



**Bureau of Energy Efficiency (BEE), the Organisation for Economic Co-operation and Development (OECD) and the Asian Development Bank (ADB) are pleased to invite you to a**

## **Workshop on Energy Efficiency De-Risking Instruments in India: The Role of Energy Savings Insurance and other Instruments**

**Tuesday 20<sup>th</sup> February 2024 from 9:00 – 16:00 hrs (IST)  
The Claridges Hotel, New Delhi, India**

### **About the Workshop**

Bureau of Energy Efficiency (BEE), jointly with the Organisation for Economic Co-operation and Development (OECD) and the Asian Development Bank (ADB), are holding a workshop on “Energy Efficiency De-Risking Instruments in India: The Role of Energy Savings Insurance (ESI) and other Instruments” on **Tuesday 20<sup>th</sup> February 2024 in New Delhi, India**. The workshop will convene key public and market stakeholders to discuss energy efficiency de-risking instruments for India, particularly the use of energy savings insurance to help finance energy efficiency in India. Part 1 of the workshop will be led by ADB on energy efficiency de-risking instruments in India. Building on Part 1, OECD, under its Clean Energy Finance and Investment Mobilisation (CEFIM) Programme, will lead Part 2 with a specific lens on Energy Savings Insurance (ESI) in India.

The workshop aims to support BEE in enhancing the policy environment for energy efficiency investment, fostering dialogue, and building capacity to develop energy savings insurance in India in particular, accelerating India's National Mission for Enhanced Energy Efficiency (NMEEE) and meeting India's Updated First Nationally Determined Contributions (NDC).

### **Background and Context**

Energy efficiency is frequently highlighted by the Government of India as a key policy priority. India has established targets for improving energy intensity across all sectors, and the successful implementation of energy efficiency measures is crucial to achieving its ambitious energy transition and climate goals. The Bureau of Energy Efficiency (BEE) is collaborating closely with financial institutions to promote and accelerate financing of energy efficiency projects. BEE has compiled a comprehensive technology list, featuring over 150 energy-efficient technologies, to streamline project selection and evaluations by financial institutions. However, accessing finance



for energy efficiency investments in India faces several challenges due to perceived investment risks, especially in newer technologies, and the presence of high transaction costs.

Financial risk management instruments are fundamental to remove barriers and encourage investments that contribute to more efficient energy use. The public and private sector agencies around the world have been developing and implementing various financial risk mitigation instruments for energy efficiency such as partial risk guarantees, credit guarantees, insurance, contingent grants, performance contracts and project validation schemes.

Among the various financial risk management instruments, the Energy Savings Insurance (ESI) model was first developed by the Inter-American Development Bank (IDB) in 2014, with the support of Basel Agency for Sustainable Energy (BASE), as a mechanism to build investor confidence and improve access to low-cost finance for energy efficiency projects. It is now being replicated in numerous countries around the world and countries such as India, Indonesia, the Philippines, and Viet Nam have expressed interest in the model.

For example, energy efficiency de-risking instruments can support industries under India's Perform, Achieve, and Trade (PAT) scheme in meeting their energy efficiency obligations. By providing additional security for investments in efficient equipment, guarantees or insurance instruments can ensure promised savings and facilitate access to finance by mitigating investment risks. Developing de-risking instruments for energy efficiency will require the involvement and support of key stakeholders, including Insurance Regulatory and Development Authority of India (IRDAI), insurance companies, financial institutions, large industries, and small and medium enterprises (SMEs).

BEE is currently engaging in discussions with key stakeholders, including IRDAI, to develop energy efficiency de-risking instruments aimed at further accelerating the uptake of energy efficiency investments in the country.

### ***Background on OECD and Energy Savings Insurance (ESI)***

The [Organisation for Economic Cooperation and Development \(OECD\)](#) is an international organisation that works to build better policies for better lives. OECD's goal is to shape policies that foster prosperity, equality, opportunity, and well-being for all. OECD draw on 60 years of experience and insights to better prepare the world of tomorrow. Together with governments, policymakers, and citizens, OECD work on establishing evidence-based international standards and finding solutions to a range of social, economic, and environmental challenges. The OECD provides a unique forum and knowledge hub for data and analysis, exchange of experiences, best-



practice sharing, and advice on public policies and international standard-setting. The OECD brings together 38 Member countries and a range of partners that collaborate on key global issues at national, regional, and local levels.

