

Plugging Financing Gaps for Renewables Projects in Asia

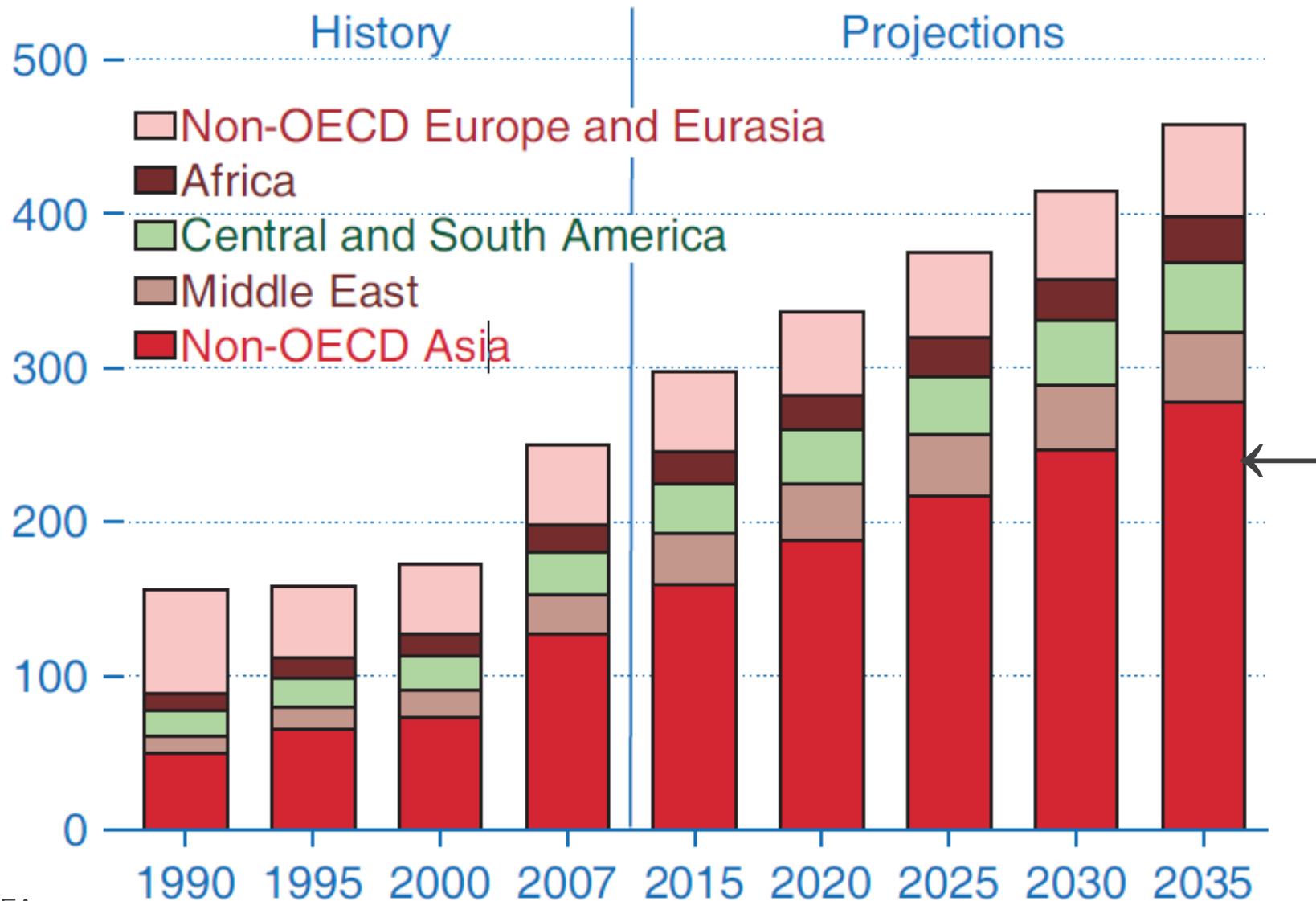
Barriers and Solutions

Clean Energy Expo Asia 2010
