

Attracting investment in renewable energy

How can we make our countries a safe bet for big investments in energy from sun, wind and water?





Climate Parliament

Legislators working worldwide to combat climate change



Empowered lives
Resilient nations.

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Introduction



In October 2013, the Climate Parliament and the United Nations Development Programme, supported by the World Future Council, held the latest PARE Parliamentary Hearing on renewable energy in El Jadida, Morocco.

Some two dozen MPs from across Africa, Asia and the Middle East were joined by representatives of the International Monetary Fund, the Islamic Development Bank, the OECD, the United Nations Development Programme, the World Bank, the World Future Council, and others besides.

Many different topics were covered over the course of the two days, and I cannot hope in such a short note to do justice to them all. Yet the Hearing reaffirmed a fact that I have heard from numerous energy experts: renewable energy is already close to out-competing fossil fuels on the open market. With political will, us parliamentarians can help pioneer the five-year policy push required to get renewable energy to point where it could compete fossil fuel prices – without subsidies.

Although making the transition to renewable energy will not be easy, parliamentarians are in a unique position to take action. Elected legislators are the one group of people in the world who have all the levers they need to solve the climate problem: they vote on laws, taxes and budgets, oversee the operations of government, and have direct access to Ministers, Prime Ministers and Presidents.

Thus, the work of the Climate Parliament continues. If you would like any more information on our work, or are interested in attending any of our future events, please do consult our website – www.climateparl.net - or contact ben@climateparl.net.

It now seems clearer than ever that bold action is needed in order to prevent irreversible changes in the Earth's climate and biosphere which will profoundly threaten the global food supply and all our coastal communities, and lead to the loss of billions of lives. Let us work together to ensure that this year will be the one remembered as when the world got serious on climate change.

Yours,

A handwritten signature in black ink, appearing to read "Graham Watson". The signature is written in a cursive, flowing style.

Sir Graham Watson MEP

Chairman, the Climate Parliament

List of participants

Members of Parliament

Bangladesh

Abdullah Al-Islam Jacob
Anisul Islam Mondol
Zunaid Ahmed Palak

India

Dr. Sanjay Jaiswal
Hon. JD Seelam

Jordan

Fatmeh Abu Abtah
Mohammed Al Alwan
Abed Al Rahim Al Boucai
Tamam Al Riyati

Morocco

Nabila Benomar
Naima Benyahia
Omar Britto

Morocco (cont.)

Ahmed Motassadeq
Moh Rejdali

Senegal

Papa Biram Touré
Djimo Souaré

Tanzania

Bernadeta Mushashu
Jitu Soni

Tunisia

Abdelaziz Kotti
Dhamir Mannai
Hasna Marsit

UK

Sir Graham Watson MEP

Speakers

Charles Chauvel
Nicholas Dunlop
Stefania Fabrizio
Hon. Abdelali Doumou

Ansgar Kiene
Ayshanie Medagangoda-Labe
Mouldi Miled
Dima Rifai
Oliver Waissbein
Jonathan Walters

UNDP
Climate Parliament
International Monetary Fund
Vice President, Moroccan House of Representatives
World Future Council
UNDP, Morocco
Desertec University Network
Paradigm Capital Change Partners
UNDP
World Bank

Experts & Analysts

Geraldine Ang	Organisation for Economic Cooperation & Development
Miriam Bardolet	Desertec Industrial Initiative
Noureddine Citroen	Islamic Development Bank
Houda Filai-Ansary	British Embassy in Morocco
Dr Dorte Fouquet	Becker Buettner Held Lawyers, Belgium
Gerhard Knies	Desertec University Network
Sean Kidney	Climate Bonds Initiative
Abdelfettah Ouedghiri	Islamic Development Bank
Guido Prud'homme	European Investment Bank
Rudolf Rechsteiner	Swiss Agency for Development Cooperation
Jean-Pierre Roux	Climate Development Knowledge Network
Abdel Salam	Indian Embassy in Morocco
Christopher Segar	International Energy Agency
Sarvjit Singh	Indian Embassy in Morocco
Stefan Schurig	World Future Council
Yassir Rachid Tahiri	National Network for the Preservation of the Oasis Against Climate Change

