

Voluntary Action Plan for Lowering the Cost of Finance for Energy Transitions

The scale-up of emerging technologies and adoption of established renewable, clean, sustainable, low-carbon including other zero and low-emission energy and abatement and removal technologies, as appropriate, may be encouraged and supported through voluntary actions to accelerate our efforts for achieving net-zero/carbon-neutral goals. To promote increased adoption of renewable, clean, sustainable, low-carbon, low-emission and net-zero pathways, we recognize the need for lowering the cost of finance for established as well as new and emerging energy technologies taking into account national circumstances, needs, and priorities.

The following voluntary actions for lowering the cost of finance for emerging and established energy technologies to enable energy transitions through the above-mentioned technologies may be adopted by the interested countries:

1. Promote various options that enable lowering the cost of capital of established and emerging energy technologies so as to promote energy security through renewable, clean, sustainable, low-carbon including other zero and low-emission technologies.
2. Develop blended finance solutions to enable lowering the cost of finance for implementing the above-mentioned technologies.
3. Encourage institutions capable of coordinating the operationalisation of blended finance solutions, to enhance their efforts towards lowering the cost of financing, including the mobilization of capital.
4. Encourage international finance institutions and multilateral development banks to mobilize private finance and develop new mechanisms/products in line with their mandates and governance frameworks including but not limited to loans without seeking Sovereign Guarantees, and extension of loans and guarantees in domestic currency, among others, required for lowering the cost of financing of established and emerging energy technologies.
5. Fostering international cooperation in partnership with national and international financial institutions for sharing best practices on solutions that lower the cost of financing, risk mitigation strategies, and the development of financing schemes to promote energy transition.
6. Support as applicable national frameworks and strategies in support of emerging energy technologies including but not limited to plans for capacity development and human capital development at different levels as well as the creation of market, development, and infrastructure for production, transport, storage and use along with enhancing domestic manufacturing taking into account different national circumstances.

