

CLIMATE  
POLICY  
INITIATIVE

---

# Landscape of Green Finance in India

September 11, 2020

---

## Rationale and Objective

A first-of-its-kind study presenting the most comprehensive information on green investments in India for FY 2017 and 2018.

### Objective

- Estimate total amount of green finance
- Identify data gaps, challenges and inconsistencies

### Output

- A comprehensive report
- Sankey diagram
- Roadmap for creation of an online Measurement and Reporting portal

### Outcome

- Quantum and nature of public and private mitigation investments
- Identification of data gaps and limitation

## Scope and Methodology

- Timeframe: **FY 2017 and FY 2018**
- Sectors: **Power Generation, Energy Efficiency and Power Transmission, Sustainable Transportation**
- Instruments: **Debt , Equity , Grants**
- Scope of accounting: **Disbursements as opposed to commitments**
- Taxonomy : **'Green Finance Taxonomy' developed by CPI and cKinetics**
- Methodology Document: Background paper



Power Generation



Power Transmission and Energy Efficiency



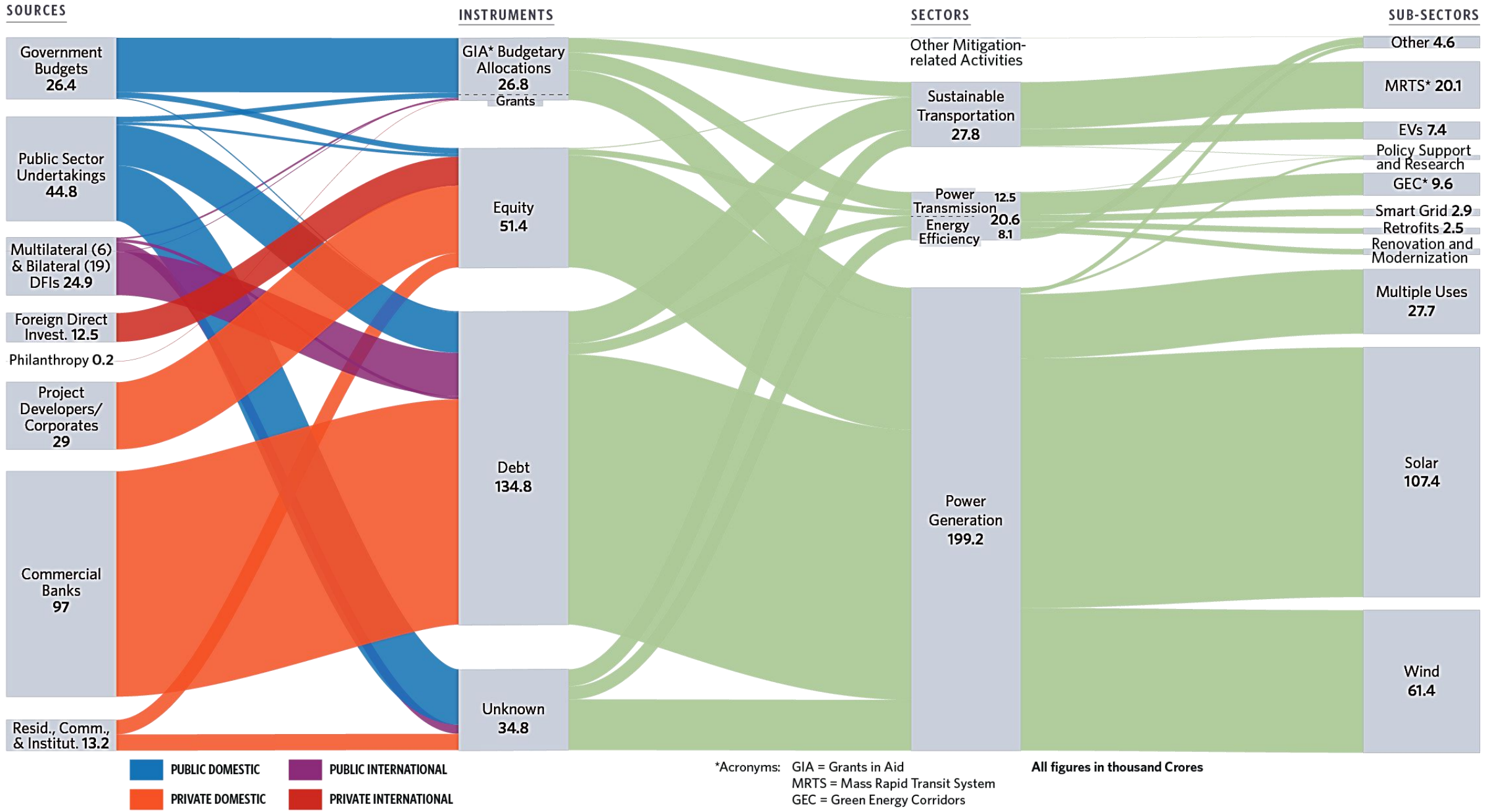
Sustainable Transportation

# Sankey Diagram

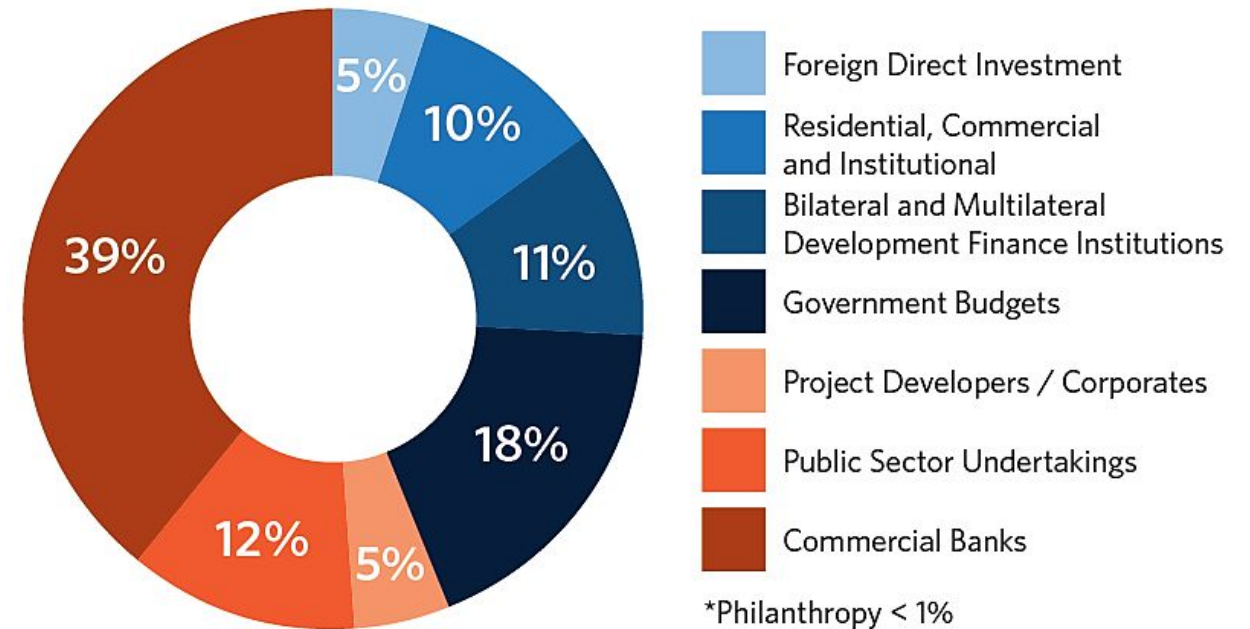
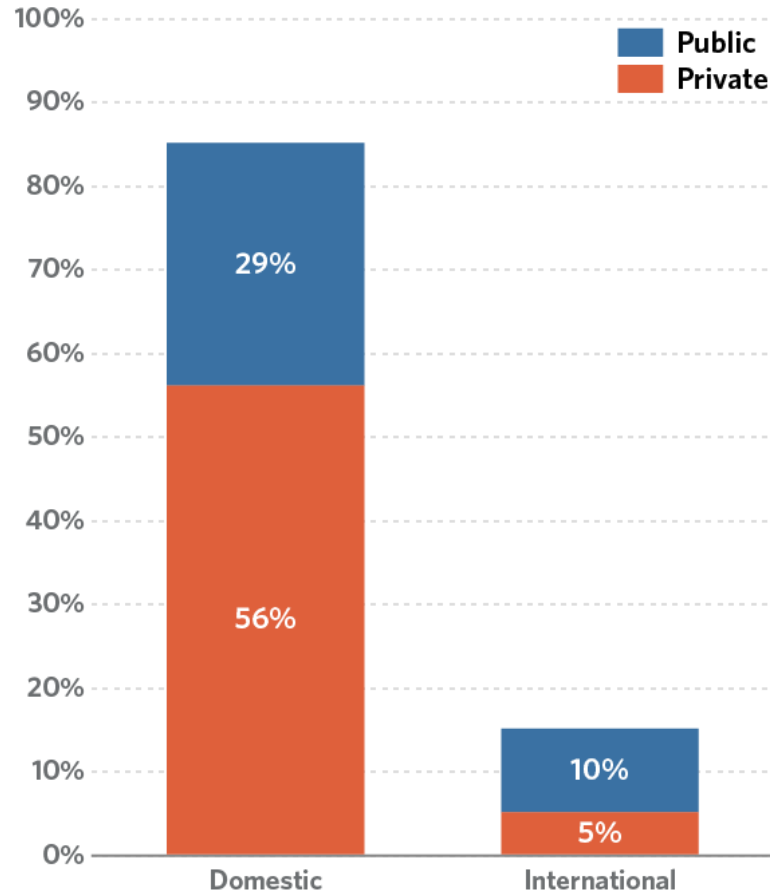
---

