




MENA Renewable Energy Status Report REN21 Contribution to Abu Dhabi International Renewable Energy Conference 2013 Concept note		
 International Renewable Energy Agency	 Renewable Energy Policy Network for the 21st Century	 دولة الامارات العربية المتحدة United Arab Emirates

Background & Status

The Middle East and North Africa (MENA) region has a vast abundance of renewable energy resources and, despite climatic challenges, is estimated to offer 45% of the world’s renewable energy potential, making the region capable of generating more than three times the world’s total current power demand (Booz and Co, 2010). Accordingly, both fossil-fuel exporting and importing countries in the region have the opportunity to harness renewable energy to support economic growth and energy security efforts. Significantly, renewable energy is also emerging as a complement to hydrocarbon reserves for oil/gas-exporting countries.

With its strong demographic growth, rapid urbanization and an expanding economy, the MENA region is experiencing a strong growth in demand for energy and electricity. This growth is projected to become even more pronounced over the coming years, with forecasts indicating 80 to 90 GW of new capacity required as soon as 2017 (Booz and Co, 2010).

The considerable renewable energy resources in the region can go a long way to meet this growing demand. Renewable energy also presents an opportunity for the region to achieve a globally important position in the renewable energy market, which is likely to become the cornerstone of the low-carbon green economy of the future.

In recent years, the MENA region has demonstrated a growing momentum of support for renewable energy deployment with an increasing number of targets and favorable policies being implemented in most MENA countries (REN21 GSR 2011, 2012). In order to meet the ambitious targets that have been set in the region there is also a need to further scale up policy best practices, cross border collaborations and domestic, regional and foreign investments in the region. It is therefore critical to capture the full range of renewable energy activities in the region and showcase the information to stakeholders in the region as well as to local and global investors, developers and project promoters, to thereby further accelerate the deployment of renewable energy.

Objective

As a contribution to the Abu Dhabi International Renewable Energy Conference (ADIREC) in January 2013, REN21 in partnership with the United Arab Emirates/Masdar and IRENA is developing a MENA status report to showcase policy trends and investment opportunities in the region.

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The MENA Renewable Energy Status Report aims to:

- comprehensively capture the status of renewable energy markets, industry, regulatory frameworks and policy, investments and off-grid energy solutions in the MENA region
- showcase the latest market developments and activities undertaken in the MENA region to facilitate the scale up domestic, regional and foreign investments
- discuss regional opportunities in manufacturing, infrastructure and knowledge sharing
- highlight the business case for renewable energy deployment in both fossil fuel-exporting and importing economies in the region

In order to realize MENA's regional potential and scale up investment opportunities, it is important to provide a comprehensive understanding of the region's emerging renewable energy industry, market development and growth in the near and medium term. Preliminary research identified a significant amount of reports on various aspects of renewable energy developments in the Middle East and North Africa region (see Annex: Further Reading). However, the existing literature focuses largely on resource potentials, outlooks and drivers for a renewable energy strategy in the region, and covers select countries and aspects of renewable energy markets in the region (e.g. policy and projects). REN21 has identified the need for a comprehensive analysis on the full status of RE policy, market, industry, investment and rural energy trends and developments across all of the MENA countries.

Project Outline

The MENA RE Status Report will mainly draw from existing research on renewable energy, country case studies and expert interviews and questionnaires to present the status of renewable energy in the following 21 countries: Algeria, Bahrain, Djibouti, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Malta, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, United Arab Emirates, West Bank and Gaza, Yemen. The report will address the status of renewable energy through the following sections:

- Regional Market and Industry Overview
- Market and Industry Trends by Technology
- Investment Flows
- Policy Landscape
- Rural Renewable Energy
- Feature on local manufacturing
- Annex of Country profiles

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The following international and regional/national partner organizations will be invited to cooperate in establishing the MENA Status Report: Union for the Mediterranean (UfM), Observatoire Méditerranéen de l'Énergie (OME), the League of Arab States, the Regional Centre for Renewable Energy and Energy Efficiency (RCREEE), Bloomberg New Energy Finance (BNEF), and MEDREG.

The REN21 Secretariat will coordinate relations with contributors and the research for the report and contract a lead author to write the report. The report draft will be reviewed by an Expert Group, which will consist of the REN21 Secretariat/Steering Committee and representatives of partner organizations.

An executive summary of the MENA Status Report will be presented at the Abu Dhabi International Renewable Energy Conference (ADIREC) in January 2013. The final report will be launched and distributed as a follow up to ADIREC 2013. The launch of the MENA RE Status Report will be followed by outreach events organized jointly by the UAE/Masdar/REN21/IRENA as well as web-based activities, e.g. in cooperation with Clean Energy Solutions Center.

