ENERGY COMPACT TEMPLATE (applicable to all parties) (V. 9 May 2021)

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030. (Member States may reference and build upon their NDC and/or 2030 agenda commitments)

[Please select all that apply]

☒Target 7.1. universal access	Time frame: 2030 Elaboration of the ambition(s): One in ten of the world's people—800 million people—lack basic access to electricity, including half the population of Sub-Saharan Africa. And at least another 1.5 billion people lack access to electricity that is reliable enough for farmers and entrepreneurs to secure their livelihoods and families to access modern healthcare and education. To that end we aim to: ● Empower 1 bn people with access to reliable, distributed renewably energy (DRE) ● Achieve a modern rural energy minimum of 300 kWh/capita annual consumption ● 2X increase in real household income ● 50% of productive-use customers and employees in the DRE value chain are women
☒Target 7.2. Renewables	Time frame: 2030 Elaboration of the ambition(s): We will collaborate with public and private sector partners to unleash the full potential of distributed renewable energy (DRE) systems including technologies such as mini-grids, grid-connected distributed generation and storage, renewable power solutions for industrial and commercial clusters, and stand-alone commercial appliances, and solar home systems. To that end we aim to: ● Reduce global greenhouse gas emissions by up to one billion tons annually
☐Target 7.3. Energy Efficiency	Time frame: Elaboration of the ambition(s): Through the above, expand access to energy efficient appliances, especially those that unlock productive use consumption and grow household incomes
☒ Target 7.a. International Cooperation	Time frame: 2030 Elaboration of the ambition(s): The Rockefeller Foundation is spearheading the creation of a new global platform, committing $1 billion in philanthropic capital to scale the distributed renewable energy sector in support of ending energy poverty and combatting the climate crisis. Collaborating with global investors, international organizations, and governments, the Foundation will focus on driving historic public-private investment in infrastructure that accelerates access to clean, safe, and reliable renewable energy across Africa, Asia, and Latin America and the Caribbean.
☒ Target 7.b. Infrastructure and Technology	Time frame: 2030 Elaboration of the ambition(s): While renewable energy technologies have seen transformational cost reductions over the last decade, in many cases, the costs of DRE systems in developing markets remain too high to be fully commercially viable, and are therefore not displacing legacy technologies such as diesel generator systems. Through our philanthropic capital we will help de-risk models for technology innovation and cooperation to drive sustained cost reductions for DRE projects to scale and crowd-in additional investment.

1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050. *[Please describe below e.g., coal phase out or reforming fossil fuel subsidies etc.]*

Time frame: 2030

SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. *[Please add rows as needed].*

Description of action (please specify for which ambition from Section 1)	*Start and end date*
As it relates to Target 7.1, we will deepen efforts already underway investments in places, such as India, Myanmar, Nigeria, Uganda, and Ethiopia, while establishing new programs in markets where there is strong near-term potential to scale the DRE sector in support of economic development and climate goals. An indicative list of countries is provided below under Section 5.1. These markets represent 41%+ of the global population without energy access[1]. *In terms of people, we will focus on serving 'inclusive growth drivers' – that is small and mid-sized enterprises connected to supply chains and capable of generating local jobs - as well as 'growth constrained' micro entrepreneurs seeking to improve their own productivity and incomes.* *To address gender inequalities in the DRE value chain, we will champion economic opportunity for women, setting targets for the percentage of women benefitting as productive use customers and employees in the DRE value chain by: 1) integrating gender-equitable investing principles across our investment thesis and project pipeline; 2) advancing women's economic empowerment by promoting their leadership and participation in new decentralized renewable energy value chains and energy-enabled businesses; and, 3) collecting and leveraging gender-disaggregated data to design investments and interventions that can improve gender-inclusive outcomes.*	*2021-2030*
Description of action (please specify for which ambition from Section 1) *As it relates to Target 7.2, we will focus on DRE systems that have the potential to support economic activity, that can ultimately be integrated into larger energy distribution systems, and that have the potential to attract growing volumes of investment capital from public and private investor. Although specific market conditions will guide the emphasis, in general we expect to focus on three main verticals.* ● *Mini-grids: Decentralized and grid-connected solar or solar-hybrid mini grids of varying scales that provide reliable power to underserved communities and businesses in rural, peri-urban, and urban settings.* ● *Utility-enabled DRE: Improved power supply to consumers within an existing or a new electricity distribution company's service area via the incorporation of DRE technologies, or 'under-grid' mini-grids.* ● *Commercial and Industrial: Clustered off-take sites connected to commercial and industrial users, including small and medium-sized enterprises and commercial marketplaces.* *We may also support other types of DRE solutions that are connected to SPX priorities, including:* ● *Stand-alone productive use and enterprise solar applications, especially when identified as part of a national electrification plan, or as a component of utility-enabled and mini grid DRE projects.* ● *Grid-based solutions such as distributed storage and generation that can help diversify the energy mix of larger utilities and improve service reliability.* *Across all these categories, we will invest in the expansion of renewable energy infrastructure to increase overall installed capacity to improve access and reliability, as well as to displace existing fossil fuel-based technologies (e.g., diesel generators) that provide both a climate and cost benefit.*	*Start and end date* *2021-2030*
Description of action (please specify for which ambition from Section 1) *As it relates to Target 7.a, we will accelerate existing DRE initiatives and generate new investment opportunities, alongside a consortium of like-minded donors, governments, and investors.* *To successfully engage governments across our target list, we will seek to develop strong enabling conditions for DRE by 1) developing / strengthening policy and regulatory frameworks that build the market conditions for scaling DRE; 2) deploying productive use partnerships that raise utilization and meaningful offtake; and 3) accelerate subsidies that unlock private capital, particularly results-based financing schemes.*	*Start and end date* *2021-2030*

