



## Climate Finance: Catalyst for India's Energy Transition

**Date:** Thursday, February 8, 2024 | **Time:** 4:30 – 5:30 PM (IST)

**Venue:** Magnolia Hall, India Habitat Centre, Lodhi Road, New Delhi 110003

India's National Determined Contributions (NDCs) clearly state that a critical enabler of climate change is finance. It is estimated that to achieve India's Nationally Determined Contributions (NDCs) under the Paris Agreement, the country requires approximately INR 162.5 lakh crores (USD 2.5 trillion) from 2015 to 2030, or roughly INR 11 lakh crores (USD 170 billion) per year. In 2021, India put forth enhanced ambitions on climate action and announced the *Panchamrit* targets, which include adding 500 GW of non-fossil fuel-based energy capacity and meeting 50% of its energy requirements through non-renewable sources. Such enhanced ambition requires mobilization of green finance at a much faster pace.

Recent global and macroeconomic stress incidents have solidified the need for crises preparedness and resilience building. The repercussions of the war in Ukraine have also made evident the urgency in cutting dependency on carbon-intensive energy and accelerating the transition to alternative sources such as renewables. Upon the release of the Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), India highlighted its justification of the country's stance on promoting "equity at all scales" in climate action. The report echoed India's views on the necessity of public finance flows for developing countries and the need for scale, scope, and speed in climate finance extension and disbursement. Climate change poses systemic risks to the financial systems of a country by way of climate calamities, environmental degradation, or carbon-driven pollution. Green finance is a mechanism that has the potential to mitigate risks if promoted and appropriated rightly.

While all-inclusive technical based solutions coupled with key policy measures is an ideal way to tackle the issue, largescale concentrated efforts predicated towards enabling an environment of sustainable financing need to be cultivated. From a regulatory standpoint the Indian government has introduced or streamlined various financial regulations to attract capital for green projects, including automatic approval for FDI, strengthening Power Purchase Agreements, establishing renewable energy parks and green corridors, and streamlining the bidding processes. Additionally, in 2022 The Ministry of Finance approved the framework for Sovereign Green Bonds, a move that will help in attracting global and domestic investments in eligible green projects.

Although a move towards building a sustainable financing mechanism would require a strategic and systematic infusion of policy tools, it would also open up the opportunity of redeveloping the entire climate change financial landscape from a ‘green vision’. In this thematic track we will aim to deliberate the role of private players, institutional investors and their vision, key reforms required and mechanisms that can be built into the existing policy discourse.

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#### **About the World Sustainable Development Summit (WSDS)**

The World Sustainable Development Summit (WSDS) is the annual flagship Track II initiative organized by The Energy and Resources Institute (TERI). Instituted in 2001, the Summit series has a legacy of over two decades for making ‘sustainable development’ a globally shared goal. The only independently convened international Summit on sustainable development and environment, based in the Global South, WSDS strives to provide long-term solutions for the benefit of global communities by assembling the world’s most enlightened leaders and thinkers on a single platform. The 23rd edition of the annual flagship event of The Energy and Resources Institute (TERI)—the World Sustainable Development Summit (WSDS)—will be held from 7-9 February 2024 in New Delhi. The Summit deliberations will focus on the umbrella theme: Leadership for Sustainable Development and Climate Justice.