Launched in 2019, the OECD [Clean Energy Finance and Investment Mobilisation \(CEFIM\)](#) Programme works with selected emerging economies to strengthen domestic enabling conditions to attract and catalyse finance and investment in renewable power, energy efficiency and industry decarbonization in eight emerging economies: Colombia, Egypt, India, Indonesia, the Philippines, South Africa, Thailand and Vietnam. The CEFIM Programme is entirely supported financially by grant funding from the Governments of Australia, Canada, Denmark, Egypt, and Germany. As part of the process to develop the [Clean Energy Finance and Investment Mobilisation Roadmap for India](#), the OECD CEFIM Programme held a series of stakeholder consultations, workshops, and bilateral meetings with government representatives, where energy savings insurance (ESI) emerged as a key solution for scaling up finance and investment into energy efficiency projects, particularly for micro, small, and medium enterprises.

A focus group discussion was organized by the OECD CEFIM Programme in August 2022 as a deep dive into the ESI potential for India, and key outcomes were highlighted in the roadmap published on 25 October 2022. While the discussion in August 2022 succeeded in establishing the potential and market barriers for ESI in India, the scope for further analytical development and experience sharing was also highlighted. The technical outputs from pursuing further work on ESI in India can be readily applied to other country context and can therefore be shared and further developed through the G20, as part of wider efforts to mobilise private capital towards clean energy investments. Based on the recommendations of the Roadmap, the Bureau of Energy Efficiency (BEE) asked the OECD CEFIM Programme to organise a series of workshops on ESI, with the aim to facilitate development of ESI in India.

In March 2023, the OECD CEFIM Programme, along with the Bureau of Energy Efficiency and the Indonesian Government, held the first International Focus Group Discussion on energy savings insurance (ESI), during an international virtual [workshop](#) that provided a platform for the exchange of best practices and insights gleaned from global ESI experiences. This workshop showcased diverse models employed in various countries, shedding light on effective strategies through the development of case studies centred around key international examples including Colombia, El Salvador, and Mongolia.



### **Background on ADB and Energy Efficiency De-Risking Instruments**

The Asian Development Bank (ADB) is administering the Technical Assistance Program on "Support for the Implementation of the [Asia-Pacific Climate Finance Fund](#)" (ACliff), which is conducting market scoping to understand the supply, demand, and market conditions for financial risk management instruments. ADB is exploring the design of pilots to facilitate the implementation of financial de-risking instruments to promote energy efficiency investments in the two selected developing member countries – India and the Philippines. This workshop will serve to kick off ADB’s market scoping study in India.

### **Program Agenda: 20 February 2024**

<b>Agenda</b>	
<b>Time (IST)</b>	
08:30-09:00	<b>Registration and Coffee</b>
<b>09:00-09:30</b>	<b>INAUGURAL SESSION</b>
	<b>Welcome and Opening Remarks</b> <ul style="list-style-type: none"><li>Geraldine Ang, Senior Policy Analyst, OECD</li></ul> <b>Special Address</b> <ul style="list-style-type: none"><li>Christine Engstrom, Senior Director Sector Group Finance, ADB</li></ul> <b>Keynote Address</b> <ul style="list-style-type: none"><li>Abhay Bakre, Director General, Bureau of Energy Efficiency (BEE)</li></ul>
<b>09.30 – 12.00</b>	<b>PART – I : ADB Component</b> <b>De-Risking Instruments for Energy Efficiency Investments in India</b>
09:40 – 10:45	<b>Context Setting Remarks</b> <ul style="list-style-type: none"><li>Thomas Kessler, Principal Finance Specialist, ADB</li></ul> <b>Session 1: The Role of Energy Efficiency De-Risking Instruments in Improving the Access to Finance in India</b> <b>Moderator:</b> <ul style="list-style-type: none"><li>Thomas Kessler, Principal Finance Specialist, ADB</li></ul>



