

# India Innovation Lab for Green Finance: An Introduction and How to Submit Ideas

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# Today's Agenda

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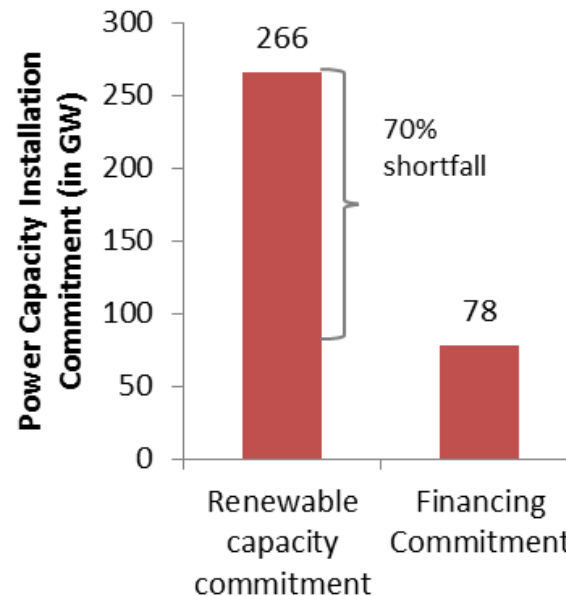
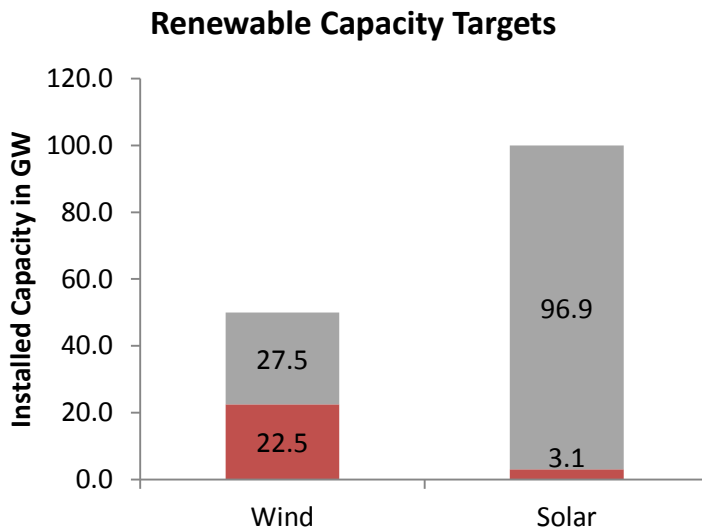
- Brief background and overview
- How to submit ideas
- Questions

