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**Decentralized Renewable Energy Enterprises Brave Covid-19, Show Relevance Through Technology Innovation: CLEAN Annual Report**

* *Around INR 158 crores of capital raised by 21 DRE enterprises, out of which around 85% of funds raised together through debt finance and private equity mode*
* *Access to basic lightening and clean cooking methods are high on demand*
* *46% of the respondent enterprises reported that they could leverage Central and State government support to deploy their products*
* *The PLI scheme for solar panel and battery manufacturing received overwhelming appreciation*

**10th February, 2022, New Delhi:** Today,CLEAN (Clean Energy Access Network), a non-profit committed to support, unify and grow the decentralized renewable energy (DRE) sector in India, published a new report that shows that despite the Covid-19 pandemic, the sector did reasonably well in terms of raising funds to run their businesses. The findings also indicate that the Production Linked Incentive (PLI) schemes announced for solar panel and battery manufacturing have been warmly received by the sector.

*“DRE businesses are driven by passionate people committed to socio-economic impact for the ‘unserved or under-served’ with profits as a secondary though necessary requirement. The DRE sector has potential to contribute significantly to India’s climate and SDG commitments. The sector however requires support in overcoming challenges like financing, value beyond product design, supply chain, business models, after sales service, distribution networks and customer relationship.”* says Svati Bhogle, President of CLEAN.

The report shows that CLEAN member enterprises (limited by the number of responses) have deployed more than 1.34 lakhs improved cookstoves, 7000+ biogas plants and close to 2 lakhs units of solar lights, fans and solar home systems of various configurations. Alongside the persistent high demand for basic lightening and clean cooking methods, an uptake in DRE livelihood applications was also recorded. More than 10000 dryers, 3500 solar water pumps and 5600 other livelihood applications were deployed. As per a GIZ supported CLEAN assessment, solar water pumps, solar refrigerator & freezer, and solar rice huller and polisher were the most popular DRE applications under farm livelihoods. Whereas, under the non-farm applications, solar sewing machine, agarbatti making machine and solar fence gained popularity.

The report also highlights the increased intervention focusing on the health and well-being of rural communities. CLEAN members solarized 2500 health centres in the last FY.

On technology and marketing side of things, the report findings show that an overwhelming majority of respondent enterprises (95%) stuck to community demonstrations of DRE technologies as a promotion tool. It further reveals that 87.5% respondents faced challenges on the supply chain management front.

The fifth edition of the annual publication, includes data from a survey of 79 CLEAN member enterprises and its stakeholders from across the country including DRE manufacturers, service providers, distributers, financiers, civil society organizations and training institutes, among others. It covers the market trends, financial opportunities, technological advancements, policy developments and skills and training aspects from 2020-21 against the backdrop of Covid-19.

The findings around policy reveal that the benchmark costs for off-grid and decentralized solar PV systems have seen a consistent decline over the years. This, against the background of increasing import duties and GST rates has created a financial burden on both enterprises as well as end consumers. Lack of awareness among financiers of the benefits of DRE technologies vis-à-vis conventional options and dearth of documentation of the paybacks of these systems are a hurdle for enterprises to access finance. On the skills side, need for skill development and after sales service of products was recognized as a dire need by 72% of the respondents.

*“DRE businesses, aside from establishing themselves as effective energy sources for the rural, underserved population, also create positive social and economic impact. The 22 case studies published in this year’s report demonstrate the possibilities that DRE solutions can create at a decentralized level. Going forward, the challenge is to forge linkages and seek out opportunities that will simultaneously make the DRE space attractive for entrepreneurs and for investors.”* says Rekha Krishnan, Chief Executive Officer, CLEAN.

The report also emphasizes on the importance of recognising and certifying renewable energy-powered applications. It suggests that going forward, enhancing support to local manufacturing in renewable energy sectors other than solar - such as wind, biogas and pico/micro hydro - should be considered.

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**About CLEAN**

CLEAN is a non-profit organization, committed to support, unify and grow the clean energy enterprises in India. Our primary focus is on rural and underprivileged communities where reliable, affordable and clean energy plays a unique role in accelerating social, environmental and economic development. CLEAN has contributed to development and influencing policies for the DRE sector, bridged access to finance for its enterprises, facilitated technology innovations, assisted its members in accessing markets and built capacity of enterprises through trainings.