Climate Parliament Secretariat

Dr. Mostafa El-Aouazi	Ben Martin
Sumedha Basu	Dr. Wilson Matekenya
Francesca Carnibella	Hon. Louis Seck
James Corre	Mukul Sharma
Marion Denantes	Sharon Youssefi
Mark Grassi	

UNDP

Reem Askar	Yassir Benabdallaoui
Julia Keutgen	Yasmina Sarhrouny

Agenda overview

The Morocco hearing was centred around an exploration of four requirements which the Climate Parliament believes must be met before sufficient investment will flow into renewable energy infrastructure. These four are:

Stop financing fossil fuels. The International Monetary Fund estimates that governments commit at least \$1.9 trillion a year (around 8% of government expenditure) to prop up the fossil fuel industry. Who wants to invest in an enterprise when the competition is massively subsidised? We need to find better ways to support access to energy for the poorest citizens.

Share the risk. National governments and multilateral development agencies must address the technical, regulatory, financial and administrative barriers that currently impact the competitiveness of renewable energy investments in developing countries. These risks can be addressed through policies designed to dismantle the barriers; financial instruments through which investor risk is shared by public institutions such as development banks; or direct financial incentives.

Ensure grid connection. Investors in renewable electricity must be able to deliver their power to their market – whether it is through a village mini-grid, through the national grid, or through long-distance interconnectors to neighbouring countries.

Guarantee a good price. Investors cannot know if they will make a profit or loss unless they are working within stable, transparent pricing frameworks that allow them to estimate future income from their investments in renewables. Clear and well-designed regulatory regimes, consistent pricing policies, and tools such as feed-in tariffs can contribute to stable prices.



Programme

Friday 4th October

09:00 – 09:30 **Welcome and opening remarks**
Sir Graham Watson MEP, *Chairman, Climate Parliament*
Ayshanie Medagangoda-Labe, *Deputy Resident Representative, UNDP Morocco*
Hon. J.D. Seelam, *Indian Minister of State for Finance*
Hon Abdelali Doumou, *Vice Speaker of the House of Representatives, Morocco*

09:30 – 09:55 Introductions ('tour de table')

09:55 – 10:15 **The climate threat & the keys to massive investment**
Nicholas Dunlop, *Secretary-General, Climate Parliament*

Session 1: Stop financing fossil fuels

10:45 – 11:05 **Energy Subsidy Reform: Lessons and Implications**
Stefania Fabrizio, *Dep. Division Chief, Expenditure Policy, IMF*

11:05 – 11:25 Q & A

12:05 – 12:45 Key points for policy and legislation:
Policy drafting in smaller groups based on language & region.

Session 2: Share the risk

14:00 – 14:40 **Dereisking Renewable Energy Investment**
Oliver Waissbein, *Finance Specialist, UNDP*

14:40 – 15:45 Q & A

15:45 – 16:05 Tea & Coffee

16:05 – 16:45 **Ouazazarte: An Introductory Overview**
Jonathan Walters, *Director of MENA Regional Programmes, World Bank*

16:45 – 17:30 Key points for policy and legislation:
Policy drafting in smaller groups based on language & region.

Saturday 5th October

09:00 – 09:15 **Opening remarks**
Charles Chauvel, *Parliamentary Development Advisor, UNDP;*
former Member of the New Zealand Parliament

Session 3: Ensure grid connection

09:15 – 09:55 **Attracting Investment & Ensuring Grid Connection**
Mouldi Miled *Chairman, University Network & Co-Founder,*
Desertec Foundation

Exporting MENA Solar Energy to Europe
Jonathan Walters, *Director of Regional Programmes in MENA,*
World Bank

09:55 – 10:30 Q & A

11:30 – 12:10 Key points for policy and legislation
Policy drafting in smaller groups based on language & region.

Session 4: Guarantee a good price

12:10 – 12:30 **Powering Africa Through Feed-In Tariffs**
Ansgar Kiene, *Director of Africa Office, World Future Council*

12:30 – 13:20 Q & A

13:30 – 14:45 Lunch

14:45 – 15:45 Key points for policy and legislation
Final drafting session in smaller groups

15:45 – 16:15 Tea & Coffee

16:15 – 17:30 **Final Plenary Session:**
Discussion and approval of outcome document

Sunday 6th October

10:00 – 10:20 **How to attract investment: a financier's perspective**
Dima Rifai, *CEO, Paradigm Change Capital Partners*

Day 1: Opening session

Opening proceedings was the Chairman of the Climate Parliament, **Sir Graham Watson** MEP. Outlining a brief summary of the recent IPCC climate science report, Sir Graham emphasised to the collected legislators that, on climate, the ball is in their court. It is their political commitment which is needed to overcome the market's reluctance to invest in renewables, as this kind of market failure can only be corrected with government intervention. MPs are not experts, Sir Graham argued, as they only delve deeply into the surface of the matters they deal with. But experts are present at this meeting, he continued, and both MPs and experts need to work together to ensure that the green energy switch can be made.

