

**FIRST GLOBAL ENERGY MINISTERIAL
SE4ALL Forum Meeting
UN Headquarters, New York
May 20, 2015**

**Statement delivered by Hon'ble Minister for State (I/C) for Power, Coal and
New & Renewable Energy, Government of India H.E. Mr. Piyush Goyal**

Your Excellency Deputy Secretary General of the United Nations,

Your Excellency Acting President of the General Assembly,

Distinguished CEO of SE4ALL Mr. Kandeh Yumkella,

Ladies and Gentlemen,

At the outset, allow me to express my compliments to Kandeh for his leadership and commitment to this excellent cause. I salute him and wish him all the best in his endeavours as he moves on from the United Nations and from this very valuable initiative to pursue his career and his service to his country Sierra Leone. I also thank him for this opportunity for allowing me to share my thoughts with all of you.

Mr. President,

India is delighted that the Sustainable Development Goal on Energy has embraced all the three objectives of the Sustainable Energy for All while highlighting the overarching importance of energy access.

Access to adequate and affordable energy has a direct correlation with quality of life and sustainable livelihoods. We cannot eradicate poverty, which is the overarching objective of SDGs and the new Development Agenda, without ensuring universal energy access.

In India ensuring adequate and affordable energy access for all of India's people and doing so in a sustainable manner is an article of faith for the Government of India and for the Prime Minister Mr. Narendra Modi personally.

In fact, when the world talked about inconvenient truth, Prime Minister, who was then Chief Minister of a State in India, spoke about convenient action. He

demonstrated his action and the outcomes of his own initiatives in the State of Gujarat to take solar energy, wind energy, and renewable energy to the next level.

Mr. President,

The new Government in India is inspired by the ideology of Pandit Deen Dayal Upadhyaya, whose Birth Centenary we are celebrating this year, and who spoke about *ekatam manavvad*, or integral humanism. He believed that the holistic development of human beings - development of their livelihood, development of their education and health care, leisure, recreation, moral and spiritual values, all of them are essential for the development of human beings. This is also in some sense what the Sustainable Development Goals and the agenda of the United Nations reflect. He believed very strongly that service to society should be the service to the last man at the bottom of the pyramid. He called it *antyyodaya*, service to the poorest of the poor.

This will certainly not be possible but for universal and affordable energy access 24/7 which, Ladies and Gentlemen, is the mission of this Government under Prime Minister Modi. We are committed to provide 24/7 energy access to every Indian across the length and breadth of India by 2019.

Mr. President,

Our energy challenge is truly huge. The numbers speak for themselves.

We have 56 million homes or 280 million Indians, almost the size of the population of United States of America, who lack access to the basic electricity. More than 500 million are still deprived of access to clean energy fuels.

Just as in all other countries, including the developed world, coal will continue to remain the mainstay of our energy related needs for the foreseeable future. In all fairness, it would not be correct to say or to expect India to move away from coal when we are at the cusp of our developmental journey.

Developed countries have built up their prosperity, their industry, growth, homes for all, jobs, better economies, better incomes on the back of fossil-fuel based energy, which was cheap, which was affordable, which was accessible all across the countries. It is this source which has provided the base load for power.

We do understand and it is indeed incumbent upon us to protect the world to ensure a cleaner planet for the next generation. However, it is also important to understand the agony of poverty. It is important to understand the pain that the common man experiences when he is required to pay very high cost for energy. This is something that can only be experienced when you see what poverty is, when you experience how the people in developing countries are living.

Towards this end I have invited the Sustainable Energy for All Advisory Board to come to India next summer and to hold their meeting in India. They should come and see for themselves and experience how critical it is for us to have universal energy access at affordable prices.

The countries who have benefited over the years from cheap fossil fuel based energy, I believe, must participate more proactively in these noble efforts to leave behind a cleaner planet by expanding the scope of renewable energy. I believe this has to be a shared responsibility of the developed world and the developing countries.

Mr. President,

We are redoubling our efforts towards clean energy at several levels. We are shifting to cleaner coal using ultra super critical technology for coal-based power generation. We are retiring all old inefficient plants with modern efficient coal-based plants. We are accelerating energy efficiency to manage the demand side of our requirement and we are rapidly scaling up and expanding renewable energy to move towards a cleaner energy mix.

