

ADB's aid for energy efficiency investments in India

January 15, 2020

Source: PIB & Climate Fund Update Organization

Key highlights

- The Asian Development Bank (ADB) and the Government of India in December 2019 signed a \$250 million loan to Energy Efficiency Services Limited (EESL) to expand energy efficiency investments in India that will benefit agricultural, residential and institutional consumers.
- In addition, \$46 million financing will be provided from the Clean Technology Fund (CTF), to be administered by ADB.
- ADB previously approved a \$200 million loan to EESL, a public sector energy service company, in 2016 for Demand-Side Energy Efficiency Sector Project that focused on efficient lighting and appliances.
- Accompanying the loan will be a technical assistance (TA) of \$2 million to support EESL in implementing the project, including a gender action plan, mobilizing private sector participation in energy efficiency services, identifying new business opportunities, and transferring knowledge about successful models.
- The TA will also support the identification and development of new subprojects and pilot test some technologies. The grant comes from the Clean Technology Fund, to be administered by ADB.

Clean Technology Fund (CTF)

- The Clean Technology Fund (CTF), one of two multi-donor Trust Funds within the Climate Investment Funds (CIFs),

promotes scaled-up financing for demonstration, deployment, and transfer of low-carbon technologies with significant potential for long-term greenhouse gas emissions savings.

- Channelled through the African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, and World Bank Group, the CTF finances 12 country programmes and one regional programme.

Aims & objectives od CTF

The Clean Technology Fund (CTF) seeks to promote scaled-up financing for demonstration, deployment and transfer of low-carbon technologies with significant potential for long-term greenhouse gas emissions savings. It aims to:

- Provide positive incentives, through public and private sector investments, for the demonstration of low carbon development and mitigation of greenhouse gas emissions
- Fund low carbon programs and projects that are embedded in national plans and strategies, scaling up development and accelerating the diffusion and transfer of clean technologies
- Realize environmental and social co-benefits, illustrating the potential for low-carbon technologies in contributing to sustainable development and the Millennium Development Goals
- Support international cooperation on climate change
- Utilize skills and capabilities of the MDBs to raise and deliver new and additional resources, including official and concessional funding, at significant scale; and
- Share experiences and lessons learned in responding to climate change challenges.

Activities supported by the CTF include programmes within the:

- **Power Sector:** renewable energy and highly efficient

technologies to reduce carbon intensity

- **Transport Sector:** efficiency and modal shifts; and
- **Energy Efficiency:** buildings, industry, and agriculture