Joining Sir Graham in welcoming the assembled participants was **Ms Ayshanie Medagangoda-Labe**, the Deputy Resident Representative for UNDP's Morocco country office. Repeating the findings of the IPCC climate report, Ms Medagangoda-Labe concluded that

Ms Ayshanie Medagangoda-Labe



Hon. Mr. JD Seelam

the evidence of man-made global warming is unequivocal, and argued that energy was an essential precondition for creating modern economies – and a precondition for developing countries to achieve their Millennium Development Goals. The things that people most want from development – food, water, peace, jobs, and economic security – are universal goals that cannot be denied. Sustainable development needs political champions, Ms Medagangoda-Labe concluded, such as the MPs here at the meeting; she expressed her hope the upcoming conference would provide practical solutions to how we can “walk the talk”.

Next to address the opening session was the **Hon. Mr. JD Seelam**, the Indian State Minister for Finance. He pointed out that current development has led to a dependence on fossil fuels, creating an explosion in carbon emissions. Taking India as his example, the Minister discussed the progress being made in renewable generation, but admitted there

is still much work to be done, as the country is still behind on its targets. He argued that technology transfer, capacity building, training, and policy development are all essential. Stating that he was looking forward to working together with Climate Parliament and the UNDP again in India in the very near future, the Minister concluded that, at the upcoming elections, it doesn't matter which government gets in, as renewables will always be a priority.

The final speaker at the opening session was the **Hon. Mr Abdelali Doumou**, the Vice Speaker of the Moroccan Parliament. He described the challenges of renewable energy from an economic standpoint, and argued that Morocco has not committed to renewables because they are fashionable, but because of the real social and economic impact it will have on the country. He stressed four challenges: the need for the globe to move from a short-term to a long-term attitude; the need to transcend what is dictated to us by the economy and take into consideration social and environmental needs; the need to move from an economic model centred around individual demand to one model on altruism and communal responsibility; and the need to create a mode of government that has a strong relationship between protecting the environment and promoting renewable energies. Mr Doumou concurred that perhaps these needs made it sound like he was a dreamer, but countered that politicians also have the right to dream – and his was making renewable energy for all a reality.



Hon. Mr Abdelali Doumou,

The first formal presentation of the hearing was given by the Secretary-General of the Climate Parliament, **Mr Nick Dunlop**, who began by using recently-released IPCC figures to suggest that if we don't solve the problem of climate change, we know that the future is very bleak indeed. He argued that, despite two decades of negotiations, carbon emissions just keep going up – a testament to the power of fossil fuels and the grip they have on our societies and governments.

Mr Dunlop argued that emissions need to peak within the decade and then fall 5% year on year from then on. Although this might seem ambitious, Mr Dunlop insisted it is possible – and for it to happen, the role of parliamentarians would be absolutely crucial. Five or six members of the German Bundestag drafted a new RE feed-in tariff in 2000 that made Germany a world leader in solar panels and triggered huge investment in R&D, leading to a rapid fall in prices around the world. This is just one example of what few committed, intelligent parliamentarians can do, and the Climate Parliament is working to assist them through network building and technical support.

Mr Dunlop concluded by comparing the scale of the mobilisation ahead to that achieved by the Allied powers during World War II. Climate change, he argued, is just as much a mortal threat as any war or invasion has ever been, and we need to respond. It can be done – but whether it will be, he concluded, is partly up to the MPs in this room.



Mr Nick Dunlop

Session 1: Stop financing fossil fuels

Session one was opened with a presentation by **Ms Stefania Fabrizio**, Deputy Division Chief for Expenditure Policy at the International Monetary Fund, who spoke on the complex problem of fossil fuel subsidies. These have some serious consequences, as they aggravate budget deficits, create disincentives for investment in the energy sector, crowd out public spending on health, education and infrastructure, create a misallocation of resources to energy-intensive sectors as energy is under-priced, fuel dangerous climate change, and widen the gap between rich and poor.

