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Scaling up Clean Energy Investment Opportunities and Challenges

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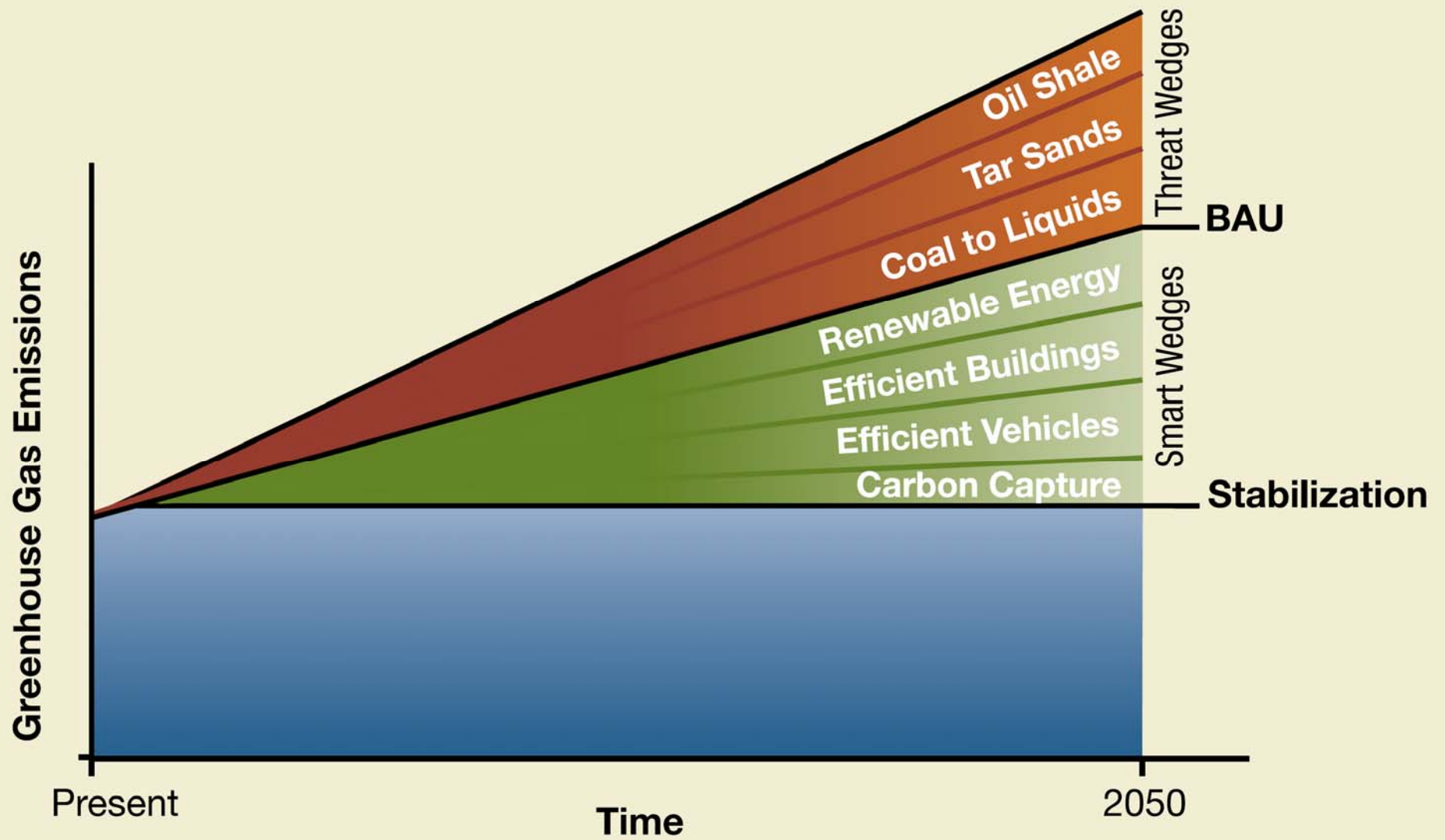
Asia Clean Energy Forum 2009
18 June 2009