[1] Based on 2019 IEA data on energy access

To successfully engage donors and investors, we will seek to develop a strong DRE project pipeline and strategic investments to catalyze viable DRE markets., and to deploy highly concessionary capital alongside or through partners to de-risk transactions and enable larger capital flows. *Finally, we will further the success of our engagements with donors, governments and investors through a concerted global advocacy and data effort that will mobilize global action through the generation of best-in-class evidence to support deeper and broader global action on ending energy poverty and driving an equitable energy transition.*	
Description of action (please specify for which ambition from Section 1) *As it relates to Target 7.b., we seek to reduce the costs of, and innovate on, existing technology, a known barrier of entry to DRE developers in emerging markets.* *To support cost reductions, we seek to standardize and aggregate demand for cutting-edge energy storage and solar technologies. We will do this pooled procurement, along with lower-cost equipment financing, to provide working capital that complements the aggregated procurement mechanism and bride the critical period between when orders are placed, and subsidy payments are received.* *We will also support a DRE innovation ecosystem that uncovers, develops, and scales technology and business innovations critical to sustaining cost reductions for low- and zero-carbon DRE over time, especially in low- and middle-income countries.*	*Start and end date* *2021-2030*

SECTION 3: TARGETS

3.1. Please add at least one measurable and time-based target for **each** of the actions from section 2. For sample targets please refer to *[Please add rows as needed].*

Target 7.1 *Result: Electricity Access* *2030 Target: 1bn people reached (tracked through the number of connections)*	*Date* *2030*
Target 7.2 *Result: Climate Impact* *Up to 1bn tons of CO2 reduced annually relative to business as usual projections*	*Date* *2030*
Target 7.a *Result: Sustained Partnership for the Ending Energy Poverty* *2030 Target: Advance collective action among philanthropists, investors, and countries to marshal resources that unlock significant technical expertise, advocacy, and capital into DRE market ($20bn by 2030)*	*Date* *2030*
Target 7.b *Result: Technology Cost Reduction* *2030 Target: Reduce DRE system capex by 30% and 50% cost of service* (in percentage)	*Date* *2024*

SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for **each** of the actions in section 2.

Below are the projected investments we will be making for each target:

Target 7.1, USD 84M
Target 7.2, USD 575M
Target 7.a, USD 156M
Target 7.b, USD 60M

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]

☐Financing	*Description*
☐ In-Kind contribution	*Description*
☐ Technical Support	*Description*
☐ Other/Please specify	*Description*

SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

Today, 2.3 billion people are energy poor. Most without any access are in Africa, and those with highly *unreliable* electricity are spread more widely – with a huge number in Asia. In Latin America and the Caribbean, although the numbers are smaller, there is still a significant population in need and an opportunity to accelerate the energy transition.

We will deepen efforts already underway as part of The Rockefeller Foundation's prior investments in places, such as India, Myanmar, Nigeria, Uganda, and Ethiopia, while establishing new programs in a selection of markets where there are strong near-term opportunities. These markets represent 41%+ of the global population without energy access[2].

Africa:

- Ethiopia
- Democratic Republic of Congo
- Malawi
- Nigeria
- Sierra Leone
- Uganda

Asia
- India

[2] Based on 2019 IEA data on energy access

- Indonesia
- Myanmar
- Philippines

Latin America & Caribbean
- Haiti
- LAC – Regional

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how **each** of the actions from section 2 impact advancing the SDGs by 2030.
[up to 500 words, please upload supporting strategy documents as needed]

Our goal is to dramatically expand access to clean, reliable energy that powers enterprise-driven development. We will improve the lives of 1bn people by creating jobs, stimulating economies, improving gender equity, reducing carbon emissions and most importantly, lifting communities permanently out of poverty. Accordingly, our work directly contributes primarily to the twin SDG goals of affordable and clean energy (SDG7) and climate action (SDG13), and to a lesser extent, no poverty (SDG1), gender equality (SDG5), decent work and economic growth (SDG8), and partnerships for the goals (SDG17).

Target 7.1, Universal Access
Our efforts to scale energy access to 1bn people by 2030 directly supports SDG7. Our target markets for the next 10 years represent ~41% of the world's population without energy access, and our energy transition work will help provide more reliable, sustainable and clean energy will further help increase the number of people will access to reliable electricity. By advancing a gender strategy across our work from our investments to program design and implementation, we will be contributing to SDG 5.