But how can they be reformed? Ms Fabrizio identified several successful ingredients based on recent examples in Uganda and Turkey. These included a comprehensive reform plan, efforts to obtain the consensus of the public with clear long term goals, an independent impact assessment, a good communications strategy, and ongoing consultation with stakeholders. Several first steps can contribute to a successful dismantling of subsidies, such as a phased programme of price increases, improvements in the efficiency of state-owned enterprises to reduce the fiscal burden on the government, and improving the collection of energy bills.

Targeted measures are required to protect the poor, however, such as direct cash transfers.



Ms Stefania Fabrizio

These need strong administration, but existing programmes of welfare can be expanded to include cash payments. In Ghana, for example, the government eliminated fees for primary and secondary schools to compensate for the dismantling of fossil fuel subsidies. Ms Fabrizio also argued that depoliticizing prices was essential; this could include implementing automatic price mechanisms beyond the control of political parties, that could smooth price volatility but also ensure that it can't become an election issue.

Session 2: Sharing the risk

The theme of the second session of the Hearing was risk-sharing, and the first presentation was delivered by **Mr Oliver Wassbein**, Finance Specialist for UNDP. He opened by outlining the problem that investment risk poses for renewable investment in developing countries: relatively high up-front costs mean that developers need to borrow large amounts in the early stages of a project, exposing them to punitive interest fees in areas where finance costs are high. For example, in a developing country, a natural gas project would cost 6% more than

in the developed world, but an onshore wind project would cost +40%.

Mr Wassbein argued that this is the main challenge that renewable energy faces in the less-industrialised world, and outlined two broad approaches to addressing this finance gap. The first is to address the underlying causes of risk, and the second is to provide an incentive, eg: premiums, carbon offsetting, tax breaks – in order to make up the gap and compensate for higher costs; although the second approach is

Mr Oliver Wassbein



more common, Mr Wassbein argued that addressing the underlying causes of risk was a more cost-effective approach.

To this end, the UNDP has put together a detailed table of different public instruments for addressing different kinds of risk. Mr Wassbein concluded that the best outcomes occur when MPs address risk in a systematic and integrated way.

Next to speak was **Mr Jonathan Walters**, the World Bank's Director of Regional Programmes in the Middle East and North African region, who gave an informative overview of Morocco's ambitious flagship solar project, the Ouazazarte concentrated solar power (CSP) plant. He outlined several valuable lessons on risk-sharing that had emerged over the course of the project.

The first of these was the importance of having the whole process managed by a single agency – in this case, the Moroccan Agency for Solar Energy (MASEN) – with support from the highest level of government and staffed with high-quality finance profession-

als, that had the dual responsibility to both mobilise finance and then manage project implementation. Often countries split this responsibility; for example, the Ministry of Energy handles project development while the Finance Ministry manages the money, but institutional overlap can lead to muddled priorities and slow the pace of action on the ground.

Another vital lesson was ensuring a very competitive process for tendering contracts, which in the case of Ouazazarte was designed around a simplified Power Purchase Agreement bid on the basis of the electricity tariff, allowing the process to be done at the lowest possible cost. Mr Walters pointed out that, in the whole of the MENA region, there have been only three public-private partnerships on infrastructure finalised in the last 3 years. Ouazazarte is one of them, despite the fact that it is a risky, ambitious, unproven technology - a real testimony to the strength of the PPP structure and the thought that went into producing it.



Mr Jonathan Walters



Day 2: Opening Session

The second day of the hearing was opened with a brief introductory presentation from **Mr Charles Chauvel**, a former Member of the New Zealand Parliament and the current Parliamentary Development Advisor for UNDP. Mr Chauvel suggested that the partnership between UNDP and the Climate Parliament was a great pairing, combining the country reach of the UNDP with the expertise and campaigning power of the Climate Parliament. Outlining his own personal commitment to the climate cause with memories of the disappointing negotiations at Copenhagen, Cancun and Cape Town, Mr Chauvel spoke of his realisation that climate change is the most pressing issue that needs addressing by MPs. Small Pacific Island States, where Mr Chauvel himself was born, will be the first to be affected by climate change.

