



Diagnostic for Competitive Arrangements for Energy Transition (DCAT)



PROJECT SNAPSHOT

The push for greater renewable energy adoption requires a modern regulatory framework capable of facilitating competitive market arrangements. These arrangements are vital for mobilizing private sector resources, which are a primary force behind large-scale renewable energy deployment.

The objective of this project is to mitigate investment risks in the renewable energy sector. This will be achieved by developing a system to optimize market mechanisms, thereby enabling competitive renewable energy integration into the nation's energy supply.

CONNECT



ETP'S CONTRIBUTION

The project provides a diagnosis of current power-purchasing systems in Indonesia, the Philippines and Vietnam, to develop an understanding of existing barriers and draft an action agenda for authorities to implement and adopt market mechanisms.

The foundation set through the Diagnostic for Competitive Arrangements for Energy Transition (DCAT) project is expected to be succeeded by programmes seeking to implement market mechanisms.



IMPACT



More renewable energy (RE) sources are deployed due to competitive arrangements and transparency



OUTCOME



- Renewable energy procurement mechanisms become more transparent
- Risks of renewable energy projects are distributed and mitigated



OUTPUT



- Diagnostics of political, financial, and regulatory barriers of RE procurement
- Recommendations to create competitive arrangements for RE procurement



ENERGY
TRANSITION
PARTNERSHIP

STRATEGIC OUTCOME 2:

De-risking investments on renewable energy, energy efficiency and fossil fuel phasedown



IMPLEMENTATION PARTNERS



STAKEHOLDERS

Indonesia - Directorate of Electricity,
Ministry of Energy and Mineral
Resources

Philippines - Renewable Energy
Management Bureau, Department of
Energy

PROJECT DURATION

May 2023 - May 2024

CONTACT DETAILS

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KEY OUTPUTS

- Provision of Recommend Mechanisms (such as competitive procurement) that can be used to ramp up the procurement of renewable energy and commercial terms (such as those established through PPAs) under which successful projects are subsequently contracted.
- A diagnosis of the legal, economic, financial, and political conditions that relate to exploring a greater use of competitive and transparent market mechanisms in place of conventional and more stagnant power purchasing systems.
- Development of country-specific pathways, capacity building measures and templates for approval and implementation of optimal market-based competitive arrangements.
- Stakeholder consultations and workshops to introduce and consult the findings/ recommendations with relevant ministries, local government, investors, donors and developers.