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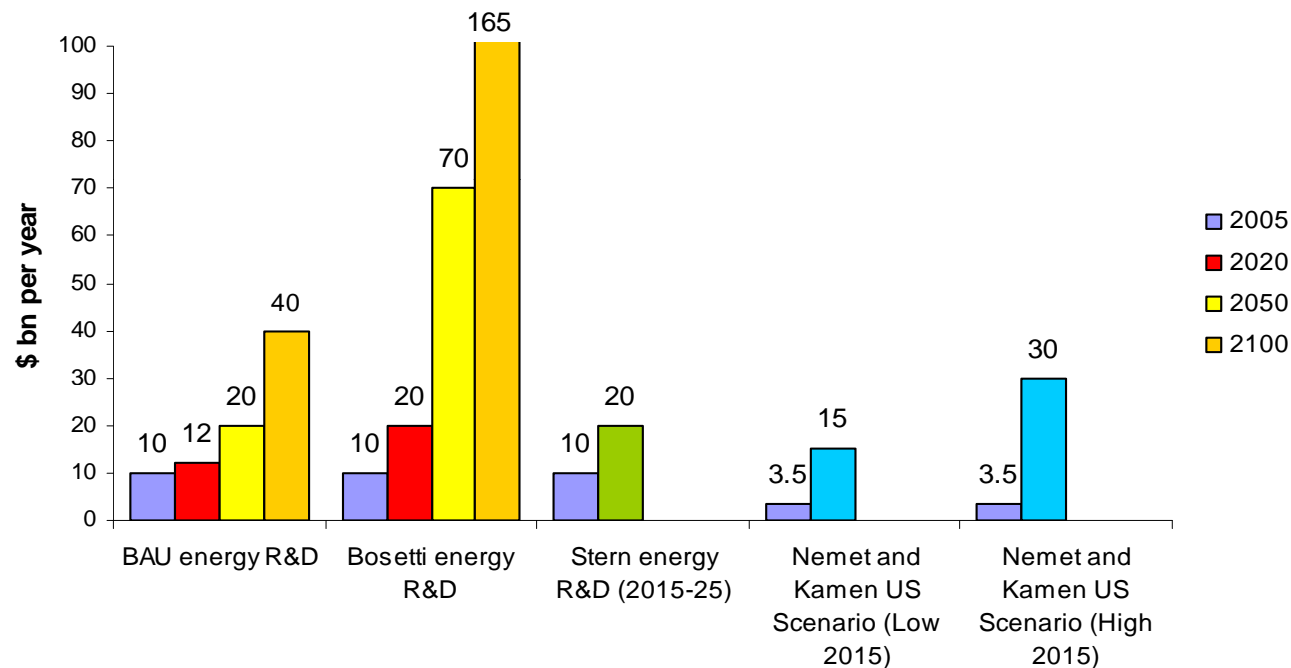
Principles

- **Efficiency.**
- **Effectiveness**
- **Accessibility**
- **Flexibility**
- **Adaptability**
- **Verification**
- **Transparency**





Estimated scale of current and necessary global public R&D support



- Effective action on scale required to tackle climate change requires a **widespread shift to new or improved technology** in key sectors such as power generation, transport and energy use



Good Governance key to Investing in Clean Energy

- Transparency of policy, planning and regulatory processes for electricity
- Consumer, civil society, and stakeholder engagement in policy, planning and regulatory processes
- Executive capacity (human resources, skills, training) to design sustainable energy policy
- Regulatory capacity (human resources, skills, training) to support implementation of sustainable energy policy



Investing in Clean Energy

- Long term integrated energy planning
- Policies and regulations to incentivize energy efficiency
- Policies and regulations that incentivize renewable energy
- Pricing structures that incentivize efficiency and reduce consumption
- Reforming subsidies to reveal true costs of fossil fuels and enhance the viability of sustainable options



