

The Clean Energy Challenge

Fostering Private Sector Engagement to Advance
Clean Energy Access in Displaced Settings in Turkey



Outcomes Report

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globesight

TURKONFED

Table of Contents

I. Executive Summary	1
II. Overview: Global Refugee Forum and the Clean Energy Challenge	1
III. Mobilizing the Private Sector in Turkey	2
IV. Key Findings from the Roundtable	3
a. Leaving no one behind: creating a collective vision for universal clean energy access	
b. The renewable energy sector in Turkey: current state and opportunities	
c. There is a nexus of displacement, clean energy, and gender equality in Turkey	
d. New initiatives can unlock the potential of displaced communities: an economic empowerment angle	
e. Integrated multisectoral collaboration is required for sustainable and viable impact: in Turkey and beyond	
f. There is a need to coordinate and share lessons across stakeholders	
V. Moving Forward	11
VI. Appendix	12
a. Roundtable Participants List	
b. Organizers & Supporters	

I. Executive Summary

During the Global Refugee Forum, the United Nations High Commissioner for Refugees (UNHCR) announced the Clean Energy Challenge, a multi-stakeholder platform of more than 200 partners. Aligned with Sustainable Development Goals 7 and 13, the Challenge is an effort by individuals, businesses, and organizations from all over the world to bring systemic change to displacement settings by replacing unsustainable energy with clean, modern energy sources that can be used for households, community services, and humanitarian operations. A core founding member of the Challenge, Globesight committed to mobilizing the private sector around the Challenge in a number of countries with significant refugee populations through high-level convenings with key stakeholders. Turkey, which is home to the world's largest refugee population, is the first country in which this process has been initiated, beginning in January 2021, in partnership with TÜRKONFED (Turkish Enterprise and Business Confederation), and with the support of the Canada Fund for Local Initiatives (CFLI). This Outcomes Report highlights the key findings from the initiative in Turkey. As a key outcome of the roundtable, a working group from the relevant stakeholders will be formed to explore the next steps.

II. Overview: Global Refugee Forum and the Clean Energy Challenge

The United Nations General Assembly put in place in 2019 a comprehensive refugee response model with the affirmation of the Global Compact on Refugees. A central pillar is the Global Refugee Forum which has been established to convene governments and other key stakeholders every four years to ensure their commitment to achieving the goals of the Compact and driving positive change in the lives of refugees.

The first Global Refugee Forum took place in Geneva in December 2019 and brought together the international community around a platform that saw the announcement of pledges to improve the lives of refugees and their host communities. At that important solidarity moment, the United Nations High Commissioner for Refugees (UNHCR) announced the Clean Energy Challenge, a multi-stakeholder engagement platform of more than 200 partners across governments, multilateral and inter-governmental Institutions, UN organizations, non-profits, research institutes, and private sector companies. This included both the Government of Canada and Globesight, as well as other notable partners such as the Governments of Norway, France, Germany, Sweden, and the Netherlands as well as the World Bank Group and World Economic Forum.

The Challenge defines a high-level vision statement around all refugee settlements and nearby host communities having access to affordable, reliable, sustainable, and modern energy by 2030. It is also a tangible expression of international solidarity in support of refugees and host communities. It sets an ambitious and forward-looking agenda, pushing to do more around a

measurable target that helps refugees and host communities to access clean energy, while also delivering on commitments towards Climate Action. Aligned with Sustainable Development Goals 7 and 13, the Challenge is an effort by individuals, businesses, and organizations from all over the world to bring systemic change to displacement settings by replacing unsustainable energy with clean, modern energy sources that can be used for households, community services, and humanitarian operations.

As a core founding partner of the Challenge, in addition to supporting it globally, Globesight has also pledged to mobilize the private sector around this important initiative in a number of countries with significant refugee populations, through high-level convenings with key stakeholders. The main objective is to complement the global efforts of fostering solutions and innovations that ensure clean energy access is universal by activating the capacity of the private sector and harnessing cross-country linkages in support of the Challenge.

III. Mobilizing the Private Sector in Turkey

Turkey, which is home to the world's largest refugee population (4 million as of end-2020), and has a rapidly growing renewables sector and an enterprising private sector, is the first country in which Globesight initiated the mobilization of the private sector, beginning in January 2021, in partnership with TÜRKONFED (Turkish Enterprise and Business Confederation), and with the support of the Canada Fund for Local Initiatives (CFLI).