Singapore
4 November 2010

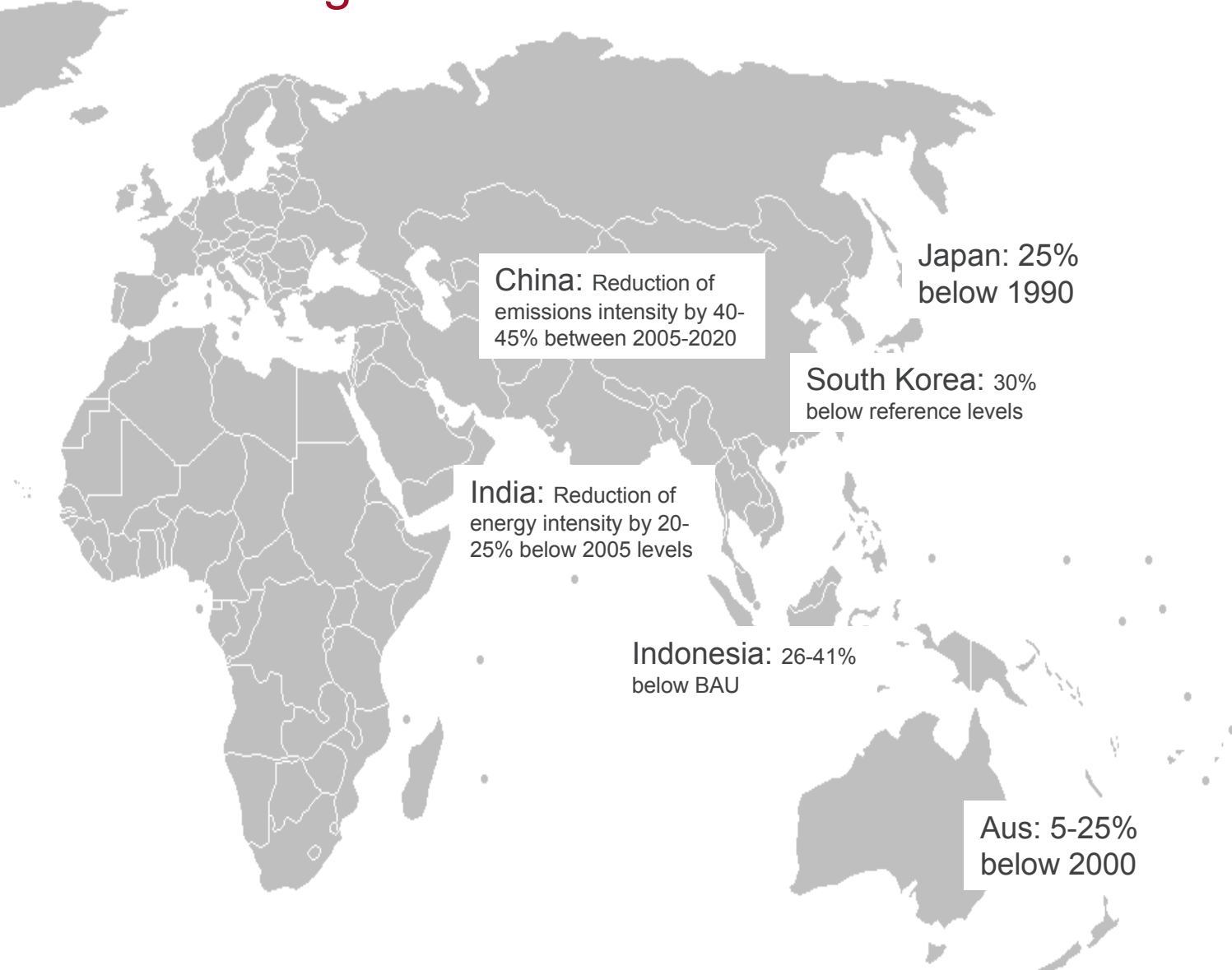
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The Challenge: Asia's Energy Demand

