

GLOBAL PROCUREMENT

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Electric

In over [30 countries](#), renewable energy has reached price parity with fossil fuels—a game-changing turn of events. While the U.S. and Europe have historically dominated the global renewable energy scene, markets in Australia, Asia, Africa, and Latin America are swiftly emerging. This progress is welcome news for multinational retail corporations seeking to match their international load with credible clean energy options. As policy advances, technology improves, and prices fall, retailers can explore emerging global renewable energy solutions.

WHY SHOULD YOU USE IT?

- Your company has multinational operations and wants to achieve its renewable energy targets across global geographies.
- Your company is looking to comply with market-based requirements under the Greenhouse Gas Protocol [Scope 2 Guidance](#) on emissions reporting, developed by World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD).
- Your company wants to take advantage of optimal power purchase agreement (PPA) schemes in emerging global markets, such as Australia, that are only available for a limited time.

WHO ELSE IS USING IT?

Corporate energy buyers are increasingly reaching beyond the borders of North America to purchase energy attribute certificates (EACs)—an umbrella term for renewable energy certificates (RECs), guarantees of origin (GOs), International RECs (I-RECs), and other certificate of origin—and pursue onsite and offsite renewable energy projects. For instance, Apple has invested directly in solar projects in [China](#), [Mongolia](#), and [Singapore](#). [GM](#), [Volkswagen](#), and [Walmart](#) have each completed offsite power purchase agreements (PPAs) in Mexico. [Google](#), [Nestle](#), and [Mars](#) have all signed renewable energy deals in Northern Europe.

These leading retailers, as well as other C&I buyers, are motivated to explore developing markets in response to increasing globalization of operations; regulation, reporting, and transparency requirements; market volatility issues; and climate action commitments. They are utilizing dynamic global solutions that meet their unique needs, and they are also proving to be a powerful force in the advancement of developing renewable energy markets worldwide.

WHAT ARE THE ADVANTAGES?

ECONOMICS ARE FAVORABLE

Onsite and offsite renewables empower multinational retailers to reduce their energy costs, generate positive return on investment (ROI), and mitigate conventional energy volatility—all while meeting corporate sustainability and carbon-reduction commitments.

COMPLIANCE IS KEY

With [guidance](#) from WRI on Scope 2 emissions reporting, companies must match contractual instruments to their operational markets. Global renewables make this task possible for multinationals and allow for credible reporting.

CO-BENEFITS ARE NUMEROUS

Reduced water consumption, decreased pollution, improved air quality, job creation, and local economic stimulus are a handful of co-benefits that can be realized through sourcing clean energy globally.

INCENTIVES MAY BE AVAILABLE

Some markets have limited opportunities for corporate buyers to benefit from optimal PPA terms. For example, according to research, the Australian offsite PPA market has recently opened thanks to surging conventional fuel prices, but the maximum opportunity to save with renewables is not expected to last longer than 2-4 years.

WHAT ARE THE DOWNSIDES?

MARKET MATURITY VARIES INTERNATIONALLY

It requires due diligence and/or the support of an advisor to navigate the global energy landscape and find renewable options that best fit your company's needs.

MATCHING CONTRACTUAL INSTRUMENTS TO OPERATIONAL MARKETS CAN BE CHALLENGING

While complying with Scope 2 Guidance, companies with operations in nascent markets or isolated regions must use their best judgment in determining whether their operations and the contractual instruments they have access to exist in the same market.

WHO SHOULD YOU TALK TO NEXT?

- Reach out to a renewable energy advisor, such as [Schneider Electric](#), that supports global organizations with strategic clean energy procurement.
- Engage with the [Center for Resource Solutions](#) (CRS) to gain expertise on advancing your energy strategy worldwide.
- Start a dialogue with the [RE100](#) on how many influential companies are engaging with global markets to achieve 100% renewable power.

GLOBAL MARKETS FOR RENEWABLES