The objective of this specific initiative is to convene the Turkish private sector, along with key stakeholders in Turkey that work at the intersection of renewable energy, refugee response, and gender equality, to work towards achieving the vision of ensuring clean energy access in settings where climate change and displacement have disproportionate impacts. To achieve this, a two-step process was sequenced and initiated. First, a comprehensive and inclusive consultation process was carried out between January-March 2021 with a diverse set of stakeholders, including business associations, private sector companies, international organizations, financiers of clean energy and climate mitigation, and non-profits to ensure their voices and perspectives were included in the shaping of the next stage and to spark conversations within their organizations on clean energy access for displaced communities in Turkey. This process then culminated in the second step, a high-level roundtable convening on "Fostering Private Sector Engagement to Advance Clean Energy Access in Displaced Settings in Turkey" on March 3, 2021, with the participation of 15 key high-level stakeholders primarily from the private sector but also representatives from international organizations, financial institutions, think tanks and the non-profit sector (see Appendix).

The initial consultations provided insights into the state of clean energy in Turkey, displaced communities' current state and future potential access to it, and how it is viewed by the private sector and other stakeholders in terms of successful existing models, an incentivizing policy

environment, and the revenue potential. Over 30 individuals from 20 organizations were consulted; the discussions had a particular focus on the energy challenges faced by women and other vulnerable communities in displaced settings.

IV. Key Findings from the Roundtable

The initial consultations helped frame the topics of focus at the roundtable that followed. The roundtable spurred an engaging discussion focusing on the importance of clean energy, and specifically why it is integral for refugee settlements and host communities, especially women and girls. Broadly the discussion covered the current state of clean energy, refugees, and gender equality in Turkey, alongside the identification of challenges. The participants also explored the role of the private sector in helping to spur innovation and scale to ensure clean energy access, especially in displaced settings, and the role of collaboration and partnerships in amplifying projects.

a. Leaving no one behind – creating a collective vision for universal clean energy access

Energy access is among the primary factors that define the ability of societies to thrive independently. In humanitarian settings, however, the need for clean, safe, and sustainable energy tends to fall behind on the list of other urgent needs.

- *Clean energy access should be a universal right:* The infrastructure needs of the world are diverse and large, but the access to clean energy needs to be equitable.
- *Energy actors need to work together:* From a purely sectoral perspective, three main players stand out – producers, consumers, and distributors. This approach focuses on a siloed system where producers only produce, and consumers only consume. In order for sustainability to flourish though, these actors need to work together. **"If it's a win for one, but a loss for another, it's a loss for the community."**
- *Inclusion is key:* The COVID-19 pandemic has been a wake-up call showing that exclusion has compounding consequences. It is important that everyone is included in clean energy initiatives, especially including vulnerable communities and at-risk individuals like women, children, indigenous people, and marginalized communities such as refugees, immigrants, and the disabled. The disproportionate impact that energy poverty has on these vulnerable populations must be addressed, particularly for women, since providing universal access to clean energy is a key enabler of empowerment.

b. The renewable energy sector in Turkey: current state and opportunities

From an employment perspective, it is estimated that jobs in the renewable energy market will increase from over 10.3 million today to 29 million by 2050 worldwide. The share of renewables in the total installed energy capacity exceeds 51%, and with regards to total energy production, has increased from around 14% in 2002 to 36% today. Turkey has a strong renewable energy sector with prominent producers, investors, equipment manufacturers, a facilitative regulatory environment, and financing mechanisms. In the past, large power plants were owned by the state; that has gradually changed over time alongside privatization. Hence, private sector investments supported by strong incentives have had a key role to play in this trend, accounting for around 21% of the production increase.

It is estimated that jobs in the renewable energy market will increase from 10.3 million to 29 million by 2050.

As the energy sector advanced with the investments of big corporations and a cost reduction in solar power, it became feasible for small and medium scale investments to flourish too. As we stand today, however, the sector still needs to go through a complete transformation and change its business models in order to address growing challenges and harness the full potential of the opportunities that exist. The large refugee influx into Turkey over the past decade has been concentrated mainly on the Southeastern and Marmara regions of the country. This created an excessive burden on cities located in the Southeast, the infrastructure of which had only been planned for a limited population size. The disadvantages of current, centralized energy systems are felt to a great extent when the populations of cities increase significantly in an unprecedented way.