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MENA Status Report Chapter Outline (40 Pages excluding annexes, tables and charts)

CHAPTER 1: REGIONAL MARKET AND INDUSTRY OVERVIEW	15 PAGES
i. Trends in Final Consumption: Current situation of RE in the primary energy mix (final consumption) of the country including the trends over the past years	
ii. Installed Power Capacity: Current installed power capacity (and bio-fuels production) from renewable energy in the region with a focus on projects implemented and projects being developed and planned segregated by type of technology	
iii. Power Sector: Current status of RE in the electricity generation mix of the region including recent evolution	
iv. Heating and Cooling Sector: Current status of RE in the heating and cooling sector of the region including recent evolution	
v. Transport Sector: Current status of RE in the transport sector of the region including recent evolution	
vi. Renewable energy technology trends: <ul style="list-style-type: none"> a. Projects being initiated by private investors (whether local or foreign; i.e. PPPs, IPPs for grid, IPPs for industry) b. Regional and national renewable energy industry information and data¹, including key players in the region (manufacturers, suppliers etc.) 	
vii. Overview of existing regional cooperation(s) in the energy sector (standards/grid connectivity) and Links to the European Union (Mediterranean Solar Plan, Art. 9 of RE Directive)	

¹ Similar to what is seen in World Bank's MENA CSP Report, but for each technology:
http://www.esmap.org/esmap/sites/esmap.org/files/DocumentLibrary/ESMAP-MENA_CSP-ReadMoreLink.pdf

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CHAPTER 2: POLICY LANDSCAPE	14 PAGES
i. Policy Landscape: section overview	
ii. Policy Targets: <ul style="list-style-type: none"> a. Renewable Energy targets and their respective breakdown by technology b. Regional Renewable Energy targets c. Clear reference to the goals of targets (for example: to decrease independence on fossil fuels, especially in the electricity sector) 	
iii. Power Generation Policies <ul style="list-style-type: none"> a. Mention of the different technology specific programs being initiated by each government and how they are structured b. Legislation regarding renewable energy power generation: set out the different laws that have been enacted in recent years enabling the deployment of renewable power generation with a little summary of each, pointing to the key aspects of policy change in favour of renewables c. Electricity pricing: How the price set and what is the tariff paid by IPP if they sell the electricity to the grid. Presence of Feed-in-Tariff? d. Grid information: The Grid adaptability to renewables. What is the current situation within grid infrastructure and management and what is planned for the future (for example: some countries are just starting to write their grid codes – should show where there is progress) e. regional programmes for renewable energy 	
iv. Heating and Cooling Policies <ul style="list-style-type: none"> a. Including regional programmes for renewable energy b. Mention of some of the different technology specific programs being initiated by governments and how they are structured c. Legislation regarding renewable energy use in heating and cooling: set out the different laws that have been enacted in recent years enabling the deployment of renewable heating and cooling systems with a little summary of each, pointing to the key aspects of policy change in favour of renewables 	

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v. Transport Policies <ul style="list-style-type: none"> a. Including regional programmes for renewable energy b. Mention of the different technology specific programs being initiated by each government and how they are structured c. Legislation regarding renewable energy in Transport: set out the different laws that have been enacted in recent years enabling the deployment of renewable transport with a little summary of each, pointing to the key aspects of policy change in favour of renewables 	
vi. Green Energy Purchasing and Labelling	
vii. City and Local Government Policies	

CHAPTER 3: INVESTMENT FLOWS	5 PAGES
i. Status and evolution of investments in renewable energy project size and investment size – those that are online or in the pipeline	
ii. Strength in RE investment in comparison with investments in other energy technologies where applicable	
iii. Breakdown between private and public investments to showcase the area’s where government is investing and the niche area where private developers are investing	
iv. Financing of projects to highlight who is financing what and to what level and indicate the main financing bodies, with a special focus on international bodies that are financing RE projects (development banks and export credit agencies)	
v. The potential of climate finance	




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CHAPTER 4: OFF-GRID RENEWABLE ENERGY	4 PAGES
i. Trend and current situation of rural electrification and the role of renewable energy	
ii. Rural Renewable Energy Technologies	
iii. Actors in the Field of Rural Renewable Energy	
iv. Industry Trends and Financial Models	

FEATURE	2 PAGES
Discussion on local manufacturing and what needs to be done to meet targets (policy development, resource mapping, more investment, local manufacturing investment, better grid etc.)	

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MENA Status Report Timeline

November 8	Finalization of MENA status report outline	UAE & REN21
November 19-23	Confirmation of institutional partners as listed in the project outline	REN21
November 23 -31	Data collection from regional contributors	Contributors
December 20	Draft Executive Summary	REN21 circulate to MOFA & IRENA
January 2	Comments on Executive Summary back from MOFA & IRENA	
January 4-8	Circulation of Executive Summary to institutional partners for comments/approval	REN21 circulate to Expert Group for comments
January 9	Final version of Executive Summary	
January - March	Data Collection from Regional Contributors	Contributors
March 31	Draft MENA Status Report	REN21 circulate to MOFA & IRENA
April 15 -30	Draft MENA Status Report	REN21 circulate to Expert Group for comments
May 15	Circulation of report together with ADIREC declaration/follow-up material	UAE/REN21/IRENA
May – December	Outreach in cooperation with institutional partners	

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Annex: Further Reading

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Ernst and Young, the Fraunhofer Institute, World Bank (2011), Middle East and North Africa Region Assessment of the Local Manufacturing Potential for Concentrated Solar Power (CSP) Projects

Ernst & Young. (2012) *Renewable Energy Attractiveness Indices*. Ernst & Young.

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