# LANDSCAPE OF GREEN FINANCE, FISCAL YEARS 2016-2018

**INR 248 THOUSAND CRORES** TOTAL TRACKED GREEN FINANCE

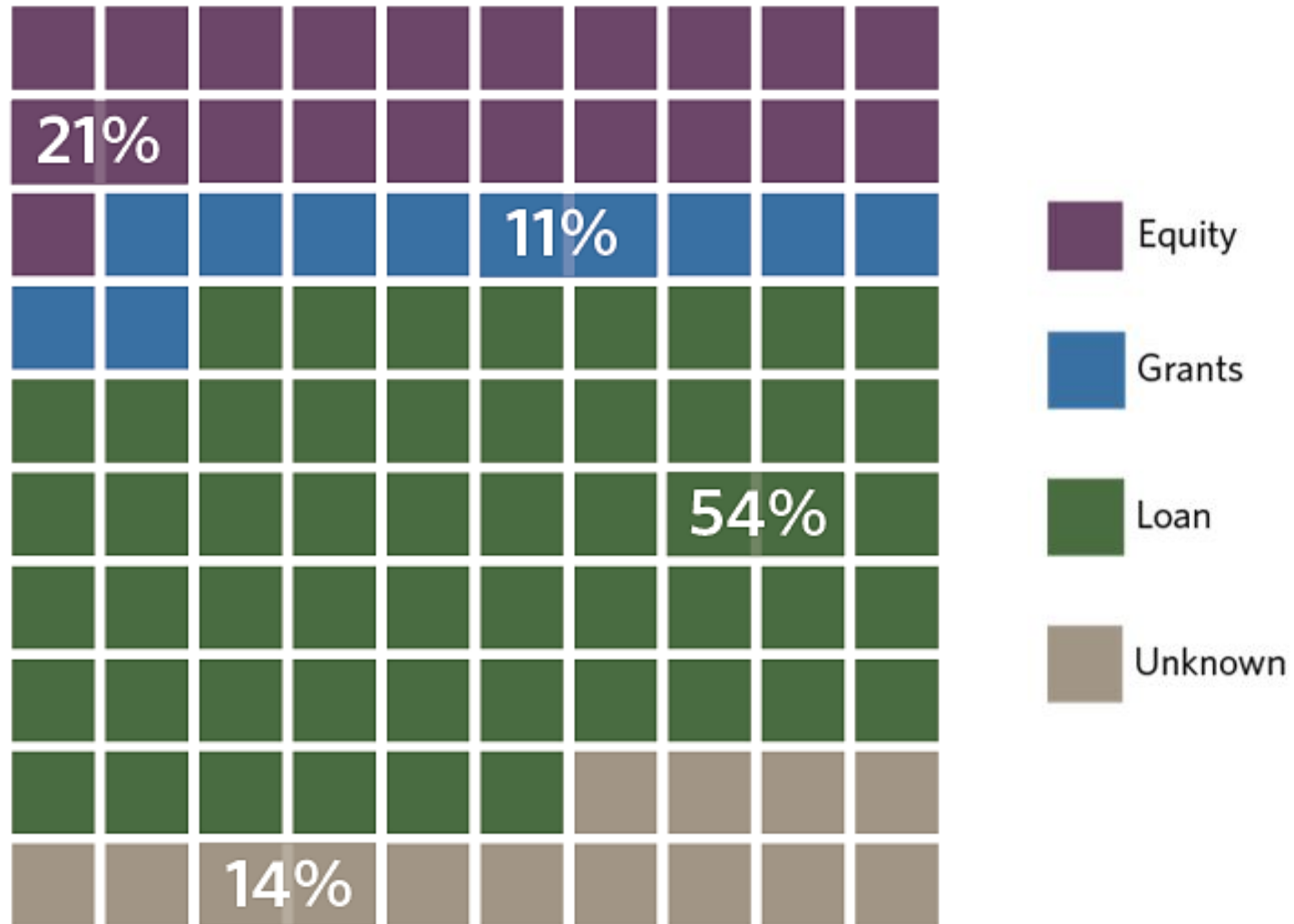


## Sources - Domestic private finance actors contributed the largest share (56%) INR 139 thousand crores (USD 21 billion)

