

FICCI and Terrawatt Initiative Seek a Global Common Market of Affordable Solar Power

NEW DELHI, 25 January 2016: The Federation of Indian Chambers of Commerce and Industry (FICCI), President, Mr Harshavardhan Neotia and Gérard Mestrallet, Chairman and CEO of Engie, founding member of Terrawatt Initiative, have executed a Memorandum of Understanding for a global common market of affordable solar power today at Federation House in Delhi, on the sidelines of the visit of President of the Republic of France, in presence of Hon'ble Finance Minister of France H. E. Mr. Michel Sapin.

FICCI and Terrawatt Initiative jointly acknowledged that:

- Solar photovoltaic is now the most competitive power generation technology and it can achieve the climate and development capacity building goals implied by the Paris Agreement and the Sustainable Development Goals and provide to an ever larger share of Mankind, clean and affordable power but it implies a volume and speed of development and a flow of affordable capital which are not achievable under the current market and regulatory frameworks;
- Terrawatt Initiative is developing with its partners, in particular IRENA, the guidelines for a new market and regulatory global framework to engage with governments and achieve the necessary solar massive scale-up as soon as possible in the most efficient way;
- Very strong political impetus will be necessary to achieve this major evolution of the market and its framework;
- The adoptions of the Sustainable Development Goals by the United Nations in September 2015 and of the Paris Agreement on Climate Change in December 2015 provides a historic momentum;
- The International Solar Alliance, launched on the 30 November 2015 by Shri Narendra Modi, Prime Minister of India and Mr. François Hollande, President of France, at the opening of the Climate Conference (COP21) in Paris, can become one of the key political instruments of the implementation of the Paris Agreement and the appropriate forum to discuss, agree and implement the most needed at scale market and framework for solar energy.

Based on strong convergence of views on the absolute necessity to design a global common market of affordable solar power and important potential synergies, FICCI and Terrawatt Initiative jointly declared their intention to cooperate on the following matters:

- Expansion of the RE-Invest concept in other International Solar Alliance (ISA) member countries and regions and in particular in Africa;
- Market and framework design in order to integrate the vision of the Indian businesses;
- Joint interaction with the ISA as well as with the Indian and French governments about the necessary programs of the ISA dedicated to reduction of the cost of financing, including standardization, aggregation, de-risking, rating and securitization.

This unprecedented agreement was later in the day presented at Hyderabad House, to Mr. François Hollande, President of France, and Shri Narendra Modi, Prime Minister of India, who launched on the 30 November 2015, the International Solar Alliance at the opening of the Climate Conference (COP 21) in Paris.

“The International Solar Alliance (ISA) is a great platform for countries to work together and specifically provide a significant potential for private sector collaboration among the member countries of ISA”, said Mr Harshavardhan Neotia, President, FICCI. He further added “FICCI is looking forward to contributing to the objective of ISA and the FICCI-TWI cooperation will ass tremendous synergies in this direction”.

“Countries have an opportunity to benefit from abundant and affordable solar power, and reap these benefits,” said Gérard Mestrallet. “We look forward to cooperating with FICCI, to facilitate the financing of solar energy projects through appropriate instruments and vehicles, as well as innovative events and communication and so promote a common market of affordable solar power at global level” he added.

FICCI being the oldest and largest industry chamber in India, has a long experience in engaging with governments for policy change and is a Partner of RE-Invest, the beacon event for solar development and financing in India, showcasing the efficiency of key stakeholders in a market based dialogue. FICCI's Solar Energy Task Force formed in 2010 integrates niche expertise with sound policy perspective and industry representation of leading solar market players both from manufacturing and project development. FICCI has a strong membership of and engagement with the financial sector across banking, capital markets, insurance and pensions sectors that gives it the leading expertise to interface on financing issues relevant for the sector. FICCI's business partner network of over 252 federations, regional and sectoral associations across the globe provide it with the wide reach and longstanding relations which are a pre-requisite for effective advocacy followed by tangible deliverables to realize this vital mission. The CEOs forums and business councils with individual countries and key multilateral groupings where FICCI serves as the Secretariat can provide impetus to the mission on a priority basis with countries at both ends of the spectrum i.e. the specialists and the beneficiary countries. These high powered groups include BRICS Business Council, ASEAN India Business Council (AIBC), and the India-Africa Business Council.

Terrawatt Initiative is a global non-profit organization based in Paris that aims at:

- promoting competitive mass solar as a decisive tool to address power needs, sustainable development goals and climate change;
- representing leading private sector stakeholders (belonging to the solar industry, financial industry, energy leaders and large consumers) in the dialogue with the Governments and International Organizations to achieve at scale design and fast implementation of a global common market of affordable solar power; and,
- promoting actual deployment of affordable capital in solar power generation assets at the trillion USD scale.

FICCI MEDIA DIVISION