# Background and Overview

# India needs to attract a lot of investment to meet its renewable energy goals

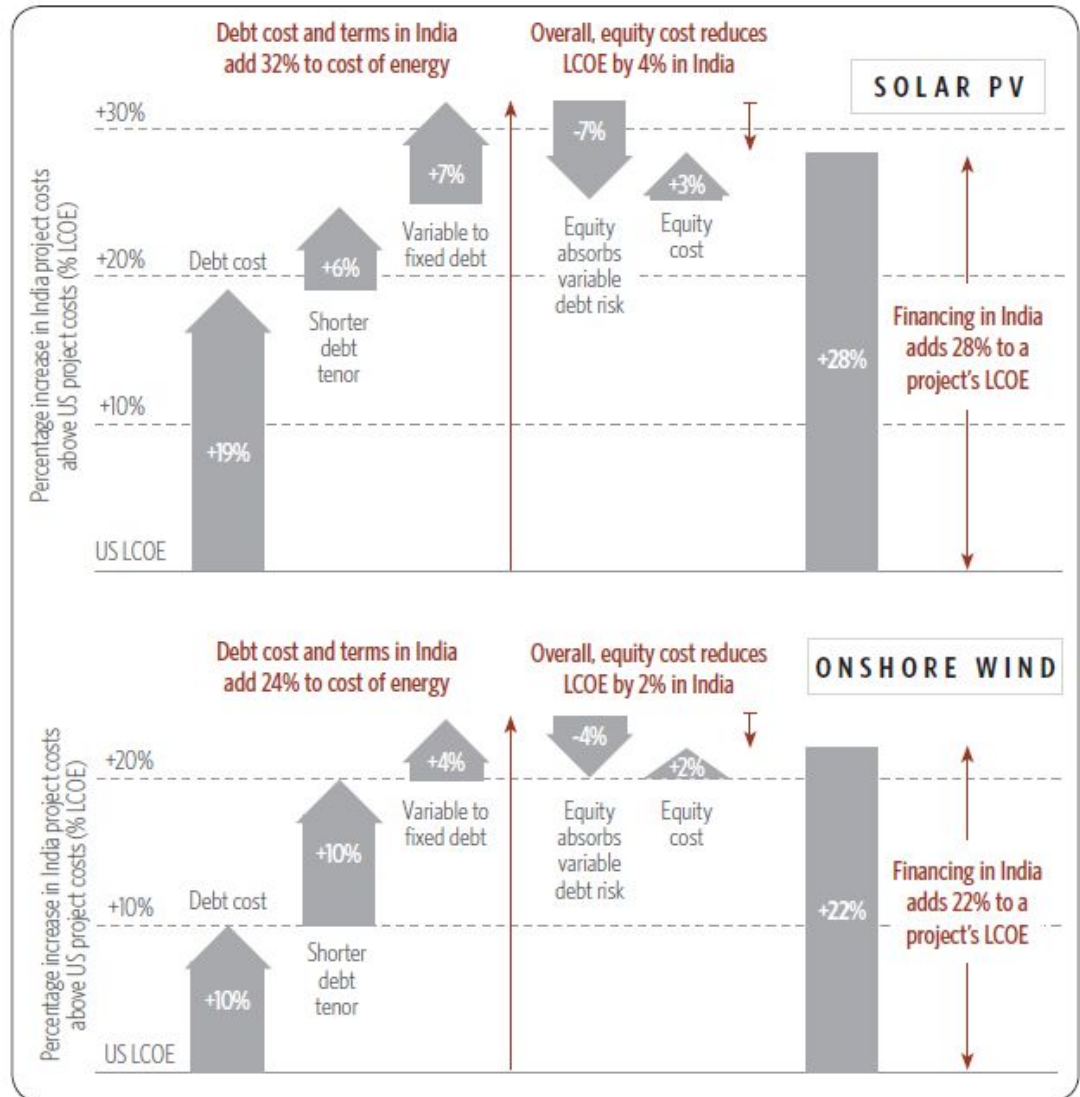
**Goals:** 100 GW of solar and 60 GW of wind capacity to be installed by 2022 = USD 100 billion investment needed

**Commitments:** In 2015, companies committed to install 266 GW of renewable energy capacity in India, but only committed enough financing for 100 GW.



# This investment needs to be sourced at attractive terms

The **high cost of debt** in India, including high and variable interest rates and short tenor of debt, adds **30%** to the cost of renewable energy.



# The India Lab will develop financial instruments to mobilize more investment at attractive terms

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## INNOVATION

Open call for **innovative, crowdsourced solutions** for problems such as access to finance, cost of finance, and risk management

## ANALYSIS

**Rigorous analysis** of shortlist of ideas that are actionable, catalytic, innovative, and transformative

**Instrument design and implementation plans**, with input from key public and private stakeholders

## ACTION

Work with idea proponents to **fast-track** and provide analytical support for chosen pilots

