

Note of Clean Energy Challenge Action Group Meeting

5th February 2020, 13:00-15:00, MBT 02, UNHCR

Participants:

Canada, Denmark, EU Delegation, France, Netherlands, Norway, Spain, Sweden; Boston Consulting Group (BCG), CABRAL, Chatham House, Globesight, Kube Energy, Schneider Electric, Shell; Mercy Corps, ICVA; FAO, GPA, IFC, IOM, SE4All, UNICEF, WFP

Welcome & Introduction

- The first meeting of the Action Group for the Clean Energy Challenge was held on 05 February at UNHCR. The meeting included both those that officially opted-in to the Challenge as well as members from the energy & infrastructure co-sponsorship group. The meeting was co-convened by UNHCR, the Global Plan of Action, France, Norway and the World Economic Forum.
- The meeting aims to reinforce UNHCR's role in the process is a catalytic one and this process is intended to be a multi-stakeholder driven one rather than focused on a particular sector.
- Following introductory remarks by UNHCR, the Senior Advisor on Climate Action provided a summary of 'climate Action and Displacement – prospects for 2020 and beyond'.

Climate Action and Displacement – prospects for 2020 and beyond

- We need to mainstream the issue of climate action in all our discussions and energy interventions, recognizing that climate change, natural disasters, food security and the broader peace – security and humanitarian nexus are all interlinked.
- As a community, we should be held accountable for our carbon footprints.
- In energy interventions, we need to focus on providing support to both on refugees and local communities.
- Look into the potential for success, support building up business cases, and make it priority for the governments to engage in this challenge.
- It would be interesting to consider some non-traditional funding opportunities, including insurances and hedge funds.
- There is a need of working together with UN agencies, NGOs, private sectors and government to address the elements of food security, environment, energy, etc. to **overcome silos** and **ensure a common understanding of the challenges and the opportunities**.
- It will also be important to concretely identify the settlements and areas of intervention and monitor progress closely.

Updates from GRF (Dec 2019) & Davos (Jan 2020)

- A big success in terms of pledges and a good demonstration of willingness to support refugees.
- The Challenge was a jointly created initiative that was borne as part of the co-sponsorship group on E&I.
- 55% of the pledges made towards energy and infrastructure were related to energy and environment. There is a growing interest in supporting this sector.
- Process moving forward – clean up and then operationalization. We really hope that this group could serve as an engine to support in the operationalization of some of the many pledges, including those related to energy and the Challenge.
- A number of open-ended pledges could be considered with a view to specifying target areas/countries and populations.
- This action group needs to play a role to capitalize on the opportunity and collaborate.
- Follow-up will be essential and we look forward to working with all pledging entities.

- Climate was again a central topic on the agenda in Davos, and it would be opportune to build on the current engagement and mobilization of actors on this topic, to engage them in displacement contexts as well.
- During the several meetings held on climate action, some topics which were explored were: common objectives, identifying investment opportunity, showcasing projects and data.
- Growing enthusiasm around the Challenge.
- Opportunities for investing in clean energy in fragile contexts but key barriers often impede investment, such as lack of deal development, contracting difficulties and lack of cash flow.
- Group committed to continue collaborating to identify ~5 high-potential investment contexts, with technological solutions and economic models by April to then prioritize specific opportunities and develop a deal by the next Annual Meeting.
- The upcoming High Commissioner's Dialogue in December will provide us with an opportunity to take stock of progress made, and to highlight the concrete contributions that have come to fruition over the course of the year. Similarly, the NGO consultations held this year will focus on the topic of climate, providing an opportunity for exchange and engagement.

Operationalizing the Challenge

- In terms of scope, we need to link the broader perspective of energy needs with SDG goals.
- Many areas of focus, e.g. household access to energy, cooking fuel, water supply etc.
- We also need to ensure equity – serving both host communities and refugees.
- It is important to have support from other energy partners and work together.
- How can we focus on tangible action? What is practical and possible? This will be essential to the Action Group and its mandate moving forward.
- As part of developing the Challenge, we will need to develop projects based on the needs coming from the country operations and refugees.
- There is a need to identify gaps and solutions.

Governance structure to support the challenge

- The group is diverse and there is a strong willingness to work together once roles are adequately defined, moving forward.
- GPA will serve as Secretariat for the Challenge – GPA outlined its respective priorities for 2020 and beyond **(1) Planning & Coordination; 2) Policy; 3) Innovative Finance; 4) Capacity Building; and 5) Data).**
- Governance structure: Light structure; building on existing coordination and multi-stakeholder approach.
- Presentation on the key workstreams: Data, Project Pipeline and Fundraising/financing.

Workstream 1: Data

- Gather solid baseline on SDG 7 for refugees and infrastructure in settlements
- Identify key indicators
- Build/use existing framework to measure progress towards SDG 7

Workstream 2: Project Pipelines

- Develop 'standard processes' for good quality fundable/bankable energy projects (households and necessary infrastructure)
- Identify key partners for developing proposals and implementation
- Set up a light system to monitor progress

Workstream 3: Fundraising / Financing

- Develop 'standard' and ready to use public/private delivery models

- Identify funding sources for project proposals
- Identify key partners for a guarantee mechanisms or other supporting elements

General Discussion:

- **Schneider Electric:** Huge amount of fossil fuel is used in humanitarian sector. Need to offset. Need a business model to have actions, and a financial model could be built off the back of current consumption patterns.
- **Chatham House** informed they hired a dedicated person to focus on gathering relevant data, which could be made available to the group and contribute to its efforts.
- **Kube Energy:** It would be important to identify Government counterparts that we can engage with. We would need support from other agencies and work together. *UNHCR responded, noting that countries that have already pledged to **enhance access to energy for refugees and host communities** could be considered as potential priority countries in this regard. Entry/focal points already exist for such an engagement.*
- **EU:** Full support for clean energy challenge. Pleased to see the work of the co-sponsor group on energy and infrastructure – one of the most active and successful in terms of concrete results – taken forward in a new format through "action group" to support implementation of pledges. In terms of format of the group, need to balance between on the one hand being broad and inclusive, while at the same time need for smaller, action-oriented discussions among experts, involving HQs. Keen interest from EU engagement in general as well as more technical discussions.
- **Denmark:** Denmark is happy to join and participate this action group. Global role in terms of who is doing what should be clear and coordinated.
- **Spain** is willing to share experiences whenever necessary, including from the Shire Alliance and their engagement in Ethiopia.
- **Shell** noted they would be pleased to join in an inclusive action group and highlighted the importance of a nuanced understanding of the private sector and the distinct complementarities they can bring to these discussions.
- **SE4All** noted that there should be greater focus on data and highlighted the importance of having more information on the regulatory frameworks that prevail in potential priority countries.
- **The IFC** enquired about the mobilization of private sector partners, beyond those that had joined the discussions.
- **Norway** provided closing remarks emphasizing the need to identify concrete milestones and tasks to ensure that the group moves beyond dialogue into action mode.

Next Steps

- ToR to be circulated with the wider group which reflects exactly how various sectors within the Action Group could contribute.
- GPA to produce one-pagers on how to address particular challenges within the Action Group.
- Future meetings of the Action Group would be 'pay to play'. No observers but ready to consider interest from those that will contribute but not yet in a position to "accept the Challenge".
- Consider convening 'sprint teams' to overcome and address key issues within the Action group.
- Need to focus on getting greater engagement from host countries and various entities within the private sector.
- Aimed at encouraging greater engagement from host countries and the private sector, there needs to be a clear strategy on who should be involved and based on what rationale/needs/gaps.