BioSpectrum the business of Bi
24 years of leveraging the business of Bio
www.biospectrumindia.co

Financing of green energy a critical issue, admits PM

18 April 2013 | News | By BioSpectrum Bureau

Financing of green energy a critical issue admits PM



"One of the critical issues in promoting expansion of clean energy is financing of green energy. Investments in green energy are subject to technological, commercial and regulatory risk. For the moment green energy is not viable on its own without subsidy or regulatory incentives. Investors obviously need assurance that these incentives will continue, mentioned the Prime Minister, Dr Manmohan Singh while speaking at the 4th Clean Energy Ministerial at New Delhi on April 17, 2013.

"The market forces alone will not provide sufficient financing in this environment unless the risks of policy change are appropriately addressed. I am happy that the ministers have scheduled a separate session on financing. We need to know more about what each of us is doing and this ministerial is an excellent platform for experience sharing across the countries," the Prime Minister remarked further.

Talking about the government's intentions, Dr Singh elaborated, "Our 12th Five Year Plan recognizes the importance of evolving a low carbon strategy for inclusive and sustainable growth. We have set ourselves a national target of increasing the efficiency of energy use to bring about a 20 to 25 percent reduction in the energy intensity of our GDP by 2020. The plan also envisages an expanded role for clean energy, including traditional sources of clean energy such as hydel power and non-conventional sources such as solar and wind power."

The initiative for launching the ministerial was taken by Dr Steven Chu, US Energy secretary. Dr Chu, a very distinguished Nobel Laureate, who announced his intention to return to academic life. "We are fortunate in having him with us today, and I would like to take this opportunity to thank him for his contribution and to wish him well for the future. I have no doubt that he will continue to contribute to evolving a consensus on the important issues which the CEM has been grappling with," said the Prime Minister.

Speaking further, Dr Singh said, "In the three years since it was first launched, the Clean Energy Ministerial has promoted a number of initiatives in the area of expanding supplies of clean energy and promoting technologies for energy efficiency in a cost effective manner. I am very happy to state that India is an active participant of several of these initiatives."

Â

The government has launched a Jawaharlal Nehru National Solar Mission with the objective of developing 22,000 MW of solar capacity by the year 2022. covering both solar photovoltaic and solar thermal. The cost differential is being covered by different forms of subsidy and cross subsidy. A solar capacity of about 1500 MW has already been installed in the country, and an additional 10,000 MW will be implemented by the end of the 12th Five Year Plan, ending in 2017.

"As part of the Solar Mission we are setting up a National Institute of Solar Energy, which would be a global level R&D centre, which could draw upon international cooperation as well, to enable the creÂ¬ation of more affordable and convenient solar power systems, and promote innovations that enable the storage of solar power for sustained, long-term use. It is expected that this Institute will be in position by the year 2015, elaborated the Prime Minister.

While speaking about the process of raising fuel efficiency standards in the transport sector, Dr Singh mentioned, "We have already decided to mandate 5 percent blending of ethanol in the motor spirit. We are also launching a National Mission on Electric Mobility and I am happy to state that the government of India will be joining the Electric Vehicle Initiative of the Clean Energy Ministerial."

"These are early days in our effort at developing a workable strategy and much remains to be done. I have no doubt that your deliberations will go a long way in developing a workable agenda for energy efficiency and expansion of clean energy for the world," concluded Prime Minster.