- *An adaptive regulatory environment is needed:* In Turkey, a recent regulatory amendment for electricity provision has made it possible for households to buy electricity that is licensed with renewable energy, but at a very high price, placing an extra burden on consumers, and disincentivizing the usage of renewable energy. This needs to be adapted to changing needs.
- *Renewability and sustainability need to be considered together:* A holistic approach is necessary when investment decisions are made. Installing solar power for instance enables more regular energy access, but it can also be detrimental for agricultural fields. Similarly, hydropower plants can lead to the drying up of rivers, if not carefully assessed. Therefore, new initiatives should focus on sustainability. As technology prices continue to decline, new initiatives that encompass both production and consumption will be needed in the living environments of displaced communities. In campsites or temporary refugee accommodation centers, for instance, deploying energy storage systems and technologies that enhance resource efficiency could be a focus.

- *Decentralization amplifies access for the most vulnerable:* Both the displaced and host communities are interlinked with the country-level strategy to decentralize renewable energy distribution. A centralized distribution disrupts equitable and sustainable clean energy access opportunities for both communities. A new mechanism needs to be put in place that enables the decentralization of renewable energy production through microgrids and an integrated system that ensures each household gets access to clean energy.
- *The private sector has a key role to play in driving inclusive economic empowerment:* The renewable energy transition towards a more decentralized system will also create new job opportunities in Turkey, benefitting both Turkish citizens and refugees. It is therefore key to ensure they can access these opportunities through inclusive policies. An enabling regulatory environment is central to this, and the private sector has a key role to play, developing innovative solutions and informing public authorities on needs. The collaboration of these two stakeholders is primarily important, along with the involvement of other stakeholders, including financial institutions (which have played a hugely supportive role in Turkey's move toward a green economy) and consumers. The private sector needs to be able to develop its own innovative business models that can be implemented in the free market, but with regulatory support to ensure flexibility.

c. There is a nexus of displacement, clean energy, and gender equality in Turkey

Turkey hosts the world's largest refugee population (4 million at end-2020), with around 98% living across cities, alongside host communities, with the remainder (~2%) living in temporary accommodation centers. Given that the vast majority of these refugees live amongst host communities, existing challenges are exacerbated, particularly those over economic and resource competition; the lack of access to clean, sustainable energy in displaced settings poses a number of unique problems for displaced communities, especially women, children, the elderly and people in need of special care whose mobility, health, and access to opportunities (such as work, school, and communal spaces) are greatly impacted. With a large percentage of refugees being women (46%) and children aged between 0-18 (47.4%), their particular struggles resulting from clean energy poverty must be addressed if any initiative in this area is to see any truly sustainable success.

Any initiative at the nexus of displacement, clean energy, and gender equality in Turkey will need to plan its partnerships, approach, and investments in a manner that accounts for not only the current needs of local communities, but also the future needs that may arise due to wider concerns such as population growth, conflicts, health crises, and socio-economic suffering. Clean energy is

a crucial pillar in this respect and understanding where displacement flows will be concentrated in the near and long-term will be key to planning for the right investments and partnerships.

- *Production and consumption of on-site solutions are key enablers:* Stakeholders involved in this process have highlighted that refugees living across cities have access to the national electricity grid, making the specific earmarking of energy supply to them a difficult task. In certain regions where displaced communities are highly concentrated, it is possible to meet their energy needs through renewable energy resources (e.g., solar, wind, hydroelectric) by producing these in close proximity to their location using energy storage systems and establishing mini-grids. In addition to being an effective approach, this also decreases the burden on the national grid, contributes to the reduction of greenhouse gas emissions, and even contributes to the economy by potentially supplying any excess energy to the national grid. This would also benefit refugees in temporary accommodation centers who do not usually have access to the national grid, leading to problems related to hygiene, sanitation, and food access. Installing micro-grids and powering them with solar PV and storage could be a solution here, with the Turkish private sector positioned strongly to install a specified capacity power plant based on the needs of displaced communities in a specific area.
- *Localization drives far-reaching impact:* Involving local authorities and beneficiaries and centering initiatives around their voices and needs should be a key focus. As an example cited during the roundtable, the Business4Goals (B4G) Platform notably offers opportunities for mobilizing local government; it is a landmark partnership between the private sector and the UN, to support local partnership projects between the private sector and CSOs associated with clean energy.
- *Project pipelines need to be foreseeable:* From the perspective of creating an enabling environment for change, the public sector needs to make changes so that project pipelines become more foreseeable. The current licensing process for investments can take two years, which is seen by some in the private sector as too long. Furthermore, a recent regulatory amendment on electricity provision has made it possible for households to buy electricity that is licensed with renewable energy; however, this is currently expensive, possibly disincentivizing the usage of renewable energy amongst those who have a route to accessing it. Positively, electricity sale prices have recently been rebased in Turkish Lira, which means companies that invest in the electricity sector will borrow in local currency - this is seen as a promising development.
- *While some existing initiatives have a gender focus, women's empowerment should be spotlighted more:* In doing their part, Turkey's leading companies with renewable

