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Analysis and Investment for Low-Emission Growth (AILEG)



Windfarms in Mexico

COUNTRY ACTIVITIES

- **In Vietnam**, AILEG assisted LEDS economic and emissions data of provincial rice and livestock surveys, marginal abatement curves of rice management practices and a prototype rice emissions monitoring, reporting and verification (MRV) tool. AILEG held Nationally Appropriate Mitigation Action (NAMA) workshops and conducted LEDS capacity and analyses of the livestock waste and agriculture sectors.
- **In Colombia**, AILEG teamed with local partners to: prepare marginal abatement cost curves for commercial building energy efficiency improvements; assess environmental values for the Paramo de Santurban ecosystem; and develop hydrological models of climate change impacts on the Upper Magdalena Watershed.
- **In Mexico**, AILEG supports macro-economic analysis at the Instituto Nacional de Ecología et Cambio Climático (INECC), Mexico's leading climate change research institute, to illustrate economic impacts of various LEDS policies.
- **In Jamaica**, with local partners AILEG helped the national government to: conduct an EC-LEDS scoping mission; model energy sector LEDS impacts; integrate LEDS into a Second National Energy Action Plan; and facilitate two community renewable energy and energy efficiency action plans.

OVERVIEW

The Analysis and Investment for Low-Emission Growth (AILEG) Project helps governments, USAID missions, and other stakeholders integrate climate change data management, economics and investment into low-emission development strategies (LEDS). LE DS accelerates sustainable economic growth and investments while reducing greenhouse gas emissions and building climate resilience. Through AILEG, climate policy- and decision-makers have found cost-effective, sustainable options in climate policy planning, economic modeling, and impact analysis. The project also helps countries identify investment options and constraints in mitigation (renewables, energy efficiency, and sustainable landscapes) and adaptation interventions. AILEG is part of the U.S. Government's efforts to pursue and enhance long-term transformative development through sustainable economic growth.

APPROACH

AILEG provides country and global technical assistance for USAID. AILEG supports activities prioritized by each country with integrated national, sector and local assessment methods and tools. AILEG assists through:

- technical assessments and evaluations
- data improvement and management
- capacity building
- training and knowledge dissemination

Technical Assessments and Evaluation

In countries, AILEG first conducts collaborative gap assessments to analyze each country's unique LE DS capacity, data, analytical, and policy needs to identify mitigation and adaptation priorities. AILEG helps countries know and apply the landscape of climate economic and investment impact models, identifying which models answer the questions decision-makers face, assessing the status of such modeling efforts, and addressing the constraints. Economic modeling approaches used in AILEG include computable general equilibrium models, cost-benefit and cost-effectiveness analysis as well as marginal abatement cost curve development, impact evaluation, and environmental co-benefit assessment. Climate financing for innovative mitigation and adaptation options are pursued to evaluate the climate for, and overcome barriers to, green investment.

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- **In the Philippines**, AILEG in partnership with the government and local groups assessed: climate financing markets and barriers for renewable energy; energy and forestry LEDS data management; marginal cost curves of demand-side management options; and LEDS emission baselines and case scenarios. AILEG facilitated signing of a Memorandum of Understanding between the Government of the Philippines and academic institutions to collaborate on LEDS training, data development and analysis.
- **In Kazakhstan**, AILEG assisted the government with its Emissions Trading System, including the development of a capability mapping report and an administrator operating model.
- **In Guatemala**, AILEG provided cost-benefit analysis support of USAID's forest sector project activity.

GLOBAL ACTIVITIES

- **Clean Energy Lending Toolkit** is a guide for financial intermediaries to assess the market for lending to renewable and energy efficiency projects. It includes how to conduct market and organizational diagnostics, develop viable credit products and increase clean energy market share.
- **Economics of Climate Change Mitigation and Adaptation Courses** AILEG trained USAID and other government staff on preparing economic assessments of mitigation and adaptation options through two courses supported by USAID University.



Economics of Climate Change Training

Data Improvement, Management, and Dissemination

AILEG helps countries to identify climate economic model variables and data needs, improve data collection methods, and provide reliable tracking and management systems. These customized models and improved data management systems provide country decision-makers with evidenced-based options for selecting alternative development scenarios.



Rice harvesting in Vietnam

Capacity Building

The AILEG Project builds the skills and technical expertise of government representatives, local researchers, investors, and other stakeholders in climate economic modeling and green investment development. AILEG country and mission support teams enhance current practices in climate economics, impact assessment, data collection, and evaluation.

Training and Knowledge Dissemination

The project provides training and knowledge dissemination through a variety of mechanisms: workshops, online webinars, climate networks, and expert exchanges. The goal is to strengthen decision-makers' capacity to identify and implement economically sound and financially attractive low-emission growth programs. Through these mechanisms, AILEG disseminates lessons learned and best practices to country counterparts, implementing partners, local stakeholders, USAID staff, and the international community.

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