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Scaling Up is key



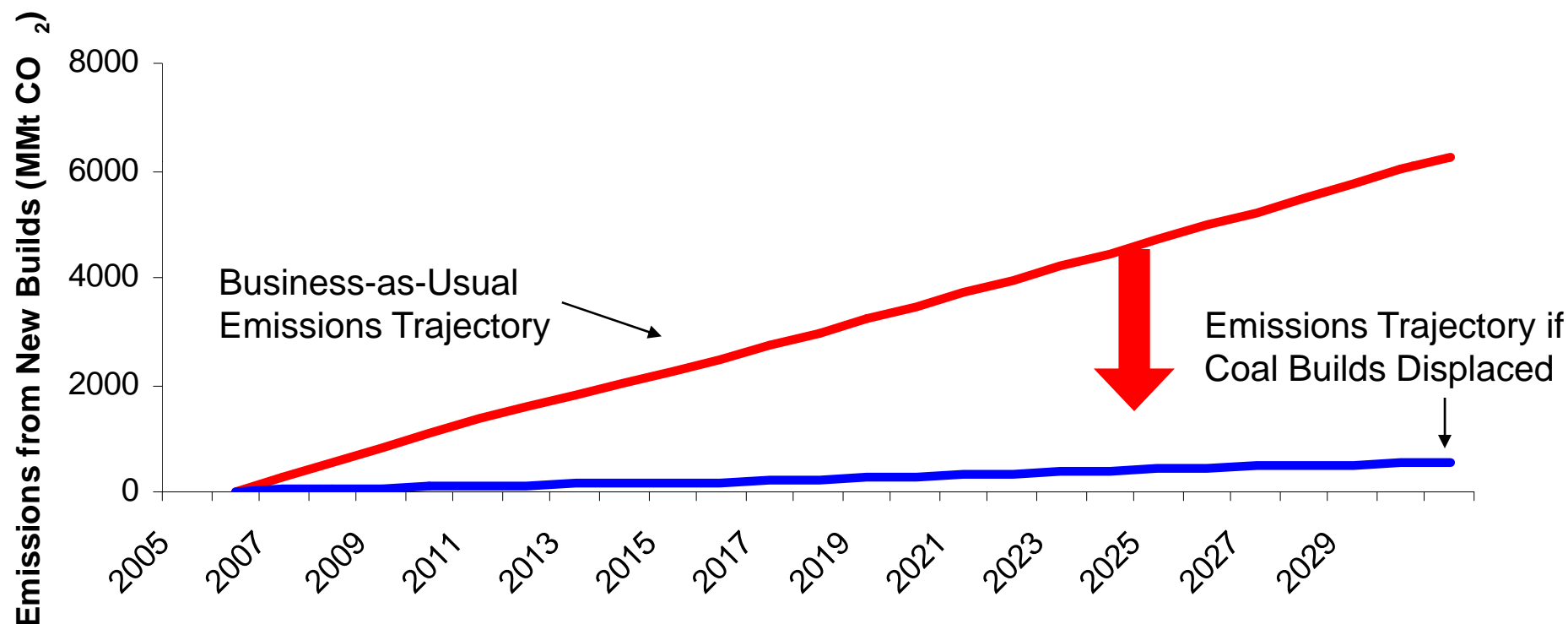


Examples

- Green Power Market Development Group
 - *Leveraging purchase power*
- Sectoral Transformation Fund
 - *Maximizing benefits from carbon-intensive sectors such as cement*
- Clean Technology Fund
 - *Opportunity for zero-carbon transformative programs at country level*



CO₂ Emissions Reduction from Displacing New Fossil-Fueled Electricity in the U.S., India, and China, 2005-2030



Scale of mitigation



Conclusions

- Support for ‘smart wedges’ a priority for energy security and GHG emissions reduction
- Role of IFIs key to transitioning to low-carbon economy
- International agreement necessary to send strong signals to markets and policy makers
- Financing technologies going through a ‘hump’ (high risk, regulatory barriers, transaction costs) must be priority for new financing facilities such as the CTF
- Investing in good governance should be integral to investing in clean energy