CTF Pilot Country Meeting

Meeting Summary June 21, 2011

General experiences

- Different levels of progress, countries well advanced in the development and implementation of projects
- A suite of investments, from transport systems and efficient appliances to wind farms and solar plants
- Strategic destination of funds
 - Need to align investments with country goals
 - CTF resources as seed capital to leverage larger investments
 - The private sector is essential to generate transformation through innovation and efficiency
 - Promote gender equity and address gender issues

M&E

- M&E systems exist but need to be adapted to:
 - Track what happens at the national level
 - Bring sectoral level information to the national one
 - Track individual interventions
- Need for technical assistance and financial support to develop these systems and establish the right institutional setup
- The main objective is to create national capacity
- Need for guidelines on:
 - Developing national systems
 - Linking project information to the national level
 - Developing and using standards and cross-country approaches to measure indicators
- Energy efficiency presents difficulties as regards demonstrating the effects of interventions.

Energy efficiency

- Investments focus on transmission and distribution, energy use and transport. A gap exists in energy production.
- Energy efficiency is difficult to do despite negative costs due to cultural, political and financial factors, which justifies the need for financial and technical support.
- Investment plans are addressing barriers: lack of awareness, lack of capacity of the financial sector, perceived risks, high start costs.
- The local financial sector has an advantage to move these investments, but capacity needs to be created to offer proper information, instruments and incentives to the private sector
- Countries are exploring policy approaches to support the development of laws on standards, capacity building and training

Renewable energy

- Investment plans have paid special attention to barriers to scale up renewable energy, in order of importance: high costs, perceived risk, lack of awareness and policies (e.g. direct and indirect subsidies). High costs and perceived risks are main barriers to address
- Market transformation occurs with participation of the private sector and high leverage ratios; some concrete examples, like wind energy in Mexico
- Control over technology is important for transformation, which could be achieved with local production
- Scale-up and innovation often comes from practice: private-public partnerships, entrepreneurs
- Investments in renewable energy bring development benefits (energy access, employment, others)