

IPA III Results Framework Indicator Methodology Note

1. Indicator code and name

IPA III RF 3.2.3.1: Additional renewable generation capacity installed (Mw), disaggregated by:

- urban and rural (where applicable)
- on-grid and off-grid (where applicable)
- by country

2. Technical details

OPSYS and Results Dashboard code: 16749.

Unit of measure: Megawatt (MW)

Type of indicator: *Quantitative: Numeric; Actual (ex-post); Cumulative (not annual).*

Level of measurement: this is an **output** indicator. It would logically be associated with an output such as "Improved power generation capacity from renewable energy".

Disaggregation:

- The indicator should be disaggregated when applicable by: urban /rural; on-grid /off-grid; by country
- Where relevant / possible, please disaggregate by: source of renewable energy.

Any disaggregation should be agreed with the relevant ministry or IP in advance.

DAC sector codes:

23110; 23181; 23182; 23183; 23210; 23220; 23230; 23231; 23232; 23240; 23250; 23260; 23270; 23310; 23320; 23330; 23340; 23350; 23360; 23410; 23510; 23610; 23620; 23630; 23631; 23640; 23641; 23642

Main associated SDG: **SDG 7** - Affordable and clean energy.

Other associated SDGs: to **SDG 9** - Industry, innovation and infrastructure, **SDG 12** - Ensure sustainable consumption and production patterns, **SDG 13** - Take urgent action to combat climate change and its impacts.

Associated IPA III Level 1 indicator:

- Proportion of population with primary reliance on clean fuels and technology (%) (source: SDG 7.1.2) (Ind. 3.2.3).

Associated IPA III Level 3 indicators: .

- Amount and share of EU-funded external assistance contributing to: (a) climate change (adaptation and mitigation), (b) protecting biodiversity, (c) combating desertification, (d) protecting the environment (Aid to Env)
- Amount and share of EU-funded external assistance directed towards digitalisation.
- Leverage of EU blending and guarantee operations financed by EU external assistance, measured as: (a) Investment leverage ratio, (b) Total eligible financial institution financing leverage ratio, (c) Private financing leverage ratio.

3. Policy context and Rationale

- **IPA III PF: Window 3** - Green Agenda and Sustainable Connectivity, **Thematic Priority 1**: Environment and climate change; and **Thematic Priority 2**: Transport, digital economy and society, and energy.
- **Chapter of the Acquis**: The main concerned chapters of the EU *acquis* under this section are **chapter 27** (Environment and climate change), **chapter 15** (Energy) and **chapter 21** (Trans-European networks), distributed in clusters 2 (Internal Market), 3 (Competitiveness and Inclusive Growth) and 4 (Green agenda and sustainable connectivity), included in cluster 4 (Green agenda and sustainable connectivity).
- The indicator corresponds to the **EFSD+ IW2 – Energy** and is considered semantically identical to [GERF indicator 2.4](#) “Renewable energy generation capacity installed (MW) with EU support”.

The [Energy Community Treaty](#) created in 2006 an internal market in electricity and natural gas bringing together the 28 Member States of the European Union (EU) and 6 European states and territories in the Balkans (Albania, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia and Kosovo).

The **Clean energy for all Europeans** package encompasses policy regulations to make the electricity market more interconnected, flexible and consumer-centred, to ensure the security of electricity supply in crisis situations (risk-preparedness in the electricity sector); to strengthen the role and functioning of ACER - the Agency for the Cooperation of Electricity Regulators; to set the path for Europe's transition towards clean energy sources. The current [Renewable Energy Directive \(RED\) 2018/2001/EU](#) is part of the [Clean energy for all Europeans package](#) and aims to keep the EU a global leader in renewables, helping it to help to decarbonise EU's energy system in line with the [European Green Deal](#) objectives and the Paris Agreement. The directive establishes a new binding renewable energy target for the EU for 2030 of at least 32%, with a clause for a possible upwards revision by 2023.

