

Technical Session on the Mobilisation of One Trillion Dollars in Solar Investments by 2030 and Blended Finance Risk Mitigation Facility

Scaling solar energy investment is critical for building fair, resilient and climate-safe economies. In addition to driving rapid electrification of buildings, businesses, and transportation, solar energy is critical for providing secure and affordable first-time energy access to millions of people in developing and emerging economies. ~770 million people were living without access to electricity in 2019, and the IEA estimates that without significant intervention about 620 million people will still lack electricity access in 2030, with 85% of them in sub-Saharan Africa. Among those who do have access, 900 million people remain in significant energy poverty (below 200 kWh/person/year), limiting their economic livelihood and opportunities.

Renewable energy sources and decentralized solutions appear to be the least cost way to achieve universal energy access. Lowering the costs for small scale solar PV, stand-alone systems and solar mini grids can deliver affordable electricity access to millions of people, especially to remote rural areas in emerging economies, alongside strategies to increase grid connectivity.

Despite widespread recognition of its key role in meeting climate goals and providing energy access, overall investment in solar deployment lags far behind global needs; solar PV investment must increase about 68% per year until 2050 to achieve its climate mitigation potential¹. And solar investment is not reaching those countries and communities that need it most. Developing and emerging economies—with two-thirds of the world’s population—receive only 20% of global clean energy investment, and this gap is widening.² High-impact decentralized solar interventions remain severely underfunded, with mini-grids and off grid electrification representing just 1.2% of total funding for energy access in 2017³.

While access to finance is a necessary condition, it is not sufficient in itself to kickstart investments in solar in ISA Member and Prospective Member countries. The flow of capital has to be complemented with “readiness support” targeted at building capacity and human capital across all three critical stakeholder categories: (a) regulators- in designing effective policies, (b) financial institutions- in appraising different types of solar projects and their associated risks as well as employing risk-mitigation strategies, and (c) enterprises- in deploying appropriate technologies as well as making relevant business model refinements and scale up plans.

Two initiatives led by ISA and its partners are designed to both improve investment readiness and scale up investment: the Solar Investment Action Agenda & Roadmap and the Blended Finance Risk Mitigation Facility in Africa.

- **The Solar Investment Action Agenda**, developed by the World Resources Institute in partnership with ISA and Bloomberg Philanthropies, provides a template for coordinated, catalytic action to accelerate the pace and scale of solar investment. It identifies a set of high-impact opportunities for scaling up solar investment and provides an inventory of prerequisite strategic actions for boosting investment readiness, engaging investors,

¹ IRENA, 2019. *Future of Solar Photovoltaic: Deployment, investment, technology, grid integration and socio-economic aspects*. International Renewable Energy Agency, November 2019

² IEA, 2021. *Financing Clean Energy Transitions in Emerging and Developing Economies*. International Energy Agency, World Bank, and World Economic Forum. Flagship Report 2021.

³ Tracking SDG7, [Energy Progress Report 2020](#)

developing pipeline, mitigating risk, and mobilizing partnerships. The Solar Investment Roadmap, which will be completed in 2022, will build out these solutions, providing detailed guidance for public and private sector actors as well as goals and metrics for measuring progress toward \$1 trillion of solar investment by 2030.

- ISA's planned **Blended Finance Risk Mitigation Facility for solar sector** is being designed by Intellectap and will raise and deploy capital **in Africa** by providing concessional loans, early-stage risk capital, and/or non-fund-based support to borrowers and lenders. The Facility seeks to be (a) **Replicable** - hence, easy to implement (b) **Sustainable** - hence, effective in meeting solar sector needs as well as those of FIs / investors, in order to yield economically viable outcomes for key public and private stakeholders in the long run, and (c) **Scalable** - hence, garner significant market interest for wide scale adoption. The pilot facility can then be replicated in other member countries as ISA seeks to meet its mandate to scale up solar solutions and mobilize required investment in intervention countries.

The Technical Session on the Mobilization of One Trillion Dollars in Solar Investments by 2030 and Blended Finance Risk Mitigation Facility will deliberate upon (a) How to mobilize USD 1 trillion in solar investments by 2030 and (b) How these investments can be effectively deployed.

Points of discussion:

1. Mobilizing Private, Public and Philanthropic Capital for Scaling-up Solar Energy

- a. **Partnerships:** Role of various stakeholders- Philanthropic institutions, DFIs, MDBs, Local FIs, Regulators, Private capital pools | How can these partnerships best be strengthened?
- b. **Structures:** To rapidly scale solar in developing countries, what does the finance and investment mix need to look like? What shifts are needed in the current mix? What actions can help drive these shifts?

2. Effective Deployment of Capital for Addressing Key Challenges in Solar Sector

- a. **Focus segments:** Which segments have the highest need? Which segments are commercially more viable? Should the facility support B2B initiatives or B2C enterprises / projects?
- b. **Instruments:** What should be offered- debt or equity or both?

(1545 Hrs – 1715 Hrs IST)	Panelists*	
<p>Session Brief:</p> <p>The Technical Session on the Mobilization of Trillion Dollars in Solar Investments by 2030 and Blended Finance Risk Mitigation Facility will deliberate upon (a) How to mobilize USD 1 trillion in solar investments by 2030 and (b) How the capital can be effectively deployed to address the key challenges in scaling up solar energy to equitably meet global needs for energy access and clean energy.</p>		
Opening Remarks	15:45 HRS - 15:55 HRS	H.E. Hon Georges Pierre LESJONGARD , Minister of Energy and Public Utilities, Republic of Mauritius
Welcome Address and Context Setting	15:55 HRS - 16:00 HRS	H.E. Dr Ajay Mathur , Director General, ISA
Special Addresses	16:00 HRS – 16:05 HRS	Dr. Linus Mofor Senior Environmental Affairs Officer, UN Economic Commission for Africa (UNECA)
	16:05 HRS – 16:10 HRS	Ms. Gauri Singh Deputy Director General, IRENA
Presentation on phase 2 of roadmap for mobilization of USD 1 Trillion by 2030	16:10 HRS – 16:20 HRS	Laura Van Wie McGrory Global Engagement Lead, Scaling Up Solar, World Resources Institute
Presentation on the Blended Finance Risk Mitigation Facility	16:20 HRS – 16:30 HRS	Abhishek Shah Intellectap Advisory Services
Panel Discussion	16:30 – 17:10 HRS Moderated by: <i>Jennifer Layke,</i> <i>Global Director, Energy Program, World Resources Institute</i>	<p>Mr. Robert van Zweiten Senior Advisor, Convergence Blended Global Finance</p> <p>Mr. Ashvin Dayal Sr. VP, Power & Climate Initiative, Rockefeller Foundation</p> <p>Mr. David Kuijper Head- Partnerships / Blended Finance Specialist, FMO</p> <p>Ms. Priya Shankar India Director- Climate & Environment Program, Bloomberg Philanthropies</p> <p>Dr. Manuele Battisti Business Development Manager, Enel Green Power (South Africa)</p>
Concluding Remarks and Vote of Thanks	17:10 – 17:15 HRS	Mr. Jagjeet Singh Sareen Assistant Director General, ISA

*Invitations shared- confirmations are awaited