Support to the OECD Clean Energy Finance and Investment Mobilisation (CEFIM) Programme, 2025-2028

Key results:

- Mobilised finance and investment in renewable energy and energy efficiency in emerging markets and developing economies (EMDE) through:
  - enhanced domestic policy and regulatory frameworks.
  - increased capacity, effectiveness, and collaboration of domestic public and private stakeholders in the countries engaged in the Programme.
  - increased capacity, effectiveness, and collaboration of public and private stakeholders regionally and internationally.
  - successful outreach and influence in regional and international cooperation landscape.

Justification for support:

- Urgent need to mobilise clean energy finance and investment in emerging markets as a priority for reaping the benefits of the clean energy transition, in support of climate mitigation and broader development and poverty reduction goals, and aligned with just transition, social inclusion and gender equality principles.
- Coupling country work with a cross-country approach on targeted catalytic levers to share knowledge and build capacity at scale.
- Whole-of-government approach, leveraging OECD's convening power, neutrality, evidence-based analysis, and expertise.
- Learnings and results demonstrated under CEFIM's first phase will be leveraged and expanded, and in addition to mitigation, phase II CEFIM interventions can directly contribute to development and poverty reduction goals.
- Thematic focus and delivery modalities that add value to an area not sufficiently covered by actors and initiatives in the international institutional architecture.
- Fully aligned with Denmark's policy priorities including those expressed in Denmark's Strategy "The World We Share".
- Complementarity to other multilateral and bilateral cooperation supported by Denmark to be further developed under phase II.

Major risks and challenges:

- Regional implications of global geopolitical tensions and related economic conditions (e.g. high inflation), and risk of populism, or changing political priorities in the partner countries, undermining support for clean energy transition.
- Inadequate capacity or frequent changes in partner country institutions.
- Risk of potential duplication or overlap of efforts or lack of sufficient coordination and synergies in a dynamic and complex institutional architecture.

File No.	Public 360 No. 23/33913				
Country	India, Indonesia, Philippines, Vietnam, and South Africa - and targeted cross-country work.				
Responsible Unit	Green Diplomacy and Climate (KLIMA)				
Sector	Energy				
Partner	OECD				
DKK million	**2025**	**2026**	**2027**	**2028**	**Total**
Commitment	42.00				42.00
Projected disbursement	12.40	9.80	10.00	9.80 -	42.00
Duration	2025-2028				
Previous grants	DKK 35.0 million 2019-2023 (no cost extended to mid-2024)				
Finance Act code	06.34.01.70				
Head of unit	Anne Hougaard Jensen				
Desk officer	Merete Villum Pedersen				
Reviewed, CFO	Jacob Strange/Rie Høygaard Jensen				

No Poverty	No Hunger	Good Health, Wellbeing	Quality Education	Gender Equality	Clean Water, Sanitation
Affordable Clean Energy	Decent Jobs, Econ. Growth	Industry, Innovation, Infrastructure	Reduced Inequalities	Sustainable Cities, Communities	Responsible Consumption & Production
Climate Action	Life below Water	Life on Land	Peace & Justice, strong Inst.	Partnerships for Goals	

Objective:

Private finance and investment mobilised for clean energy, particularly in renewable energy and energy efficiency, in the partner countries engaged in the Programme under Danish funding, as well as a broader set of ODA-eligible countries across regions, in order to align finance and investment with the goals of the Paris Agreement, the UAE Consensus, as well as broader just transition and poverty reduction considerations.

Environment and climate targeting - Principal objective (100%); Significant objective (50%)

	Climate adaptation	**Climate mitigation**	**Biodiversity**	**Other green/environment**
Indicate 0, 50% or 100%	0%	100%	0%	0%
Total green budget (DKK)	**-**	**42.0 million**	**-**	**-**

Justification for choice of partner:

OECD's convening power, neutrality, whole-of-government approach, evidence-based analysis, and expertise in finance and investment for clean energy transition and climate goals and OECD capacity in areas complementary to other institutions. Results achieved in the same countries engaged in the Programme through the first phase of Denmark's support for CEFIM as well as other donors.

Summary:

Voluntary Contribution (VC) to OECD to support its CEFIM programme to provide demand-driven, evidence-based, and tailored policy recommendations, capacity development, knowledge sharing, and technical expertise to strengthen the enabling environment for clean energy finance and investment and climate change mitigation in India, Indonesia, the Philippines, Vietnam and South Africa as well as at regional and international levels.

Budget:

Project budget at outcome level (to OECD)	DKK 39,148,975
OECD administration charge	DKK 2,601,025
Total OECD allocation	DKK 41,750,000
Mandatory Mid-term Review administered by MFA	DKK 250,000
Total budget	**DKK 42,000,000**

Organisation for Economic Co-Operation and Development (OECD)
Ministry of Climate Energy and Utilities (MCEU)
Ministry of Foreign Affairs of Denmark (MFA)

Denmark's Support to the OECD Clean Energy Finance and Investment Mobilisation (CEFIM) Programme, 2025-2028

Concept note

For the Danida Programme Committee

Revised Draft 4 December 2024

MFA file: Public 360 No. 23/33913

Contents

1. Context, strategic considerations, rationale, and justification

1.1 Introduction and background

The Clean Energy[1] Finance and Investment Mobilisation (CEFIM) Programme[2] was established with the financial support[3] from Denmark to the Organisation for Economic Co-Operation and Development (OECD) with a focus on grid-scale renewable energy (RE) and energy efficiency (EE). The Danish voluntary contribution (VC) led other donor countries to support CEFIM, diversifying its funding base to include the Governments of Germany, Egypt, Australia, and Canada. Initially launched in five countries (Colombia, India, Indonesia, Thailand, and Vietnam) with funding from Denmark, the CEFIM Programme currently covers eight countries: Colombia, Egypt, India, Indonesia, the Philippines, South Africa, Thailand, and Vietnam. The engagement by the CEFIM Programme in the initial five countries led to (i) additional requests from existing countries for more CEFIM activities related to financing clean energy transitions, and (ii) the expansion of the CEFIM Programme's geographical scope. The expansion also responds to partner countries' requests for a wider technology and sectoral scope of the CEFIM Programme, including e.g. mobilisation of finance and investment for decarbonisation of heavy industry and its sub-sectors, and transmission grid financing to facilitate the integration of renewables in the grid.

The concept note is scheduled to be presented to the Danida Programme Committee at its meeting on 17 December 2024 and describes the proposed renewed Danish VC to OECD for the CEFIM Programme, for the four-year period 2025-2028. This document describe the project from Denmark's perspective, , outlining the background, context, rationale and justification, objective, thematic and geographical focus, theory of change and early draft results framework at outcome level, as well as management arrangements for development cooperation concerning Denmark's grant support to CEFIM.

This concept note for the VC to be proposed to the OECD is being formulated since early 2024 by the MFA Department for Green Diplomacy and Climate (MFA (KLIMA)) in liaison with the Danish Ministry of Climate Energy and Utilities (MCEU) and with inputs from the OECD CEFIM team and support from an external process consultant. The present document will, based on the Programme Committee's conclusions and recommendations, and subject to OECD's inputs, comments and revisions, be elaborated into a full Project Document (PD) consistent with Danida Guidelines, and the PD will be the subject of an MFA appraisal scheduled for September 2024. After taking the appraisal recommendations into account, the final PD will be presented to the Council for Development Policy on 21 November 2024 and then to the Danish Minister for Development Cooperation and Global Climate Policy and to the OECD for final review and approval with a view to the MFA signing a Grant Agreement with OECD and making a commitment of the first tranche of funding in early 2025 (please see the Process Action Plan (PAP) in Annex B for further details in the process).

1.2 Context

The key challenges and urgency of action:

As stressed by the Intergovernmental Panel on Climate Change (IPCC)'s Sixth Assessment Report (AR6), exceeding the 1.5°C target may trigger several tipping points, leading to severe and irreversible climate change, and the window of opportunity window to secure a "liveable and sustainable future

[1] Clean energy is defined by the International Energy Agency (IEA) as the following: "In power, clean energy includes generation from renewable sources, nuclear, fossil fuels fitted with carbon capture, utilisation and storage (CCUS), battery storage, and electricity grids. In efficiency, clean energy includes energy efficiency in buildings, industry, and transport excluding aviation bunkers and domestic navigation. In end-use applications, clean energy includes direct use of renewables; electric vehicles; electrification in buildings, industry and international marine transport; CCUS in industry and direct air capture. In fuel supply, clean energy includes low-emissions fuels". IEA (2023), Net Zero Roadmap A Global Pathway to Keep the 1.5 °C Goal in Reach, 2023 Update.

[2] Hereinafter just referred to as CEFIM in short.

[3] VC of DKK 35.0 million for 2019-2023, no-cost extended to end June 2024.

for all" is rapidly closing.[4] During the 28th Conference of the Parties (COP28) of the United Nations Framework Convention on Climate Change (UNFCCC) in December 2023, countries reached a landmark agreement to bring a sectoral approach to achieve the goals of the Paris Agreement, especially on climate mitigation. Under the "UAE Consensus"[5], countries agreed to transitioning away from all fossil fuels in energy systems, in a just, orderly, and equitable manner in this decade to enable the world to reach net zero emissions by 2050, and tripling RE capacity and doubling EE by 2030.

Accelerating energy transitions in emerging markets and developing economies (EMDEs) is critical to achieve the goals of the Paris Agreement (including the 1.5-degree Celsius goal and article 2.1c) and UAE Consensus. EMDEs' emissions are projected to increase by 5 gigatonnes (Gt) over the next two decades.[6] Energy represents almost 75% of global greenhouse gas (GHG) emissions, with EMDEs other than China representing around 40% of historical emissions.[7] Transforming energy systems, including in energy-supply (power) and end-use sectors (e.g. buildings), requires massive scaling up of investments in RE and EE.

Delivering just energy transitions and improving access to affordable clean energy in EMDEs is also essential to achieve poverty reduction and broader sustainable development goals (SDGs), with important energy security, energy access and affordability considerations, as well as significant public benefits from reduced emissions.[8] Scaling up RE and EE can meet growing energy demand, help phase-down fossil fuel-fired power generation and reduce energy costs in EMDEs and preserve fiscal space for development spending by enabling the removal of costly fossil-fuel subsidies.

The need to mobilise finance and investment in support of clean energy transition in emerging economies:
Achieving climate, poverty reduction and broader SDGs will require unprecedented scaling-up of investment in clean energy in EMDEs, which will need to reach USD 1.4-1.9 trillion per year by early 2030s (excluding China) to ensure sustainable economic growth, job creation and full energy access.[9]

Scaling up financial flows in support of clean energy transition in emerging economies applies to all forms of finance, whether public, private or a blend of both.[10] Concessional finance will remain indispensable, but public finance alone cannot fill the investment gap given current fiscal and debt sustainability constraints. Yet today energy investments in EMDEs rely primarily on public finance.[11] Over 70% of clean energy investments will need to be privately financed to meet climate goals, especially in RE and EE.[12]

Clean energy infrastructure investment can appeal to private investors, especially institutional investors. Renewable power technologies are increasingly cost-competitive and commercially viable, especially solar photovoltaic (PV) and wind. PV module prices for instance have fallen by around 90% since 2009, while wind turbine prices have fallen by 49-78% since 2010.[13] As a result, in 2020, 83% of commitments in solar PV were made by private investors.[14] Still, private investment in clean energy needs to significantly increase in EMDEs by 2030 to meet climate and development goals.

There is no shortage of globally available capital. OECD and G20 institutional investors alone have at least USD 64 trillion of assets under management. Yet they hold only USD 314 billion are green

[4] IPCC (2023), *Synthesis Report (SYR) of the IPCC Sixth Assessment Report (AR6)*, Summary for Policymakers.
[5] https://cop28.com › UAE consensus
[6] IEA (2021), *Financing Clean Energy Transitions in Emerging and Developing Economies*, World *Energy* Investment 2021 Special Report in collaboration with the World Bank and the World Economic Forum.
[7] World Resources Institute (WRI) (2022), *Climate Watch Historical GHG Emissions*.
[8] Songwe V., N. Stern and A. Bhattacharya (2022), *Finance for climate action: Scaling up investment for climate and development*, Report of the Independent High-Level Expert Group on Climate Finance, Grantham Research Institute on Climate Change and the Environment, London School of Economics and Political Science, London; This is especially needed as the poverty reduction efforts have been affected by the COVID-19 pandemic and Russia's war against Ukraine. Conversely, supply chain disruptions and high inflation created by the war in Ukraine create opportunities to further accelerate the clean energy transition across countries to support energy security and price stability, despite outstanding challenges, e.g. due to tighter fiscal spaceS. Songwe, Stern and Bhattacharya, 2022; IEA (2023), "Russia's War on Ukraine: Analysing the impacts of Russia's invasion of Ukraine on global energy markets and international energy security", https://www.iea.org/topics/russias-war-on-ukraine, Accessed 14 April 2023.
[9] IEA, https://www.iea.org/reports/scaling-up-private-finance-for-clean-energy-in-emerging-and-developing-economies/key-findings
[10] OECD (2022e), *Ensuring a Resilience & Healthy Environment for All*, OECD Environment Ministerial, 30-31 March 2022, Key issues Paper.
[11] IEA, 2021.
[12] IEA, 2021.
[13] IRENA (2023), "Power generation costs", https://www.irena.org/Energy-Transition/Technology/Power-generation-costs, accessed 14 April 2023.
[14] IRENA and CPI, 2023.

infrastructure assets, mostly in OECD countries and only a very small share in EMDEs.[15] So, the challenge – and opportunity – is how to mobilise private sources of capital to accelerate the clean energy transition in EMDEs. This is precisely what the CEFIM Programme aims to achieve.

Key challenges to mobilise finance and investment in clean energy in emerging economies:
Private investment in clean energy is not flowing faster to EMDEs because of four main barriers that the CEFIM Programme directly addresses:[16]

- Unsupportive domestic enabling conditions and investment climate.
- Lack of pipelines of bankable clean energy projects.
- Mismatch between available pool of capital and bankable clean energy projects.
- Financial regulatory barriers and capacity gaps for financial market institutions in EMDEs and broader countries.

In addition, mobilising private finance and investment for RE and EE in EMDEs faces overarching, cross-cutting barriers addressed by the CEFIM Programme linked to:

- **Lack of coordination between government entities and with private stakeholders**, despite recent progress e.g. with the launch of country platforms such as Just Energy Transition Platforms (JETPs).
- Absence of one-size-fits-all solutions, given the large differences across countries and sectors, and the complexity of global value chains, **requiring tailored approaches to specific contexts,** which makes scaling up of finance for clean energy further challenging.
- **Lack of capacity** of public and private stakeholders, be it central banks, financial supervisors, financial markets participants, but also policy makers
- Outstanding **political economy challenges** in the power and buildings sectors. E.g. challenges to the integration of renewables into the grid are notably linked to issues with incumbent public utilities in the power sector; and challenges to unlock EE financing in buildings are linked to split incentives, lack of investor confidence, and transaction costs, among others.
- **Inefficient support of multilateral development banks (MDBs) and bilateral donors**. Although MDBs have increased their commitments for financing clean energy transitions, MDBs and donors are not leveraging enough private capital.
- **Other cross-cutting challenges** such as debt sustainability challenges, which further constrain governments' ability to support energy transitions.