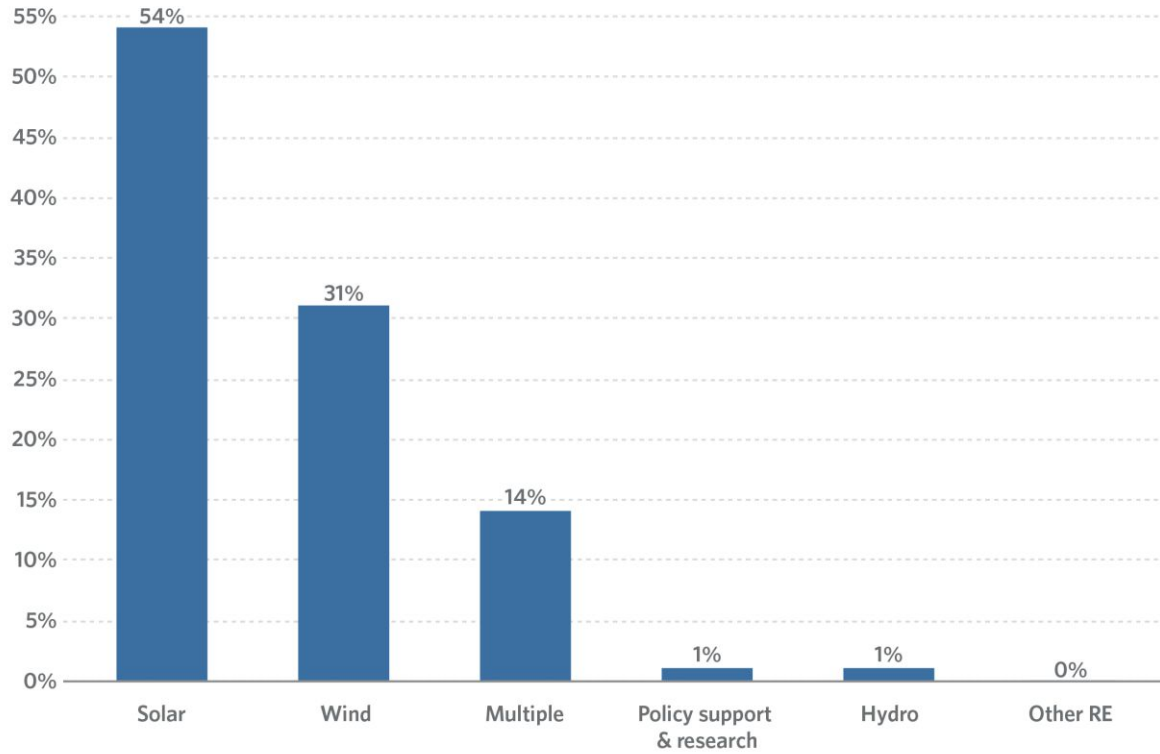


Breakdown of Sources of Finance by Origin and Channel of Delivery

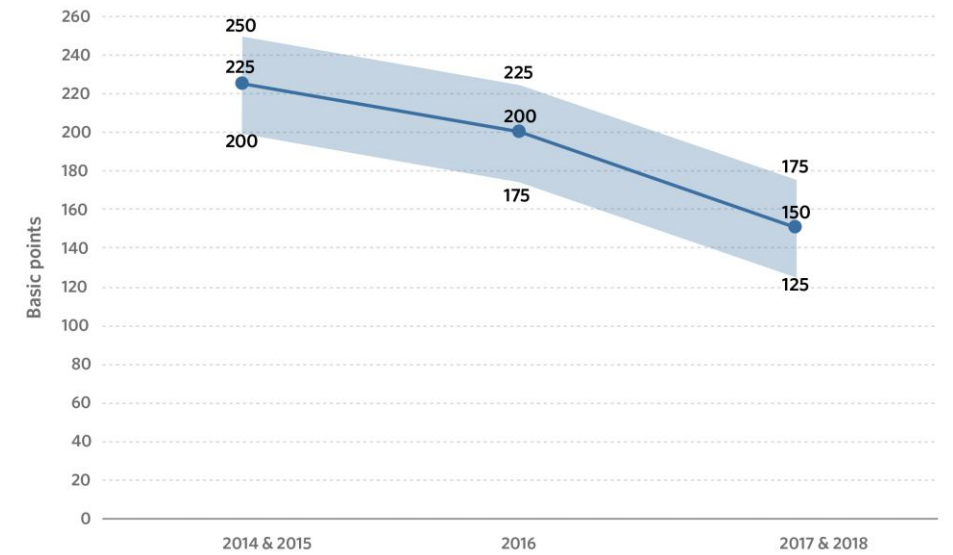
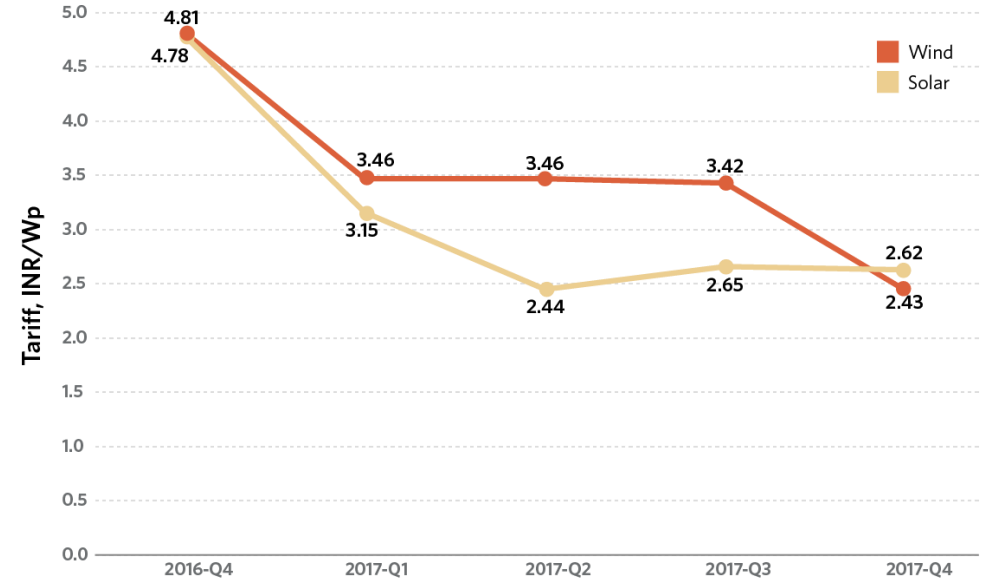
**Instruments** - Debt, through project or corporate finance, was the largest financial instrument used to channel green finance, **INR 70 thousand crores/year (54%)**