energy operations carry out flagship initiatives to address displacement from a wide range of angles, in partnership with international organizations and local development agencies. These include projects on education, cultural integration, and economic empowerment, with some having a strong gender focus on gender-specific initiatives (those targeting refugee mothers, for example).

"In addressing the disproportionate impact that energy poverty has on marginalised and vulnerable populations, we must bring some focus on women's economic empowerment-providing them universal access to clean energy is key to that."

- *Initiatives should also focus on developing green skills for all:* International financial institutions have brought their expertise and funding to the table to develop green skills by bringing the private sector together with relevant public institutions (e.g., the Turkish Ministry of Education) to shape initiatives. These efforts aim to boost the Turkish labor market to match demand and supply and ensure the integration of displaced communities into the labor market.

d. New initiatives can unlock the potential of displaced communities: an economic empowerment angle

Tackling climate change as part of SDG 13 requires thinking around how it affects the gender parity represented as a goal to be met within SDG 5. In this context, it is worth noting that refugees face multiple challenges in accessing education, and are subject to unemployment, underemployment, are underpaid, forced to work in the informal economy, and subject to child labor. All these challenges also touch upon multiple SDGs to be considered within this context.

- *The green economy will bring new challenges and opportunities for refugees:* Refugees, especially women, present a repository of untapped potential as entrepreneurs and employees in the renewable energy sector. Furthermore, as Turkey and the world transition to a greener economy, a range of other job options will disappear, increasingly disadvantaging refugees. Therefore, it will be more important to include these communities in a wider skills development program.
- *The growth of the renewables sector is a key opportunity to include more women:* The renewable energy job market is expected to nearly triple by 2050, highlighting the potential of the ongoing global energy transition to offer new employment sources. The manufacturing and installation of solar products present opportunities for refugees' integration into the workforce. Currently, in Turkey, installers and manufacturers are mostly men- the focus should shift to how to get more women involved in the business. In a promising start, the renewable energy sector already employs a workforce comprising around 32% women, compared to 22% in the

energy sector overall. Furthermore, the International Renewable Energy Agency (IRENA) has recently shown that women's increased participation is crucial to ensuring their talents are fully utilized.

- *Vocational training models drive transformation:* Key initiatives have been carried out in Turkey with strong potential to succeed - for example, one project focuses on education and training through vocational qualification centers wherein individuals will be taught how to manufacture and install solar power modules, giving them access to a market with huge growth potential. The solar market is predicted to produce 100,000 MW of solar this year, and in 2025, 500,000 MW, five times more. Refugees could also be taught and trained in a variety of skills (e.g., English language, installation, reading technical design, working in high voltage facilities, panel production, engineering), which is key to extending the benefits of increasing domestic and international manufacturing capacities to them.
- *Gender mainstreaming should be the common standard in the sector:* Ultimately, a gender-sensitive approach needs to be integrated and mainstreamed into all renewable and clean energy initiatives, to ensure an inclusive approach that benefits women from displaced communities in particular, and women in general.

e. Integrated multisectoral collaboration is required for sustainable and viable impact: in Turkey and beyond

A multi-stakeholder lens is central to addressing the link between clean energy access and the upliftment of displaced communities. No single actor can independently address this and there is a need for engagement of the private sector, civil society, international organizations, and governments to come together to support initiatives that will benefit both displaced and host communities. It is the first step towards bringing together a diverse set of stakeholders into a wider, cross-cutting coalition.