	<p><b>Panel discussion followed by a Q&amp;A:</b></p> <ul style="list-style-type: none"> <li>• Vishal Kapoor, CEO, EESL</li> <li>• Sanjay Dube, CEO, IIEC</li> <li>• P. Shyam Sunder, Joint Director, BEE</li> <li>• Ravi Kaushal, Chief Manager, State Bank of India</li> <li>• Reena Kori, Associate Director, Idam</li> </ul>
10:45 – 11:00	<b>Coffee Break</b>
11:00 – 12:00	<p><b>Session 2: Lessons from Finance and Insurance Industry Experts on Design and Implementation of Energy Efficiency De-Risking Instruments</b></p> <p><b>Moderator:</b></p> <ul style="list-style-type: none"> <li>• Sanjay Dube, CEO, IIEC</li> </ul> <p><b>Panel discussion followed by a Q&amp;A</b></p> <ul style="list-style-type: none"> <li>• Arup Chatterjee, Principal Finance Specialist, ADB</li> <li>• Ankur Gupta, Head of Client Management, Munich Re</li> <li>• Sunil Sharma, Vice President, Darashaw &amp; Co.</li> <li>• Gaurav Jain, CEO, AXA France VIE - India Re-insurance Branch</li> <li>• Anant Bhardwaj, Senior Vice President, AU Small Finance Bank</li> </ul>
12:00-13:00	<b>LUNCH</b>
13:00 – 16:00	<p><b>PART – II: OECD Component</b></p> <p><b>Unlocking Energy Savings Insurance (ESI) in India</b></p>
13:00-14:00	<p><b>Session 1: Introduction to ESI in India</b></p> <p><b>Moderator:</b></p> <ul style="list-style-type: none"> <li>• Geraldine Ang, Senior Policy Analyst, OECD</li> </ul> <p><b>Part 1. Scene Setting on the ESI market landscape in India followed by a Q&amp;A</b></p> <ul style="list-style-type: none"> <li>• Livia Miethke Morais, Sustainable Finance Team Lead, BASE</li> <li>• Sachin Kumar, Director, Shakti Sustainable Energy Foundation</li> <li>• Manoj Kumar Muthumanickam, Project Specialist, GEF - Climate Change Mitigation Unit, UNEP</li> <li>• Cornelia Schenk, Policy Analyst, OECD</li> </ul> <p><b>Part 2. Scene Setting on Barriers and opportunities (SME) followed by a Q&amp;A</b></p> <ul style="list-style-type: none"> <li>• Rajiv Kumar, General Manager, SIDBI</li> <li>• M. A. Patil, Assistant Secretary General, FICCI</li> </ul>



	<p><i>Questions for discussion:</i></p> <ul style="list-style-type: none"> <li>• Which are the potential sectors for the implementation of Energy Saving Insurance in India – MSMEs / buildings/industries/others?</li> <li>• Do you think the ESCOs, financing institutions, insurance providers, and other stakeholders in India can implement the Energy Saving Insurance?</li> <li>• What potential barriers or challenges (technical, policy, regulatory, financial) may be encountered in launching an ESI pilot in India?</li> </ul>
14:00-14:15	<b>Coffee Break</b>
14:15-15:50	<p><b>Session 2: Focus Group Discussion on How to develop Energy Savings Insurance (ESI) in India</b></p> <ul style="list-style-type: none"> <li>• Moderator: Moongyung Lee, Policy Analyst, OECD</li> </ul> <p><b>Panel discussion followed by an interactive discussion with all participants.</b></p> <ul style="list-style-type: none"> <li>• Bhaskar Natarajan, Senior Fellow, AEEE</li> <li>• Inderjeet Singh, Secretary General, General Insurance Council (GIC), India</li> <li>• Pradeep Kumar, Chief General Manager, Power Finance Corporation</li> <li>• Anurag Mishra, Senior Renewable Energy Specialist, Green Climate Fund (GCF)</li> <li>• Rajiv Kumar, General Manager, SIDBI</li> </ul> <p><i>Questions for discussion:</i></p> <ul style="list-style-type: none"> <li>• How should an Energy Savings Insurance (ESI) product for MSMEs be designed and structured?</li> <li>• What would be the implementation framework and involvement of key stakeholders (banks, ESCOs, insurance companies, technical auditors, validators) in the pilot?</li> <li>• In what ways can international partners provide support for the ESI pilot in India, including options like blended finance, grants, and technical assistance?</li> <li>• How can the framework of the ESI pilot for MSMEs be adapted for other client types?</li> </ul>
15:50-16:00	<p><b>Concluding Remarks &amp; Next Steps</b></p> <ul style="list-style-type: none"> <li>• Geraldine Ang, Senior Policy Analyst, OECD</li> </ul>