Encourage **replication** at a larger scale

# Lab members use experience and expertise to identify and help develop/implement instruments



नीति आयोग



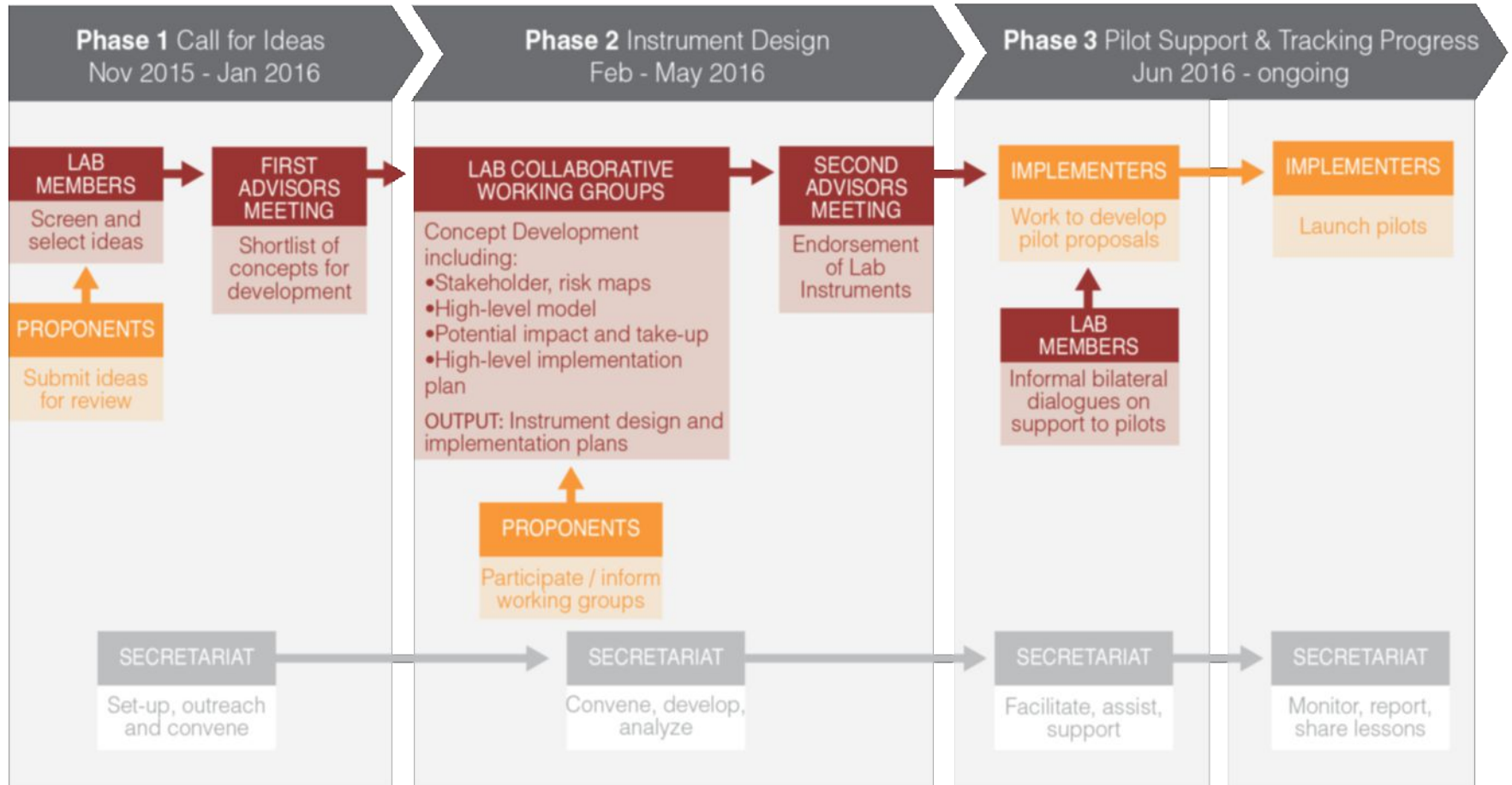
Secretariat:



केन्द्रीय विद्युत विनियामक आयोग  
CENTRAL ELECTRICITY REGULATORY COMMISSION



# The India Lab will be an annual cycle with three phases





# The India Lab builds on the successes of The Global Innovation Lab

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- A public-private initiative to drive billions of dollars of private investment into climate change mitigation and adaptation in developing countries.
- Endorsed by the G7 and raised \$500 million in initial funding for pilots from inaugural cycle in 2014

Instrument	Function
Agricultural Supply Chain Adaptation Facility	Provides long-term finance for investments in agricultural businesses
Long-term Currency Swap	Catalyzes renewable energy investment in developing countries by mitigating exchange rate risk. Est. USD 1 billion in hedging capacity
Energy Savings Insurance	Insures the expected financial savings to encourage SME investment in energy efficiency. Est mobilize USD 10-100 billion
Climate Development and Finance Facility	Combines investment facilities to help projects achieve bankability. Est mobilize USD 2 billion of private capital