Projected Energy Demand in Asia



Climate change commitments in Asia



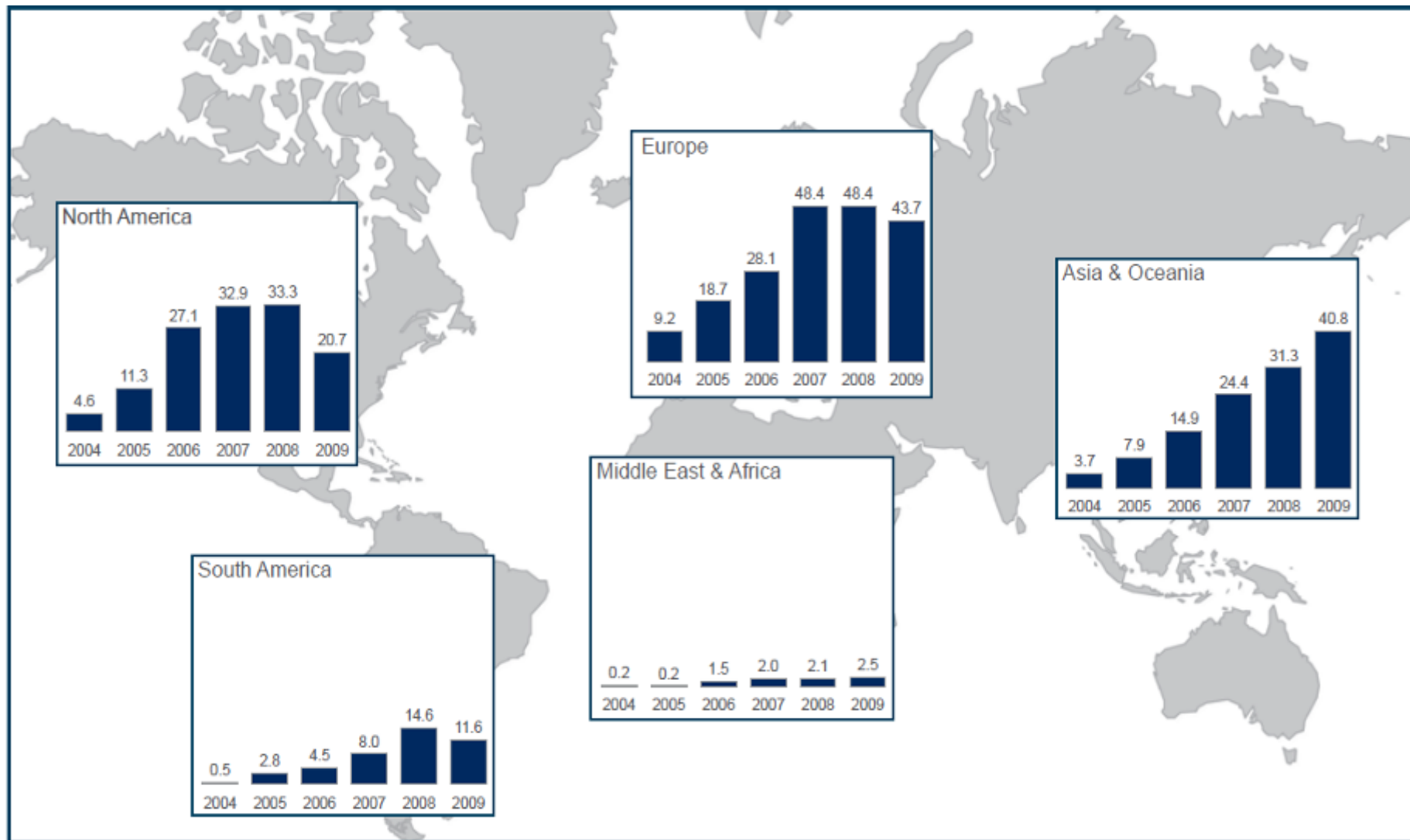
The Opportunity: Financing Renewable Energy

Global financing in clean energy...