Recognising those challenges, policy makers have a critical role to play in addressing each of those barriers, in co-operation with international organisations, development finance institutions, investors, project developers, and civil society. Key priorities, which are all covered by the CEFIM Programme, include:

i. **Strengthening domestic enabling conditions for investment in clean energy projects by addressing targeted bottlenecks across key policy and regulatory areas**: *investment policy*, e.g. by removing barriers to foreign direct investment in clean energy; *investment promotion and facilitation*, by setting clear policy signals and adopting coherent regulation and ambitious climate policies (e.g. with development of carbon markets for financial market institutions to participate, aligning investment promotion incentives for clean energy, and improving licensing and permitting procedures); *competition policy*, e.g. by addressing outstanding regulatory rigidities in electricity markets to ensure non-discriminatory treatment of private developers against state-owned enterprises in bidding for clean energy tenders; *Public governance*, e.g. by improving transmission

[15] OECD (2020), *Green Infrastructure in the Decade for Delivery: Assessing Institutional Investment,* Green Finance and Investment, OECD Publishing, Paris.
[16] Ang, G. (2019), https://warontherocks.com/2019/01/the-trillion-dollar-question-how-can-we-unlock-the-money-needed-to-transition-to-a-low-carbon-economy/

grid planning to facilitate the penetration of new renewable power projects into the grid; *corporate governance and responsible business conduct,* to ensure credibility of commitments of corporates to climate goals; and *trade policy*, e.g. by addressing the possible implications of critical minerals and associated trade restrictions on financing clean energy projects.

ii. **Creating a pipeline of bankable clean energy projects**, by taking a whole-of-government approach to infrastructure planning, including to unlock finance and investment in transmission grid infrastructure; enabling capacity and leadership of government agencies to champion the development of robust pipelines of bankable projects; ensuring transparency in developing sectoral clean energy infrastructure investment plans; encouraging the development of a diverse set of bankable clean energy projects that meet domestic policy goals and promote suitable business models with strong eligibility criteria; promoting fast-track suitable infrastructure project investment; setting project preparation facilities; etc.

iii. **Catalysing finance through blended finance, investment vehicles, derisking financing instruments, platforms for clean energy projects and transaction enablers**, highlighting the important role of MDBs and donors to increase effectiveness of support and increase private finance mobilisation. De-risking investment mechanisms and financing solutions, such as energy savings insurance[17], other types of guarantees to mitigate specific risks (e.g. currency risk), and transaction enablers, are critical to address mismatch between available pool of capital and bankable clean energy projects, high perceived or real risks and facilitate access to financing. Further efforts are also needed to improve the effectiveness of MDBs' and bilateral donors' support to leverage private sector investment.

iv. **Aligning financial regulations with clean energy transition, as well as climate and development objectives.** In emerging economies, central banks, finance ministries and financial supervisors have a critical role to play in building capacity of financial market institutions to (i) better assess and manage climate-related risks and opportunities, (ii) unlock green, sustainable finance for clean energy projects, and (iii) participate in upcoming new carbon markets and (iv) support disclosures and climate transition planning.

1.3 CEFIM intervention logic and implementation model

CEFIM Intervention logic

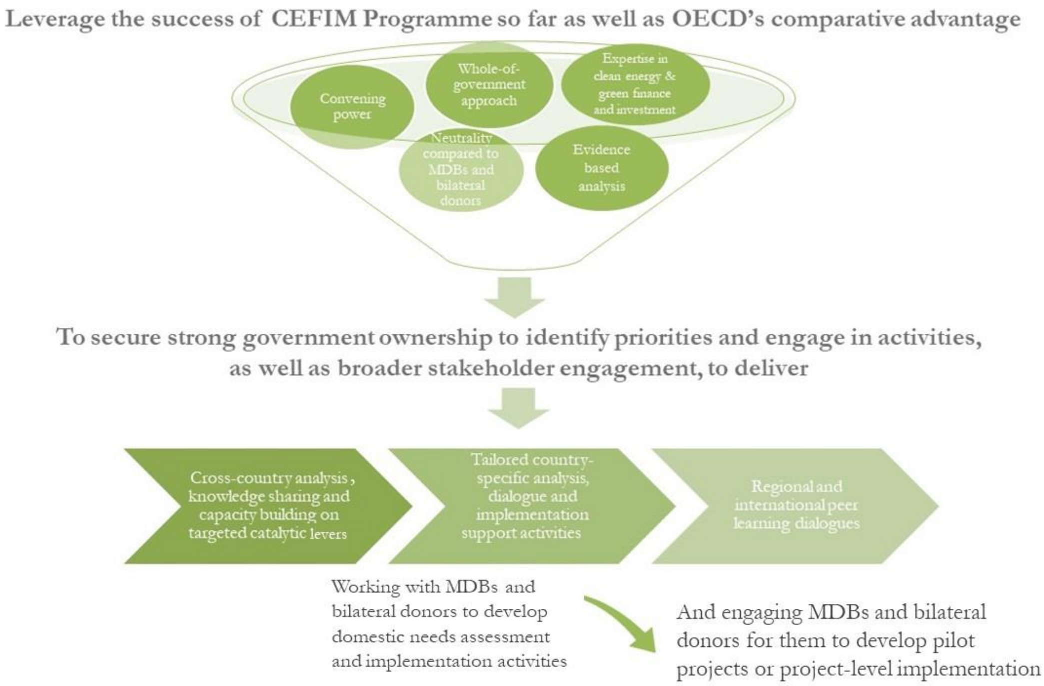
The CEFIM intervention logic (Figure 1.1) is to leverage OECD's convening power, whole-of-government approach, evidence-based analysis, neutrality from an ODA-disbursement perspective in the countries engaged in the Programme, and knowledge in green finance and investment, making OECD's expertise available as technical assistance to:

i. Selected EMDEs (through knowledge sharing and capacity building on international emerging or good practices on targeted issues) with a view to enhance domestic policy and regulatory frameworks for mobilising finance and investment in RE and EE, and increase capacity, effectiveness, and collaboration of domestic public and private stakeholders in the countries engaged in the Programme, as well as;

ii. A broader set of countries (through regional, sectoral or global knowledge sharing and capacity building on targeted, actionable tools, approaches and catalysing solutions), with a view to increase capacity, effectiveness and collaboration of public and private stakeholders regionally and internationally.

[17] Energy savings insurance (ESI) is an innovative financial instrument that covers project paybacks from investments in capital-intensive energy efficiency improvements and technologies. ESI can help build investor and market confidence in energy performance contracting and the Energy Services Companies (ESCO) model and improve access to low-cost finance for energy efficiency projects

Figure 1.1: Illustration of the CEFIM implementation model

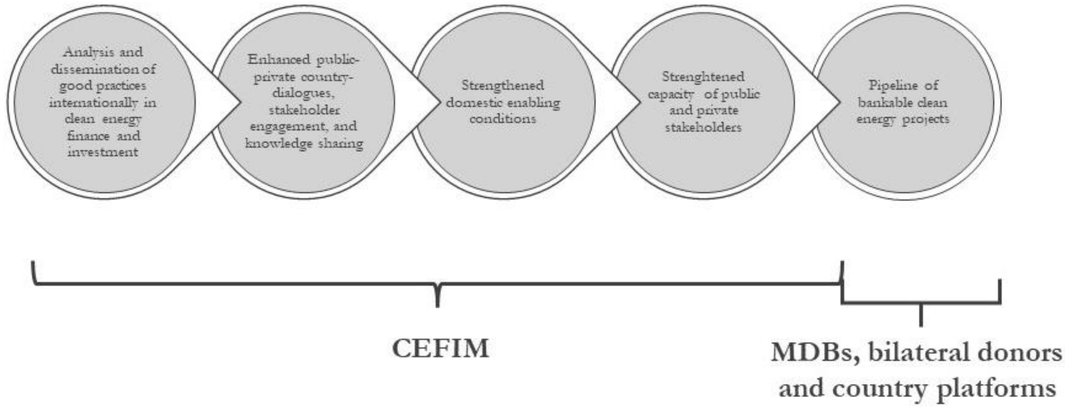


By providing (i) a whole-of-government approach, targeted technical assistance and capacity building support on clean energy finance and investment in line with demand from beneficiary country governments, as well as (ii) cross-cutting, cross-country knowledge sharing and capacity building, the vision is to contribute to accelerating the clean energy transition at sufficient scale and pace and create further opportunities for clean energy finance and investment.

Under CEFIM, the OECD provides targeted technical assistance and capacity development support through two channels: (i) sharing of international good practices on targeted issues through international virtual or hybrid workshops; and (ii) in-country implementation support activities thanks to local support and collaboration with government and relevant partners.

More specifically, CEFIM aims to create a powerful engagement between key actors, whether domestic and international, or public and private, to accelerate the energy transition. Its long-lasting relationship with partner countries has already successfully enabled the OECD to deepen its relationship with EMDEs through close engagement at country level. As stakeholder engagement is the cornerstone of CEFIM, partner countries, domestic government entities, key private sector stakeholders, domestic and international finance institutions are engaged in a wide range of OECD activities developed under the mandate of the Working Party on Finance and Investment for Environmental Goals (WPFIEG) of the OECD Environment Policy Committee (EPOC). Through an integrated approach, adapted to each country based on their needs and requests, under CEFIM, the OECD implements in close engagement and consultation with countries a range of activities, including reviews and roadmaps of national clean energy finance and investment policies and regulations, peer learning exchanges, workshops, best practice cases, toolkits, etc., which are all designed to increase the potential for the design and implementation of bankable clean energy technology projects.

Figure 1.2: Lifecycle analysis of CEFIM's areas of intervention and influence over key steps to mobilise clean energy finance and investment



Indeed, many EMDEs are engaged with multiple international development programmes in the field of energy and climate, but CEFIM fills an important gap. With its unique focus on finance and investment mobilisation, the programme distinguishes itself from the work in EMDEs undertaken by other international organisations, development partners and think tanks. CEFIM leverages its interventions through strategic engagements and follow-up via MDBs and other development finance institutions (DFIs) that often operate at project-level. What distinguishes CEFIM from other international energy organisations (such as IEA or IRENA) is the OECD's whole-of-government approach and reach across government levels, including Ministries of Finance, central banks, financial supervisors, etc. For example, under the CEFIM Programme, the OECD is working with the financial supervisory authority (OJK) of Indonesia on a range of activities linked to clean energy finance, such as EE guidance for financial market institutions, energy savings insurance, blended finance, carbon markets and transition finance. The OECD is also finalising the next phase of the CEFIM Programme in the Philippines, working with the central bank of the Philippines BSP (confirmed), and in Vietnam, working with the Ministry of Finance.

Importantly, the OECD, through the CEFIM Programme, provides neutral support from an ODA-disbursement point of view, compared to MDBs or bilateral donors, in the partner countries at the policy- and macro-economic level. In facilitating this, CEFIM team engages and works closely with energy, climate, and sustainable finance policy makers from across the ministries of energy, finance, development and environment, financial institutions, development partners and other stakeholders to identify and support the development of innovative financing solutions. In addition, through implementation in Phase I of the Programme, demand-driven stakeholder engagement and consultations in developing activities such as Clean Energy Finance and Investment Reviews or Roadmaps, the OECD has secured strong government engagement and ownership and built a long-lasting relationship with key government ministries and bodies, as well as engaged key public and private stakeholders to understand outstanding barriers and discuss policy priorities to strengthen domestic enabling conditions. Then, through follow-up implementation activities such as capacity development and knowledge sharing workshops, the OECD helps addressing barriers and implementing solutions. In the proposed Phase II of the CEFIM Programme, which will be supported by the Danish contribution, the intention is to leverage the existing relationships and engagement with the governments and key public and private stakeholders to further build capacity and achieve impact on targeted bottlenecks and catalytic levers.

CEFIM implementation model

Figure 1.1 (page 6) briefly illustrates the CEFIM engagement and implementation model, and CEFIM's comparative advantage and influence over key steps to mobilise clean energy finance and investment is illustrated in Figure 1.2 (page 7). In Annex A, further information can be found in Figure A.2 illustrating CEFIM's levels of engagement and comparative positioning compared to other relevant organisations, and Figure A.3 provides a summary overview of CEFIM's thematic and geographical focus.

1.4 Key achievements and lessons learned relevant for project design

Under Phase 1 of CEFIM Programme, supported by the Danish contribution (2019-2024), CEFIM aimed to accelerate finance and investment for clean energy in the power and buildings sectors in five countries (Colombia, India, Indonesia, Thailand, and Vietnam) in order to reduce GHG emissions and achieve low-carbon development in support of the implementation of the Paris Agreement.

Key achievements vs. expected Phase 1 results: OECD's final narrative report to Denmark (June 2024) in relation to the activities funded by Denmark highlights CEFIM achievements from Phase 1. A summary of key results is provided below. Further information can be found in Annex A.2.

On the **Impact** level, results were reported against the indicator *"Total annual new investments in renewable power generation and EE buildings sector across the five countries"*. OECD reported that total annual investments in RE and EE in the buildings and industry sector in the five countries in the Programme are estimated at USD 57.6 billion in 2022, representing an increase in 37% compared to the 2017baseline, noting that 2023 investment data is not yet available as of June 2024.

Outcome #1 *"Strengthened domestic policy frameworks and enabling conditions for clean energy finance and investment"*, all targets were met in each of the five countries in the Programme:

- Results from CEFIMs work in Indonesia regarding target (i) *Government has improved existing legislation/regulation or set new and improved legislation/regulation, for at least 2 pieces of legislation/regulations, each addressing inconsistencies or incoherence within core climate/energy policies or broader investment conditions*: Indonesia's Financial Supervisory Authority (OJK) is developing a guidance on EE for financial market institutions with support from CEFIM. And energy savings insurance (ESI) has become a development focus for OJK's insurance development team in 2023, and a priority for OJK's ongoing work as part CEFIM-OJK staff-on-loan programme ongoing since 2022. This staff-on-loan programme was set up as a direct result from the recommendations from the *Clean Energy Finance and Investment Review of Indonesia* launched in 2021 by CEFIM under the first Danish VC, to build capacity for financial market institutions and expand training programmes on clean energy finance and investment. Note that CEFIM has also established an annual Clean Energy Finance and Investment Training Week in 2022, 2023 and 2024 with OJK and MEMR as a direct result from the recommendations in the Review.
- Results from activities under CEFIM in Indonesia and India regarding target (ii) *Implementation and enforcement has improved for at least two policies/regulations/programmes/plans*.
  In Indonesia, a sustainable finance taxonomy was released in January 2022 by OJK that benefited from technical support from CEFIM. And in India, directly building on one of the key recommendations from the Danish-funded *Clean Energy Finance and Investment Roadmap of India* (2022), India's Bureau of EE has asked CEFIM to develop an implementation roadmap for energy savings insurance in 2024-26. Building on the Roadmap's recommendation, CEFIM also held the first international focus group discussion on energy savings insurance in March 2023, jointly with BEE (and Indonesia's MEMR), and CEFIM, ADB and BEE jointly held a dialogue in Delhi in February 2024 on ESI in India.

