

India

Energy Efficiency Scale-up Program

May 17, 2018

Chair Summary*

The Executive Directors approved a loan in the amount of US\$220 million and a guarantee in the amount of up to US\$80 million to Energy Efficiency Services Limited (EESL), with a sovereign guarantee from the Republic of India, for the India Energy Efficiency Scale-up Program (R2018-0068) on the terms and conditions set out in the President's Memorandum.

Directors welcomed Government of India's innovative approach to addressing market failures in energy efficiency and the project's contributions to India's climate change. They commended the innovative project design, noting that this is the first IBRD guarantee in India, and the first Bank operation to combine Program-for-Results financing and an IBRD guarantee, in line with the Maximizing Finance for Development approach. Directors also noted that the operation will help support the development of sustainable business models for new energy efficiency programs, and support EESL in effectively engaging private sector participation in these programs.

Directors appreciated the focus on results and highlighted the importance of close monitoring of the program's achievements as well as operational challenges, in particular as related to environmental and social impacts. They welcomed the emphasis on strengthening institutional capacity as well as the sustainability of future initiatives and highlighted the importance of maintaining a strong regulatory framework as part of this operation. They also inquired about the possible engagement and potential role of IFC in relation to private sector development of the energy market. Directors encouraged continued cooperation between the Bank and other development partners throughout implementation and stressed the importance of building on the lessons learned from the operation, and sharing them more widely with other client countries.

*This summary is not an approved record.