- Financing for clean energy has grown exponentially
- 230% growth since 2005
- USD162 billion invested in 2009
- Investment forecast to reach USD200 billion in 2010 (approx 25% growth)



Clean energy investment by region (US\$bn)



But competition for investment is fierce...

FIGURE 4. TOP 10 IN CLEAN ENERGY INVESTMENT

→ China	\$34.6 billion
United States	\$18.6 billion
United Kingdom	\$11.2 billion
Rest of EU-27	\$10.8 billion
Spain	\$10.4 billion
Brazil	\$7.4 billion
Germany	\$4.3 billion
Canada	\$3.3 billion
Italy	\$2.6 billion
→ India	\$2.3 billion

FIGURE 5. FIVE-YEAR GROWTH IN INVESTMENT

Turkey	178%
Brazil	148%
China	148%
United Kingdom	127%
Italy	111%
United States	103%
France	98%
Indonesia	95%
Mexico	92%
Rest of EU-27	87%

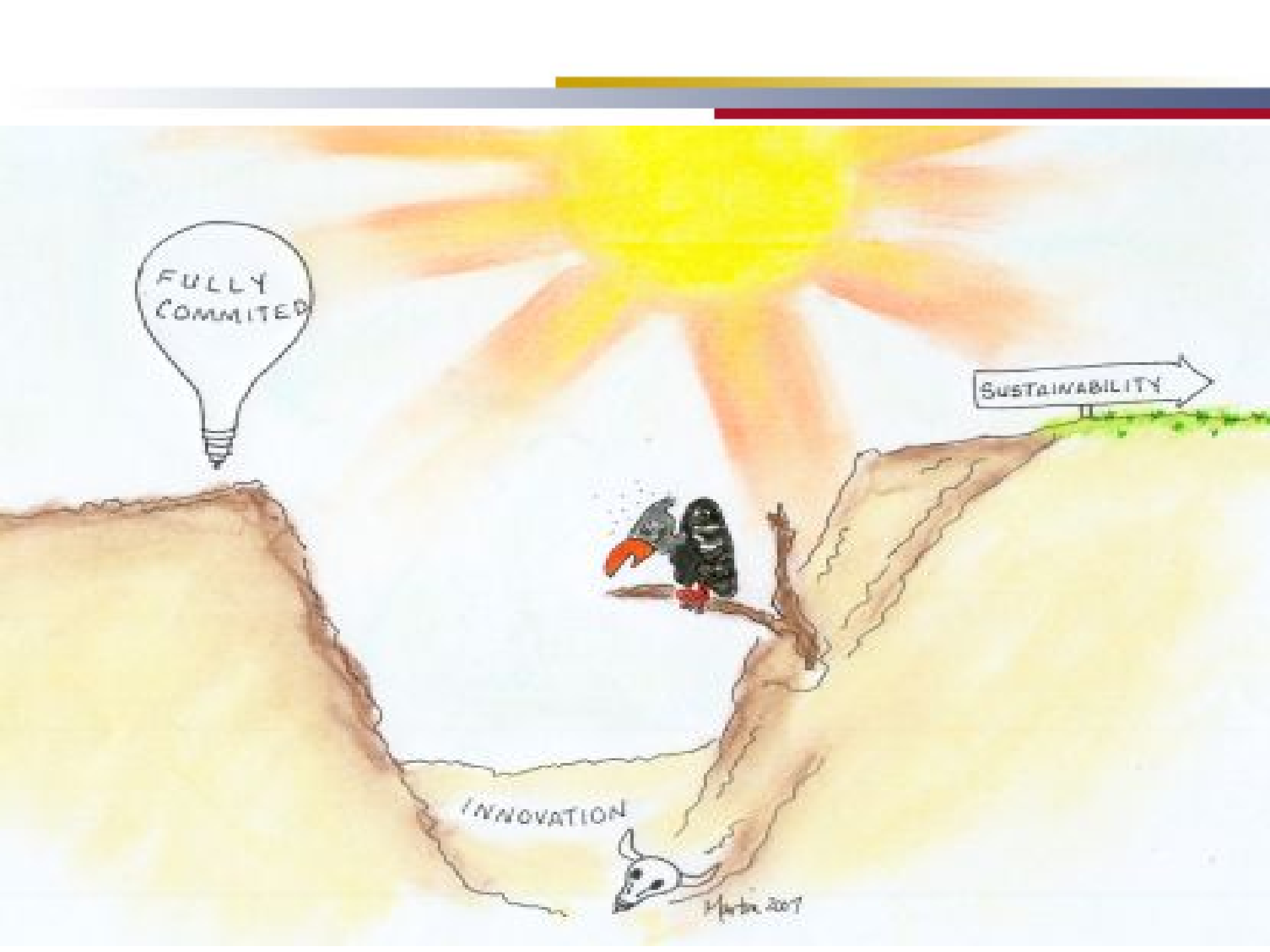
The Barriers



INNOVATION



March 2007



Asia's Clean Energy Investment Gap...


Investment
Appetite

Growing Availability
of Capital



Good
Projects
Bankability



- 