Addressing the assembled parliamentarians, Mr Chauvel argued that, as elected officials, they aren't necessarily technical experts on particular matters. But they are able to bring passion and commitment to the issues that their constituents people elect them to care about. Mr Chauvel asked the MPs what assis-



Mr Charles Chauvel

tance could they and their colleagues use on a concrete basis to go home and tackle a climate issue, and hoped that they would be able find answers to their needs during the sessions to come. He also invited parliamentarians with experience of successful climate action to share their knowledge through peer to peer discussion about tactics and strategies that others have used to get action taken.

Session 3: Ensure grid connection

Session three was opened by **Professor Mouldi Miled**, Chairman of the Desertec University Network and co-founder of the Desertec Foundation. Focusing on the Middle East and North Africa region, Dr Miled outlined the challenges facing development of wider renewable grids, including reliability, economic feasibility, and the ability to supply the massive increases in consumer demand for power that are projected to arrive over the coming decades.

But despite these challenges, the possibility for a truly sustainable integrated energy supply is a great one, and should not be abandoned. Desertec's research has found that, with grid integration, the EUMENA region could achieve 90% renewable energy by 2050; this future is not a hopeless naive dream – it can happen. Ensuring the sustainability of service will be crucial – after all, Dr Miled pointed out, citizens don't care where the power comes from as long as it is reliable and efficient and not too expensive.

Dr Miled called for MPs to set up special Energy Commissions in their national parliaments, so that real expertise can be brought to bear on new laws and the good governance of existing policies. This, he hoped, would encourage different political parties to contribute to energy policy and seek a non-partisan consensus. As the future

energy of our nations should not suffer from political partisanship, Dr Miled concluded, it is essential to enshrine energy continuity and sustainability in national constitutions, and ensure continuity and assurance for investors.

Next to speak was **Mr Jonathan Walters**, the World Bank's Director of Regional Programmes in the Middle East and North African region, who explored large scale solar financing. He opened by inviting the delegates to consider solar energy as a natural resource which is much more valuable in some locations than it is than in others. Valuable solar can be mapped, just as you would oil or gold, with the areas of highest value being the ones where there's intense sunlight, low humidity, and lots of available land – in other words, deserts.

The North African desert is ideal as it has all of these factors, and it's close to a large area of demand; only Mexico has the same potential for economic development of solar power. Mr Walters outlined the World Bank's Clean Technology Fund (CTF): a highly subsidised fund that lends with a 40 year repayment period and 0.25% interest, in order to undertake transformational low-carbon investments for climate change mitigation. Although the CTF can jump-start the process by demonstrating the art of the possible, it can't help replication and scale up; the export market, however, can.

Post Arab Spring, Mr Walters argued that the MENA region needs to exploit its resources for growth, jobs, and stability; European market access will be critical. Solar energy markets may be difficult to open, but could be extremely valuable in the near-term. To drive development, demonstration projects are needed in the short term to show that export of MENA solar power to Europe is more than an impossible pipe dream – with support from bilateral government agreements to provide subsidies and grid access.



Prof Mouldi Miled

Session 4: Guarantee a good price

After lunch, the first presentation of the afternoon session was delivered by **Mr Ansgar Kiene** of the World Future Council. Mr Kiene opened by arguing that everyone needs energy, and that if governments don't provide it, people will try to generate it themselves in whatever way possible – using diesel, traditional biomass etc. There will always be, therefore, demand for renewable energy – especially in the less-industrialised world.

Mr Kiene introduced a recent major study undertaken by the World Future Council, examining renewable energy feed-in tariffs (ReFITs) in thirteen countries in Africa. Mr Kiene urged the assembled MPs not to attempt to re-invent the wheel when designing similar policies in their own countries, but to learn from the examples of others. Successful ReFITs were found to have several factors in common, including open stakeholder engagement; a complimentary relationship



Mr Ansgar Kiene

with pre-existing policies and wider development plans; low barriers to entry to ensure homeowners and small entrepreneurs can take advantage; and a well-developed plan to make projects financially viable, for example through efficient fee collection.