Outcome #2 *"Increased private sector activity in development and financing of "bankable" clean energy investments"*:

- An ex-post investor survey suggested that across all five countries, the investment climate for clean energy projects has generally improved, with Indonesia, India, and Thailand receiving particularly positive feedback. There is a general trend of moderate improvement in both collaboration and capacity for clean energy projects (noted by 64% of respondents). Specifically, government capacity to develop pipelines of bankable clean energy projects and facilitate clean energy financing has seen an overall moderate improvement in India, Indonesia and Thailand in particular. The majority of respondents also reported that their organisations improved their capacity and understanding of investment opportunities in clean energy projects in emerging markets (from 34% in 2018 to 62% in 2023). There were however respondents giving more mixed responses in Colombia and Vietnam, with the latter mostly impacted by transmission grid bottlenecks which emerged when over 20 GW of solar capacity were added to the grid in two years' time. 34% of respondents in Colombia and 32% of respondents in Vietnam noted no improvement in the investment climate for clean energy in their respective countries.

On outputs and activities, the OECD implemented four core activities under the CEFIM Programme: i) *the development of a Clean Energy Finance and Investment Policy Review or Roadmap*, ii) *implementation support activities*, iii) *investor dialogues*, and iv) *regional peer learning*. All activities were completed and most targets were met by end-2023, except the Thailand Roadmap and associated regional peer learning event that were finalised on 19 June 2024 in Bangkok, following a six months no-cost extension of Phase I[18].

Annex A.2 provides further details on results and achievements.

Lessons learnt

Based on close consultations with partner countries, donors, and other development partners, CEFIM's experience indicates a need to increase focus on targeted catalytic levers for mobilising clean energy finance and investment as elaborated in Section 2.2 (project description). Country-level work remains critically important but needs to be further complemented with cross-country knowledge sharing and capacity building to mobilise at sufficient scale on targeted topics. More specifically:

There are benefits of deepening country-level work in existing CEFIM partner countries: Country platforms such as JETPs[19], despite limitations, will continue to drive momentum on mobilisation of clean energy finance and investment; country level work also enable to focus support towards high-growth countries that are priorities for OECD Member countries in terms of mitigation goals; country-level work also enables to operationalise OECD's whole of government approach, by fostering coordination amongst relevant ministries and regulators on practical issues, while accounting that national circumstances and mandates differ in terms of ministerial lead on clean energy transition and sustainable finance across countries.

There is a need to expand cross-country work: The growing interest in cross-country work, demonstrated by partner countries, reflects the significant benefits of sharing knowledge and building capacity across countries on relevant issues, making such work relevant not just for CEFIM partner countries, but also to a broader number of EMDEs. One example to illustrate this point relates to new work under CEFIM on transmission grid financing.

Given the relative maturity of clean energy financing in power and buildings sectors, there is increasing need for strategic focus on targeted catalytic levers: This includes transmission grid financing, de-risking instruments to EE financing such as energy savings insurance (ESI), currency risk mitigation, pooling and aggregation instruments for small-scale renewables and EE projects, etc. This also means that whole-of-sector analysis of investment conditions such as country policy reviews, as well as implementation country roadmaps, both cornerstones of the first phase of the CEFIM programme, are not foreseen under the new Danish VC.

[18] As requested by the OECD to Denmark, due to impacts of the global COVID-19 pandemic on the implementation of the CEFIM Programme. The pandemic significantly limited travel and in-person engagement of the OECD staff funded under the Danish VC in 2020 and 2021, as well as additional challenges to engage the Thai Government.
[19] See Annex A2 for further information on how the OECD engages with country platforms under the CEFIM Programme.

Given OECD's comparative advantages in finance and investment, CEFIM energy-related work is increasingly **focusing on the supply-side** of financing clean energy projects, working closely with ministries, financial supervisors, central banks, and other financial regulators, building on OECD's mandate. In addition, there is increased awareness from financial regulators and supervisors in CEFIM partner countries on the role of both public and private financial actors to help unlock finance and investment for clean energy, beyond the traditional involvement of energy ministries.

The increasing importance of addressing the socio-economic aspects of a just and equitable energy transition: Supporting a just and equitable energy transition is a key issue, implying an increasing focus on engaging local communities and civil society. RE has an essential role as a low-cost and secure source of energy for communities, particularly those that live in poverty. Likewise, EE savings create local opportunities, e.g. in SMEs, for the CEFIM Programme to support in close collaboration with OECD Platform on Financing SMEs for Sustainability.[20] There is also an increasing interest to draw on OECD's finance mobilisation expertise in the context of country platforms, especially JETPs. The comparative advantage of the CEFIM Programme to feed into the JETP's stems from the increasing recognition that meeting JETP's objectives to unlock a pipeline of bankable clean energy projects requires unlocking outstanding bottlenecks (e.g. transmission grid financing) and developing appropriate financial instruments, and that just securing ODA for clean energy projects does not suffice.

Last but not least, where the focus of the CEFIM work funded by the first Danish VC was clearly on grid-scale renewables and EE in the building sector, the proposed scope of the activities to be funded under the new VC would expand to also include (i) distributed, small-scale renewables, and (ii) EE for micro-, small- and medium-size enterprises (MSMEs), in order to ensure the contribution provided under CEFIM to both climate mitigation, energy access and poverty reduction goals in some of the targeted countries.

1.5 Rationale and justification

The rationale for Denmark's support is based on response to the above-cited needs, challenges, and opportunities, with a strategic objective of bringing OECD's financial and economic expertise and whole-of government approach into play in selected EMDEs, thereby contributing to the mobilisation of finance and investment for clean energy in support of the implementation of the Paris Agreement, the UAE Consensus[21] and SDG 13 (climate action), as well as SDG 7 (affordable and clean energy). The experience of the previous phase I of the Programme funded by the Denmark's support and lessons learned are also part of the justification for the proposed continued support. Annex A.3 summarises the justification for the proposed VC based on the OECD DAC criteria of relevance, coherence, effectiveness, efficiency, impact, and sustainability.[22]

1.6 Alignment with Denmark's priorities and strategic considerations

The proposed Phase II support for CEFIM will contribute to the clean energy transition in selected EMDEs that are major greenhouse gas (GHG) emitters. This will deliver directly on Objective 2 in *The World We Share: "Denmark must assume international leadership within reductions, green transition, and access to clean energy*. And *"Denmark will…. Strengthen the Danish SDG7 leadership and energy cooperation on green*

[20] Launched on 2 November 2021 on the margins of the COP26, the Platform provides a forum to advance knowledge sharing, data and analytical work, and policy dialogue on sustainable finance for SMEs. By bringing together public and private financial institutions, governments, Fintech companies, regulators and SME representatives, the Platform aims to bridge existing knowledge and awareness gaps and develop and share innovative, workable solutions and good practices for finance providers, SMEs and governments. This work aims to accelerate SMEs' and financial institutions' green transition. The OECD CEFIM Programme is discussing collaboration with the Platform on Vietnam and South Africa.

[21] The UAE Consensus (link) is the outcome document of the 28th Conference of the Parties (COP 28) to the United Nations Framework Convention on Climate Change held in November-December 2023 in Dubai, United Arab Emirates (UAE).

22 The OECD has defined six evaluation criteria – relevance, coherence, effectiveness, efficiency, impact and sustainability – and two principles for their use. These criteria provide a normative framework used to determine the merit or worth of a development intervention (policy, strategy, programme, project or activity). They serve as the basis upon which evaluative judgements are made. See OECD-DAC principles for evaluation of development assistance.

transition in developing countries, including promoting RE and EE. This applies particularly to growth economies with high emission levels". Support for CEFIM is also in line with the Strategy's emphasis on promoting ambitious national climate action plans that enable developing countries and growth economies to transition from fossil fuels to clean energy sources, including coal phase-out, and statements in the Strategy such as *"we inspire major CO_2 emitters to take ambitious climate action, through international cooperation on RE and EE."* Furthermore, the proposed VC is consistent with Danish development priorities and objectives expressed in the how-to-note[23] on energy transition and climate change mitigation, concerning: green and inclusive just and equitable energy transition, including phase-out of coal and other fossil fuels; promotion of RE, EE and electrification, so as to contribute to economic and social development, including job creation; ambitious national climate goals and action plans, as well as favourable framework conditions; cross-sectoral decarbonisation; and mobilisation of climate finance and reorientation of global and national financial flows.

It is also a key strategic consideration that supporting the clean energy transition has become security policy. Worldwide, the impact and aftermath of COVID-19 and geopolitical situation including the war in Ukraine and other conflicts have caused turmoil in the energy systems. From a strategic perspective, Denmark's support to CEFIM, is politically important for Denmark in the efforts to overcome the divide between the developing and developed countries and in the continued strong bridge-building role in the UNFCCC negotiations. The support also further sustains and synergises Denmark's influence at key international high-policy platforms and networks on clean energy transition such as the G20, G7-led JETPs, the COP-processes, the NDC Partnership, and the work within the UN and MDBs.

Support for OECD's CEFIM Programme also contributes to strengthening the ambitious Danish Climate Diplomacy through improved data, analysis and lessons learnt at country, regional and global level on pathways to just energy transitions. Several CEFIM partner countries also have MFA-designated Green Frontline Missions (including India, Indonesia, Vietnam and South Africa).

Finally, there are strong synergies with Denmark's bilateral energy and climate cooperation, as well as with many of Denmark's partnerships with other multilateral development partners such as IEA[24], IRENA, etc. The full Project Document will contain an overview of these synergies.

1.7 Target group considerations and cross-cutting concerns

Under the CEFIM Programme, the OECD works in a whole-of-government, whole-of-society approach and engages decision makers at various levels in beneficiary country governments, as well as sector experts, private sector actors, and civil society – working in coordination with other multilateral and bilateral development partners. The ultimate beneficiaries of the Danish support are enterprises and communities in ODA eligible EMDEs.

Denmark's support to CEFIM will directly target and mainstream climate mitigation goals. The Programme is currently not planning to target directly or mainstream climate adaptation and resilience objectives, although it will strive to consider possible co-benefits and trade-offs in terms of climate resilience, e.g. in relation to EE in the heating and cooling building sectors. Beyond climate change, under the CEFIM Programme, the OECD is currently not planning to target directly or mainstream other environmental objectives.

CEFIM Programme will directly contribute to Denmark's poverty reduction goals by broadening the technology and sectoral scope of its work from grid-scale renewables and EE in the building sector to distributed, small-scale renewables, and EE for MSMEs. This expanded sectoral scope not only meets emerging requests from the countries engaged in the Programme but also aims to ensure the

[23] How to - Energy transition and Emission Reductions in Development Countries
[24] Which is synergetic with CEFIM and IEA is part of the "OECD-family".

CEFIM Programme targets stakeholders key to achieve poverty reduction goals, including MSMEs, as well as population in remote or rural areas with lack of grid-scale electricity access.

While access to clean energy is not a human-right, CEFIM's work includes a key role in improving evidence-based recommendations and data for more well-informed decisions and contributing through its country engagement indirectly to the overall human rights "PANT" principles of participation, accountability, non-discrimination, and transparency.

Building on the OECD Gender Initiative that examines barriers to gender equality in education, employment, and entrepreneurship, the CEFIM Programme strives to mainstream gender equality[25] and women's empowerment within the programme's activities. The OECD is notably systematically tracking gender balance across all its implementation support activities. The OECD will consider the possible relevance of youth-related issues in its future work and activities, as well as possible trade-offs and co-benefits with climate-related actions, though youth-related issues will not be directly targeted.

1.8 Choice of implementing partner and support modality

The choice of OECD to support relies on its comparative advantages in relation to the mobilisation of finance and investment for clean energy. OECD's knowledge and analytical expertise is unique compared to MDBs and bilateral donors, and its ability to immediately convene experiences from other OECD member countries, and share international experiences, is highly complementary.

Compared to international energy organisations, OECD's expertise, capacity and convening power uses a whole-of-government approach on the *supply* side of clean energy financing, instead of focusing primarily on energy regulatory and policy contexts. OECD thus has capacity in areas that are complementary to other institutions, and OECD also has strategic engagements with many other institutions. The positive experience from phase I of the CEFIM Programme as well the lessons learned that were mentioned in Section 1.4 have also informed this choice. Annex A.1 contains a brief assessment of OECD/CEFIM and Annex A.2 provides further information on achievements.

Denmark's support modality is a VC earmarked geographically to ODA eligible EMDEs. As an OECD member since 1961, Denmark also provides an assessed core contribution to OECD, but the CEFIM Programme is fully VC/grant-funded.

2. Project objective and outline content

2.1 Objective

The overall objective and long-term goal of the Danish-funded part of CEFIM Programme is that private finance and investment is mobilised for clean energy, particularly in RE and EE, in the partner countries engaged in the Programme under Danish funding, as well as a broader set of ODA-eligible countries across regions, in order to align finance and investment with the goals[26] of the Paris Agreement and the UAE Consensus, as well as broader just transition and poverty reduction considerations.

2.2 Summary project description

Geographically, the project will focus on India, Indonesia, Philippines, Vietnam, and South Africa, as well as targeted cross-country work. The project will continue to build on the engagements developed, momentum gained, and results achieved through Denmark's support to the CEFIM programme's phase I in India, Indonesia, and Vietnam, while the Philippines and South Africa, which are existing countries receiving support under the CEFIM Programme through other VCs, will be new countries receiving support under the CEFIM Programme to be funded through the Danish VC.

[25] Canada's VC to CEFIM contributes to strengthening CEFIM's gender focus and capacity.
[26] Including the 1.5° Celsius goal and Article 2.1c of the Paris Agreement.

Thematically, the project will focus on demand-based topic areas within CEFIM's aforementioned work streams and Denmark's priorities. In all five countries, targeted support has been requested to mobilise finance and investment in RE and EE. This includes grid-scale and distributed renewable power as well as EE in commercial and public buildings and MSMEs. Related topics such as transmission grid infrastructure financing, blended finance, energy savings insurance (ESI), foreign exchange risk mitigation may also be included, depending on the country needs and requests. CEFIM will also contribute to JETPs and similar where relevant.

For India, Indonesia and Vietnam (countries benefitted from the CEFIM Programme funded under the first Danish VC), the primary aim is to operationalise and ensure action by both public and private stakeholders on the recommendations and outcomes of the Clean Energy Finance Investment Policy Review and Roadmaps that were undertaken jointly during Phase I with the respective governments.