- Project scale: size versus investment appetite
 - Regulatory uncertainty: lack of policies or changing policies
 - Availability of capital: gap for early stage equity
 - Cost-competitiveness: state subsidies versus consumer pays

The Financing Solutions?

Feed-in Tariffs?

Critical policy to support renewable development?

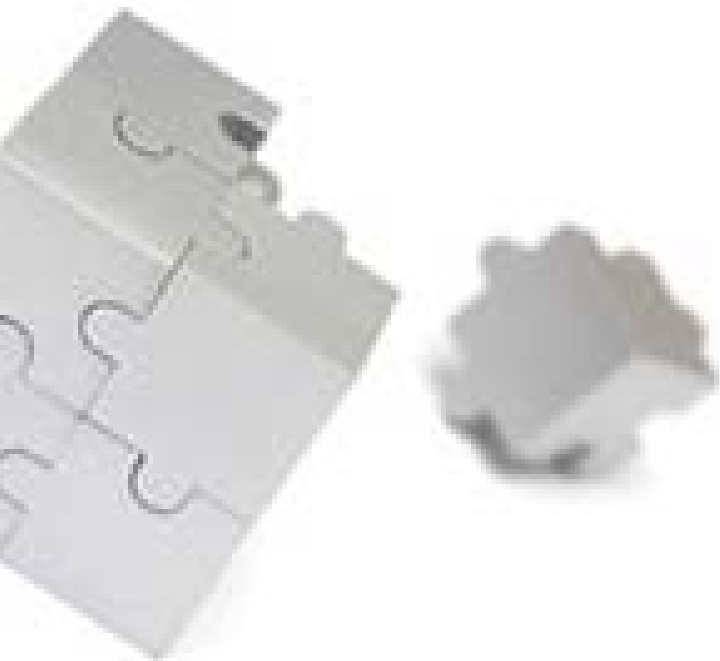
OR

“Blunt” price support spoiling developers and investors?



Coordinated policy mix...

- Renewable Energy Portfolio standards: a clearer, staged path for renewable energy targets
- Price support: integrating price support structures with RPS
- Structures to “de-risk” early stage equity and corporate financing: public/private roles
- Structures to “aggregate” renewable supply: match with investor demand
- Integration of renewables policies with broader energy planning – capacity needs and energy network infrastructure





Questions?

Thank you!

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