Target 7.2, Renewables
By increasing the number of DRE solutions deployed in developing markets, our work will be contributing to SDGs 7 and 13. Through our concessional capital and partnership with donors and private investors, we will be increasing the share of renewable technology solutions, expanding access to electricity and reducing carbon emissions.

Target 7.a, International Cooperation
Through our robust engagement with like-minded donors, governments and investors, we will be contributing to SDG 17. We aim to use our expertise and convening power to mobilize a coalition to bring to the fore various actors' unique value proposition to advance our work on SDGs 5, 7, 8, and 13.

Target 7.b, Infrastructure and Technology
By support technology cost reductions and innovations for clean energy solutions, we will be contributing to SDGs 7 and 13. In lowering costs and creating advanced technologies, we will help to ensure that more DRE solutions are deployed, thus increasing access and mitigating and / or reducing carbon emissions.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.
[up to 500 words, please upload supporting strategy documents as needed]

Halting the climate emergency requires particularly urgent action in developing economies, which collectively account for two-thirds of global emissions.[3] Rapid economic development, growing populations, and a burgeoning urban middle class in these countries have driven a surge in energy demand. Nearly all this demand has been met by fossil fuels, but this is rapidly changing.

Distributed and renewable energies have become the most cost-effective building block for economic development. Yet, despite the cost reductions for clean and distributed renewables over the past decade, coal and diesel power remain the backbone of power systems in most of these countries. More worryingly still, carbon-intensive technologies remain central to power system investment planning in the decade ahead – 500 GW of new coal plants are in the pipeline across developing economies, which together would emit 85 billion tons of CO_2 over the coming decades if built—ten times the emissions of the EU and US combined in 2019. [4]

[3] https://www.eia.gov/todayinenergy/detail.php?id=41493
[4] https://www.carbonbrief.org/analysis-the-global-coal-fleet-shrank-for-first-time-on-record-in-2020

If barriers could be overcome, our on-going modelling work suggests that DREs could cost-effectively reduce CO_2 emissions by nearly 12 billion tons by 2030 in developing economies suffering from energy poverty[5]—more than total emissions from the US and EU combined in 2019. Through our work as outlined above, we anticipate to deliver 1 bn tons of CO2 reduction annually through 2030, and exponentially more in the period to 2050. This work would be achieved by 'greening the grid' opportunities – i.e. reducing emission from exiting coal and diesel plants – and "disrupting the pipeline" with near-term opportunities for emission abatement.

SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed targets in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed targets.

SPX will adopt a robust approach to measurement, evaluation, and learning (MEL) to hold itself accountable for impact on people and planet. At the highest level, SPX will track progress toward six key indicators that will be adjusted over time based on lessons learned and key areas of interest to SPX partners:

Measured and reported at least every six months:

- *Electricity access and reliability:* Number of people served
- *Electricity consumption:* Average median kilowatt hours of annual consumption per person

Measured and reported annually:

- *Climate impacts:* Millions of tons of CO_2 reduced or abated from projects
- *Gender equity:* Share of women among productive-use customers; share of women employees in the DRE value chain

Measured and reported every 1-3 years:

- *Income and livelihoods of impacted consumers: Percentage change in real household incomes*
- *Inclusive economic development:* Changes in multi-dimensional poverty

SECTION 7: GUIDING PRINCIPLES CHECK LIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

I. Stepping up ambition and accelerating action - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

I. 1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?

☒Yes ☐No

I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts? ☒Yes ☐No

I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defied by latest global analysis and data including the outcome of the Technical Working Groups? ☒Yes ☐No

II. Alignment with the 2030 agenda on Sustainable Development Goals – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030? ☒Yes ☐No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps? ☒Yes ☐No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action? ☒Yes ☐No

[5] Those with per capital energy use below the 'modern energy minimum" of 1,000Kwh per annum

III. Alignment with Paris Agreement and net-zero by 2050 - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? ☒Yes ☐No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? ☒Yes ☐No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? ☒Yes ☐No

IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? ☒Yes ☐No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? ☒Yes ☐No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? ☒Yes ☐No

V. Feasibility and Robustness - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? ☒Yes ☐No

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives? ☒Yes ☐No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)? ☒Yes ☐No

SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

The Rockefeller Foundation Energy Compact for Ending Energy Poverty

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

The Rockefeller Foundation

8.3. Lead entity type

☐ Government ☐ Local/Regional Government ☐ Multilateral body /Intergovernmental Organization

☐ Non-Governmental Organization (NGO) ☐ Civil Society organization ☐ Academic Institution /Scientific Community

☐ Private Sector ☒ Philanthropic Organization ☐ Other relevant actor

8.4. Contact Information

Sundaa Bridgett-Jones, Managing Director, Communications, Policy & Advocacy, The Rockefeller Foundation
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(212) 852-8406

8.5. Please select the geographical coverage of the Energy Compact

☒Africa ☒Asia and Pacific ☐Europe ☒Latin America and Caribbean ☐North America ☐West Asia ☐Global

8.6. Please select the Energy Compact thematic focus area(s)

☒ Energy Access ☒ Energy Transition ☒ Enabling SDGs through inclusive just Energy Transitions ☒ Innovation, Technology and Data ☒ Finance and Investment.

SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.