# Power Generation



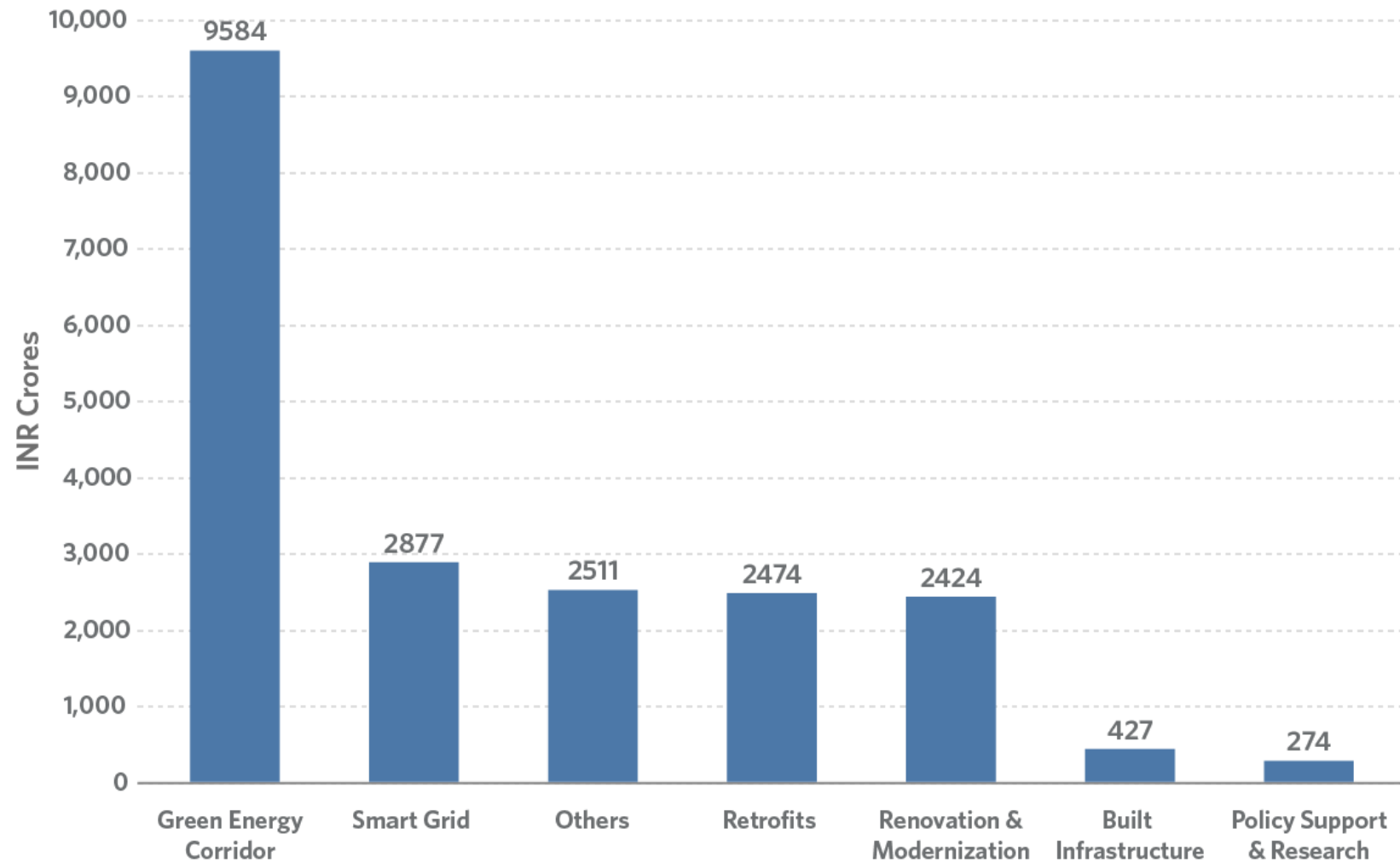
Breakdown by sub-sector





# Power Transmission