Proposed activities within each partner countries, pending confirmation and interest from their governments, include:

- **India**: following a needs assessment for ESI in India to be completed by end-2024 (with funding from Canada, building on key recommendations from the Danish-funded Roadmap of India in 2022), engagement and consultation with India's Bureau of EE and relevant public and private stakeholders in India to develop an implementation roadmap of ESI in India, and identify pilot projects to be implemented by relevant development partners and industry associations. Further, in the absence of a JETP, the OECD was invited to co-lead a workstream on enabling conditions for unlocking finance and investment in RE as part of the new Indo-German Platform for Investments in Renewable Energies launched as an alternative to a JETP in India.
- **Indonesia**: 1) continued and new work with OJK to (i) further develop regulations and guidelines and provide capacity building for financial market institutions to invest in clean energy projects and (ii) analyse and support implementation and guidance on key financial instruments to unlock RE and EE in Indonesia, including ESI and guarantees; 2) continued and new work with Indonesia JETP Secretariat to analyse emerging good practices internationally on (i) innovative financial instruments to create pipelines of bankable projects in RE and EE and (ii) options to unlock financing for transmission grid; and 3) new work with MEMR on the implications of critical minerals for financing clean energy projects in Indonesia (following the confirmation of their interest).
- **The Philippines**: capacity building, knowledge sharing and/or training activities in support of investment and finance in offshore wind and EE will be a priority, building on work which has been initiated under the CEFIM with German funding. Furter activities will focus on: 1) New work with the central bank of the Philippines BSP on a range of issues for the bank to support clean energy finance and investment (funding approved); 2) Possible new work with the Securities and Exchange Commission (SEC) of the Philippines to help strengthen green financial market in the Philippines in support of clean energy transition; and 3) Trainings and capacity building activities with the Philipino Department of Energy and Public-Private Partnership (PPP) Center.
- **South Africa**: new work with the Ministry of Forestry, Fisheries and the Environment (following the confirmation of their interest) on unlocking financing for EE and community-scale RE. Further, potential work on transmission grid financing will be explored with the government.
- **Vietnam**: new work with the Ministry of Finance (pending final approval of the project proposal) in 2025-26 on a range of issues linked to clean energy finance and investment mobilisation. Requests to contribute to the JETP in Vietnam is also envisioned.

Annex A.4 provides a list of targeted issues already identified as priority by the countries engaged in the CEFIM Programme, as well as potential new targeted issues, based on interest from the countries engaged in the Programme.

In addition to the above-mentioned selected five countries, under the Programme, the OECD will also perform cross-country outreach activities to a broader set of ODA-eligible countries, including by engaging with the Sahel and West Africa Club (SWAC) to outreach CEFIM work to Sub-Saharan African countries and stakeholders. SWAC is an independent, international platform hosted at the OECD, which promotes regional policies to improve the economic and social well-being of people in the Sahel and West Africa.

3. Theory of change and key assumptions

From Denmark's perspective, the narrative theory of change (ToC) is briefly summarised as follows:

Box 3.1: Narrative Theory of Change for Denmark's proposed VC

If Denmark provides earmarked grant funding to OECD's CEFIM Programme in selected ODA eligible EMDEs and on substantive focus areas that reflect Denmark's priorities and where CEFIM has a distinct comparative advantage in responding to country demand and priorities.

And *if* Denmark continues to engage actively with the OECD under the CEFIM Programme through regular dialogue between the OECD CEFIM team and the Danish Ministry of Climate, Energy and Utilities (MCEU) CEFIM focal point, and with active outreach to and involvement of Danish representatives from ministries, agencies and embassies where relevant.

And *if* Denmark strives for synergy and complementarity with other Danish bilateral and multilateral cooperation on energy transition and climate change mitigation action.

Then, OECD will be able to:

- ➢ Continue and reinforce its engagement with partner countries to identify and address priority issues and relevant catalytic activities.
- ➢ Secure strong government and broader stakeholder engagement in the CEFIM activities in partner countries.
- ➢ Establish a relationship with relevant MDBs, bilateral counterparts and domestic institutions.
- ➢ Develop country-specific analysis, as well as knowledge sharing and capacity building activities.
- ➢ Provide targeted inputs to partner countries on draft regulations and guidelines.
- ➢ Develop needs assessment with implementation counterparts and encourage them to undertake project-level implementation.
- ➢ Undertake cross-country analytical research.
- ➢ Elaborate a flagship OECD publication on mobilisation of clean energy finance and investment in the countries engaged in the Programme funded under Danish funding and a broader set of ODA-eligible countries.
- ➢ Organise cross-country knowledge sharing activities together with other relevant international, regional and national partners, before going into country-specific implementation activities.
- ➢ Organise regional or international peer learning events and activities after going into country-specific implementation activities to share lessons from country experiences.
- ➢ Participate in relevant events internationally and contribute to outcomes of relevant international initiatives and processes.
- ➢ Organise a high-level launch event to support the flagship summary publication.

And then, OECD, through these activities, will produce key demand-led outputs, including:

- ✓ New cross-country reports and strengthened institutional capacity by a range of partner countries and broader ODA-eligible countries on emerging practices internationally to address key bottlenecks and targeted, catalytic levers to mobilise finance and investment in clean energy.
- ✓ Strengthened capacity in the countries engaged on targeted bottlenecks and catalytic levers to mobilise finance and investment in clean energy in those countries.
- ✓ Increased capacity, effectiveness, and collaboration of public and private stakeholders regionally and internationally.

And then, through these outputs, Denmark's support will have contributed to the following outcomes:

Outcome #1: Mobilised finance and investment in clean energy in EMDEs through enhanced domestic policy and regulatory frameworks.

Outcome #2: Mobilised finance and investment in clean energy through increased capacity, effectiveness, and collaboration of domestic public and private stakeholders in the countries engaged in the Programme.

Outcome #3: Mobilised finance and investment in clean energy through increased capacity, effectiveness and collaboration of public and private stakeholders regionally and internationally.

Outcome #4: Mobilised finance and investment in clean energy through successful outreach and influence in regional and international cooperation landscape.

And then, Denmark will have contributed to the overall goal of mobilising private finance and investment for clean energy, particularly in RE and EE, in the countries engaged in the Programme under Danish funding, as well as a broader set of ODA-eligible countries across regions, in order to align finance and investment with the 1.5 degrees Celsius goal of the Paris Agreement and its article 2.1c, the UAE Consensus, as well as broader just transition and poverty reduction considerations.

Box 3.2 Key assumptions and impact drivers

From Inputs to Activities:

- OECD CEFIM team's turnover and recruitment of staff ensure continuous capacity.
- Officials and stakeholders in partner countries are available and committed.
- National and international situation stable enough to allow for in-person missions to partner countries.

From Activities to Outputs:

- Sustained effective engagement with stakeholders in commited partner countries.
- Targeted analytical work and knowledge products are demanded from partner countries.
- OECD CEFIM team's ongoing strategic and effective engagement in relevant international fora.

From Outputs to Outcomes:

- Partner country public stakeholders participate in capacity building activities, understand value and co-benefits of CEFIM activities and reflect recommendations in regulatory and policy work.
- Private sector counterparts see the value of engaging and are open to share views on challenges and opportunities.
- Partner country stakeholders, MDBs and bilateral donors willing to engage and collaborate for effective uptake of capacity development support and tools.
- Effective communication to stakeholders on good practice and impact stories.
- OECD CEFIM ability to ensure additionality and synergies in a field with many actors.

From Outcomes to Impact:

- Continued wide stakeholder commitment to the goals of the PA, UAE Consensus and net zero.
- OECD, through CEFIM Programme, is able to adjust to changes in political and macro economy.
- Other elements in the clean energy transition are supportive.

Key impact drivers of change:

- Effective targeted communication to decision makers.
- New targeted analytical work and knowledge products on catalytic issues to build capacity and share knowledge.
- Using the "power of the example"/ impact stories.

- Facilitating peer-to-peer exchanges.
- Continued effective engagement in key international fora.
- Stakeholder engagement and durable engagements.

Figure 3.1 (page 20) provides a graphic illustration of this draft theory of change for Denmark's proposed VC to OECD for CEFIM 2024-2028, from a Danish perspective.

4. Draft results framework at outcome level

The expected major outcomes (results) of the Project at outcome level are:
Outcome #1: Mobilised finance and investment in clean energy through enhanced domestic policy and regulatory frameworks.
Outcome #2: Mobilised finance and investment in clean energy through increased capacity, effectiveness, and collaboration of domestic public and private stakeholders in the countries engaged in the Programme.
Outcome #3: Mobilised finance and investment in clean energy through increased capacity, effectiveness and collaboration of public and private stakeholders regionally and internationally.
Outcome #4: Mobilised finance and investment in clean energy through successful outreach and influence in regional and international cooperation landscape.

The full Project Document for the proposed VC will contain the requisite detailed results framework in Danida format with SMART indicators and targets.

5. Inputs, budget, financial management

Denmark will make a financial commitment in early 2025 of DKK 42.00 million to support the OECD during 2025-2028 on CEFIM, subject to signature of an agreement with the OECD, of which DKK 250.000 will be allocated to an MTR and a VC to the OECD of DKK 41.75 million will be made. The VC can only be spent on activities for/in ODA eligible EMDEs, tentatively allocated as shown in Table 5.1.

An output-level budget, broken down per standard OECD expenditure categories (and which will be used for financial reporting purposes) will be included in the full Project Document, but it will be essential to provide for maximum flexibility given the demand-driven nature of CEFIM's partner country engagements and the complex and dynamic context in which it operates (which also aligns with the Danish approach of "adaptive management"). The projected annual disbursements will be distributed over 2025, 2026, 2027, and 2028 respectively, as shown on the cover page. Further details and budget notes including OECD's expenditure categories for CEFIM will be included in the full Project Document.

Danida procedures require a mandatory Mid-term Review (MTR) administered by the MFA. DKK 0.25 million has been set aside for this MTR. In general, purposes of the MTR are described in Danida guidelines[27]. The MTR could also include assembling evidence that builds on the results framework to provide an assessment on the extent to which there has been a contribution to the higher-level outcomes that are beyond the measurement scope of the routine monitoring and indicators provided by the results framework itself. The funds for the MTR are administered by the MFA.

[27] Danida Guidelines for Country Strategic Frameworks, Programmes & Projects Section 5.5. page 54: For programmes or projects exceeding DKK 39 million, it is mandatory to undertake an MTR of the entire programme or project.

Table 5.1: Tentative project budget allocations (at outcome level) [28]**:**

TENTATIVE PROJECT BUDGET ALLOCATIONS	DKK million
Outcome #1: Mobilised finance and investment in clean energy through enhanced domestic policy and regulatory frameworks.	**7.83**
Outcome #2: Mobilised finance and investment in clean energy through increased capacity, effectiveness, and collaboration of domestic public and private stakeholders in the countries engaged in the Programme.	**15.66**
Outcome #3: Mobilised finance and investment in clean energy through increased capacity, effectiveness and collaboration of public and private stakeholders regionally and internationally.	**13.70**
Outcome #4: Mobilised finance and investment in clean energy through successful outreach and influence in regional and international cooperation landscape.	**1.96**
Subtotal:	**39.15**
OECD Administrative Charge	**2.60**
Mandatory Mid-term Review (Administered by MFA)	**0.25**
Total	**42.00**

The OECD will administer Denmark's contribution, that it will receive under the Grant Agreement to be signed, in accordance with the OECD Financial Regulations as well as the relevant OECD rules, policies and procedures. Danish funds are earmarked and shall be managed and accounted for separately from other funds covering activities not related to the Project. The financial reporting will be based on information included in the OECD's accounts, which are subject to independent audit in accordance with the OECD's Financial Regulations. The annual narrative results and progress report to Denmark on CEFIM's activities will be accompanied by a financial report giving a breakdown of the output based budget, aligned to the relevant outcomes, by agreed OECD expenditure line categories. A template of the budget format, that will be included in the Project Description and attached to the Grant Agreement, is included here as Annex D. The OECD will provide a consolidated financial report within six (6) months of the end of each preceding Danish financial year during which expenditure took place, i.e. on 30 June of the following year.

Other donor support to CEFIM is provided by Germany and Canada, as well as Australia. Egypt also provides a grant to the OECD to support activities under CEFIM that are in the benefit of Egypt. A more granular overview of other committed and expected donor funding of CEFIM will be provided in the full Project Document.

6. Institutional arrangement, planning, management, reporting

CEFIM is included within the OECD's current Programme of Work and Budget. The OECD's CEFIM team consists of 15 staff members plus a full-time staff based in Jakarta and two staffs on loan from Indonesia Financial Supervisory Authority OJK based at the OECD in Paris. In addition, the OECD CEFIM team draws on OECD's wider institutional expertise and capacities, as also illustrated in Annex A.

[28] The tentative budget is presented at the outcome level for the purposes of this Proposal, noting that in the Project Document, which will be attached to agreement to be concluded between Denmark and the OECD, the budget will be made and reported on at the output level, with the standard OECD expenditure categories (see Annex D: OECD Template of Tentative Budget by Output). The link between Outcomes and Outputs is shown in Figure 3.1 Graphic illustration of the draft ToC for the proposed Danish VC.

On the Danish side, the International Department of the Danish Ministry of Climate, Energy, and Utilities (MCEU) is the substantive lead responsible for the follow up on the implementation while the Department for Green Diplomacy and Climate in the MFA (KLIMA) is the legal partner through the Grant Agreement to be signed with OECD. The Permanent Delegation of Denmark to OECD (based at the Embassy of Denmark in Paris) has wider liaison with OECD.

The OECD will provide Denmark (MCEU and MFA) with annual narrative progress reports including information to facilitate monitoring of results and progress as well as dialogue concerning implementation, including: progress against the objective of the Project and contributions to impact; achievements and results at output and outcome levels (could include illustrative cases); specific results against indicators and targets in the Results Framework; update on assumptions and risk factors in the Project Risk Management Matrix; any challenges and opportunities related to Project implementation that influence the use of adaptive management resources; synergies with related bi- and multilateral initiatives; and work planning for the following year, consistent with reported results and achievements and with the VC results framework, indicators, and targets. In addition to the annual reporting cycle, the OECD will be in communication via conference calls with the MCEU on an ad-hoc basis and at least every three months to consult and co-ordinate on various issues over the course of the Project. Key conclusions and decisions at such calls will be recorded to service the institutional memory and ensure follow-up. There is currently no consolidated forum for dialogue between OECD and the different donors to CEFIM, and the dialogue takes place with each donor in relation to the specific provisions of their VCs. CEFIM is fully VC funded.

CEFIM is included in the OECD Environment Directorate Programme of Work and Budget (PWB) as approved by the OECD Council. The PWB is based on a two-year cycle, currently 2023-2024. Any grant/VC received by the OECD, including the Danish VC, must be for the work that is included in the PWB of the Organisation.