The final presentation of Saturday's session was made by **Dr Rudolf Rechsteiner**, a senior lecturer on renewable energy at the ETH Zurich, the University of Bern, the University of Basel and the University of Applied Sciences of Northwestern Switzerland and a former member of the Swiss Parliament. Dr Rechsteiner opened his presentation on feed-in tariffs by explaining how the Swiss feed-in tariff had led to a 65% lower cost for solar PV within 5 years, bringing grid parity – the point at which unsubsidised renewables can out-compete fossil fuels on price – within reach.

He also emphasised the point that FITs can, in a sense, “democratise” a country's energy supply by reducing the role of large private or state-owned utilities in favour of distributed power systems owned and managed by homeowners or local communities. He also argued that renewable energy requires new kinds of legislation to encourage investment, as it tends to be expensive in the short term but progressively cheaper over time, unlike traditional fossil-fired energy infrastructure.



Dr Rudolf Rechsteiner

Session 5: An investor's perspective

On Sunday, a final presentation was made by **Ms Dima Rifai**, CEO of Paradigm Change Capital Partners and an experienced investor in new energy markets. Ms Rifai gave a detailed and engaging presentation on current investment conditions. She pointed out that investing in renewables is not like buying IBM stock, where thousands of analysts have already considered every aspect of performance and analysed every angle; instead, there are still many unknowns in green infrastructure. Given this information gap and the naturally cautious nature of big investment institutions, Ms Rifai argued, it's surprising that they have committed as much money as they have to renewables. Some technology markets have had to wait for ten or fifteen years for the pension funds to get on board, but renewable energy has received \$5-6 billion already within the first five years of being open to pension investments.

Ms Rifai then listed a number of key factors that could affect the likelihood of a big investor deciding to commit to renewable energy. The first, and most important, is policy risk; investors are doing a lot of homework to see if governments can afford to follow through on their commitments.



Ms Dima Rifai

Retroactive changes to policy must be avoided at all costs – Spain, for example, keeps cutting its FITs, thus destroying the trust of investors in governments and leading to a sharp increase in the cost of capital for renewables. Secondly, investors need to see evidence that new energy infrastructure will be guaranteed grid access. Thirdly, advanced and detailed resource mapping is required so that investors know exactly what is the rate of return in any particular location. Finally, reliable industry partners, a deregulated electricity market, and a transparent political system with established legal procedures to protect investments, are all crucial to increasing investor confidence.





Group discussion sessions

As well as the plenary presentations from experts and analysts, an equally important part of the PARE Parliamentary Hearing was the small discussion work groups, held following each plenary session and divided by region.

The group sessions allowed MPs to discuss and debate the issues raised during the plenary sessions, put questions to experts, and share their own experiences of renewable energy legislation and investment in their home countries. Peer learning and network formation is a crucial part of the PARE project, and the group sessions were designed to encourage legislators to share best practice and build contacts.

Among other things, the MPs and experts in the group sessions discussed different strategies to encourage the spread of off-grid renewables, outlined their future plans for strengthening policy frameworks for energy and climate related issues, and shared the challenges that they had encountered in their own parliamentary campaigns in support of renewables.

In one session, Jordanian and Indian MPs came together to compare their countries' experiences of introducing renewable energy legislation. Both countries, it was acknowledged, have two things in common: they both share the burden of a large bill for imported energy, and they both boast large areas of uninhabited desert, perfect for large-scale solar energy development. Indian MPs shared how fossil fuel subsidies were being phased out and replaced with direct support to the

poor - a key issue in Jordan, where upwards of 35% of government spending goes on energy subsidies.

MPs from Tunisia, Jordan and Morocco meanwhile discussed the fairest ways of shifting subsidies from fossil fuels to renewables. Dialogue between parliamentarians and a greater role for the public sector were seen as ways of reducing risk perceptions among investors. The importance of raising awareness on climate change among the general public was also emphasised - as was energy efficiency, as consumption rises in the region.

Tanzanian, Senegalese and Bangladeshi MPs discussed rural electrification and strengthening the legal framework for renewable energy. Building awareness amongst both the public and fellow legislators was agreed to be a vital first step for developing improved sustainability legislation. Phasing out diesel generators - commonly used to supply electricity in off-grid areas - and replacing them with solar or wind powered alternatives was also seen as a high priority.



The El Jadida Declaration

At the conclusion of the Hearing, the assembled MPs drafted and signed a joint statement acknowledging the threat of climate change and calling on all governments to step up efforts to drive investment in renewable energy.

