

***Foundations Announce \$1 Billion Fund
for Renewables in Emerging Economies
at Opening of Ministerial Forums***

21 June 2021 – Efforts to accelerate global actions to ensure that all people have access to clean energy and electricity received a lift today as The IKEA Foundation and The Rockefeller Foundation announced plans to launch a \$1 billion fund to boost access to renewable energy in developing countries.

The announcement was made today at the opening of the week-long Ministerial Thematic Forums for the High-level Dialogue on Energy. The Forums are part of an effort to engage governments, businesses and financial institutions to develop “energy compacts” that spell out plans to ensure universal access to clean, affordable energy for all (SDG7) by 2030 and a pathway to net-zero emissions by 2050.

In addition to the announcement today, several other countries, businesses and organizations will present their “energy compact” plans during the week, with many others expected at the summit-level Dialogue, which UN Secretary-General Antonio Guterres announced would be held on 20 September.

The IKEA Foundation and The Rockefeller Foundation said they will join forces to set up a \$1 billion catalytic fund, committing \$500 million each to scale up distributed renewable energy around the world. This would generate power from sources such as mini-grids and off-grid sources that are located near the point of use, rather than centralized sources like power plants. The combined funds will be overseen by a new global platform – launching this year – that will aim to rapidly channel development funds to projects on the ground. The initiative will be formalized as an Energy Compact in the weeks ahead.

“We have the responsibility and the opportunity to keep global warming below the 1.5°C ceiling,” said Per Heggnes, CEO of the IKEA Foundation. “Through the initiative we launch today, replacing diesel generators and coal-fired grids with renewable alternatives, we can achieve a double impact: cutting greenhouse gas emissions now and preventing a further increase in the future. By doing so, and working closely together with governments, development finance institutions, private sector and others, we hope to cut 1 billion tons of CO₂ emissions and positively impact the lives of 1 billion people.”

“Covid-19 has divided the world in two, with one part of the world falling farther behind,” said Dr. Rajiv J. Shah, President of The Rockefeller Foundation. “This is our opportunity to build back better on a global scale—harnessing public and private funding and the latest renewable energy technologies. Too many people are still left behind without the reliable, clean electricity that’s needed to go to school and study

in the evening, to work and grow a business or to access modern healthcare. The Rockefeller Foundation and the IKEA Foundation are investing \$1 billion to empower people everywhere and combat climate change, and we call on governments, global institutions and the private sector to join us.”