For this, we have put in place possibly the world's largest programme and agenda in order to expand our renewable energy capacity five-fold in the next seven years i.e. we aim to have installed renewable energy base of nearly 175 Giga Watt of power in the next seven years. On a personal note, I would love to see this happen in the next five years by 2020 itself.

This will take up our output of renewable energy from the current level of 60 billion units to about 300 billion units which will take the renewable energy output as a percentage of an increased demand from one trillion units which we produce today to two trillion units in the next 5-7 years and clean energy will make up about 15% of the expanded base from the current 6%.

Further, to fully integrate this renewable energy to our grid, we are upgrading our transmission systems by setting up green energy corridors at an investment of nearly US\$ 30-40 billion.

On a very conservative estimate, we will need at least US\$ 100-150 billion dollars to scale up our renewable energy capacity to these levels. At the same time, we will also need nearly US\$ 30 billion for our energy efficiency programme which is expected to save about 120 million tonnes of carbon dioxide emissions per annum.

Mr. President,

In February earlier this year, we hosted the Renewable Energy Global Investment Promotion Meet called RE-INVEST which should now be an annual feature going forward. This event saw an unprecedented gathering of national and international business and thought leaders, academia and bilateral and multilateral agencies and resulted in commitments of 273 Giga Watt renewable power development, 62 Giga Watt of renewable manufacturing and 70 Giga Watt of financing over the next five years. This demonstrates the attractiveness of India as an investment destination.

Mr. President,

The challenge for renewable energy in India, as I mentioned earlier, is clearly affordable financing. Meeting this challenge is not possible unless we ensure adequate financing at competitive prices.

The current tariffs are at about 10-12 cents per kw which we need to reduce to 6-7 cents. For that, we are looking at innovative ways to finance our renewable energy programme. We are looking at introducing Dollar tariffs. We are looking at sovereign rated intermediaries purchasing renewable energy from developers and producers to ensure that counter party risk is eliminated and we are able to get more and more investors from across the world to come and participate in this great story. This mitigation of counter party risk with Dollar tariff will allow people to leverage and borrow cheap in foreign currency without the risk of hedging as well as allowing pension funds and investors to come to India for an assured reasonable rate of return.

We do not believe subsidies can take this programme to the level we want to take it. Subsidies can, after all, only cause distress in the long run as is experienced by some countries in Europe.

We urge the developed countries and the Sustainable Energy for All Forum to facilitate the flow of long tenure low cost funding for developing countries in days to come.

Mr. President,

In terms of energy efficiency, I would like to highlight our commitment to replace all the streetlights and all the incandescent bulbs to CFLs we have in the country - a country of billion plus people - to LED lights over the next three years. This effort will help us to reduce the peak-load demand by nearly 27 Giga Watts which you can image would be a tremendous saving in terms of the carbon dioxide emissions.

We have, in fact a very good experience that I would like to share with you and particularly for the developing countries. We used innovative financing, economies of scale coupled with clean processes of procurement with high degree of integrity in our LED programme to bring down the procurement cost of LEDs by about 74% in less than nine months. What we used to procure for about five dollars for a 7 watt LED bulb one year ago, is today being purchased for nearly 1.3 US dollars for 7 Watt bulb with the same technical parameters.

I believe if the world was to take up this challenge of economies of scale and scaling up this whole programme massively, we could even bring down the renewable energy cost along with energy efficiency cost and help take this world forward in a cleaner fashion and leave behind a cleaner world for the next generation.

Mr. President,

In conclusion, the higher cost of renewable energy and energy efficiency projects compared to conventional high carbon emissions options implies that their competitiveness and replication and scaling up largely depends on the availability of low cost and long-tenure financing.

For this I do believe that the developed world, which has over the last 150 years enjoyed this low cost power for its own growth and prosperity must share this responsibility and come forward proactively in a much deeper engagement with the developing countries.

I would like to reiterate on behalf of India that we will work with the Sustainable Energy for ALL Forum and with investing organizations such as pension funds and multilateral agencies to enable mechanisms that provide put safe and adequate

returns to investors on the one hand and affordable and effective energy access to the people of India.

In order to achieve the ambitious objectives we have set for ourselves we invite the world to partner with us.

This is an unprecedented investment opportunity - a unique business proposition - which not only serves humanity but also serves your balance sheet.

India has opened its doors for the world and we invite you to participate in our efforts.

Let us change the world for the better , together.

Thank you.