"The timing of this initiative is crucial in light of the consequences that COVID-19 continues to have on refugee and host communities. "

- *Accelerator programs offer high-impact platforms to drive clean energy access:* Some prominent platforms exist in Turkey that can be leveraged further to drive this agenda. An example is the SDG Impact Accelerator (SDGia), which is an innovative, global, multi-stakeholder partnership program in Turkey that can serve as a platform to facilitate solutions to the clean energy access gap in displaced and host communities. The program mobilizes global startups and entrepreneurs to develop innovative solutions to meet the SDGs. A new challenge call can be announced in clean energy, and women and refugee entrepreneurs can particularly be encouraged to participate.

- *Turkey is institutionalizing its impact investing ecosystem - an important catalyst for innovative solutions to flourish:* The impact investing ecosystem in Turkey is being established in partnership with the public sector, financial institutions, private sector, and international organizations. Work is underway to form a National Advisory Board (NAB) on impact investing and to include all stakeholders under this umbrella to formulate strategies that will inform policymakers about what is happening in the impact world, what standards are prevalent, and to facilitate a connection with the international Global Steering Group (GSG) for impact investing.
- *Thematic investments are gaining more attraction:* The private sector can play a pivotal role in thematic investments focusing on gender and/or refugees. Thematic investments are both profit and impact-driven, shortly defined as “triple bottom investments” in which one aims to produce a financial return while managing risk and creating measurable positive impact. For example, investments made through a specific lens, like gender-lens investing, aim to fund the employment of a certain percentage of women within the business, and could theoretically be extended to refugees as well. Environmental and social governance (ESG)-focused investments are also an option, as are outcome-based social impact bonds.
- *Turkish entrepreneurs drive innovative technology solutions:* Technology companies in Turkey offer solutions around solar photovoltaic pay-as-you-go systems which involve the provision of the entire infrastructure system, from LED bulbs to batteries, without an initial cost, along with flexible payment models, such as periodic mobile payments. These projects can help overcome many barriers that are currently encountered, and target households and small enterprises that operate locally. In addition to providing clean energy access, they also stimulate the growth of other sectors like fintech and empower local people to pay for these alternative energy sources. Such projects have the potential to become a proven solution in Turkey, where refugees are highly concentrated, and host communities live in close quarters.
- *Significant potential exists for partnerships and tech transfer between Turkey and LDCs:* The private sector is a driver of innovative solutions that have the potential to address the clean energy-displacement nexus. Prominent best practices exist around the world that address the problem of high initial costs of energy assets, storage, and distribution, and the scalability of these solutions. Pay-as-you-go off-grid solar projects are innovative business models combining fintech and cleantech. Possibilities for synergy and collaboration abound, both within Turkey and abroad. To service the 180,000 refugees in Turkana, Kenya, for instance, ongoing discussions with some Turkish companies focus on how they can provide

clean energy. If this materializes, it will not only address the immediate problem but also increase the visibility of Turkish technology in other parts of the world.

- *Key challenges to building effective partnerships still exist:* A key aspect to note on multi-sectoral collaborations going forward is that their biggest challenge is to manage varied perspectives, priorities, and interests of different partners. This requires a strategic approach and capabilities for managing differences. The second challenge is access to finance, especially for international organizations that do not spend their own financial resources. This is where the private sector and the government need to step in to turn the tide and energize efforts in this direction to ensure truly impactful collaborations. On the other hand, international organizations play an important role in ensuring the visibility of clean energy nexuses on national government agendas and need to continue to play this supportive and enabling role.

f. There is a need to coordinate and share lessons across stakeholders

As a direct outcome, stakeholders participating in the roundtable aligned over convening a working group as a place to have and continue conversations in the future, leading up to the next Global Refugee Forum. The enthusiastic engagement of stakeholders facilitated a fruitful exchange of relevant ideas, expertise, and best practices, and indicated a high degree of support around taking forward this initiative.

V. Moving Forward

The roundtable in Turkey has helped form an inclusive, multi-stakeholder platform to amplify voices from the private sector in Turkey, alongside other key stakeholders, in order to catalyze tangible progress. As a direct outcome of the roundtable, an action-oriented working group that includes key stakeholders who took part in the initiative will be established. The working group will convene regularly to serve as an engagement platform to continue conversations in the future and build up project-specific collaborations in the lead-up to the next Global Refugee Forum.

