



WORLD SUSTAINABLE DEVELOPMENT SUMMIT 2022

**TOWARDS A RESILIENT PLANET:
ENSURING A SUSTAINABLE AND EQUITABLE FUTURE**

February 16-18, 2022 (Virtual)



Financing Energy Transition in India

THEMATIC TRACK SUMMARY

Venue: Bhadra

Date: February 16, 2022

Time: 3:30 PM – 5:00 PM (IST)

Suggested Citation

World Sustainable Development Summit (2022), Financing Energy Transition in India, Thematic Track Summary (Rapporteur: Vatsala Sharma), New Delhi: The Energy and Resources Institute.

Actionable Messages

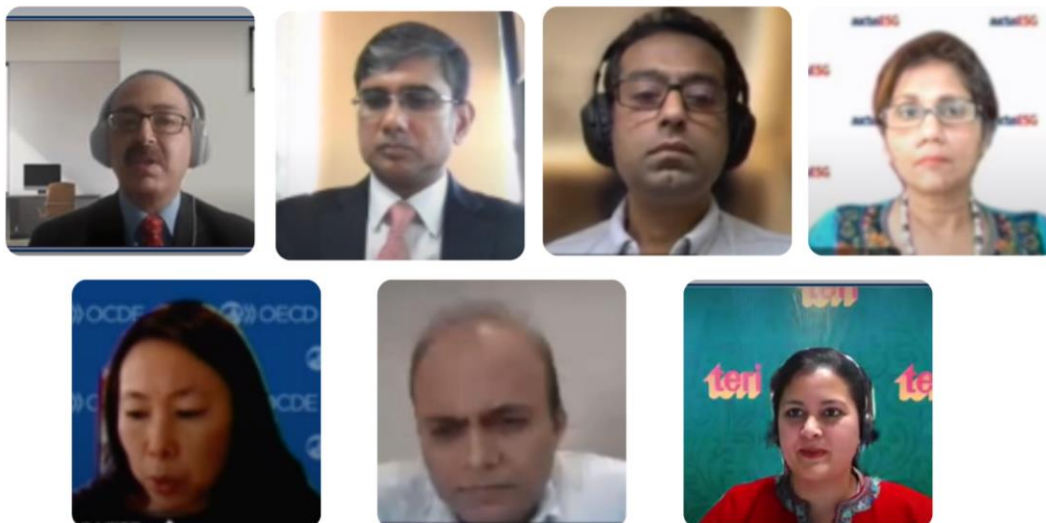
Message 1: There needs to be clear and realistic targets from Governments on carbon neutrality.

Message 2: Financial health of state Distribution companies (DISCOMs) need to be improved to attract private sector investment in renewable energy.

Message 3: There needs to be consistency of policy and regulation on the part of Government to attract private investment in green finance.

Message 4: Along with attracting foreign investors, India needs to tap the potential of domestic investors for clean transitions.

Message 5: Government needs to create a conducive environment for the private sector to invest in clean energy transitions.



Narrative

This thematic track discussed the new and potential areas of private sector financing in a transition to clean and greener India. With India committing carbon neutrality for 2070, there has been a surge of immense opportunities for financial investment in this clean energy, be it equity investments or direct investments in renewable energy production.

With special emphasis on investments and potential investments in renewable energy, the private sector in unison highlighted private sector's interest in investment in the respective sector. It was also brought to the light that there needs to be government support (in policy) in easing this entry of the private sector to the renewable energy sector. As a policy suggestion, the deliberation's output reflected the fact that the private sector is willing to invest in the whole value chain of electricity production but that requires revamping up the whole values chain and making it efficient for the private sector to invest in.

Be it energy production or mobility, the intent of private players to enter any budding green sector is clear. Electric vehicles, battery storage are of particular interest to private sector.

With an optimistic view that India can achieve the said carbon neutrality target and private sector ready for all sorts of corporation, the private sector urges using new financing mechanisms like green bonds to have it own climate fund.

The key takeaways from the thematic were that the government needs to make realistic targets for climate change, create opportunities for financing and pay attention to sustainable financing.

The role of government in this transformation is imperative. Along with being the prime agency in deciding country's climate policy, government needs to work as an innovator in pioneering mechanisms to fulfill its climate commitment. Along with that the government needs to act as a bridge between the private sector and general public to catalyze this transition to net zero and to make it all inclusive.

Making Words Count @WSDS 2022

“ Battle against Climate change will be won by countries like China and India. Investors will invest with perspective of generating returns and India has huge scope.

Mr Pankaj Sindwani
Chief Business Officer, Tata Cleantech Capital

“ 25% of India's installed capacity is in renewables but the target is to achieve 450 GW by 2030; we have a long way to go. India's own green fund is a revolutionary step in this direction.

Mr Sujoy Bose
Managing Director & CEO, National Investment and Infrastructure Fund.

“ India needs annual addition of 90-100 GW in conventional renewable resources itself to realize targets. India power tariffs are not cost reflective.

Mr Girishkumar Kadam
Senior Vice President and CoGroup Head, ICRA Ratings

“ Yes, India can reach its Net zero targets by 2070 which is evident in several recent progress made. SMEs need a full package: demand for energy efficiency, policy support, sort out issues of supply chain, self-motivation and tangible benefits towards transition.

Ms Cecilia Tam
Team Leader Clean Energy Finance
Organisation for Economic Cooperation and Development (OECD)

“ ESG is the greatest opportunity for plugging finance gaps. Sustainability concerns were not investor's priority till a few years back but now its changing.

Ms Namita Vikas
Managing Director, Auctus ESG