

Clean Energy Alliance

The Clean Energy Alliance is a partnership led by the Government of India with support from the World Economic Forum. It is a global alliance of governments, companies, developers and investors that seek to meet or exceed the clean energy targets set by a leading group of developing countries by 2030. The CEA will launch late 2015/ early 2016.

Today, clean energy – from wind, solar to energy efficiency - presents great opportunities to meet future energy needs while minimizing the impact on the environment. With falling costs and aggressive plans in emerging markets, renewable energy will likely represent the largest single source of electricity growth over the next five years (IEA Oct 2015). At the global level, renewable electricity additions are anticipated to reach 700 gigawatts (GW) by 2020 – over twice Japan’s current installed power capacity (IEA Oct 2015). Recently, under the leadership of the Ministry of Power, India announced its ambitious plan to install 175 GW of renewable generation capacity by 2022.

Despite these cost and policy drivers, the well-known challenges of scaling clean energy investment - a combination of technological, regulatory and investment/risk reduction bottlenecks – remain stubborn obstacles. Building on a wide body of analysis, a diverse range of international initiatives now exists to tackle different aspects of these challenges. Yet still, clean energy deployment in developing countries is not accelerating fast enough to meet their growing energy needs.

Goal

In order to bridge this gap, India’s Ministry of Power, with the support of the World Economic Forum, will co-convene the Clean Energy Alliance (CEA). The goal of the CEA is simple. By invitation, the CEA will help a developing country government with an INDC (Intended Nationally Determined Contributions) target for clean energy, structure a process of public-private cooperation designed to accelerate domestic clean energy infrastructure deployment; thereby helping to meet or exceed the government’s INDC clean energy target, while also reducing the cost of implementation.

Structure and activities

The CEA is an action platform. It has the specific goal of unlocking finance, promoting policy and catalysing deal-flow to accelerate clean energy deployment within developing countries with a clear INDC target for clean energy. The CEA will bring together leading organisations from public finance, private finance, the clean energy and infrastructure sector and large companies committed to 100% renewable energy, working with international and non-governmental organisations. By invitation, the CEA will bring these actors together within the context of the host government’s plan for clean energy (national or provincial) and - through a structured process of substantive public-private co-design - will work to de-bottleneck the investment, project development and policy hurdles that currently hold back rapid clean energy scale-up.

The desired outcome is for the CEA to consistently help developing country governments to meet or exceed their INDC clean energy target more rapidly than expected. This could include accelerating policy reform in combination with catalysing the financing and deployment of enabling technologies like energy storage at scale, micro grids, offgrid solutions as well as improving distribution networks, demand-side technologies and digitization of the grid, all within a shorter timeframe and with greater coverage than the INDC target aimed for.

Members of the CEA will include, for example:

1. Governments with national or sub-national plans for clean energy deployment – primarily in emerging markets. These include government ministers, regulators, mayors, etc.
2. Private investors, from financial institutions, energy businesses to transnational companies. These include, for example, pension funds, sovereign wealth funds, large institutional capital, utilities, renewable energy providers, developers as well as companies with plans to source 100% of their energy from renewable sources.
3. Public sector investors, such as development agencies, multilateral development banks, or int’l organizations.

Common activities will include

- Establishing in-country public-private action platforms to help a government co-design and catalyse accelerated clean energy investment and project development against its INDC target
- Best practice sharing across these national action platforms and among participating governments and CEA members; based on experiences learned a set of global best practices for rapid deployment of clean energy will be established and a set of key principles as part of the terms of engagement can be developed
- As and when appropriate, country, technology- or value chain-based research and analysis will be commissioned to help unblock specific barriers to clean energy deployment in specific countries/regions.

For more information, please contact cleanenergyalliance@weforum.org