**Introductory remarks – IOM Migration Dialogue**

Scatec is a global renewable energy business that develops, builds, operates and owns (as majority shareholder) renewable energy projects across technologies – solar, wind, storage and hybrid – in developing countries across the globe. And what we do is becoming increasingly important. Around 800 million people in the world today do not have access to electricity, of which 615 million people live in Africa. Access to energy for displaced people, often living in remote locations, is especially scarce. Limited access to energy is a huge impediment also for other development indicators and basic needs, such as access to protection services, education and jobs. Displaced people are already by definition vulnerable populations on all of these indicators. As such, lack of access to energy serves to reinforce pre-existing vulnerabilities and hinder development and reintegration.

Energy needs in non-OECD countries are expected to increase by more than 80 % by 2050. If we are to reach the goals of the Paris agreement, it will thus be immensely important what choices we make today to cover tomorrow’s energy needs. Renewable energy must be at the cornerstone of that transition.

**Despite the crucial role of energy in humanitarian action, and the UN’s commitment to carbon neutrality, the green transition in the humanitarian sector has been a slow coming process.**

The do-no-harm principle should imply that humanitarian agencies take steps to reduce emissions in their host country, but no concerted approach seems to have been taken to phase out diesel from humanitarian activities. (According to a Chatham house report), humanitarian agencies allegedly spend more than a billion USD on polluting fuel every year - and with the increase in protracted crises across the globe fuelling humanitarian aid can often consume a substantial proportion of the humanitarian budget. Apart from the obvious negative climate and cost effects, the diesel generators have not been able to provide secure and stable access to energy, often hampered by fuel disruption and power supply risks. In order to reach both net-zero, increased electrification globally and the SDGs, we have to embark on a massive scale-up of renewable energy. UN and the humanitarian sector must be part of that shift.

We are ready. The technology is mature and cost-saving – solar or wind is currently the cheapest option for new power production in countries representing 90 % of the global electricity production- and we have designed a model that specifically targets the procurement needs of the UN and other humanitarian actors and addresses the bottlenecks that until today has hindered private sector collaboration for supply of green energy to populations living in displacement settings.

**Our solution is Release, and I will tell you why replacing fuel with solar and battery will both reduce emissions, save cost and ensure a more reliable power supply.**

Release is a pre-assembled, containerized, movable and modular solar and energy storage system for rent, which connects to the existing diesel generators with the primary goal of replacing diesel in the electricity mix. The key added value compared to a standard Power Purchase Agreement with a government party flexibility and simplicity. Release is quick to deploy (installation at a rate of 1-2 MWp per week, meaning that a plant can be up and running 6 months after the contract is signed where 4 months are related to transport) and can be redeployed – the mobility limits environmental impact in preventing permanent occupation of land. The PV plant and the battery energy storage system is modular and as such can be scaled up or down at any time depending on need. Contract durations are flexible down to one year with the option of prolonging or buying the assets at the end of the contract. And should the humanitarian activities in the area come to an end, the contract can also be terminated. Limited upfront payments and short-term contracts reduce the buyer’s financial commitment both on the guarantee side and on the balance sheet, making it easier for humanitarian agencies to embark on the green shift.

Release is immediately cost-saving for the offtaker both compared to conventional solar in the same time perspective and not least compared to diesel. When assessing the need for battery energy storage we also optimize for the lowest customer levelized cost of electricity.

Using batteries also addresses the power supply risks experienced with diesel generators, making the system stable and operable and enabling delivery of dispatchable solar power even in the night or during cloudy days.

Release makes solar simple. With a simplified structure with one contract only, Release is a plug and play solution. The equipment comes pre-assembled in containers, Scatec installs the equipment at the site and monitors the performance at our 24/7 control and monitoring centre, while training the buyer’s personnel for maintenance to support knowledge transfer and capacity building.

We have several Release projects under development and maturing with a project portfolio of around 300 MW. What is remarkable is that *mining companies*, driven by increased pressure to reduce their carbon footprint, have shown a great appetite for the Release concept. But ironically we haven’t seen the same sense of urgency in the humanitarian system.

But last year, we commissioned our first Release project with a humanitarian actor - **a combined solar and battery storage plant in Malakal, South Sudan, through a flexible energy supply agreement with IOM as the head of the humanitarian hub, hosting more than 34 organizations working on humanitarian response in the area.**

The plant has a solar PV capacity of 0.7 MW PVp, combined with a 1,4 MWH battery energy storage system that is connected to IOM’s existing diesel generators. What’s amazing about this project is that it reduces annual CO2 emissions by 80-90 % by covering 90 % of the electricity needs with solar power; *and* it’s cheaper – giving reduced energy costs of around 20 % which will only increase over time as the tariff is reduced – *and* it providesmore reliable and robust energy supply than diesel. It’s a no brainer.

**The Release model can also be a driver for local development,** with the potential to expand and deliver energy to health centers, schools and other community services, knowing that unstable and costly access to electricity is a huge impediment to effective service delivery in rural areas. The humanitarian agency would then work as the anchor client with the possibility to expand in a second phase and connect to the local grid to provide electricity to community services and local government offices. This has a clear local development effect in supporting efforts to strengthen government-led service delivery with handover of the permanent energy infrastructure (transmission lines) to the municipality after 10-15 years.

The negative secondary effects of the covid-19 pandemic have made displaced populations even more vulnerable, reinforcing the pertinence of the nexus between migration and climate change. **But crisis also provides a momentum to make a change – to build back better, and greener.** It’s time for humanitarian agencies to monitor energy use, set emission reduction targets and cooperate with renewable energy suppliers. Donors setting clear requirements to reduce fuel costs and emissions, and DFIs providing financing guarantee structures can help spark that change.

But most importantly; we have a ready-made solution that responds to the responsibility we all bear - now as renewable energy has become the most cost-effective alternative - in giving populations in remote locations access to green energy. And we are eager to discuss with you how we together can contribute to spur the green shift in displacement settings.