Subject to the Grant Agreement to be signed between Denmark and OECD, during the implementation period or after the termination of the support, , the MFA will have the right to carry out any mission that is considered necessary to evaluate and review the implementation of the Project . Any such review will be paid by the MFA.

7. Risk Management

Contextual risks

- Russia's invasion of Ukraine and the aftermath of the Covid pandemic and other international conflicts and shocks as well as high interest rates and real income losses significantly impact global energy markets and energy/climate policy, potentially diverting public and private funds and ODA funding to support clean energy transition and the goals of the Paris Agreement on climate change. Regional implications of these global geopolitical tensions and related economic conditions (e.g. link to high inflation), and risk of populism, or changing political priorities in the partner countries, undermining support for clean energy transition.
- Insufficient risk-adjusted return of clean energy investments due to unsupportive domestic enabling conditions, lack of pipelines of bankable clean energy projects, mismatch between available capital and bankable projects, and capacity gaps for project development.

CEFIM's targeted interventions address and mitigate the impact of these risk factors, drawing on OECD's expertise and demand-led engagement.

Programmatic risks

- Political economy challenges, inadequate coordination between public and private stakeholders in clean energy transition and climate action, lack of engagement of civil society and local communities.
- Inadequate capacity and/or frequent changes in partner country institutions could impact continuity of engagement and uptake of advice and assistance.

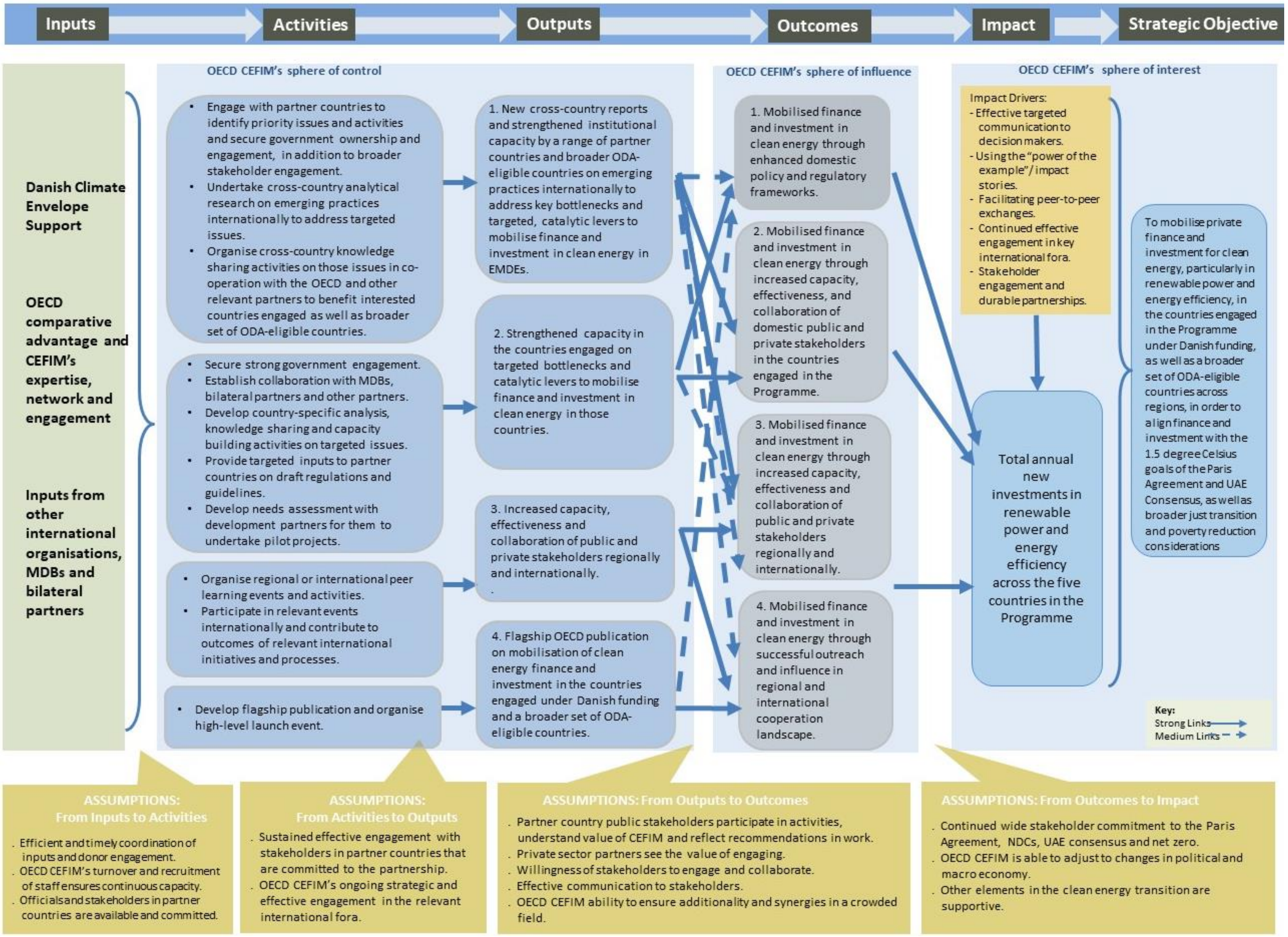
The OECD mitigates these risks through its whole-of-society, whole-of-government approach, use of multi-stakeholder country platforms such as JETPs, focus on the enabling environment, and targeted capacity development.

Institutional risks

- Considering the dynamic and complex landscape of many actors and initiatives related to the clean energy transition and climate mitigation action, there is a risk of potential for overlap with other organisations and initiatives.

To mitigate this risk, the OECD works closely with its counterparts and countries to ensure a demand-led approach and additionality. Continued attention to CEFIM's value added and synergy and coordination at country and regional levels with other initiatives will be important.

Figure 3.1: Graphic illustration of the draft ToC for the proposed Danish VC



Annex A: Preliminary partner assessment, achievements supported by the Phase I of the CEFIM Programme currently financed by Danish support, and possible list of targeted issues to be addressed by the renewed VC

Annex A1: Partner assessment

Denmark has been a member of OECD since 30 May 1961.

Denmark chooses the OECD and the CEFIM Programme to provide financial support[29] to mobilisation of finance and investment for clean energy in the selected emerging economies through CEFIM, because of OECD's demonstrated comparative strengths including in evidence-based analysis, convening power, and whole-of-government approach. This has been demonstrated through the work under the CEFIM 2019-2024 supported by the first Danish VC, which supported the launching of CEFIM and has also helped mobilise support from other donors for the Programme. For more than 50 years, OECD has been a reliable source of evidence-based policy analysis and economic data, and CEFIM is included in the OECD/Environment Programme of Work and Budget (PWB).

The OECD Finance, Investment and Global Relations Division of the Environment Directorate on Finance and Investment for Environmental Goals (where CEFIM is anchored) works on identifying and analysing strategies, policies, regulations and instruments and support dialogue and capacity building to steer finance and investment – as well as development cooperation with developing and emerging economies - in order to achieve environmental goals and support the transition to a green, net-zero consistent, climate-resilient, and nature-positive economy.

The OECD has capacity in areas that are complementary to other institutions such as the MDBs, bilateral counterparts and other international energy organisations. CEFIM facilitates the mobilisation of clean energy finance and investment through implementation of analytical work, knowledge sharing, stakeholder engagement, coordination, capacity building and policy/regulatory influence at domestic and international level. OECD does not go into project level implementation where MDBs and other bilateral donors are better placed. The OECD does not fund projects and does not disburse a single euro, which makes it more neutral to foster public-private dialogues in countries engaged in the Programme compared to development partners. OECD CEFIM also has a comparative advantage in focusing on supply side financing issues linked to clean energy transition, and can continue to influence energy regulatory issues, while acknowledging that energy regulatory issues is a crowded field.

Table A.1 below briefly summarises key features of OECD/CEFIM, along with brief summary information on its key beneficiary national countries.

The OECD's CEFIM team's anchoring within the OECD organisation is illustrated in Figure A.1 below.

Information on CEFIM's strategic engagements with international organisations and other actors and a summary overview of CEFIM in the wider international institutional architecture will be found in annexes to the full Project Document (PD) when the PD has been drafted.

OECD internal coherence and coordination:
OECD will ensure strong internal co-ordination across the OECD Directorates in the implementation of the CEFIM Programme and the Danish VC. This will include the Development Co-operation Directorate (DCD), Environment (ENV), Financial and Enterprise Affairs (DAF), Global Relations

[29] Denmark also provides support since 2013 through Voluntary Contributions to the International Energy Agency (IEA), which is an autonomous inter-governmental organisation within the OECD framework.

(GRS), and potentially others. The Team Lead of CEFIM will hold regular (bi-monthly, or more frequent as internally deemed necessary) internal management meetings with relevant Team Leads in DCD, ENV, CFE, IEA and DAF (plus others as needed) to discuss and assess progress and any challenges. In addition, updates will be provided to delegates during each meeting of the Working Party on Finance and Investment for Environmental Goals (WPFIEG) of the Environment Policy Committee (EPOC), as well as regular updates on an ad hoc basis to other relevant OECD committee meetings (Development Assistance Committee (DAC) and its Working Party ENVIRONET, Investment Committee, etc.) as appropriate.

OECD engagement with CEFIM partner countries:
OECD has identified the lead ministry for the project in each country and will agree in writing with that ministry on the scope and modalities of engagement and coordination. This will include communicating with the lead ministry through conference calls (quarterly or otherwise as agreed) to update the ministry on progress, to get input and agreement on the work and ensure co-ordination and synergy also with other exterenal support. OECD, through its Global Relations and Cooperation Directorate, has existing programmatic and co-operative channels with each of the target countries, which contribute to continuity in case of changes in government and other circumstances.

Annex A.2 provides a detailed reporting of Outcome #1 under the Phase 1 of the Programme funded by the first Danish VC, to outline key achievements in the countries engaged in the Programme in strengthening domestic enabling conditions for clean energy investment.

Table A.1: Summary of key beneficiary and counterpart features:

Partner	Core business	Importance[30]	Influence	Contribution	Capacity	Exit strategy
Danida standard questions:	*What is the main business, interest and goal of the partner?*	*How important is the project for the partner's activity-level (Low, medium high)?*	*How much influence does the partner have over the project (low, medium, high)?*	*What will be the partner's main contribution?*	*What are the main issues emerging from the assessment of the partner's capacity?*	*What is the strategy for exiting the partnership?*
OECD	The core business of OECD is to strengthen domestic enabling conditions to attract finance and investments in renewables, EE and decarbonization of industry (clean energy) in emerging economies.	The importance of this project to the OECD is **high**	OECD influence over CEFIM is **high.** OECD influence in Indonesia is **high**. CEFIM Programme's influence in Indonesia (new OECD accession country) is **high**. OECD influence in India is **low**. CEFIM Programme's influence on EE financing in India is **high**. OECD influence in Vietnam is **medium.** CEFIM Programme's influence in Vietnam is **medium**. OECD influence in South Africa is **medium to high.** CEFIM Programme's influence in South Africa is **high** for ongoing projects. OECD influence in the Philippines is **low to medium**. CEFIM Programme's influence in the Philippines is **medium.**	OECD's main contributions to this project are its substantive expertise and experience in investment and finance, strategic influence and convening power – as well as administrative and logistical support.	As of March 2024 the OECD CEFIM core team in OECD HQ, Paris, France consists of 15 OECD staff members.	There is no set exit strategy for Denmark's support to CEFIM Programme, but in the event of exit (i.e. non-continuation of support beyond 2028), OECD should be given ample lead time. Reference is made to the provisions of the future Denmark-OECD Grant Agreement to be signed by the Parties, concerning the (unlikely) event of termination.

[30] Rated high/medium/low.

Partner countries	Ministries of Finance (e.g. in Vietnam), financial supervisors (e.g. in Indonesia), ministries of energy (e.g. in India, Indonesia, the Philippines, ministries of environment (e.g. in South Africa), investment ministries (CMMIA in Indonesia). In addition, the CEFIM programme collaborates closely with JETP Secretariats (e.g. in Indonesia), relevant domestic think tanks and research institutes, local consultancy firms (e.g. Dal Callar in the Philippines), academia (e.g. in Vietnam), country offices of MDBs and bilateral partners (in each country engaged in the Programme), financial market institutions, industry associations and project developers.	The importance of this project to national ministries and supervisory bodies is **medium to high** (high for Indonesia financial supervisory authority OJK in Indonesia).	CEFIM Programme's influence over national ministries is **low to medium** for most countries, and medium to high in Indonesia. In Indonesia, CEFIM has had high influence across a range of issues.	National ministries closely engage with the CEFIM Programme to identify priority activities, to consult stakeholders through roundtables and reports reviews and to co-host events.	Each national ministry has dedicated staff(s) to support the OECD as necessary, in CEFIM activities.	No set exit strategy, but under the CEFIM Programme, the OECD works to maximise sustainability of the outcomes and impact achieved, though capacity development, strengthening of the enabling environment, etc.