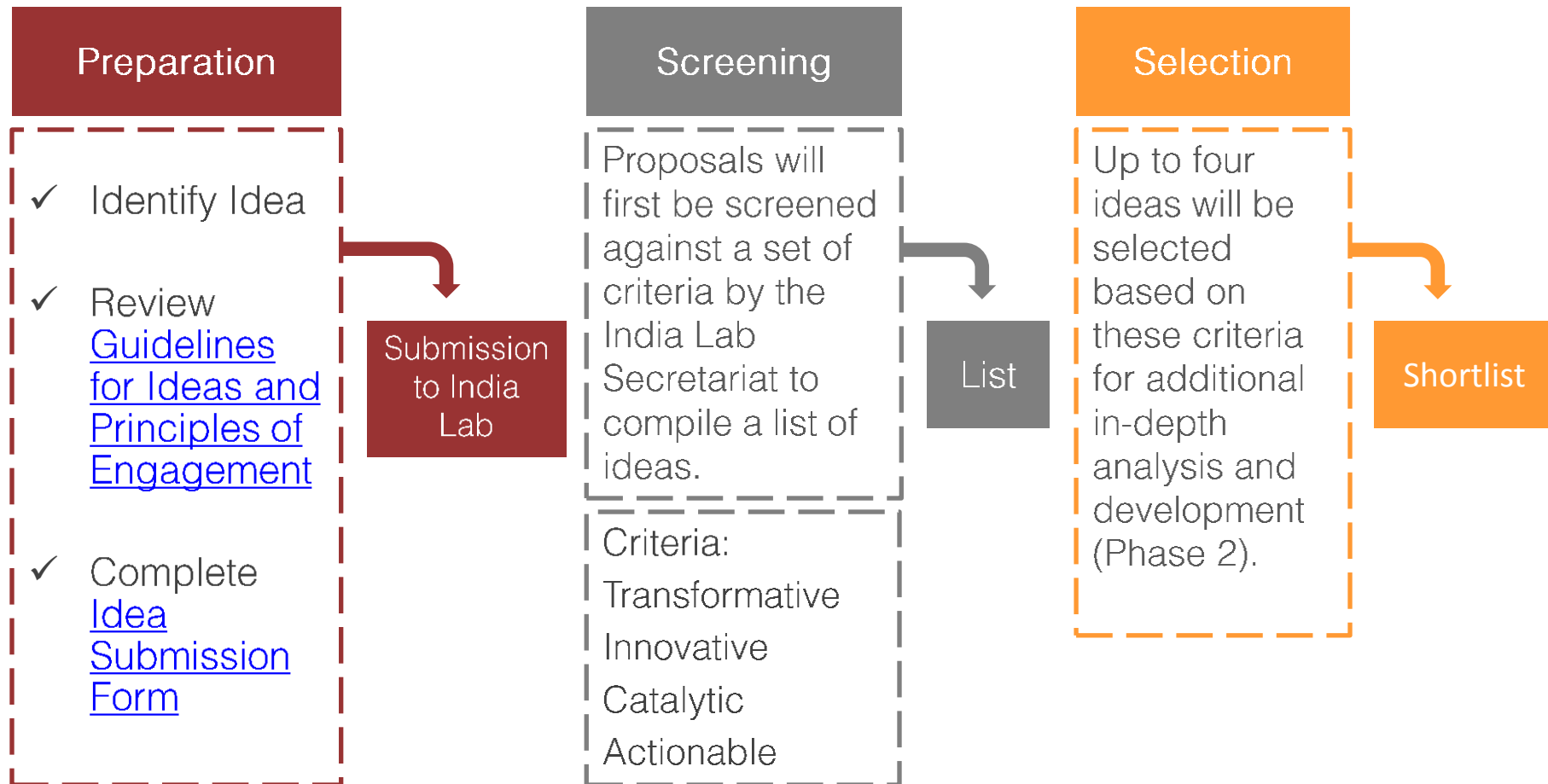
# How to Submit Ideas

# Why should you submit an idea?

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1. Innovative financial instruments are needed to channel more private investment for green infrastructure growth in India
2. The India Lab will build on the successes of its sister initiative the Global Lab, which has raised hundreds of millions in initial funding for its pilot ideas
3. Selected ideas will receive guidance and implementation support from expert Members in government, finance, renewable energy, and infrastructure

# How does the Call for Ideas work?




# The India Lab uses a comprehensive Screening criteria

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Catalytic	Potential to mobilize finance Is there significant leverage of private finance identified?
 Actionable	Policy and legislative requirements, risks in implementation, and milestones Does the idea require new or unplanned legislation? Are milestones outlined?

# Submitting Ideas

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- Visit [www.greenfinancelab.in/ideas](http://www.greenfinancelab.in/ideas) to review the Guidelines for Ideas and download the submission form.
- Email completed submissions to [info@greenfinancelab.in](mailto:info@greenfinancelab.in)
  - Please let us know if you are thinking of submitting an idea
  - Please let us know if you need help in completing submissions
- Deadline is January 8, 2016 by 11:59pm IST