

Energy Transitions Commission 2024 budget & fee model

The Energy Transitions Commission has outlined an ambitious work programme for 2024, which is presented in detail in a separate document.

BUDGET

In terms of spending, this work programme will entail the following:

- **Our member-funded core budget** will amount to a total €3.8M, divided between:
 - €1.0M to cover the Secretariat core activities: general ETC leadership (including support to regional and sectoral initiatives), project management and administration, member engagement & events, and travel;
 - €0.9M to cover the ETC's general communications and outreach (including around COP29), collaboration with ETC members;
 - €1.6M to cover our core analytical programme – i.e. developing and publishing our analyses focused on grids, storage & flexibility and building decarbonisation (our major reports), our ETC "Shorts" and our COP focused report on NDC ambition;
 - €0.3M to support our growing regional programmes, especially in Europe to support our increasing influence in regions.
- **Our regional initiatives** will continue to be separately funded, primarily through philanthropic sources, with some funding from local corporates.
- **The Mission Possible Partnership** will operate as an independent non-profit with its own governance and funding.
- **Additional opportunities**, the ETC will target €1.1M of additional funding (membership fees and philanthropic fundraising) to conduct additional activities across its core programme as well as its analytical and regional programmes.
 - For its **communications & outreach programmes** the ETC is aiming to mobilise €250k that will support the creation of additional communication materials such as short videos, explainers tailored for different audiences and public relations ad hoc support (in particular within target countries), as well as new engagement lead. It will also provide opportunities for the ETC to increase its presence at key external events (e.g., Clean Energy Ministerial, regional climate weeks) covering travel costs for in person attendance.
 - The ETC is aiming to mobilise an additional €400k to bolster existing **analytical work** areas, accelerate work currently planned for 2025 into 2024 (e.g., low emissions molecules and the economics of the energy transition) and enable the ETC to be more responsive to live events (e.g., develop additional "Shorts").
 - For its **regional programmes**, the ETC will seek to raise €350k to launch new programmes in working with partners to launch work in Brazil and Indonesia and to strengthen its work in Europe for target policy research or further outreach.

PROGRAMMES	ETC CORE FUNDING	ADDITIONAL OPPORTUNITIES	TOTAL
Secretariat, Events & Member Engagement	€1,015,000	€55,000	€1,070,000
ETC Core Team (leadership, PMO, member engagement)	€ 850,000	-	€ 850,000
Travel expenses (incl. COP29)	€115,000	€55,000	€170,000
ETC Meetings and Events	€50,000	-	€50,000
Communications & Outreach	€880,000	€250,000	€1,130,000
Communications Team & External Contractors (e.g., website, PR, newswire, etc.)	€ 780,000	€250,000	€ 980,000
Analytical team outreach (e.g., direct engagement, events)	€ 100,000		€ 100,000
Analytical Programmes	€1,605,000	€400,000	€2,005,000
Grids and Flexibility & Storage	€680,000		
Buildings Decarbonisation	€310,000		
ETC "Shorts"	€475,000	€400,000	€2,055,000
COP programme: NDC ambition	€140,000		
Regional Programmes	€300,000	€350,000	€650,000
Core regional work (incl. Europe)	€300,000	€150,000	€450,000
Brazil, Indonesia		€200,000	€200,000
TOTAL	€ 3,800,000	€ 1,055,000	€ 4,855,000

To manage financial risks related to fundraising uncertainties, we propose to:

- Continue the recruitment of new members as well as additional fundraising efforts;
- Prioritise first those programs which are building on our existing work;
- Develop our new regional programmes in a staged manner based on the identification of a relevant local partner and the mobilisation of appropriate funding;
- Clearly identify the support required by each of our different regional programmes and tailor core team time to meet this need and available funding;
- Adjust our team size through the year to reflect level of funding secured;
- Leverage in-kind support – in addition to financial support – from organisations who can, for instance, dedicate resources to ETC activities, host meetings and workshops, co-fund specific outreach activities, or secondees to ETC communications department. In particular, we would welcome support on communications activities.

MEMBERSHIP, FUNDING & FEE LEVELS

In 2024, we will continue to accept additional members where they strengthen the global reach, legitimacy and perspective of the Commission. We will focus recruitment of new global members on underrepresented geographies in current ETC Members (Asia-Pacific, Africa and Latin America). We will continue to ensure a sector balance across ETC Membership to support the balance of perspectives across the Commission. Discussions with a number of potential new members are already in hand. We welcome our Commissioners' support in recruiting new members in our community.

Meeting our overall fundraising target will demand that the vast majority of existing members renew their commitment to the ETC in 2024 and that we are able to bring in new members to replace any who do not wish to continue membership.

We have refined our membership fee model. It is now structured around 7 bands, related to the nature and size of each organisation. The membership fee associated with each band is set out below. Large financial institutions will continue to be considered as part of Band 3, alongside corporates with revenues between \$12-60 bn, in recognition of their breadth of focus. In 2023, we have added a band 7 to clarify the membership fee levels offered to pre-revenue companies. NGOs will continue to pay in-line with historically agreed fees.

The fee levels by band will be adjusted to account for inflation of ETC Secretariat costs.

Alongside this, the revenue levels which define the membership bands have also been adjusted upwards, at levels roughly equal to the increase in ETC fees over the past 2 years. The aim is that members do not change bands solely due to the impacts of inflation on revenues. The proposed budget to deliver on this ambitious work programme is relatively lean – and could actually be much higher. In that context, our members are invited to consider the membership fee indicated below as a minimum contribution rather than a fixed contribution. We are grateful to our members who have already committed to going significantly beyond this minimum.

FUNDING MODEL		2023 membership fee (euros)	2024 membership fee (euros)
Band 1	Annual revenue >\$115bn	310,000	325,000
Band 2	Annual revenue \$60-115bn	130,000	135,000
Band 3	Annual revenue \$12 -60bn & large financial institutions	105,000	110,000
Band 4	Annual revenue \$2.5-12bn	55,000	57,500
Band 5	Annual revenue \$60m-2.5bn	38,500	40,000
Band 6	Annual revenue <\$60m	27,500	29,000
Band 7	Pre-revenue	20,000	20,000