In parallel, Globesight will expand this initiative to leverage the learnings and outcomes of this process and take forward the discussion in other countries with significant displaced populations. This will help tap into key learnings from other geographies. These country-specific initiatives will draw an increasingly diverse group of multi-sectoral collaborators into a wider coalition that champions and actions the provision of clean energy to displaced and host communities worldwide.

Appendix

a. Roundtable Participants List

Jamal Khokhar

*Canadian Ambassador to
Turkey*

Öne Çelebi

*Board Member,
TÜRKONFED*

Taufiq Rahim

*Executive Director,
Globesight*

Philippe Leclerc

*Turkey Representative,
UNHCR*

Jaime de Bourbon

Senior Advisor, UNHCR

Ebru Özdemir Chair

Limak Group of Companies

Yasemin Sirali

*Social Investments Director,
Fiba Holding*

Joanna Osawe

*CEO, Women in Renewable
Energy (WIRE)*

Özen Tümer

*Associate Economist,
Gender, EBRD*

Kutay Kaleli

CEO, GÜNDER

Defne Sadıklar Arslan

*Turkey Director, Atlantic
Council Turkey*

Ebru Dildar Edin

*Executive Vice President,
Garanti Bank*

Şafak Müderrisgil

*Chair, Etkiyap Impact
Investing Platforma Holding*

Şahin Çağlayan

*CEO and Co-Founder,
Reengen Turkey*

Duygu Ercan Mörel

*Turkey Representative,
Globesight*

b. Organizers & Supporters

Globesight

Globesight is a leading global development firm and social enterprise working collaboratively with innovative partners to craft solutions to the world's most pressing social issues. Globesight develops strategies, investigates complex issues through relevant research, cultivates insights in data-scarce environments, and aims to reframe the conversation to challenge assumptions on advancing change. Its team of strategists, advocates, and experts work across sectors and issues helping organizations navigate complex social challenges, define their impact potential, and build innovative solutions that will both achieve their goals and drive ours forward.

Headquartered between Dubai and New York, Globesight also has offices in Islamabad and Ankara. Globesight was a key participant in the Global Refugee Forum and helped launch the Clean Energy Challenge.

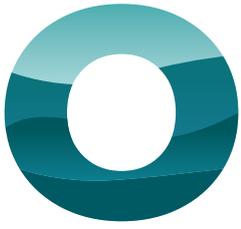
TÜRKONFED (Turkish Enterprise and Business Confederation)

TÜRKONFED (Turkish Enterprise and Business Confederation) is a non-governmental business organization, aiming to contribute to the development of regional, sectoral and national economic policies. TÜRKONFED was established in 2004 as a nation-wide confederation, representing 6 federations and 69 associations. Today, 30 federations and 274 associations fall under TÜRKONFED, through which over 40,000 companies are represented. TÜRKONFED is also an associate member of SMEunited, formerly known as UEAPME, which is the association of crafts and SMEs in Europe with around 65 member organizations from over 30 European countries since 11th of February, 2014.

Regional development, vocational education and employment, competitiveness and innovation are TÜRKONFED's main areas of activity. With the overriding goal of improvements in these fields, TÜRKONFED leads academic and field studies, identifies problems, generates targeted solutions and shares its opinion with stakeholders and policy makers. Furthermore, TÜRKONFED focuses on enhancing the competitiveness of SMEs.

Canadian Fund for Local Initiatives (CFLI)

The Canadian Fund for Local Initiatives (CFLI) is a program designed to support small-scale, high-impact projects in developing countries, which align with Global Affairs Canada's thematic priority areas for engagement. The program is directed at projects conceived and designed predominantly by local partners. Projects are planned and implemented mainly by local organizations and are selected and approved by the relevant Canadian Embassy or High Commission. The CFLI also serves to support positive bilateral relations between Canada and recipient countries and their civil societies, by deepening contacts and supporting local endeavors.



Globesight is a global development firm working collaboratively with innovative partners to craft solutions to the world's most pressing issues. With hubs in Dubai and New York, Globesight has a growing presence across the Middle East, South Asia, and Africa.

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