Figure A.1: CEFIM in the OECD organisational structure

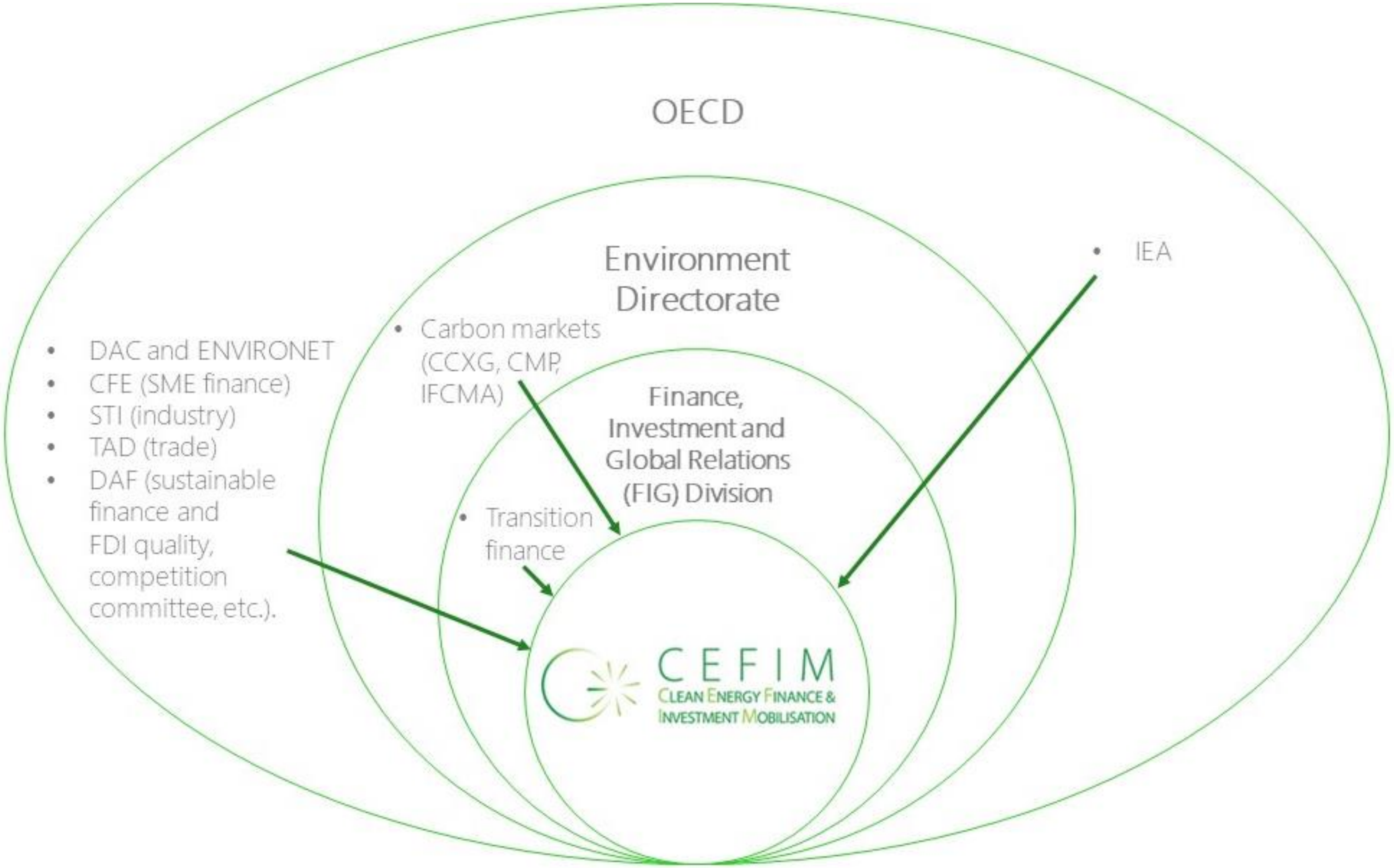


Figure A.2: CEFIM's comparative positioning compared to other relevant organisations

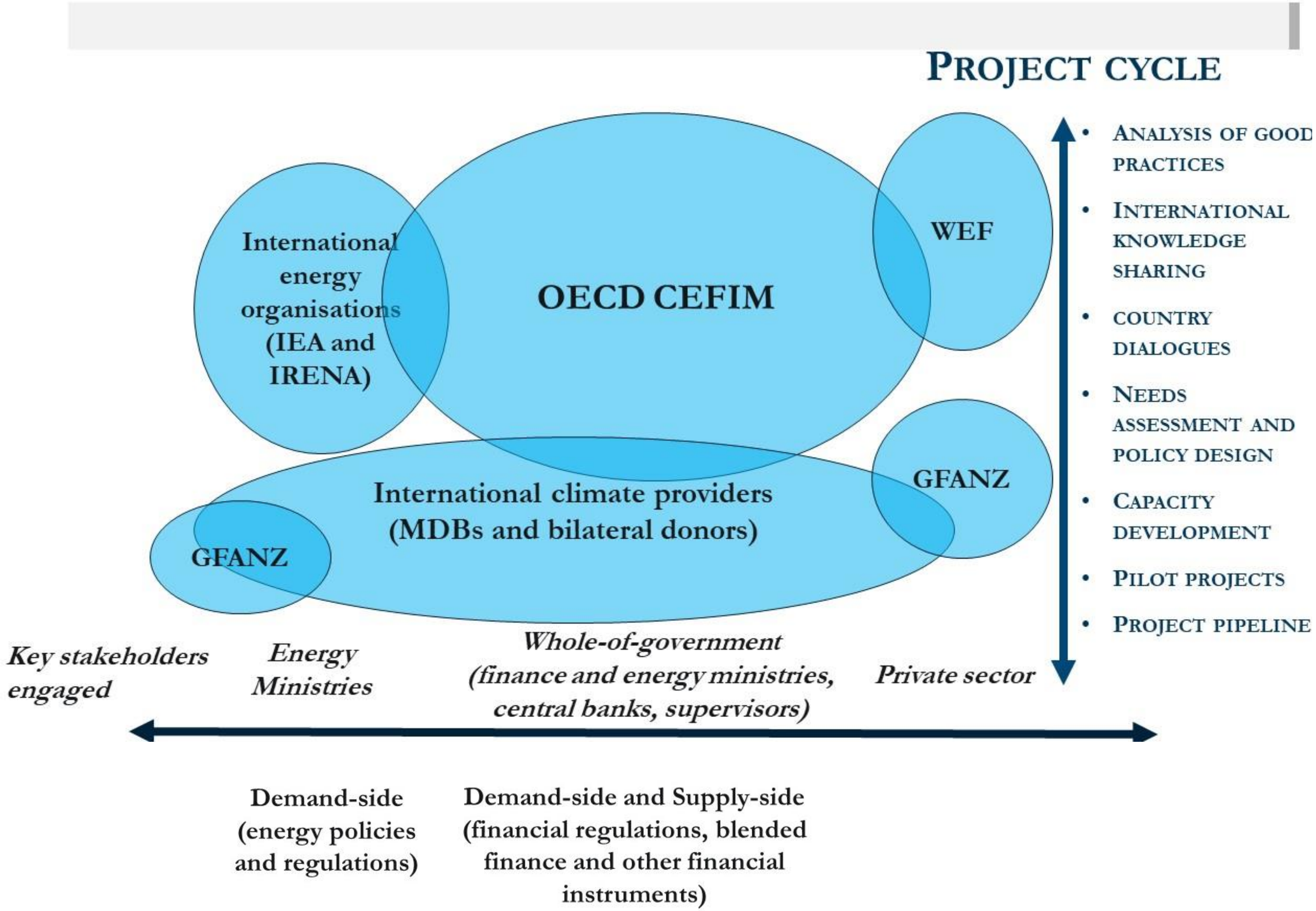
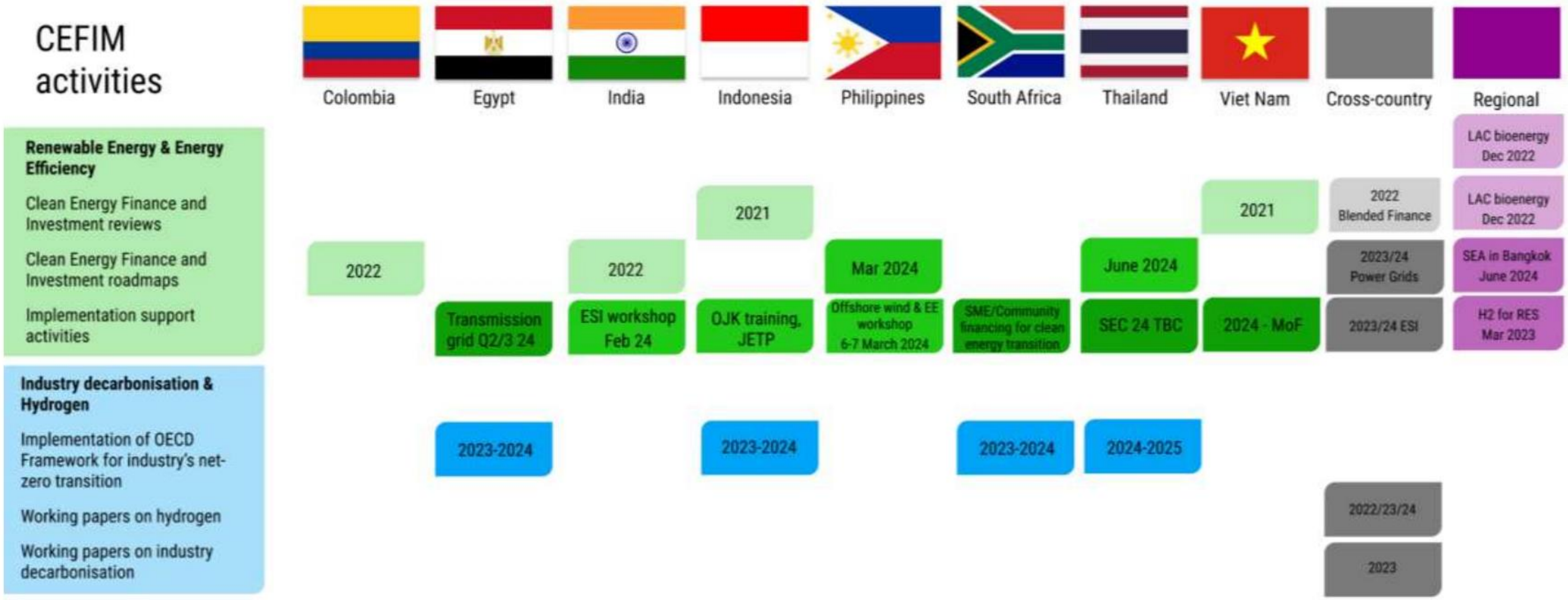


Figure A.3: Summary overview of CEFIM thematic and geographical focus



Notes: SEA: Southeast Asia ; LAC: Latin America Countries

Annex A2: Outcomes and Achievements of the CEFIM Programme

A2.1 Reporting under the first Danish VC: country achievements over the past five years

Please refer to the final reporting document on the CEFIM Programme under the first Danish VC for reporting details on outcomes #1, #2 and #3 under the first Danish VC over the past five years.

A2.2 Key achievements of the CEFIM Programme, Phase 1

The OECD CEFIM Programme has now completed almost five years of implementation and completed implementation in four partner countries: the major deliverable (Clean Energy Finance and Investment Policy Review or Roadmap) is completed in four of the initial five CEFIM countries (Colombia, India, Indonesia, and Vietnam) and the fifth (Thailand) is due to be completed in H1 2024, following approval of a six-month no-cost extension of the voluntary contribution provided by the Government of Denmark by the same time. In addition, a wide range of policy implementation and dialogue activities have been undertaken (see Annex A.1. On CEFIM country level programmes) with others underway and planned. Implementation of the OECD CEFIM Programme under the 5-year initial voluntary contribution that was provided by the Government of Denmark will be completed by the end June 2024.

During this period, the OECD has successfully established itself as an important actor in clean energy finance and investment mobilisation. OECD's whole-of-government approach has allowed the CEFIM Programme to reach beyond energy ministries to finance, planning and investment as well as environment ministries and financial supervisors or regulators. This allows the OECD CEFIM Programme to work across different government actors to support the creation of a clean energy finance and investment ecosystem that supports not just clean energy policy development, but also to enhance countries' activities in the field of sustainable finance. Beneficiary country feedback on the Programme outputs and support has been very positive.

The subsequent section provides selected examples of achievements and impacts in: the five partner countries under Danish funding; those five initial countries, following additional activities funded by other donors, thanks to Danish's initial funding; other partner countries with additional sources of funding; as well as cross-country impacts. Achievements and impacts vary across a range of indicators, such as:

- *Influence of domestic policy and regulatory frameworks.*
- *Improved domestic capacity and coordination.*
- *Support to country platforms.*
- *Political visibility domestically.*
- *Political visibility and impact in international fora; and*
- *Influence and visibility in international landscape of initiatives.*

<u>Indonesia:</u>

- *Political visibility and impact in international fora:* The Indonesia CEFIM country programme has provided good visibility to the OECD's work internationally at G20 level, leading Indonesia under its Group of Twenty (G20) Presidency in 2022 to request OECD support on the finance pillar of the Energy Transition Working Group. The OECD collaborated with the International Energy Agency (IEA) and Sustainable Energy for All (SEforALL) to prepare Indonesia's G20 Stocktake and Clean Energy Transition Roadmap, an important input to the G20 Summit. The CEFIM Programme contributed to the stocktake analysis of priority #3 (finance and investment) for G20 Bali Roadmap to accelerate energy transition towards net zero, together with SEforALL (priority #1: energy accessibility) and IEA (priority #2: Technology).

- *Influence of domestic policy and regulatory frameworks:* Building on CEFIM's engagement and activities in Indonesia, the OECD received a staff on loan for the CEFIM Programme from the Indonesia financial services authority OJK whose costs are covered by additional funding from Canada and Germany. Thanks to successful engagement of the CEFIM Programme to raise awareness on energy savings insurance (ESI) as an emerging instrument to derisk EE financing ESI, and OECD's engagement with OJK to negotiate ESI as a core activity, ESI has become a development focus for OJK insurance development team in 2023.
- *Improved domestic capacity and coordination:* The annual Clean Energy Finance and Investment Training Week, funded by Germany thanks to successful engagement of the CEFIM Programme under Danish funding, has led to improved domestic capacity and coordination between key public stakeholders for clean energy finance and investment in Indonesia. The Clean Energy Finance and Investment Training programme manages to break the silos across finance and energy regulators. Before the intervention, the Financial Service Authority (OJK) and Ministry of Energy and Mineral Resources (ESDM) have their own training series. With the training provided under the CEFIM Programme, OJK and ESDM agree for the first time to deliver a more integrated approach to a training programme for financial institutions, developers and policymakers. This training program also engages other development partners (GIZ CASE and USAID-SINAR programme) to deliver training with the OECD under the CEFIM Programme to avoid duplication and overlapping among development partners.
- *Support to country platforms:* In December 2023, the OECD, under the CEFIM Programme, submitted a public comment letter to the Indonesia JETP Comprehensive Investment and Policy Plan (*CIPP*). The comment highlights that country experience sharing, e.g. lessons learned in developing and implementing Energy Saving Insurance (ESI) and knowledge sharing on transmission grid financing, could benefit the JETP secretariat analysis. Leveraging CEFIM's current, ongoing, and future study recommendations, such as the implementation of "*Framework for industry's net-zero transition*" in Indonesia, could support these long-term climate plans as well as Indonesia's Indonesia JETP secretariat mandate to reduce dependence on coal use and expand its scope to go beyond the power system transformation to include industry decarbonization. The analysis of the ESI and EE guidebook development under collaboration between OJK-ESDM and OECD through the staff on loan engagement could support the JETP secretariat, particularly from the financial perspective of EE. Additionally, the OECD-OJK serial of capacity building on transition finance (TF) could provide insight for the JETP secretariat from the TF perspective. Building on OECD CEFIM Programme activities to catalyse finance and investment in RE, EE in buildings, and industry decarbonization in selected emerging economies, the OECD CEFIM Programme offers the support of Indonesia's JETP Secretariat by becoming member or contributor for the finance working group and also provide financial perspective for the fifth working group (EE and electrification). Based on this, the JETP Secretariat team has asked the OECD CEFIM team to contribute new analytical and knowledge sharing work on blended finance for transmission grid financing, and possible other investment focus areas (IFAs) prioritised by the JETP CCIP.
- *Political visibility and impact in international fora:* building on OECD's expertise on blended finance for clean energy, including the publication of *OECD Blended Finance Guidance for Clean Energy*, as well as knowledge sharing and capacity building activities, the Indonesia Coordinating Ministry for Maritime and Investment Affairs (CMMIA) has asked the OECD for support to the Global Blended Finance Alliance launched on the margins of the G20 Summit in 2022 under the Indonesian G20 Presidency.

