

PHD CHAMBER OF COMMERCE AND INDUSTRY VOICE OF INDUSTRY AND TRADE

GREEN ENERGY FINANCING & SUSTAINABILITY: Challenges & Solutions



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Overview

The global transition towards sustainable energy sources is imperative to combat climate change and ensure a secure energy future. Green energy financing plays a pivotal role in facilitating this transition by directing capital towards renewable energy projects. However, several challenges hinder the scaling up of green energy financing initiatives. This concept note aims to explore these challenges and propose solutions to promote sustainable energy development.

Challenges:

- Limited Access to Capital: Many renewable energy projects face difficulty in accessing financing due to perceived risks, high upfront costs, and lack of creditworthiness.
- Policy and Regulatory Uncertainty: Inconsistent policies, regulatory frameworks, and uncertain government support create uncertainties for investors and financiers, deterring investment in green energy projects.
- Project Viability and Bankability: Assessing the viability and bankability of renewable energy projects, especially in emerging markets, poses challenges due to factors such as resource variability, technology risks, and inadequate project data.
- Financial Sector Capacity: Insufficient expertise and capacity within financial institutions to evaluate, structure, and manage green energy investments limit the flow of capital into renewable energy projects.
- Market Fragmentation: Fragmentation within green energy markets hampers economies of scale and impedes the development of robust financing mechanisms and instruments.

Objectives, Learning & Outcomes

To address the challenges & solutions in Green Energy Sustainability & Financing, PHD Chamber will be holding a Conference which is scheduled on 27th March 2024 on the proposed topic "Green Energy Financing & Sustainability: Challenges & Solutions".

The objective and learning outcomes from the conference will be as follows:



- Deliberation and increased understanding between Developers and Lenders & Investors about the different challenges and solutions that are there in Green Energy Projects.
- Improvement or new policy for the above discussed challenges by the Government Officials participating in the Conference.

Scope and Target Audience

- >> **Developers :** Developers are invited to ask questions and discuss their problems related to implementation and financing of the project in the conference, whereas also share their problems as a case study that inspires and provide a way forward for all other developers and also discuss their success stories related to the projects they have set up or are setting up.
- Lenders : Lenders have great stake in green energy projects amounting to 70% to 80%, and they bring source of capital in the market and can help a lot to bring things for developers and help them resolve their current problems.
- Investors : Investors are another source of capital in the market and require returns on equity, they can share their points as a bottle neck for not investing in green energy projects and what can be the possible solutions to the bottleneck for free flow of capital in the market with growth of the industry.
- Government : As Government would play a great role in the conference by listening to all the problems and possible solutions and bringing out a policy that can resolve all the challenges.

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Banking, Financial Services & Insurance Committee

CHAIR / CO-CHAIRS



Mr. Shachindra Nath Chair



Mr. Sanjeev Gupta _{Co-Chair}



Mr. S K Sethi Co-Chair

About Banking, Financial Services & Insurance Committee

The Banking, Financial Services & Insurance Committee is the largest & most preferred Committee at PHD Chamber of Commerce and Industry. BFSI Committee continuously endeavours to actively participate and deliberate on emerging issues of importance and policy advocacy in the BFSI sector and it plays an important role for the mutual benefit of the industry and the BFSI sector.

Some Select Contributions of the Banking, Financial Services & Insurance Committee focused on "Industry Interactions" with "Bank's & Institutional Leadership" are listed below.

- (A) "POWER LUNCH" A program that targets to cater to the Industry's ardent requirement of interacting with the Leading Banks - understanding their products & services as also the possible solutions for the ever- expanding Indian Industry needs including MSME, Retail, Emerging Corporate & others. Besides, the program aims to provide excellent networking opportunities between the leading bankers and the representatives of industry, trade and profession.
- **(B) "KNOWLEDGE BASED PROGRAMMES"** On various topics such as Innovative Financing, Export Financing, Renewable Energy Financing, MSME Financing, Infrastructure Financing, Rural and Agrifinancing, Need of Insurance in MSMEs and Start-ups etc.
- (C) "KNOW YOUR BANKER" With an Objective to help PHD members understand the "Outlook of Leading Banking Personalities" like yourself, an "Interview Based Article" titled as "KNOW YOUR BANKER" is being published as the 'Centre Spread' of the PHD Chamber's Monthly Bulletin.

EXPLORING PARTNERSHIP OPPORTUNITIES & ENQUIRES

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