Green Economy, Growth & Innovation:
Countries, Regions & Cities

Copenhagen, 03.11.2014

ABOUT THE R20: REGIONS OF CLIMATE ACTION

- **Inspired by the environmental history of California and to support sub-national authorities in the creation of sustainable infrastructure projects the R20 Regions of Climate Action was founded in 2010 by Governor Arnold Schwarzenegger in cooperation with the United Nations.**

- **The R20 is a global facilitator and a platform to connect various stakeholders:** national and subnational governments; businesses; financial institutions; academic institutions; non-profit organizations; intergovernmental organizations, and the United Nations. R20 is a partner of UN Agencies, including UNDP, UNEP, UNSE4ALL and UNOPS .

- **Today, Connecting over 500 states, provinces and other regional members & affiliates.**

- **The R20 is a non-profit organization, reinvesting profits in the delivery of its mission.**

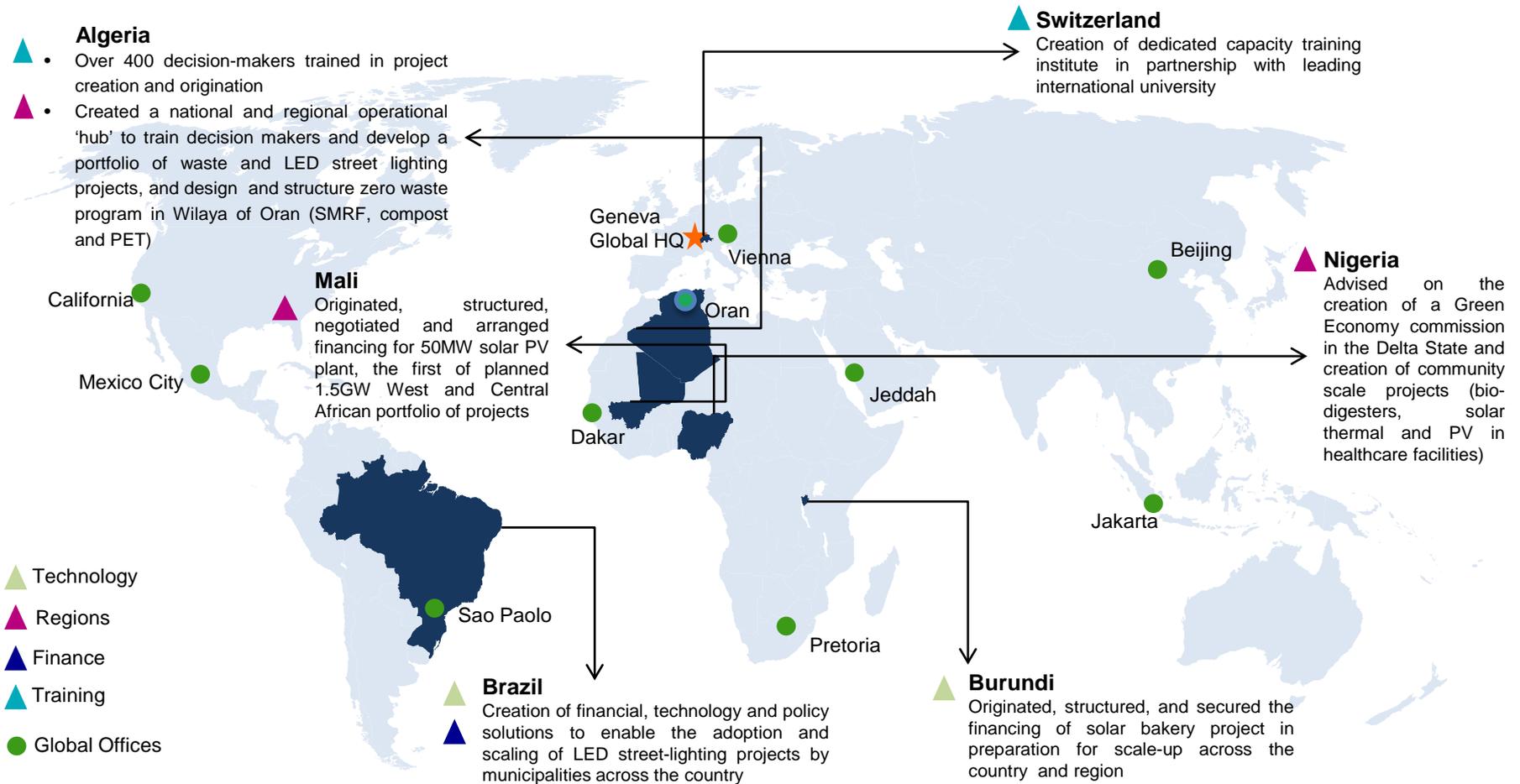- **Today R20 focuses on Renewable Energy, Energy Efficiency and Waste Management**

"R20 is not just another NGO or network of regions, it is much more than that. It is a real coalition of forces which believe that climate change and green economic development can be tackled at the subnational level."

