

Press release: Joint statement: India-UK energy for growth partnership

India's Minister for Power, New & Renewable Energy, Coal and Mines, Piyush Goyal, and the UK's Secretary of State for Business, Energy and Industrial Strategy, Greg Clark, took forward the commitment of their Prime Ministers for an enhanced Energy for Growth Partnership between the two countries.

The ministers noted over 30 years of UK-India collaboration on energy spanning investment, research, policy, technical and commercial partnerships in the power, renewables, energy efficiency, civil nuclear and oil and gas sectors. The ministers reaffirmed their commitment to further strengthen energy cooperation between India and the UK.

Minister Goyal welcomed the UK's ongoing technical assistance and climate financing. The two ministers welcomed the current large scale private sector investments between the two countries in the area of energy.

The UK is the largest G20 investor in India with large investments in energy. India is the third largest source of FDI projects in the UK including in the energy sector. They welcomed the productive discussions of the business round tables held as part of the energy dialogue in which opportunities for new partnerships were explored and they expressed their commitment to deepen business to business engagement including efforts to enhance technological collaboration.

Looking forward, they explored opportunities for new bilateral cooperation on shared strategic energy priorities such as security, affordability and sustainability. Secretary of State Clark announced up to £20m of additional technical assistance funding under the Energy for Growth partnership to support priority areas for collaboration on power, renewables, energy access and efficiency and oil and gas.

On power and renewable energy, the two ministers agreed that priorities will include helping India's power sector companies introduce smart technology to improve performance and reduce losses; support for increased energy efficiency; and work to accelerate deployment of renewable energy including through support at state level on planning for renewable energy. This will build on the existing £10m Power Sector Reform Programme that is focusing on efficient, reliable and sustainable electricity supply, increasing integration of renewable energy into the grid and improving energy access.

The ministers appreciated the strides made by Energy Efficient Services Limited (EESL) by investing in seven energy saving projects in the UK that have been in successful operation for more than two years yielding dividends. They welcomed the opening of operations in the UK by India's EESL.

The two ministers recognised the need for an accelerated rate of investment to meet PM Modi's ambitious energy plans. Secretary of State Clark welcomed

the various support mechanisms introduced by Government of India to promote adoption of renewable energy resources including generation-based incentives (GBIs), capital and interest subsidies, viability gap funding (VGF), concessional finance and fiscal incentives. The two ministers welcomed the new instruments for raising finance such as green masala bonds on the London Stock Exchange as well as significant commercial investments in oil and gas and growing investment in renewables by UK companies.

Secretary of State Clark and Minister Goyal welcomed the decision by CDC to establish an independent renewable energy company in India. Secretary of State Clark announced that CDC will invest up to \$100m to support projects in the renewable energy sector. This follows the Economic and Financial Dialogue between UK and Indian finance ministers earlier in the week where green finance was an important focus.

This is in addition to significant UK climate funding through multilateral initiatives, such as the Clean Technology Fund for India that has approved an investment plan of US\$775 million for India, in which UK is the largest investor.

The two ministers reaffirmed their governments' commitment to the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement to tackle global climate change and welcomed the early entry into force of the Agreement in 2016. They noted that the Paris Agreement calls for low carbon growth and India and the UK will work together to make the most of the opportunities this brings.

The ministers also emphasised the vital importance of research and innovation on energy and reaffirmed their government's commitment to continued excellence with impact in this area. India and the UK are building on years of partnership including through the Newton-Bhabha programme. They welcomed wide-ranging jointly funded Research Council UK projects, spanning solar energy, bio-energy, a Joint Virtual Centre on Clean Energy with India's Department of Science and Technology. They also noted the long running collaboration in civil nuclear with India's Department of Atomic Energy including a fourth phase of research projects planned to be taken forward in 2017 and the MoU for cooperation with India's Global Centre for Nuclear Energy Partnership (GCNEP).