India:

- *Influence of domestic policy and regulatory frameworks:* The *Clean Energy Finance and Investment Roadmap of India* was released in October 2022 ("the India Roadmap"). The three focus areas of the India Roadmap were: (i) financing of EE investments with a focus on micro, small and medium enterprises (MSMEs); (ii) offshore wind power development; and (iii) renewable hydrogen development. Its recommendations are notably closely aligned with the Strategy Paper for

Establishment of Offshore Wind Energy Projects (July 2022, updated in September 2023) and the National Green Hydrogen Mission (January 2023).[31] In addition, the under the CEFIM Programme, the OECD held a special session on the India Roadmap held during the annual OECD Forum on Green Finance and Investment in October 2022, with the participation of H. E. Freddy Svane, Ambassador of Denmark to India.

- Given the size of India and the presence of many other development partners, it is very important to focus on targeted issues with strong buy-in from the Indian Government and which CEFIM is well-placed to deliver on, such as the development of energy savings insurance to unlock EE financing for MSMEs, as well as related derisking instruments for commercial buildings, building on an excellent workshop (EE De-Risking Instruments in India: The role of energy savings insurance and other instruments - OECD) just held on 20 February 2024 with funding from Canada, and strong support from the BEE for OECD CEFIM to develop an implementation roadmap for ESI in India.
- *Political visibility and impact in international fora:* Discussions with the Government of India (the G20 President for 2023) has identified clean energy as a priority. The OECD Clean Energy Finance and Investment Roadmap for India, which was supported by a government-led advisory committee provides a good basis for strengthening the OECD's engagement with India. The OECD was for instance invited to contribute to the High-Level event "From G20 to COP28: Energy, Climate and Growth" held under the auspices of the Indian G20 and Emirati COP29 Presidencies in Abu Dabi in November 2023.

Thailand

- *Influence of domestic policy and regulatory frameworks and improved domestic capacity and coordination:* the CEFIM Thailand Roadmap has contributed to the update of the forthcoming National Energy Plan of Thailand. Indeed, as part of activities to develop the Clean Energy Finance and Investment Roadmap of Thailand ("the Thailand Roadmap"), in close coordination with the Department of Alternative Energy Development and Efficiency (DEDE) of Thailand's Energy Ministry, the OECD CEFIM Programme conducted a training for DEDE staff on how to update their existing modelling approach to estimate finance and investment needs for renewable power and EE as part of Thailand's new National Energy Plan.
- In addition, as part of the stakeholder consultation process to develop the Thailand Roadmap, the CEFIM Programme successfully engaged and fostered dialogue between key policy makers, regulators and private stakeholders. In particular, the OECD, under the CEFIM Programme, held a very successful stakeholder meeting in April 2023, another one in November 2023, as well as consultations with over 60 local stakeholders from different ministries, regulators, banks, academia, business associations and development partners. The OECD was seen as a useful neutral actor to foster open and frank dialogue (in Thai, with English interpretation, for the stakeholder meetings) between public and private stakeholders. DEDE has also identified OECD as an important actor to help DEDE build knowledge, capacity and expertise on financing instruments to unlock clean energy investment.

Vietnam

- *Support to country platforms and improved domestic capacity and coordination:* Building on the launch of the *Clean Energy Finance and Investment Policy Review of Vietnam* in November 2021, and the signature of a Memorandum of Understanding (MoU) between the OECD and the Government of Vietnam on the day of the Vietnam Review launch, the OECD CEFIM Programme undertook a follow-up outreach mission in May 2023, to discuss follow-up activities. The CEFIM Programme has secured very strong interest from the Ministry of Finance to support their contribution to Vietnam JETP, including on sharing knowledge and building

[31] The development of the India Roadmap also led to improved coordination of key public and private stakeholders in India. The development of the India Roadmap was guided by a government-led Steering Committee (chaired by Joint Secretary of the Ministry of New and Renewable Energy) and two Technical Working Groups. The India Roadmap was informed by a series of workshops and stakeholder consultations, including: two workshops held in March 2022 for offshore wind and energy efficiency respectively; a second workshop held in May 2022 for energy efficiency and in May 2022 for offshore wind and renewable hydrogen; a third workshop in August 2022.

capacity on mobilisation of private finance for clean energy projects in Vietnam, understanding of barriers to ODA concessional finance for clean energy projects in Vietnam, and broader analytical support, knowledge sharing and capacity building on clean energy finance and investment issues for the Ministry of Finance.

Cross-country and regional work:

- *Political visibility and impact in international fora, and influence and visibility in international landscape of initiatives:* In addition to the successful impact of CEFIM regional events under the work financed by the Danish funding, as well as country-specific work leading to visibility in international fora such as G20 process, the success of the Programme has led to CEFIM's contribution to the side events to the Macron summit.
- The OECD and CONCITO, jointly held on 21 June 2023 a High-Level Roundtable on *"Catalysing Investment and Finance for Climate, Energy and Development: A dialogue on how to achieve systemic impact",* as an officially affiliated event with the Summit for a New Global Financing Pact. The roundtable gathered 80 selected participants, including high-level representatives from donor countries, development finance institutions, foundations, civil society, private sector, academia, and other international organisations. It discussed the experience and proposals for integration of real-economy sectors, finance, macro-economic and cross-cutting dimensions, with a focus on investments in support of the energy transition in EMDEs. It explored how international stakeholders (public, private, financial, and non-financial) can be more effective and coherent in their provision of catalytic support for investments in climate, energy and development. The discussion alsp focused on the catalytic support functions provided by the public, private and institutional international actors and how more coherence can be achieved.
- In the framework of the 2023 Summit for a New Global Financing Pact in Paris, the CEFIM Programme, the Green Hydrogen Organisation and other counterparts co-organised a high-level roundtable on *"Finance for a Just RE and Hydrogen Economy",* on 22 June 2023. The session aimed at mobilising financing commitments for RE and green hydrogen in the leadup to COP28. It brought together leading public, development and private finance institutions to mobilise capital for green hydrogen projects in developing countries and discussed the innovative financing instruments needed. It ultimately served as a sector-specific effort within the wider development and climate finance reform agenda, within the Bridgetown Initiative.
- In addition, building on CEFIM's expertise, the Peruvian APEC Presidency asked the OECD to shape the agenda and contribute in-person and virtually to workshops under APEC's 2024 Finance Ministers' Process (FMP), including a workshop on "Clean Energy Transition" in February 2024 in Arequipa, Peru, with the participation of Heads of Delegation and Delegates of APEC Economies and International Organisations.

Additional sectoral and country-level work:

Danish funding to the CEFIM Programme has led to additional sources of funding, to develop new sectoral activities (industry) and geographic scope (Egypt, South Africa, and the Philippines), which have achieved impacts as well, including:

The Philippines:

- *Influence of domestic policy and regulatory frameworks*: In the Philippines, under its National RE Programme 2020-40, the Department of Energy (DoE) identified the CEFIM Programme as one of the Philippine Government's key initiatives, spearheaded jointly with the OECD, to accelerate finance for the clean energy transition.
- *Improved domestic capacity and coordination;* In addition to successful engagement of public and private sector stakeholders throughout the preparation of the Clean Energy Finance and Investment Roadmap of the Philippines launched in March 2024, the CEFIM Programme held a back-to-back workshop on offshore wind, structured to bring more investors and finance voices to shape the policy making in the country and further the understanding of the regulatory impact on the cost of capital and unlocking financing for offshore wind in the Philippines.

Egypt:

- *Political visibility and impact in international fora; One* of the Egyptian COP27 Presidency's key deliverables in 2022 was the *Sharm El Sheikh Guidebook for Just Financing*. The Guidebook provides guidance for public and private finance providers on action needed to translate climate action commitments into implementable projects, while capturing opportunities to leverage and catalyst finance and investment for climate action. The CEFIM team, as part of its support for the Government of Egypt, co-authored Chapter 5 of the Guidebook: *A Governance Structure for Just Finance, at the request of* the Ministry of International Cooperation. This presented OECD best-practice to improve the effectiveness of climate finance, including the actions that national and sub-national governments, private sector investors, MDBs and bilateral development partners, and philanthropies can take to improve the effectiveness and impact of climate finance. Though country-level impacts are difficult to identify and attribute to the Guidebook, it serves as a useful compendium of best practice for climate finance practitioners, that the Government of Egypt continues to draw on and champion internationally.
- *Influence of domestic policy and regulatory frameworks:* CEFIM's ongoing hydrogen work in Egypt is taken up by the Cabinet in formulating the next steps of its Green Hydrogen Strategy's implementation.

South Africa:

- *Support to country platforms:* CEFIM South Africa industry activity contributes to the operationalisation of the Just Energy Transition Investment Plan of South Africa, focusing on green hydrogen *and* green steel.
- *Influence of domestic policy and regulatory frameworks:* CEFIM South Africa industry work aligns with strategic policies and programmes of the South African government. In particular findings of CEFIM's work will support the action plans outlined in the Steel and Metal Fabrication Master Plan and the Green Hydrogen Commercialisation Strategy.
- *Influence and visibility in international landscape of initiatives:* In October 2023, the OECD participated as speaker in the South Africa Green Hydrogen Summit (SAGHS), in a session convened by the South African Department of Forestry, Fisheries and the Environment. SAGHS was attended by 500+ people and featured an opening by i.a. President Ramaphosa (virtually).
- *Improved domestic capacity and coordination:* In order to implement the OECD Framework for industry's net-zero transition for the steel sector, the OECD set a Project Advisory Committee led by the department of trade, industry and competition, bringing together four-line ministries, industry and banking associations. Several international organisations (e.g. UNIDO, GIZ) have been invited in ad hoc meetings of the Project Advisory Committee of CEFIM South Africa project for steel decarbonisation, in order to share progress and ensure coordination of initiatives. In addition, a broader group of around 20 experts from domestic and international organisations – the Technical Advisory Committee – has been established to review and discuss the key outputs on a quarterly to bi-yearly basis.

Industry:

- *Influence of domestic policy and regulatory frameworks:* CEFIM Indonesia industry activity in the steel and textile sectors contributes to the new national strategy prepared by BAPPENAS.
- *Influence and visibility in international landscape of initiatives:* The OECD, together with the IEA, is the Secretariat of the G7 initiated Climate Club and CEFIM programme's industry decarbonisation work provides inputs to the Climate Club's third pillar on "Boosting International Cooperation and Partnerships".
- *Influence and visibility in international landscape of initiatives:* Co-authored by the CEFIM team, World Bank-OECD-Global Infrastructure Facility-Hydrogen Council report released on 17 November resulted in the 10 GW Initiative of the World Bank to facilitate investments in lighthouse projects for clean hydrogen.

Annex A.3: Denmark's justification for support against OECD DAC criteria

Relevance: The support is directly relevant to needs and priorities expressed by the target beneficiary countries and relevant to Denmark's priorities including priorities expressed in the Danish Development Strategy "The World We Share" and related "How-to-Notes". Internal and external coherence: CEFIM draws on wider expertise and capacity within the OECD to leverage OECD's whole-of-government approach and is synergetic with support by other multilateral development partners through strategic engagements with OECD (e.g. ADB on energy savings insurance in India). This includes synergy and coherence of CEFIM with other Danish multilateral energy and climate cooperation as well as Denmark's bilateral partnerships in several CEFIM partner countries. Effectiveness: OECD's engagement and implementation model is demand-driven, based on a whole-of-government, whole-of society approach that also comprises strong engagement with the private sector, and underpinned by strong evidence-based analytical work and data that targets challenges and opportunities. One typical example of the value of the CEFIM Programme's implementation model is linked to JETPs and other country platforms: while G7 countries and JETP Secretariat initially focused JETPs on the delivery of actual bankable clean energy projects, inter alia, they increasingly recognise the importance of addressing outstanding bottlenecks (e.g. transmission grid financing) and developing new financing instruments in order to unlock a pipeline of bankable projects. Efficiency: OECD's convening power combined with a small but agile CEFIM Programme team that further leverages expertise and capacities from across the OECD including IEA. In large emerging markets such as India, CEFIM's strategy for the next phase of the Programme, now that the recommendations of the India Roadmap under the current project funded by Denmark has highlighted priorities for next steps, is to have a big impact on a targeted topic (e.g. energy savings insurance). In addition, CEFIM is leveraging OECD's strong engagement with countries such as Indonesia (in accession process) to collaborate efficiently with financial authorities such as OJK through staff on loan programme to directly and efficiently influence OJK's regulations, guidance, capacity building and other activities with financial market institutions being supervised by OJK. Impact: It is central to CEFIM's engagements to integrate support into overall development and sector policies and plans, involve other stakeholders, including the private sector, in strengthening the enabling framework for the clean energy transition, support targeted capacity development, and facilitate regional and inter-country sharing of experience. While the OECD did not undertake feasibility studies under the project supported by Denmark's current funding (leading directly to bankable projects or support physical infrastructure investments), CEFIM has been asked to develop feasibility needs assessment and implementation roadmaps for new financial instruments (e.g. energy savings insurance in India and Indonesia) under more recent sources of funding and the new VC. In addition, the OECD CEFIM Programme leverages its interventions through strategic engagements and follow-up via MDBs, IFIs and private investors in clean energy transition. RE is the most important enabler to make the necessary emission reductions by 2030. In most countries, RE is also the least cost option to expand energy supply and increase energy access. RE and EE are key drivers of sustainable development both at household, enterprise, and national levels, contributing to reducing multiple dimensions of poverty by improving livelihoods and economic and social development. RE deployment also contributes to avoiding locking-in investments into fossil fuel infrastructure that can turn into stranded assets. A summary of CEFIM Programme's achievements and impacts is provided in Annex A.2. Though CEFIM Programme does not work on project-level, it has helped already under the first Phase and aims to continue to strengthen domestic enabling conditions, build capacity, catalyse financial instruments and strengthen financial regulations for unlocking pipelines of bankable clean energy projects in the countries engaged in the Programme.

Sustainability: Within the scope of the CEFIM Programme, the OECD works in response to demand expressed through requests for support and targets the enabling environment for clean energy transition. CEFIM's support for capacity development and sharing of experience also between countries, are key factors in uptake and use of knowledge and innovation for sustainability. Within the scope of the CEFIM Programme, the OECD is closely engaging with MDBs and bilateral donors to build capacity and competencies for both public and private stakeholders in partner countries, including on the demand side, to strengthen enabling conditions for clean energy investment, on the intermediation side to catalyse finance for clean energy, including through blended finance and other derisking and financial instruments, and on the supply side, to align financial regulations with clean energy and climate goals. For instance, the CEFIM Programme is building capacity for OJK to support clean energy finance and investment in Indonesia through a regular staff on loan programme, associated with a very ambitious programme of work to be implemented in close consultation between CEFIM and OJK, as well as other relevant stakeholders.