Governor Arnold Schwarzenegger

Switzerland
Creation of dedicated capacity training institute in partnership with leading international university

Algeria
- Over 400 decision-makers trained in project creation and origination
- Created a national and regional operational 'hub' to train decision makers and develop a portfolio of waste and LED street lighting projects, and design and structure zero waste program in Wilaya of Oran (SMRF, compost and PET)

Mali
Originated, structured, negotiated and arranged financing for 50MW solar PV plant, the first of planned 1.5GW West and Central African portfolio of projects

Nigeria
Advised on the creation of a Green Economy commission in the Delta State and creation of community scale projects (bio-digesters, solar thermal and PV in healthcare facilities)

Geneva Global HQ

California

Mexico City

Vienna

Beijing

Oran

Jeddah

Dakar

Jakarta

Sao Paolo

Pretoria

Brazil
Creation of financial, technology and policy solutions to enable the adoption and scaling of LED street-lighting projects by municipalities across the country

Burundi
Originated, structured, and secured the financing of solar bakery project in preparation for scale-up across the country and region

▲ Technology
▲ Regions
▲ Finance
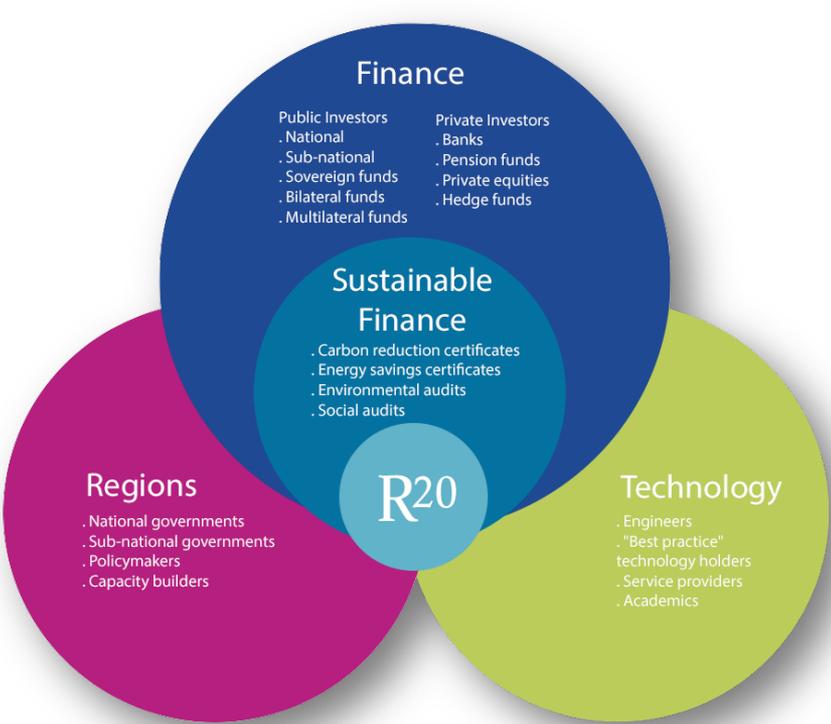▲ Training
● Global Offices

REGIONS OF CLIMATE ACTION

GREEN GROWTH BEST PRACTICE REPORT

- **Green Growth in Practice: Lessons from Country Experiences** is the first comprehensive global assessment of lessons from green growth programs across all levels of government and all regions. Published by the Global Green Growth Institute, this report provides a rich analysis of green growth planning, analysis implementation and monitoring approaches. The analysis is drawn from a review of more than 60 green growth programs around the world, and involved over 75 authors.

- **R20 has been involved in chapter "Integrating Subnational Action"**

- Based on literature review and case studies, the key lessons of the chapter were identified and grouped under 4 themes:

