

# FINANCING CLEAN ENERGY TRANSITION IN SOUTH ASIA

## Background

Rapid economic growth in South Asia is fuelling a surge in energy demand, which is currently being met primarily by fossil fuels. This surging energy demand coupled with the region's vulnerability to climate change necessitates the transition to clean energy to continue the growth momentum. Countries in the region are taking steps toward this transition, with initiatives ranging from increasing renewable energy adoption to promoting electric vehicles. While Nationally Determined Contributions (NDCs) under the Paris Agreement provide a framework for these efforts, the real challenge lies in mobilizing the necessary investments to make a tangible impact. It is assessed that a substantial increase in investment is required, with estimates pointing to USD \$27 billion annually by 2025. Domestic and regional funding sources alone are unlikely to meet this need, highlighting the importance of attracting international support from large pension funds, private equity investors, Development Finance Institutions (DFIs), and Multilateral Development Banks (MDBs).

This session will delve into key strategies for mobilizing low-cost capital, including understanding investor evaluation metrics, building diverse partnerships, and structuring transactions to reduce investment risks. The focus is on facilitating actionable outcomes in the clean energy sector, fostering international funding, and driving the region toward a low-carbon future.

**DATE: OCTOBER 23, 2024**  
**TIME: 09:45 - 11:15**

## Session Objectives

- Explore and identify investment opportunities in clean energy in South Asia.
- Identify potential transaction structures and assess prior partnerships amongst DFIs, financial institutions, and investors, which can be replicated to lower the cost of capital.

## Agenda

9:45 – 9:50	<p><b>Opening Address &amp; Session Overview</b> by <b>Apurva Chaturvedi</b>, Senior Regional Clean Energy Specialist, Indo Pacific Office, USAID/India</p>
9:50 – 10:00	<p><b>Presentation: Investment Landscape for Clean Energy Transition in South Asia</b> by <b>Aishwarya Kachhal</b>, USAID's SAREP</p> <ul style="list-style-type: none"> <li>• Key trends, challenges, and opportunities in the clean energy investment environment in South Asia.</li> <li>• High-potential areas for clean energy investments in the region.</li> <li>• Obstacles faced by investors and strategies to overcome them.</li> </ul>
10:00 – 11:00	<p><b>Panel Discussion: Financing Clean Energy Transition in South Asia</b></p> <ul style="list-style-type: none"> <li>• Insights into how investors assess clean energy projects and align proposals with their expectations.</li> <li>• Role of investment platforms in scaling up investments in clean energy</li> <li>• Case studies of successful partnerships between DFIs, financing institutions, and commercial investors in scaling up clean energy investments</li> <li>• Preferable transaction structures that de-risk investments and attract capital in the clean energy sector.</li> </ul> <p><b>Moderator: Namrata Mukherjee</b>, USAID's SAREP</p> <p><b>Panelists:</b></p> <ul style="list-style-type: none"> <li>• <b>Dasho Chhewang Rinzin</b>, Managing Director, Druk Green Power Corporation Limited</li> <li>• <b>Satish Mandhana</b>, Senior Managing Director and Chief Investment Officer, Eversource Capital</li> <li>• <b>Pratyush Thakur</b>, Investment Director &amp; Country Head, Blueleaf Energy (Virtual)</li> <li>• <b>Kushal Agarwal</b>, Partner, Lightrock India</li> <li>• <b>Arjun Gautam</b>, CEO, Hydro Investment Development Corporation Ltd, Nepal</li> </ul>
11:00 – 11:10	<p><b>Q&amp;A Session</b></p>
11:10 – 11:15	<p><b>Closing Remarks &amp; Key Takeaways</b> by <b>Bhaskar Rajah</b>, Energy Advisor, USAID/India</p>

