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COMMENTARY

SE-Asian nations, including Singapore, should join the International Solar Alliance

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IN its special report on climate change published in October last year, the International Panel on Climate Change (IPCC) stressed that we all collectively need to step up the effort if we want to limit global warming to 1.5 deg C compared to the preindustrial level of temperatures. An increase to 2 deg C would significantly worsen the risks of drought, floods, extreme heat and poverty for millions of people.

Countries, cities, businesses, individuals must, without further delay, play their part to ensure that greenhouse gas emissions can reach net-zero around the mid-century.

The scale of the transition needed is unprecedented. In the energy sector, it is pivotal to spur the low-carbon transition by creating more market and policy signals for green finance investment. Transitioning to net-zero would require the current 2 per cent of global GDP spent on the energy sector to not only increase slightly by 0.4 per cent but also shift from fossil fuels to non-fossil fuel technologies.

In the meantime, millions of people still lack proper access to electricity or rely on costly and polluting diesel generators to provide power. The consequences for their education, their health, the economic development of their communities, are no longer acceptable.

Solar energy can help overcome these two challenges of greening the power sector and contributing to universal, affordable and reliable access to electricity. In India, solar energy has already seen tremendous development, and Singapore companies are also active in the country's solar sector. India is planning to install 175 GW of renewable energy generation capacity by 2022, which includes 100 GW from solar (40 GW from rooftop installations), 60 GW from wind, 10 GW from bio-power and 5 GW from small hydro-power. Cumulative installed solar capacity in India reached 27.9 GW at the end of December 2018, out of which 8.263 GW was added in 2018 (including 1.655 GW of rooftop installations). For the first time

in India's history, solar energy made up more than half of new power capacity in 2018.

RENEWABLES IN FRANCE

As for France, the deployment of renewable energies, in particular solar, is strongly supported domestically. In addition, the French Development Agency (AFD, Agence Française de Développement) is committed to encouraging low-carbon transition and provides large funding for solar energy projects. For instance, at the One Planet Summit in Kenya, President Emmanuel Macron announced that AFD would dedicate 1.5 billion euros (\$2.3 billion) to solar projects in the intertropical zone by 2022. In all, 800 million euros have already been signed for 34 projects in 23 countries of this zone.

To support the deployment of solar energy in the intertropical zone, France and India launched the International Solar Alliance (ISA) during COP21 in 2015 in Paris. Through concrete projects, capacity building measures and innovative financial instruments, the alliance aims at creating the conditions for a rapid and broad-based deployment of solar energy in countries rich in solar radiation but where the risks are still considered high.

As of today, 77 countries have signed the Framework Agreement of ISA and 55 countries have ratified it, including Japan and Australia. This initiative endorses important support from international, national and regional organisations. Its founding summit, which took place in Delhi on March 11, 2018, gathered 30 heads of state and governments.

ROADMAP

A roadmap was set up to establish a political, regulatory and contractual environment conducive to investments in solar energy, and to attract public as well as private funding. With regards to finance, the World Bank and AFD announced the implementation of a joint global initiative of risks coverage and guarantee mechanisms for solar projects called SRMI (Solar Risk Mitigation Initiative). For capacity building, a network of centres of excellence and training is being established across ISA member states to work on innovative and affordable technology solutions. As for demand aggregation, ISA is about to launch a price exploratory tender for solar pumps for several member countries. Calls for expression of interest on mini-grids and solar rooftops are underway.

ISA has launched a committee of professional organisations for the private sector to take part in the dialogue. Through this platform, the organisations can present concrete proposals that contribute towards realising ISA's objectives.

To support countries beyond its initial boundaries, the ISA assembly has decided

to open its membership to all UN member countries. In the meantime, while the potential for solar energy is high in South-east Asia, few countries in the region have joined the initiative. ISA does not require any mandatory contribution from its members, and the ISA secretariat is funded by India.

Singapore has made the development of solar energy one of its top priorities - a decision which also falls within the scope of its commitment to fight global warming. Its expertise in this area and its technologies are a precious source of inspiration for countries participating in the ISA programmes. By joining the alliance, Singapore could actively cooperate with ISA member states and international partners and share its knowhow and ambitions, especially on financial engineering and on the design of regulatory frameworks to promote solar energy. Moreover, the growth of the solar sector spurred by the ISA offers numerous opportunities that Singaporean businesses could certainly seize.

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