  •Incentives *
  •Capacity building
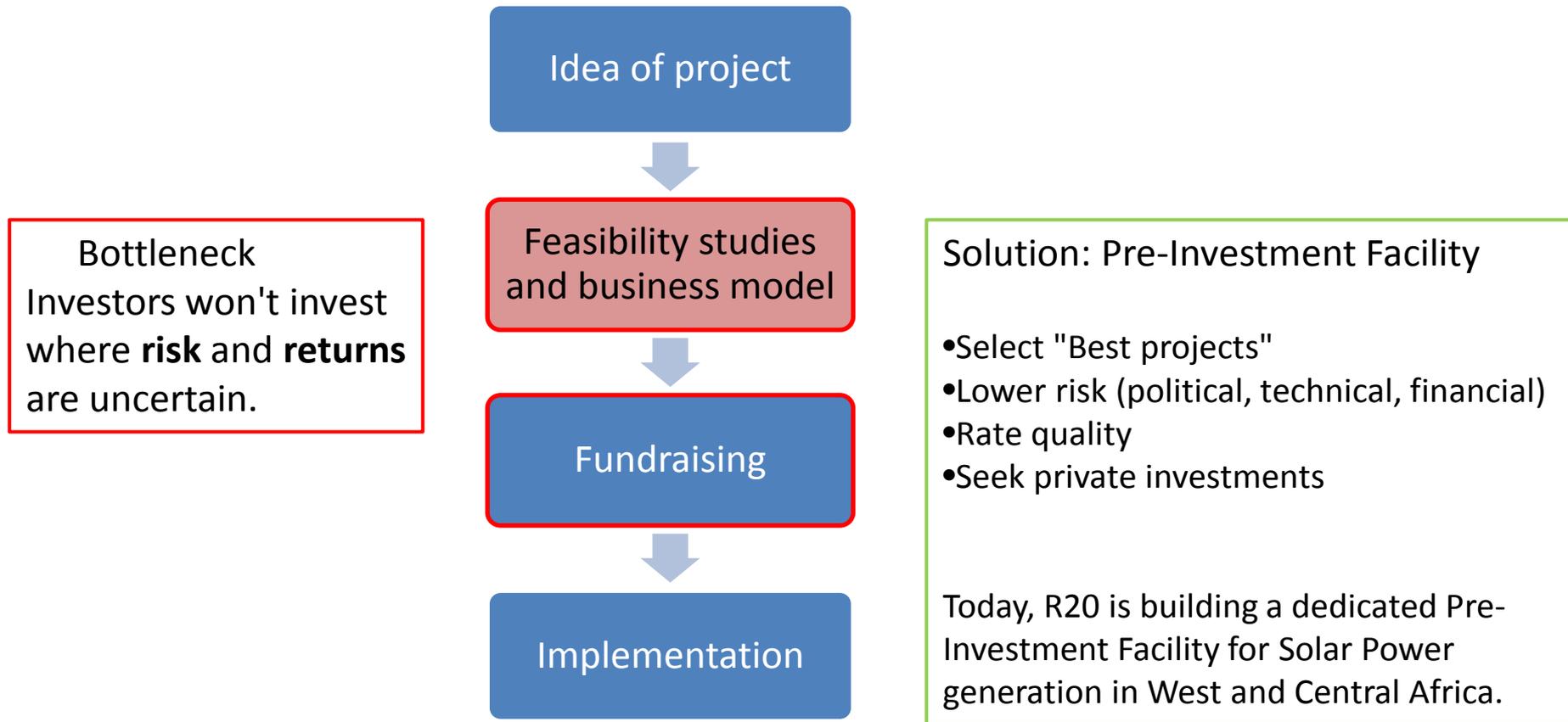 •Joint action
  •Communication *

  The chapter identified several examples that showcase innovation for building the green economy at the subnational level, and how R20 is at the forefront of this effort.

R20's unique business model brings together all 3 stakeholder groups: **Policy makers, Investors and Technology providers**

R20 works with all 3 stakeholder groups to complete the value chain

Finance

Public Investors
. National
. Sub-national
. Sovereign funds
. Bilateral funds
. Multilateral funds

Private Investors
. Banks
. Pension funds
. Private equities
. Hedge funds

Sustainable Finance
. Carbon reduction certificates
. Energy savings certificates
. Environmental audits
. Social audits

R20

Regions
. National governments
. Sub-national governments
. Policymakers
. Capacity builders

Technology
. Engineers
. "Best practice" technology holders
. Service providers
. Academics

Build Capacity / Training / Policy dialogue

Identify & prepare projects for investment

Secure finance

Idea of project

↓

Feasibility studies and business model

↓

Fundraising

↓

Implementation

Bottleneck
Investors won't invest where **risk** and **returns** are uncertain.

Solution: Pre-Investment Facility

• Select "Best projects"
• Lower risk (political, technical, financial)
• Rate quality
• Seek private investments

Today, R20 is building a dedicated Pre-Investment Facility for Solar Power generation in West and Central Africa.

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THE R20 FINANCING ECOSYSTEM

Pre-Investment Facility

Revolving Fund to finance feasibility studies and the preparation of projects for investment
(in partnership with UNOPS)

Private Equity / ESCO

Investing the equity part of the projects.

Loan

Securing the debt part of the investment

- **Switch street lighting to smart LED (featured actions)**

  - Incentives
    - Utilisation of ESCo
    - Switch « hardware » to « service »

  - Capacity building
    - Organization of regular workshops and training sessions with local stakeholders
    - Organization of site visits in Biggest European demonstration village

  - Joint action
    - Implication of other Wilayas to the project
    - Creation of National ESCo dedicated for lighting
    - Creation of Algerian Smart lighting dedicated operator.

  - Communication
    - Creation of smart lighting steering committee in Oran (regular meeting, min 1 per month)

Build Capacity / Training / Policy dialogue

Identify & prepare projects for investment

Secure finance

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Thank you for your attention.

Questions, Comments?

R20 Regions of Climate Action

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