and Energy Efficiency

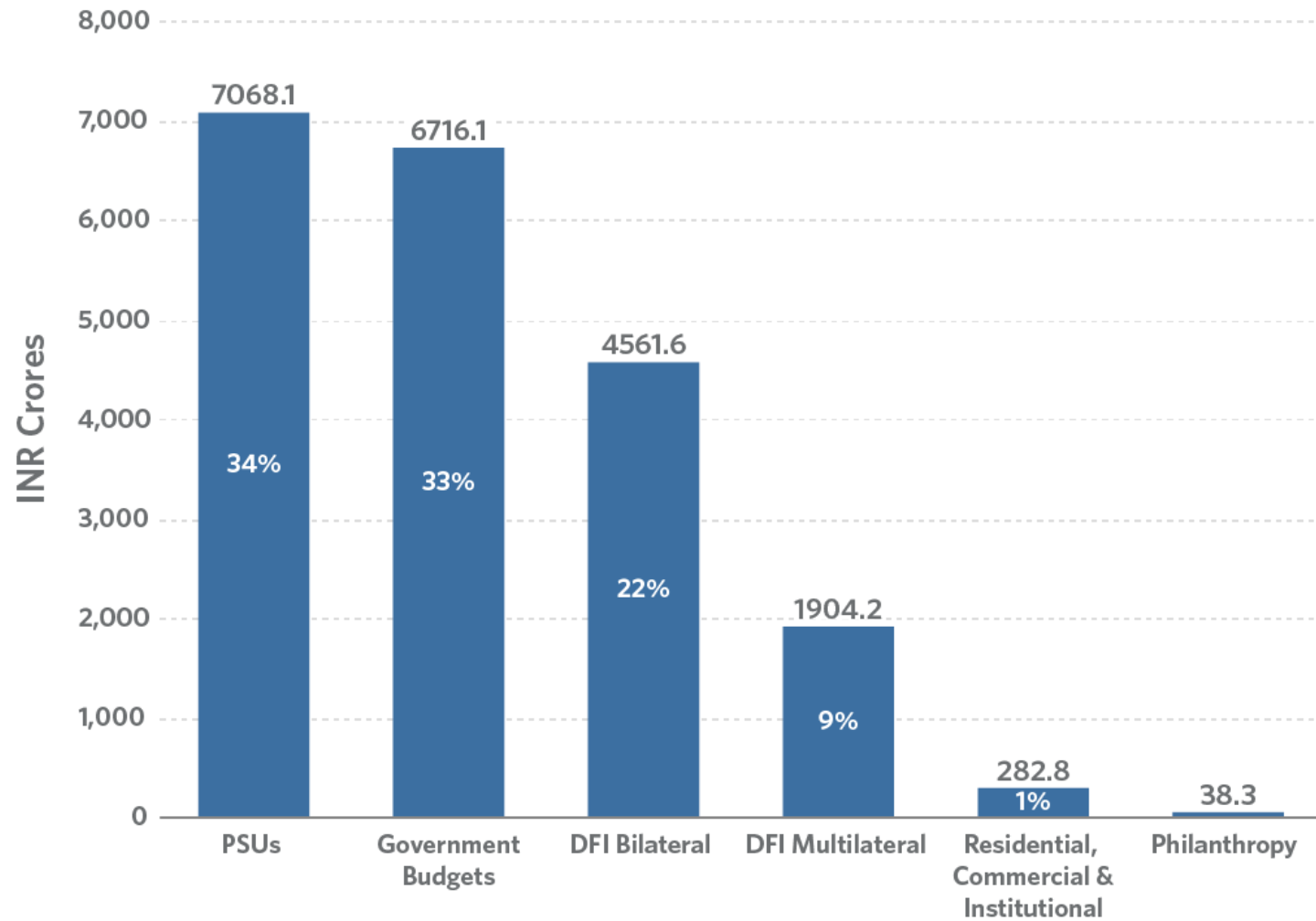
Key role of Public Sector Undertakings: ~34%\*



