

India, US to mobilise \$1bn to bolster clean energy supply

HT Correspondent

letters@hindustantimes.com

NEW DELHI: The United States and India have announced plans to mobilise up to \$1 billion in multilateral finance to bolster India's domestic clean energy supply chain, the White House said on Saturday after a meeting between India's Prime Minister Narendra Modi and US President Joe Biden.

The initiative, part of a broader partnership to advance clean energy manufacturing, aims to "capture the benefits of the clean energy transition, including the creation of high-quality jobs for our populations, acceleration of clean energy deployment glo-

bally, and achievement of global climate goals."

The funding is to be channelled through the International Bank for Reconstruction and Development (IBRD). It is expected to support "supply-side manufacturing capacity expansion for key technology verticals, focusing on solar, wind, battery, energy grid systems, and high-efficiency air conditioner and ceiling fan supply chains".

The collaboration builds on clean energy initiatives launched during Modi's visit to the US in 2023 and existing programmes such as the Strategic Clean Energy Partnership.

According to the statement, the partnership will focus on

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expanding manufacturing capacity for specific clean energy components. These include solar wafers and next-generation solar cells, wind turbine nacelle components, power transmission line components, energy storage and battery technologies, electric vehicle components, and high-efficiency air conditioners and ceil-

ing fans.

The partnership also aims to extend beyond bilateral cooperation, with plans to develop clean energy projects in Africa.

The statement outlines intentions to "build trilateral relationships with African partners that have stated political commitments to clean energy deployment, focusing on solar and battery storage opportunities".

The US Development Finance Corporation (DFC) and the US Agency for International Development are "collaborating with India-based International Solar Alliance to deploy solar and EV charging networks near health facilities" in Africa, the statement added.

Both countries have pledged to

engage with industry leaders to identify near-term investment opportunities and support an initial package of pilot projects. This effort will build on private sector partnerships facilitated by DFC across various clean energy sectors.

The initiative complements existing policies in both nations aimed at boosting domestic clean energy manufacturing. The statement notes that "India's Production Linked Incentive Schemes have invested over \$4.5 billion to catalyse nascent clean energy manufacturing".

The partnership also includes plans for policy collaboration to strengthen demand for locally manufactured clean technologies.