“Investing in renewable technologies such as solar and wind energy has the potential to act as a powerful engine of economic and social development,” said Sir Graham Watson MEP, chairman of the Climate Parliament. “The energy produced from valuable natural resources of wind and sun can be harnessed to produce ample clean electricity to power towns and cities, grow domestic industries, and create thousands of well-paid skilled jobs.

“But investment is often hampered by unclear legislation or a lack of government commitment, he added. “That’s why members of parliament have a key role to play in dismantling the barriers that discourage investors from committing significant capital to renewable projects.”

In the El Jadida declaration, the MPs argued that the only way to avoid the potentially mortal threat posed by global warming is for the whole world to shift away from fossil fuels and to renewable energy. The statement also recognises the potential of renewable energy to generate employment, improve public health, reduce imports of fossil fuels, and create a stable supply of energy that will never run out. The statement concludes by calling on all governments to consider ways to accelerate both public and private investment

in renewable energy, and to consider various policy tools such as feed-in tariffs, renewable portfolio standards, and loan guarantees.

Ansgar Kiene, of the World Future Council, said: “More and more countries of the Global South acknowledge the fact that sound renewable energy policy is the prerequisite for attracting investment in their renewable electricity sector. In particular the Renewable Energy Feed-in Tariff (REFiT) policy, when adapted to local conditions, can be a valuable supporting scheme for a nations national development strategy. This policy has driven 64% of global wind installations and 87% of global solar photovoltaic capacity, clearly demonstrating that REFiTs are fully consistent with the spirit of results-based financing.”

“As trail-blazing projects in Bangladesh, India and Morocco have shown, parliamentary initiatives have the power to turn renewable energy into sustainable wealth for all,” said Charles Chauvel, Parliamentary Development Advisor at UNDP. “The El Jadida statement shows how a growing group of MPs are waking up to the threat of climate change, and pledging to do what they can to turn clean energy into a powerful economic force for growth, helping to fight poverty with power across the developing world.”

The declaration was signed by 15 MPs from Bangladesh, India, Jordan, Morocco, Senegal, Tanzania, and Tunisia, and is reproduced overleaf.



ATTRACTING INVESTMENT IN RENEWABLE ENERGY

Statement by Members of Parliament meeting in
El Jadida, Morocco, October 5th, 2013

We, the undersigned Members of Parliament,

Concerned by the mortal threat which climate change poses to our countries,

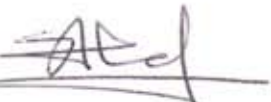
Aware that to avert that threat the whole world must shift from fossil fuels to renewable energy,

Recognising that renewable energy can generate employment, improve public health, reduce imports of fossil fuels, and give our countries a stable supply of energy that will never run out,


Having held a Parliamentary Hearing in El Jadida, Morocco, to review policy options to increase renewable energy investment,


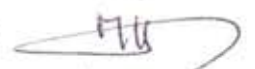
Call on all governments to consider ways to accelerate both public and private investment in renewable energy, and to consider which of the following policy tools in the attached paper could be used to do so within their own national and regional context.


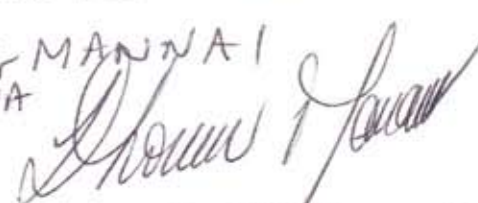
Abd Alwan
Jordan
Abdelau
SD SEELAM
INDIA

Signed: 


ZUNAID AHMED PALAK,
MEMBER OF PARLIAMENT,
BANGLADESH.


Abdel AL-RAIM BOUCCI 
JORDAN

Moh Rejdali MOROCCO 
MARSIH-Hasna 

Songlan Nabila Benomar Morocco 
Dhamir MANNAI 
TUNISIA

Shawwan
DR. SHAWWAN JALIL
M.P.
INDIA

 Papa Biram Toure
DEPUTE
ASSEMBLEE NATIONALE
DU SENEGAL.

Jitu Vrajlal Soni 
Parliament of Tanzania
BERHADETA MUSHASHU
PARLIAMENT OF TANZANIA

ANISUL ISLAM Mondol
MP- Bangladesh
Djimo Souare
Depute
Ass. Nationale du Senegal

ANISUL ISLAM AKOR MP