Breakdown by Sub-sector

# Power Transmission and Energy Efficiency

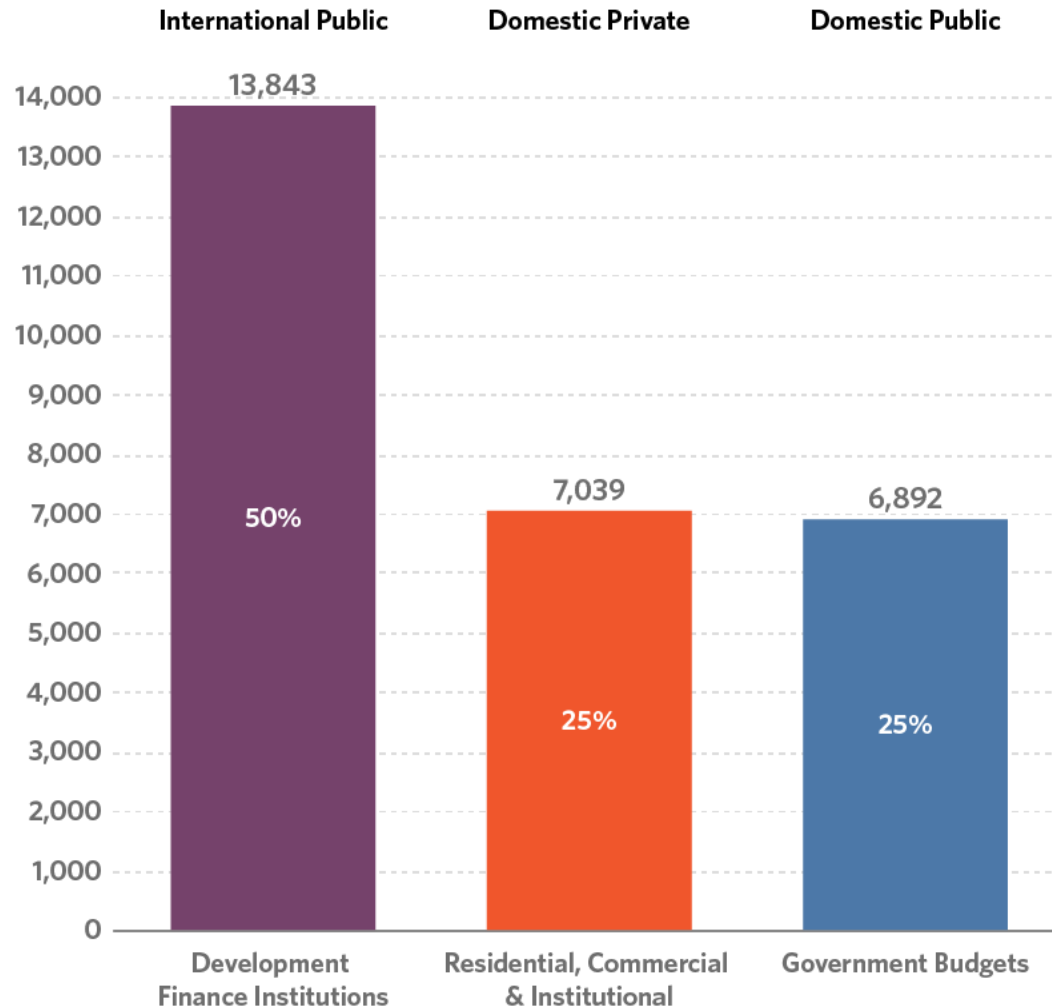
Key role of Public Sector Undertakings: ~34%\*



Breakdown by Source of Finance

# Sustainable Transportation

Nascent industry in FY 17&18 led by 3-wheeler (rickshaw) sales and MRTS investments



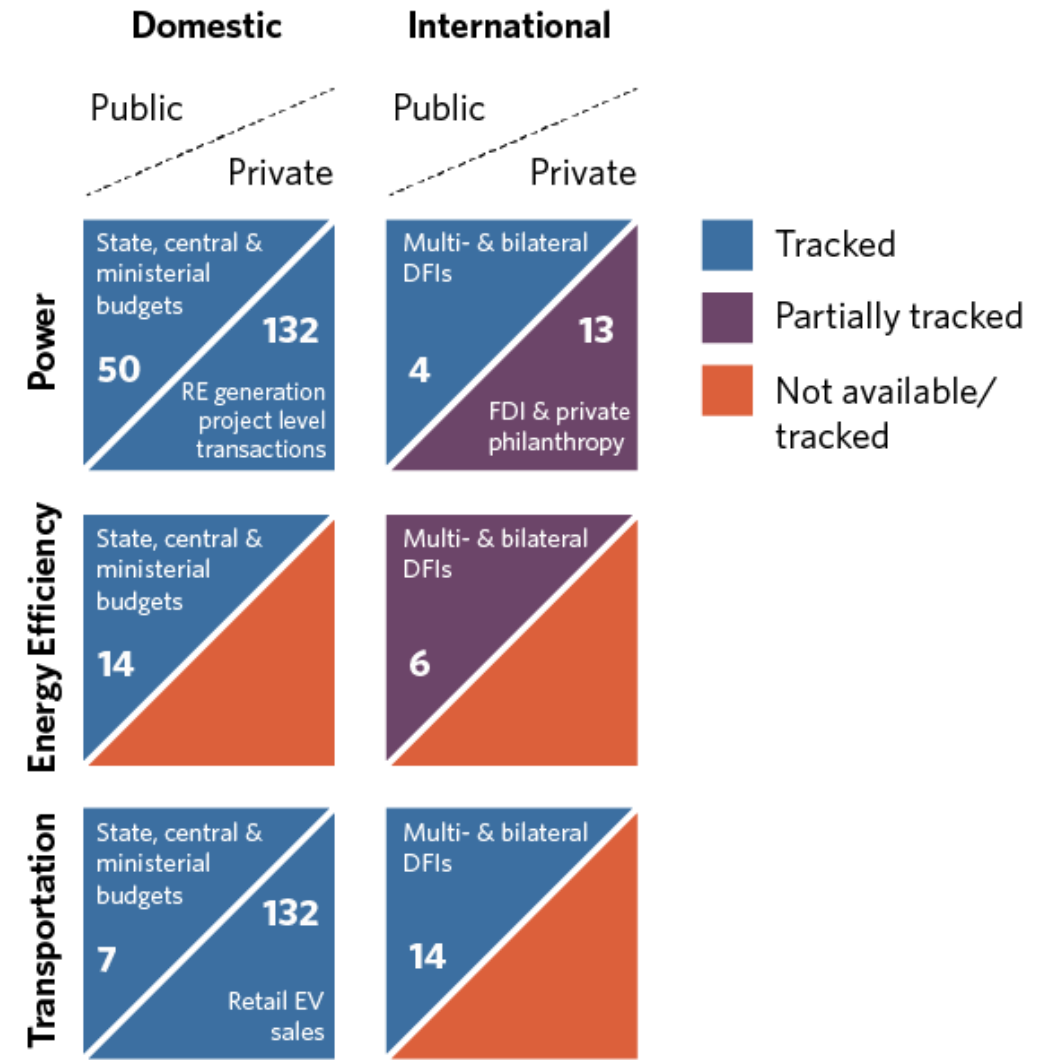
Low-carbon transport constituted 12% of total tracked green investments, totaling to INR 27.50 thousand crores.