IPA III places a strong emphasis on energy market integration (including within the framework of the Energy Community Treaty), decarbonisation and just transition, increased digitalisation of the system and smart grids, demand-side and supply-side, energy efficiency, including modernisation of district heating, and energy security. For the IPA III beneficiaries to reap all the benefits from a massive injection of renewable energy in the system (energy security, affordability, sustainability and reliability) a fully functional regional energy market has to be set up. This requires a set of institutions and regulations in place that have to be designed and implemented by the different governments. However, the final objective is to have the regional energy market integrated within the EU internal market, so that the full potential of the continental resources can be harnessed.

The Trans-European Networks for Energy (TEN-E) strategy, which is focused on linking the energy infrastructure of EU countries, is part of the legislative framework of the Energy Community and has to be adopted by all parties. For the members of the Energy Community Treaty, projects included either in the list of [projects of the Energy Community interest](#) ("PEICs") or in the list of projects of Mutual Interest (PMI) will be given a priority status.

To know more on EU policies, measures and progress towards energy production from renewable sources you can consult [Eurostat sources](#).

4. Values to report

All of the following values must be determined according to the definitions provided in Section 5 below.

- **Reporting values in the logframe:**
 - **Baseline value:** The value assumed by the indicator at time t0, against which progress will be assessed.
 - **Reporting of current value** is done at least once a year: actual latest value on the total MW installed by the time of reporting and according to the applicable definitions provided in section 5 of the note. Values will be reported cumulatively across the whole implementation period.
 - **Final target value:** estimated total number of MW installed by the target year and according to the applicable definitions provided in section 5 of the note.
- **Intermediate targets (milestones).** A tool has been developed in OPSYS to automate the generation of intermediate targets¹.
 - For outputs, the intermediate targets are generated using a linear interpolation between the baseline and target values because it is assumed that outputs materialise sooner and more progressively over implementation (than outcomes).
 - For outcomes, the expected progression over the course of implementation will vary across interventions. During the creation of a logframe, the expected outcome profile must be selected (OPSYS offers four options²) and this selection triggers the generation of intermediate targets for all 30 June and 31 December dates between the baseline and target dates for all output and outcome quantitative indicators. All automatically generated intermediate targets values and dates can be subsequently modified by the Operational Manager or the Implementing Partner with the approval of the Operational Manager.

5. Calculation of values

The value for this indicator is calculated by counting the **MW (megawatt)**, using the Technical Definitions and Counting Guidance provided below. Please double check your calculations using the Quality Control Checklist below.

Technical Definitions

- **Additional renewable generation capacity** (new, reconstructed, rehabilitated, or upgraded) installed as a result of the project. Both on and off grid renewable generation capacity can be included. [as per EFSD+ definition]
- **Energy from renewable sources**³ or renewable energy means energy from renewable non-fossil sources, namely wind, solar (solar thermal and solar photovoltaic) and

¹ This has been done in the framework of the **Intervention Performance Assessment**. Two composite indicators have been developed to provide an overall assessment of an intervention's current implementation and future prospects. These scores will be calculated for all NEAR interventions participating in the annual results data collection exercise.

- The **implementation score** reflects the relevance, efficiency and effectiveness already achieved by the intervention. The information on relevance is provided by the Operational manager's response to a question in a survey. The information on efficiency and effectiveness is provided by the logframe data, if sufficiently available, or the response to a question in a survey, if not.
- The **risk score** reflects expectations regarding the most probable levels of relevance, efficiency, effectiveness and sustainability to be achieved by the intervention in the future. In this case, all the information is provided by the Operational manager's responses to questions in a survey.

² a. Constant: The outcomes are achieved continuously throughout implementation; b. Accelerating: The outcomes are achieved towards the end of implementation; c. At the end: The outcomes are mostly achieved at the end of implementation; d. None of the above.

³ Article 2 of the [Renewable Energy Directive \(RED\) 2018/2001/EU](#)

geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas.

- **Capacity** is the maximum output an electricity generator can physically produce, measured in megawatts (MW).
- The installed capacity could be **new or rehabilitated**. In the case of rehabilitation only the additional installed capacity in comparison with the current available one should be reported for this indicator.
- **Additional refers to off-grid and on-grid**, where off-grid means that the power generator is not connected to publicly or privately managed electricity utilities (the grid).

