

### UNFCCC COP 27 Sharm El -Sheikh, Egypt

# Implementation Lab Concept Note: "Resilient Energy Systems"

Marrakech Partnership for Global Climate Action

15 November 2022 12:00-13:30 LOTUS (Action Room 2)



## MP "Implementation Lab": Resilient Energy Systems Concept note

Description	Short description of the event itself, no longer than 100 words:			
	McKinsey & Company is delighted to be hosting an Implementation Lab, in partnership with the Global Green Growth Institute (GGGI), the International Energy Agency (IEA) and the UN High Level Champions.			
	Our focus is the 2030 Breakthrough that 'everyone has access to diverse, distributed and reliable energy'. The event unpacks the Breakthrough, presenting a range of evidence and stakeholder perspectives on the need for resilient energy systems, the actions and investment that can build resilience and lessons from investors currently financing resilience building activities.			
Headline	Phrase in a way that could be picked up easily by the press:			
	'Resilient energy system investments need to develop flexible and responsive systems and protect at risk assets, whilst ensuring universal access'			
Breakthrough	Breakthrough theme to be worked on during session:  Everyone has access to diverse, distributed and reliable energy			
Guiding Question	What action is required to ensure global access to diverse, distributed and reliable energy through more resilient energy systems?			
Targeted Outcomes	How does this event contribute to the COP27 outcomes on progress in implementation of mitigation/resilience goals?  The event highlights the imperative for action and investment in resilient energy systems, including the key resilient energy outcomes of upgrading T&D networks, integrating smart technology and diversifying energy generation. Alongside the imperative sessions will outline key investable opportunities connected to these outcomes, the enabling environment changes required to support these and a panel discussion with investors and operators already working towards them.			
Objectives	Please share more information on how this Roundtable discussion will:			
	Showcase of solutions that are enabling us to achieve the 2030 breakthrough: The session will define an energy system, the hazards they are exposed to and the key activities and investable opportunities that make these resilient whilst also increasing access. In doing so, the event gives a roadmap for businesses, investors			



and policymakers. The final section of the session will give a platform for businesses and investors already increasing access to resilient energy systems, giving participants real-world examples of what could be achieved.

**Discuss key roadblocks to resolve these barriers:** The enabling environment talk, given by IEA, will highlight the key barriers to scaling resilient energy activities — including recommendations for how these can be overcome. Similarly, the investor / business panel will discuss challenges, solutions and sca

#### Enable collaboration to replicate solutions at scale across different regions:

Session 2 will focus on investable solutions and how enabling environment can help these solutions to scale. Whilst the solutions target LDCs, where the investment gap is greatest, they have global relevance. Session 3 will provide opportunities for investors and businesses to discuss how they have invested in these identified opportunities. The panellists will be selected to cover a broad range of geographies, but again, focusing on LDCs and Africa.

#### \*Participants

Which diverse stakeholder groups, from Party and non-Party do you need to take part in the event to achieve the outcomes? (eg. supply, demand, finance, policy and civil society)

- **Investors:** covering the full spectrum of investor types (e.g., philanthropy, DFIs, private and institutional investors), capital types (e.g., debt, equity, mezzanine) and geography.
- Businesses / utility companies / insurers: both developing / operating energy infrastructure but also providing products and services to developers and operators.
- **Policymakers:** supporting enabling environment improvements to support both capital deployment and the delivery of resilience building action.

## Key Action points out of the discussion

Please summarise in no more than 150 words the 3 most ambitious action points that participants of the discussion should come out of the event with to enable reaching the 2030 Breakthrough

- Adaptation to build resilient energy systems is critical to human resilience globally, providing a significant imperative for action and investment alongside mitigation. Energy system resilient action and investment is also complementary to the energy transition, with overlapping technologies and activity.
- 2) Resilient energy systems present immediate and compelling investment opportunities, which can mobilise a wide range of investors and capital types. Many of the most impactful investments focus on resilience in LDCs, where the need is greatest, and investment is less. This action and investment is underpinned by key enabler environment characteristics.



3) Capital is being deployed now, with mechanisms and deal-types being pioneered that have the potential to scale. There are investors, ranging from DFIs to pension funds, already building and launching vehicles and closing deals that build resilience in energy systems in LDCs and around the world. These deployments provide precedent for future investing and key lessons on how to scale capital deployment.

### **Draft Agenda**

Timing	Session Description	Speaker suggestions (Name, Title, Organisation)	Additional notes/form at tips
<b>5 mins</b> E.g., 12.00 - 12.05	Welcome and overview of event Introducing the event, including objective, link to the breakthrough, agenda and partners	Moderator: Hamid Samandari, Senior Partner and Co-founder of the Americas Risk & Resilience Practice, McKinsey & Company	Background music and visuals
<b>15 mins</b> E.g., 12:05 - 12:20	Keynotes: The resilience imperative Setting out the need for resilient energy systems, increasing levels of climate risk for these systems and the impact of these risks. The focus of this session is framing the imperative for resilience / adaptation.  There will be a specific focus on climate risk in LDCs, alongside real- world experiences of at-risk energy systems.	Speaker 1: High Level Champion presenting high- level climate risk findings  Speaker 2: LDC negotiation team member providing real- world experiences and LDC focus	TED-style talk  Highly visual slides showing climate risk data
<b>30 mins</b> E.g., 12:20 - 13:50	Identifying investment opportunities and building the enabling environment for resilience	Speaker 1, Investment opportunities: Peter Douglas, Sustainability Investing, McKinsey &	Presentatio ns with moderator Q&A



	Resilient energy systems and investable opportunities (10 mins)  Defining an energy system, exploring how these systems are at risk of climate hazards and outlining the key activities that build resilience — with a focus on where money is flowing and where investment opportunities exist.  Enabling environment opportunities and challenges (10 mins)  Framing the key enabling environment characteristics needed to support resilience-building, ranging from policy to tech, and highlighting the main opportunities and challenges	Speaker 2, Enabling environment: Jinsun Lim Energy and Environment Policy team, IEA	
<b>35 mins</b> E.g., 12:50 – 13:25	Exploring channels for deploying capital  Fireside chat, led by the moderator, with 3 investors / operators currently investing in energy resilient systems. Questions will include: How are you currently investing? What have you learnt? What needs to happen to unlock further scale?	<ul> <li>Moderator:         <ul> <li>Dr. Malle Fofana, GGGI</li> <li>Africa Regional Director</li> </ul> </li> <li>Speaker long-list (TBC):         <ul> <li>Marco Serena, Head of Impact at PIDG</li> </ul> </li> <li>Isabel Beltrán, Director for Latin America and the Caribbean, Global Energy Alliance for People and Planet (GEAPP)</li> <li>Marcus Watson, Investment Director, KawiSafi Ventures</li> </ul>	Fireside chairs and visuals  Moderator incorporatin g questions from the audience
<b>5 mins</b> E.g., 13:25 – 13:30	Closing Remarks Key take-aways	Moderator: Hamid Samandari, Senior Partner, McKinsey & Company	