# Observations and next steps

---

## Data Gaps and Limitations

- Non-availability of **data on disbursements**
- Lack of harmonized **green taxonomy**
- **Non-standardised reporting** and non-financial disclosure policy
- **Variations in format** and categorization of inter-state data



---

## Next Steps

- **Coverage Expansion:** Inclusion of adaptation/LULUCF
- **Improved Collaboration:** building relationships with government agencies, data providers, and other stakeholders
- **Online portal:** to present the measurement and reporting of data and user-friendly visualization
- **Designing domestic climate budget tagging framework:** similar to gender budgeting

### Steps to CBT development:

- Identify existing PFM parameters
- Set framework to identify climate change expenditure
- Define weighting methodology
- Determine how climate change expenditure will be identified **in the PFM system**
- Design tagging procedure and reporting format

# Climate Budget Tagging and Monitoring/Reporting System

## கோரிக்கை 14 எரிசக்தித் துறை DEMAND 14 ENERGY DEPARTMENT

சுருக்கம் SUMMARY	ரூபாய் ஆயிரத்தில் RUPEES IN THOUSANDS			
(2)	(3)	(4)	(5)	(6)
2810 NEW AND RENEWABLE ENERGY				
02 Solar				
800 Other Expenditure				
State's Expenditure	...	1	1	1
<b>TOTAL SUB MAJOR HEAD 2810 02</b>				
State's Expenditure	...	1	1	1
<b>TOTAL MAJOR HEAD 2810</b>				
State's Expenditure	...	1	1	1
<b>TOTAL NET MAJOR HEAD 2810</b>	...	1	1	1
<b>ADD - RECOVERIES</b>				
<b>TOTAL GROSS MAJOR HEAD 2810</b>	...	1	1	1

# Climate Budget Tagging and Monitoring/Reporting System

STATEMENT NO.20

## APPENDIX XXII (See Paragraph 14.6)

### FORMAT FOR FURNISHING INFORMATION ON 'GENDER BUDGETING'

*(i) 100% provision towards women*

Demand No : .....

Name of the Ministry/Department : .....

(₹ in crores)

Details of Scheme	BE 2016-17			RE 2016-17			BE 2017-18
	Plan	Non Plan	Total	Plan	Non Plan	Total	Total

*(ii) Pro-women (at least 30% of provision)*

Demand No : .....

Name of the Ministry/Department : .....

(₹ in crores)

Details of Scheme	BE 2016-17			RE 2016-17			BE 2017-18
	Plan	Non Plan	Total	Plan	Non Plan	Total	Total

Note: Two separate statements in the format prescribed above may be furnished

Director (Budget)/Deputy Secretary (Budget)  
Ministry/Department .....  
Tel. No. ....

To  
Shri T. Uthaya Kumar  
Additional Budget Officer, Ministry of Finance,  
Department of Economic Affairs, North Block, New Delhi



## Contact –

**CPI:** [climatepolicyinitiative.org](http://climatepolicyinitiative.org)

**The Lab:** [climatefinancelab.org](http://climatefinancelab.org)

**USICEF:** [usicef.org](http://usicef.org)

**Global Landscape of Climate Finance:**  
[climatefinancelandscape.org](http://climatefinancelandscape.org)

 @climatepolicy

 @climatepolicyinitiative



---

# Thank You

Jolly Sinha | Shreyans Jain | Rajashree  
Padmanabhi