Counting Guidance

- **Reference to possible double-counting:** low risk of double counting.

Quality Control Checklist

1. Have all relevant disaggregations been reported?
2. Has the baseline and final target been encoded with the right dates?
3. Did you encode the latest current value available?
4. Did you use the comment box to inform on the values encoded?

6. Examples of calculations

The EU supports the Ministry of Energy of a candidate country in implementing the national energy transition plan. As part of this support, an IPA-funded intervention has established a new co-financing scheme to encourage expanding the supply of electricity from renewable energy sources. The timeline of the scheme phase is four years, and according to the feasibility report the estimated additional capacity to be installed over the four years is 660 MW. According to the first and second progress reports from the implementing partners of the scheme, and dully supported with reception acts of all works undertaken, the capacity installed each year was respectively 11 MW and 120 MW.

Baseline value Year 0: 0 MW

Target value Y4: 660 MW

Value at Y1: 11 MW

Value at Y2: 11+120= 121 MW

7. Data sources and issues

Data sources in the logframe:

- Data for this indicator will derive directly from the intervention; i.e. intervention monitoring and reporting systems from implementing organisations (e.g. governments, international organisations, non-state actors). The additional capacity should be stated in **the intervention feasibility study or appraisal report**. While estimates are expected to be available at the design stage of the intervention, actual values for capacity installed **should be collected by the implementing partner's monitoring system** based on work delivery/reception acts.
- Other possible sources include studies carried out in the framework of the interventions and external monitoring and/or evaluation reports.

Data source categories specified in OPSYS:

- EU intervention monitoring and reporting systems (Progress and final reports for the EU-funded intervention;
- EU-funded feasibility or appraisal reports;
- Baseline and endline studies conducted and budgeted by the EU-funded intervention)

8. Reporting process & Corporate reporting

Who is responsible for collecting and reporting the data?

- The implementing partner (i.e. the entity responsible for delivering the infrastructures improvements) will need to ensure the counting starts at the lowest level of intervention and is reported upwards and aggregated for the entire intervention in the framework of regular monitoring and reporting systems.
- Data verification:
 - For indirect management by beneficiary countries, the National IPA Coordinator will verify the data.
 - For other modes of implementation, the Operational Manager in HQs/EUD will verify the data.
- It is then the responsibility of DG NEAR to receive and verify data for this indicator from all relevant interventions and to eventually ensure aggregation within and across all IPA Beneficiaries.

This indicator is used for corporate reporting in the following contexts:

- *IPA III via the Annual Report*
- *IPA III via the Programme Performance Statements*

This indicator has been included in the following other Results Measurement Frameworks:

- *Global Europe Results Framework*
- *EFSD+*

9. Other uses

IPA III RF 3.2.3.1 can be found in the following groups of EU predefined indicators available in OPSYS, along with other related indicators:

- European Fund for Sustainable Development (EFSD);
- European Fund for Sustainable Development PLUS (EFSD+);
- IPA III RF Window 3: Green agenda and sustainable connectivity (IPA III W3)

For more information, see: [Predefined indicators for design and monitoring of EU-funded interventions | Capacity4dev \(europa.eu\)](#)

World Bank: "Generation capacity of renewable energy (MW)"

Used by the EU:

Global Europe Results Framework: Yes

EU Platform for Blending in External Cooperation: EUBEC 1.4

Western Balkans Investment Framework (WBIF): Yes

European Fund for Sustainable Development Plus (EFSD+): Yes

Results indicators for European Regional Development Fund (ERDF): RCO 22 - Additional production capacity for renewable energy.

Core set of performance indicators for ERDF and Cohesion Fund: CCO 07 - Additional production capacity for renewable energy

10. Other issues

This indicator does not measure the actual renewable electricity generation and its impact resulting from the installed capacity.

This indicator is also an EFSD+ indicator. The contents of this note have been adapted to be used in IPA III RF, therefore, they are not necessarily applicable to other contexts as the specifications of the EU acquis are not always in application in third countries eligible to EFSD+ funds.