

India: More than one million Indian households to benefit from EIB backed clean energy

- **EIB support for EUR 500 million new renewable energy investment by IREDA confirmed**
- **New financing welcomed by government minister at International Solar Alliance summit**
- **Strong future solar energy financing in India expected**

Ahead of the International Solar Alliance summit in New Delhi the President of the European Investment Bank today signed a new EUR 150 million long-term loan with the Indian Renewable Energy Development Agency (IREDA) to support renewable energy investment across India. More than 1.1 million Indian households expected to benefit from clean energy produced by renewable energy schemes financed by the new initiative.

“The significant new European Investment Bank support signed today will strengthen expansion of clean energy generation across India. I welcome the continued cooperation between IREDA and the European Investment Bank that builds the clear success of new renewable energy and energy efficiency investment over the last four years,” said R.K. Singh, Minister of State responsible for New and Renewable Energy.

Agreements for the new loan for renewable energy investment was signed in New Delhi earlier today by Kuljit Singh Popli, Chairman and Managing Director of IREDA and Dr. Werner Hoyer, President of the European Investment Bank, in the presence of R.K. Singh, Minister of State responsible for New and Renewable Energy.

“India is the world’s third largest electricity consumer. The expansion of solar power generation alongside cutting energy use through energy efficiency measures is crucial to supporting sustainable economic development and reducing carbon emissions. The strengthened partnership between IREDA and the European Investment Bank reflects the joint commitment of India and the European Union to implement the Paris climate agreement. Investment in new solar energy and wind power schemes will improve access to clean energy for millions of Indians and create many new jobs. I am pleased that this flagship initiative could be highlighted to world leaders attending the International Solar Alliance summit here in New Delhi and showcased as a model to tackle energy challenges around the world,” said Werner Hoyer, President of the European Investment Bank.

President Hoyer is leading a high-level European Investment Bank Delegation attending the International Solar Alliance summit. The European Investment Bank is the world’s largest financier of renewable energy and India is the largest recipient of EIB renewable energy financing outside Europe.

Supporting EUR 500 million renewable energy investment

The new EUR 150 million EIB credit line will support EUR 500 million of renewable investment and support construction of both new photovoltaic solar power schemes and on-shore wind farms at sites across the country.

“Electricity demand in India is expected to double in the next decade and how this electricity is generated is important for both India and this planet. The new support for renewable energy investment across India will benefit from the European Investment Bank unique technical and financial experience. This new initiative with IREDA demonstrates how European engagement in India will benefit millions of people,” said Tomasz Kozłowski, Ambassador of the European Union to India.

Hundreds of new jobs will be created during construction and once operational the new schemes are expected to produce 1,156 Gigawatt-hour of clean electricity when operating at maximum capacity.

Builds on track record of earlier IREDA partnership

“The speed with which the second line of credit was negotiated shows the mutual confidence and comfort that EIB and IREDA had developed after working with each other for last 4 years. Moreover, the EIB has extended this line of credit without insisting for sovereign guarantee from Government of India, which also shows their commitment and confidence in the sector,” said Kuljit Singh Popli, Chairman and Managing Director of the Indian Renewable Energy Development Agency.

The new initiative represents the first time that the EIB has financed a second investment programme in India. In 2014 the EIB agreed to support new renewable energy and energy investment managed by IREDA that has enabled more than 520 MW of clean power generation capacity to be built, including 291 MW of new photovoltaic solar schemes.

Strong pipeline of future renewable energy investment in India

The European Investment Bank is currently working closely with public and private sector partners to support new renewable energy projects across India.

Cooperation with the India Infrastructure Finance Company will support a number of renewable energy schemes, including projects in Tamil Nadu, Telanguru and Anantpur.

A few weeks ago the EIB agreed a new initiative with Yes Bank that will support EUR 200 million of new solar energy investment across the country.

Support for renewable energy investment in India by the world's largest international public bank

In 2017 the European Investment Bank provided EUR 1.05 billion of new financing for solar energy projects around the world, representing the EIB's largest annual support for the sector.

India was the leading recipient of EIB financing for solar investment outside the European Union, both in 2017 and overall since 2013. The EIB has approved a total of EUR 640 million of new investment in solar projects in India set to provide clean energy to an estimated 4.2 million households and save more than 4 million tons of carbon emissions.

Background information:

Further information about EIB support for solar investment, engagement in India and activities around the International Solar Alliance summit can be found here:

<http://www.eib.org/infocentre/events/all/international-solar-alliance-summit>