates a new market for REEEP, in which we can help individual players as well as fostering cohesion and cooperation.

Potential partners include:

- **Funders** – we are in discussion with the International Climate Fund (UK), Energy + and NORAD in Norway, ENDEV (a joint results-based funder based on UK, Norway, Netherlands), and with GAVI, the Gates Foundation's arm for vaccination (tentative).
- **Knowledge managers** – the German Environment Ministry has been the main funder of reeple so far; we hope to build on this base and are also in discussion with GIZ who have a huge data load to manage. Equally, CDKN in the UK have been funding some key features on reeple, such as the Clean Energy Thesaurus; we also support knowledge management ventures at IRENA, NREL and REN21. Other players who are or could be interested include GVEP and CTI PFAN, and Alliance to Save Energy.
- **Project implementers** – starting with the REEEP Regional Secretariats and their hosts, we would draw on our long-standing contacts and partners to establish a circle of champions committed to REEEP's principle aim of up-scaling.

7. How REEEP adds value

For up-scaling agents (governments, development banks, Specific agencies, foundations) REEEP will:

- Provide analytical capacity and networks for conceptualizing and testing
- Be a source for tested clean energy business models that are ready for up-scaling
- Allow better understanding of opportunities and their risks

For clean energy businesses in developing countries and emerging markets, REEEP will:

- Provide access to up-to-date and relevant datasets
- Provide a pipeline to replication or up-scaling funding
- Support needed capacity-building and policy shifts

For REEEP Partners, the Partnership will:



renewable
energy
& energy
efficiency
partnership



- Offer concrete business opportunities as either funder or beneficiary
- Provide analytical systems for capturing, packaging and spreading the learning
- Promote more investment in clean energy systems

For all audiences, REEEP will:

- Be a source of energy data that is dependable, well-packaged and digestible
- Provide success stories on how CE businesses are driving change in energy systems

8. Objectives for the period 2012 to 2014

From the above we have set three **objectives** for 2012 to 2014, with a view to approval by the Meeting of the Partners end of 2012. A mid-term review of the strategy is planned for mid of 2013.

OBJECTIVE 1: Tipping Point Interventions

REEEP builds on its experience and infrastructure for project calls, selection, supervision and management, control, and evaluation of projects in the clean energy field; REEEP establishes mechanisms that facilitate the up-scaling of successful mechanisms at national and multi-national level.

OBJECTIVE 2: People and Information

REEEP's communications capacity, including its thematic networks, Friends and Partners, its own website, the reegle clean energy info portal and Linked-Open-Data facilities, becomes a major proposition to REEEP partners and clients.

OBJECTIVE 3: Trust and reliability

REEEP provides a professional environment for managing funds, delivering high quality projects, and providing support and advice to private and public agents of change.



REEEP positioning in a nutshell

REEEP acts as pathfinder, connector and champion for up-scaling clean energy business models.

Based on the need for action on climate change as well as on access to energy services, on our assumptions for the next five years, and on our experiences and lessons learned, REEEP is redefining its position in the clean energy market place.

REEEP's **core mission** remains unchanged: to accelerate the market for renewable energy and energy efficiency in developing countries and emerging markets.

REEEP's **main target groups** are:

- those who fund the partnership itself
- those who will benefit from up-scaling
- agents for up-scaling.

The first group is primarily governments, though the aim is to target foundations and up-scaling funders as REEEP core funders over the medium term.

The second group is comprised of project implementers who can set up, manage and conclude projects on the ground, including businesses and clean energy entrepreneurs seeking to upscale a proven business model.

The third group is comprised of multilateral banks and agencies (e.g. Asian DB, African DB, OECD, IEA), governments and their agencies (DECC, DFID, GIZ, NORAD, but also programmes such as ENDEV and ENERGY +), foundations, as well as related organisations such as IRENA, REN21, and IPEEC.

Our **specific approach** should be focussed and sharpened to reflect the new realities. We focus on three objectives:

OBJECTIVE 1: **Tipping Point Interventions**

REEEP builds on its experience and infrastructure for project calls, selection, supervision and management, control, and evaluation of projects in the clean energy field; REEEP establishes mechanisms that facilitate the up-scaling of successful business models at national and multi-national level.

OBJECTIVE 2: **People and Information**

REEEP's communications capacity, including its thematic networks, Friends and Partners, its own website, the reeple clean energy info portal and Linked-Open-Data facilities, becomes a major proposition to REEEP partners and clients.

OBJECTIVE 3: **Trust and reliability**

REEEP provides a professional environment for managing funds, delivering high quality projects, and providing support and advice to private and public agents of change.