

PROJECT PROPOSAL

PPP STANDARDS FOR RENEWABLE ENERGY DEVELOPMENT

In concert with the Sustainable Energy for All initiative, UN member States are fast adopting energy policies and laws to encourage use of renewable energy sources, and they are looking to different financing, legal and commercial frameworks to leverage private capital and expertise to support the deployment of these renewable energy sources. Against this background, there has been a growing interest in the role the private sector could play in renewable energy generation, in particular through the promotion of PPPs. The UNECE International PPP Centre of Excellence (ICoE), in line with the United Nations Millennium Development Goals and the post-2015 Development Agenda, is initiating the development of Public Private Partnership (PPP) standards in the renewable energy sector.

1. Project purpose

The purpose of this project is to develop a UNECE standard or standards reflecting international best practice in PPPs for variable on-grid renewable energy development (wind and solar). These standards will assist governments in the establishment of national targets and legal, regulatory, commercial and policy frameworks for variable renewable energy development.

2. Project scope

Governments have been confronted with the difficulty to identify the right projects or the right PPP models from successful international PPP experience that can be used as a basis for their own programmes. Access to international best practices is a remedy against repeating common mistakes and building efficiency into national PPP programmes.

In order to develop a PPP standard or standards, the project will assess different models of PPPs for variable on-grid renewable energy development pertaining to different project scales (small, medium and large), using the Project Team members' experience in markets where PPPs are used to deliver renewable energy services.

In addition, the Project Team will focus on policy, more precisely, on how a robust PPP variable renewable energy programme aligns with a country's general energy policy (with an energy for all optic), and will recommend best practice for the establishment and management of such programme within the wider energy framework of a country. Due to the variable nature of wind and solar energy it is important for the wider energy policy and framework to incorporate a careful analysis and management of additional factors such as back-up generation, system modification and grid accessibility for variable energy. The Project Team will also, where possible, focus on those PPP projects that failed to deliver, and will look at the factors that contributed to these failures.

3. Project deliverables

The project deliverables are:

1. A review of the existing PPPs in variable renewable energy development;
2. A review of the wider energy infrastructure requirements (production, transmission, interconnection and distribution) for the establishment and management of a robust PPP variable renewable energy programme; and
3. A specific standard under each of the following:
 - PPPs for the development and use of solar renewable energy technology; and
 - PPPs for the development and use of wind renewable energy technology.

4. Geographical focus

The UN standard is a global standard, but the project risk allocation between the public and private sector for PPPs in developing countries is different to that in developed countries. Due to that the focus on applicability will be on developing countries and economies in transition. The Team Leader may identify regional leaders/focal points to ensure a widespread coverage.

5. Project Team membership and required functional expertise

Membership is open to experts with broad knowledge in the area of renewable energy PPPs and projects, especially in low and middle income countries. The Team may also require expertise from established PPP markets. English is the working language of the Project Team.

6. Project Leader

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7. Resource requirements

Participants in the project shall provide resources for their own participation. The existence and functioning of the project shall not require any additional resources from the UNECE secretariat.

8. Timetable

April 2015:	Project initiation and approval by the Bureau of the UNECE Team of Specialists on PPP
July 2015:	First draft ready for review by key stakeholders
September to October 2015:	Publication of draft standards on UNECE website for public review
December 2015:	Endorsement of draft standards by TOS PPP Bureau
December 2015:	Draft standard submitted to CECI