Annex A.4: Possible list of targeted issues to be addressed by the CEFIM Programme under funding from Denmark in 2025-28

A4.1 List of targeted issues already identified as priority by the countries engaged in the CEFIM Programme:

Transmission grid financing: Resilient, smart and flexible grids are essential to the decarbonisation of electricity supply and effective integration of higher shares of variable RE sources. The IEA estimates that achieving global and countries' net zero ambitions by mid-century would require adding or refurbishing over 80 million kilometres of power grids by 2040. While investment in renewables has nearly doubled since 2010, global investment in grids has remained almost static over the same timeframe and declined over the past few years in emerging market and developing economies. To ensure that grids are not a bottleneck but enabler for financing the clean energy transition, allowing for the integration of new and renewable power while balancing rising demand, grid investment needs to nearly double by 2030 to more than USD 600 billion per year on a global level as per IEA analysis. Building on an OECD-IEA workshop organised in January 2024[32], as well as upcoming new work in 2024 under the CEFIM Programme at the request of Egypt and Indonesia JETP Secretariat, the CEFIM Programme, proposes to develop new work in 2025 on unlocking transmission grid finance and investment for the clean energy transition. This work will focus on addressing challenges linked to regulatory, market and financing hurdles associated with transmission grid infrastructure planning, investment, and deployment. By developing new case studies sharing lessons across countries and conducting in country stakeholder consultations, the CEFIM Programme will analyse emerging international good practice examples of regulatory and financing models, together with their success factors, applicability and specific characteristics in the context of emerging market and developing economies. Foreseen activities may include the development of reports featuring learnings and success factors from good practice examples, as well as guidelines or roadmaps with relevance for CEFIM partner countries and a broader set of ODA-eligible countries, experience exchange workshops and capacity building. Such work can usefully be undertaken in cooperation with the International Energy Agency (IEA).

EE finance and investment: EE is often referred to as the first fuel, representing the single largest measure to avoid energy demand in a net zero emissions pathway, providing some of the most cost-effective CO_2 mitigation options while strengthening energy security and affordability. To achieve a doubling of annual intensity improvement by 2030, as was highlighted at COP 28 and by G20 members in 2023, current investment levels need to triple by the end of this decade. Building on existing work of CEFIM on EE (including implementation activities on energy savings insurance, country-specific Reviews or Roadmaps focusing on EE, as well as clean energy finance and investment trainings including on EE financing), the CEFIM Programme proposes to develop new cross-cutting work on EE finance and investment to analyse key elements of legal and regulatory enabling frameworks, as well as successful and replicable financing and business models that support the scaling up of EE and end-use investments across demand sectors in selected CEFIM partner countries, as well as a broader set of ODA-eligible countries. This can integrate aspects of innovative and digital financing and business models, blended finance models, aggregation. A focus on EE financing for MSMEs can be part of this work.

Financing models for community-based and small-scale RE: Demand for and interest in distributed energy and community-based approaches is well-known in the context of efforts to accelerate clean energy investment in developing and emerging economies, building on ongoing requests from South Africa notably. Community-based and decentralised models are also highly relevant to ensure a feasible and people-centred energy transition. Small-scale community energy projects often face challenges in developing sustainable business models and attracting financing from investors, due to the small ticket size of projects and perceived high risks of communities' collateral.

[32] OECD-IEA Workshop on [Unlocking transmission grid finance and investment for the clean energy transition in emerging markets and developing economies.]()

Experience to date shows that this type of projects are still relatively reliant on public financing (governments, donors and development finance institutions) and have not yet achieved scale. New work could analyse existing community-based financing models in both OECD countries and CEFIM countries, in collaboration with CFE, under OECD Platform on Financing SMES for Sustainability, as well as the IEA Global Observatory on People-Centred Clean Energy Transitions. This would aim at better understanding current challenges and barriers of this model of RE distribution and potential solutions to design community-based RE projects in a way that is financially attractive to investors, while ensuring community buy-in. This work could build on CEFIM examples of financing models for distributed clean energy in Colombia (OECD, 2023), Thailand (OECD, forthcoming), South Africa (tbc) and Indonesia (tbc).

Securing investment in clean energy supply chains: the state of financing for critical minerals: recognising the importance of critical minerals to secure finance and investment in clean energy, new work could usefully assess the current state of finance for critical minerals in Indonesia (and possibly other countries), as well as upstream supply chains. New research and dialogues are needed to identify potential challenges to expand funding for critical minerals and identify possible solutions, based on a new request from the Indonesian Ministry of Energy and Mineral Resources (ESDM). Analysis could also identify the implications of current trade and investment restrictions on critical minerals on financing clean energy projects in selected countries engaged in the CEFIM Programme, as well as a broader set of countries.

A4.2 Possible new targeted issues, based on possible interest from the countries engaged in the Programme:

Emerging lessons on country platforms, including Just Energy Transition Partnerships: the OECD CEFIM Programme would take stock of emerging lessons from JETPs and other country platforms, including country-specific coordination between public and private stakeholders, as well as a broader analytical diagnostic of the international ecosystem to contribute to JETPs, to identify which actors are able to provide the specific catalytic support functions needed. The objective of this work would be to identify how the support by various actors can become more coherent and systemically impactful, including through stakeholder engagement processes. Such work would draw on lessons across countries but also consider specific experiences in selected countries engaged in the CEFIM Programme, in consultation with relevant organisations (e.g. GFANZ, CONCITO, etc.).

The macroeconomic and financial implications of bottlenecks in the clean energy transition: Identify the potential risk of bottlenecks in available resources, with a focus on energy. Assess the macroeconomic and possible financial ramifications, as well as the implications for achieving climate transition pathways.

Foreign exchange risk and hedging mechanisms to unlock institutional investment in clean energy: Building on CEFIM's recent work on *Financing cost impacts on cost competitiveness of green hydrogen in emerging and developing economies* (*Nov 2023*) developed under the CEFIM Programme under funding from Germany and Canada to identify key financing bottlenecks to the clean energy transition and decarbonisation, new research is needed to address specific bottlenecks such as foreign exchange risk. Despite the potential of OECD and G20 institutional investors to mobilise private capital for low-carbon investment in emerging and developing countries, foreign exchange (FX) risk introduces significant financing costs and constraints, including their special asset allocation (SAA) limiting risk exposure. Despite such constraints, institutional investors are increasingly turning to emerging-markets local-currency-debt strategies, emphasising the need to address FX risk, institutional investment and risk mandates and local capital market development. So far, the focus of attention to hedge FX risk has been on sovereign level support by offering cheaper hedging, which overlooks the challenges faced by emerging and developing countries include mounting debt stress, underdeveloped local capital, and limited central bank capacity for currency swaps. Additionally, the preference of many MDBs for hard currencies, along with slow progress in addressing foreign exchange risk, continues to limit the expansion of private investor participation. Despite the potential for institutional investors to mobilise private capital, and their increasing interest in adopting local-currency-debt strategies, it signals the necessity of addressing foreign exchange risk and strengthening local capital markets. The initial steps will involve conducting market sounding to assess investor risk appetite and explore effective foreign exchange risk hedging mechanisms (remove, overlap). Building on relevant international fora, including the Summit on a New Global Financing Pact in June 2023 as well as the State Fragility Initiative and MDB working group on local currency lending, the CEFIM Programme could develop new analysis and international as well as country-specific knowledge sharing activities to bridge knowledge gaps and pave the way for future support in expanding local currency financing for RE and EE assets. The initial approach will focus on market sounding approach to knowledge gap and areas for subsequent support: The work could identify (i) current SAA and risk appetite toward local currency (LCY) amongst institutional investor and on their asset exposure to LCY through investor survey and investor dialogue and (ii) effective FX risk hedging mechanism that has been deployed in emerging and developing market to attract more private capital in clean energy assets. Such cross-country analysis and activities would be followed with tailored country-specific activities in interested CEFIM partner countries. Leveraging OECD's horizontal expertise, such new work could usefully be undertaken jointly between teams of CEFIM and the Network on Environment and Development Co-operation (ENVIRONET) of the Development Assistance Committee (DAC), as well as other relevant networks, such as the OECD DAC Community of Practice on Private Finance for Sustainable Development (CoP-PF4SD).

Annex B: Provisional Summary Process Action Plan

Activity	Timing/deadline	Responsible
Finalisation of the full Project Document based on conclusions from the Danida Programme Committee meeting	January 2025	OECD and MFA(KLIMA)/MCEU
Appraisal	February 2025	MFA(KLIMA)
Follow up on appraisal recommendations	February 2025	MFA(KLIMA)/MCEU
Finalisation of Project Document based on appraisal recommendations	March 2025	OECD and MFA(KLIMA)
Approval by the Danish Minister for Development Cooperation and Global Climate Policy	March 2025	Minister
MFA/OECD Grant Agreement signed by MFA	Q2 2025	MFA(KLIMA)
Acceptance of the VC by the OECD	Q2 2025	OECD Budget Committee (BC)
MFA/OECD Grant Agreement signed by OECD	Q2 2025	OECD
Expected timing of commitment	Q2 2025	MFA(KLIMA)
OECD first invoice to MFA	Q2 2025	OECD
First disbursement	Q2 2025	MFA(KLIMA)
Implementation	2025-2028	OECD

8. Annex C: Key abbreviations and acronyms

ADB	Asian Development Bank
APEC	Asia-Pacific Economic Cooperation
BC	OECD Budget Commitee
BEE	Bureau of EE, under the Ministry of Power, India
BNDES	Brazilian Development Bank
CEFIM	Clean Energy Finance and Investment Mobilisation
CEM	Clean Energy Ministerial
CIF	Climate Investment Funds
CMF	Committee on Financial Markets
CPI	Coruption perception index
DAC	OECD Development Assistance Committee
DAF	Financial and Enterprise Affairs
Danida	Danish International Development Cooperation
DCD	OECD Development Co-operation Directorate
DEA	Danish Energy Agency
DEPP	Danish energy partnership programmes
DFI	Development finance institution
DKK	Danish kroner
DoE	Department of Energy of the Philippines
E4	EE in Emerging Economies Programme under IEA CETP
EE	EE
EMDEs	Emerging markets and developing economies
ENV	Environment Directorate
ENVIRONET	OECD DAC Network on Environment and Devlopment Co-operation
EPE	The Energy Research Office
EPOC	The OECD Environment Policy Committee
ESCOs	Energy Service Companies
ESG	Environmental, Social and Governance
ESI	Energy savings insurance
ESMAP	World Bank Energy Sector Management Assistance Program
ETC	Energy Transition Council
EU	European Union
EUR	Euro
FX	Foreign exchange
G7	Group of seven largest economies
G20	Group of twenty largest economies
GDP	Gross Domestic Product
GFANZ	Glasgow Financial Alliance for Net Zero
GGGI	Global Green Growth Institute
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German International Development Agency)
GOWA	Global Offshore Wind Alliance
GW	Gigawatt
GWEC	Global Wind Energy Council
HRBA	Human Rights Based Approach
IDB	Inter-American Development Bank
IFI	International financial insitution
IMF	International Monetary Fund
IRENA	International RE Agency

JETPs	Just Energy Transition Partnerships
KPI	Key performance indicator
LNOB	Leaving no one behind
MCEU	Danish Ministry of Climate, Energy and Utilities
MDBs	Multilateral development banks
MEMR	Ministry of Energy and Mineral Resources of Indonesia
MFA	Ministry of Foreign Affairs of Denmark
MNRE	Ministry of New and RE of India
MSME	Micro, small, and medium enterprises
MTR	Danida Mid-term Review
NDB	National Development Bank
NDC	Nationally Determined Contribution
NGFS	Network of Central Banks and Supervisors for Greening the Financial Sector
NDCP	NDC Partnership
NGO	Non-governmental organisations
NWFE	Nexus of Water-Food-Energy
OECD	Organisation for Economic Co-operation and Development
OJK	Financial Service Authority of Indonesia
PANT	Human rigths principles of participation, accountability, non-discrimination, and transparency
PD	Project document
PPA	Power Purchase Agreement
PV	Photovoltaic
PWB	Programme of Work and Budget
RE	RE
Review	CEFIM Clean Energy Finance and Investment Review
Roadmap	CEFIM Clean Energy Finance and Investment Roadmap
SAA	Special asset allocation
SEARP	(OECD) Southeast Asia Regional Programme
SEforALL	Sustainable Energy for All
SIPA	Sustainable Infrastructure Programme in Asia
SMEs	Small and medium enterprises
SOEs	State owned enterprises
STI	OECD Science, Technology and Industry Directorate
ToC	Theory of change
ToR	Terms of reference
UNEP CCC	United Nations Environemnt Programme – Copenhagen Climate Centre
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organization
UPR	Danish acronym for the Council for Development Policy
VC	Voluntary Contribution
WB	World Bank
WPCID	(former) OECD Working Party on Climate, Investment and Development
WPFIEG	OECD Working Party on Finance and Investment for Environmental Goals

ANNEX D…
OECD TEMPLATE OF BUDGET FORMAT BY OUTPUT
(to be elaborated in the Project Document)

ANNEX - TENTATIVE BUDGET BY OUTPUT (OECD FORMAT)	
Output 1 : New cross-country reports and strengthened institutional capacity by a range of partner countries and broader ODA-eligible countries on emerging practices internationally to address key bottlenecks and targeted, catalytic levers to mobilise finance and investment in clean energy in EMDEs	**7,829,795**
STAFF COSTS	
PER PERSON CHARGEBACK	
INTELLECTUAL SERVICES	
MISSIONS	
EVENT/CONFERENCE AND RECEPTION COSTS	
OTHER OPERATING EXPENDITURES (*)	
Output 2: Strengthened capacity in the countries engaged on targeted bottlenecks and catalytic levers to mobilise finance and investment in clean energy in those countries	**15,659,590**
STAFF COSTS	
PER PERSON CHARGEBACK	
INTELLECTUAL SERVICES	
MISSIONS	
EVENT/CONFERENCE AND RECEPTION COSTS	
OTHER OPERATING EXPENDITURES (*)	
Output 3: Increased capacity, effectiveness and collaboration of public and private stakeholders regionally and internationally	**13,702,141**
STAFF COSTS	
PER PERSON CHARGEBACK	
INTELLECTUAL SERVICES	
MISSIONS	
EVENT/CONFERENCE AND RECEPTION COSTS	
OTHER OPERATING EXPENDITURES (*)	
Output 4: Flagship OECD publication on mobilisation of clean energy finance and investment in the countries engaged under Danish funding and a broader set of ODA-eligible countries	**1,957,449**
STAFF COSTS	
PER PERSON CHARGEBACK	
INTELLECTUAL SERVICES	
MISSIONS	
EVENT/CONFERENCE AND RECEPTION COSTS	
OTHER OPERATING EXPENDITURES (*)	
VC ADMINISTRATION CHARGE	**2,601,025**
TOTAL OECD BUDGET	**41,750,000**
Any overspend on one budget line may be compensated by an underspend on another budget line while remaining within the overall budget	
(*) Other operating expenditures includes communications, IT related, publications, translations	