

Context Setting for Green Growth in India

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Presentation Overview

- Rationale for Green Growth in India
- How realistic are India's Green growth Targets?
- Challenges for Green Growth in India
- India Case Studies
- Conclusion

Rationale for Green Growth

Defining Green Growth in the Indian Context

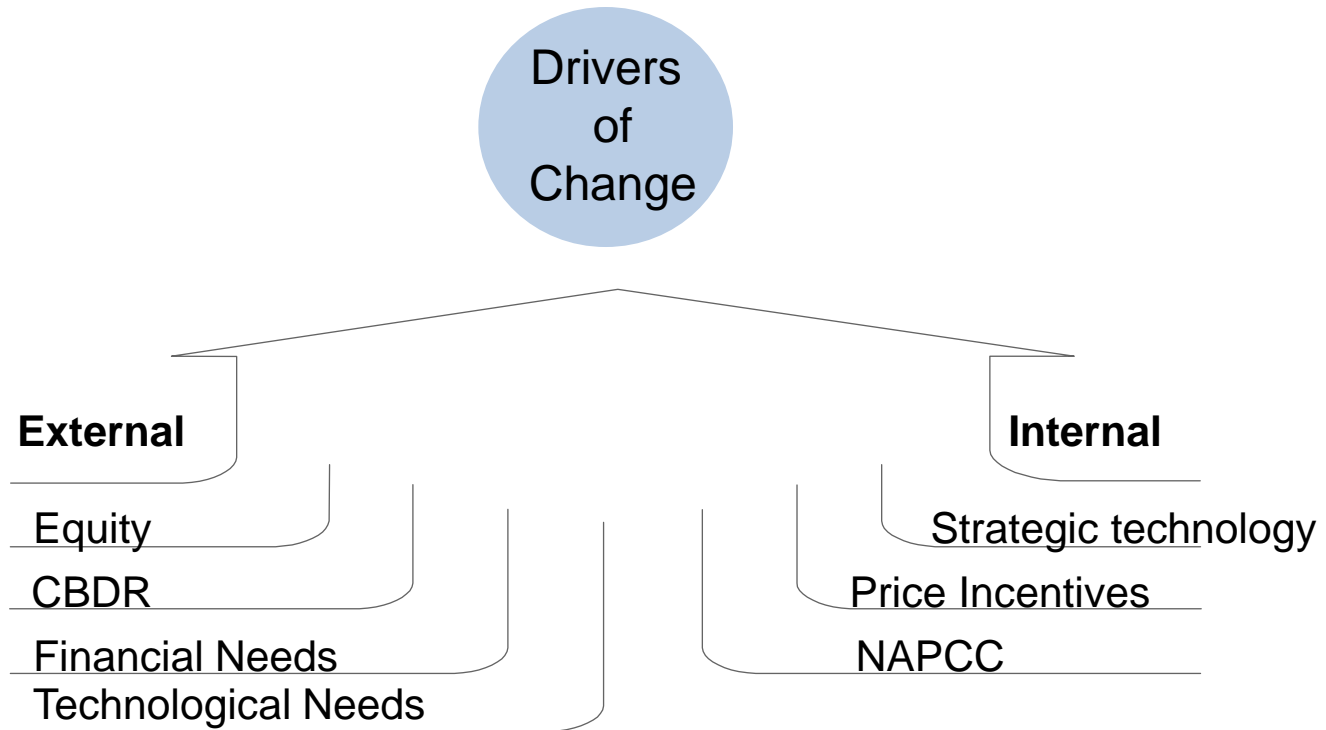
- The Thirteenth Finance Commission Report : “Green growth involves rethinking growth strategies with regard to their impact(s) on environmental sustainability and the environmental resources available to poor and vulnerable groups.”

Why India needs Green Growth?

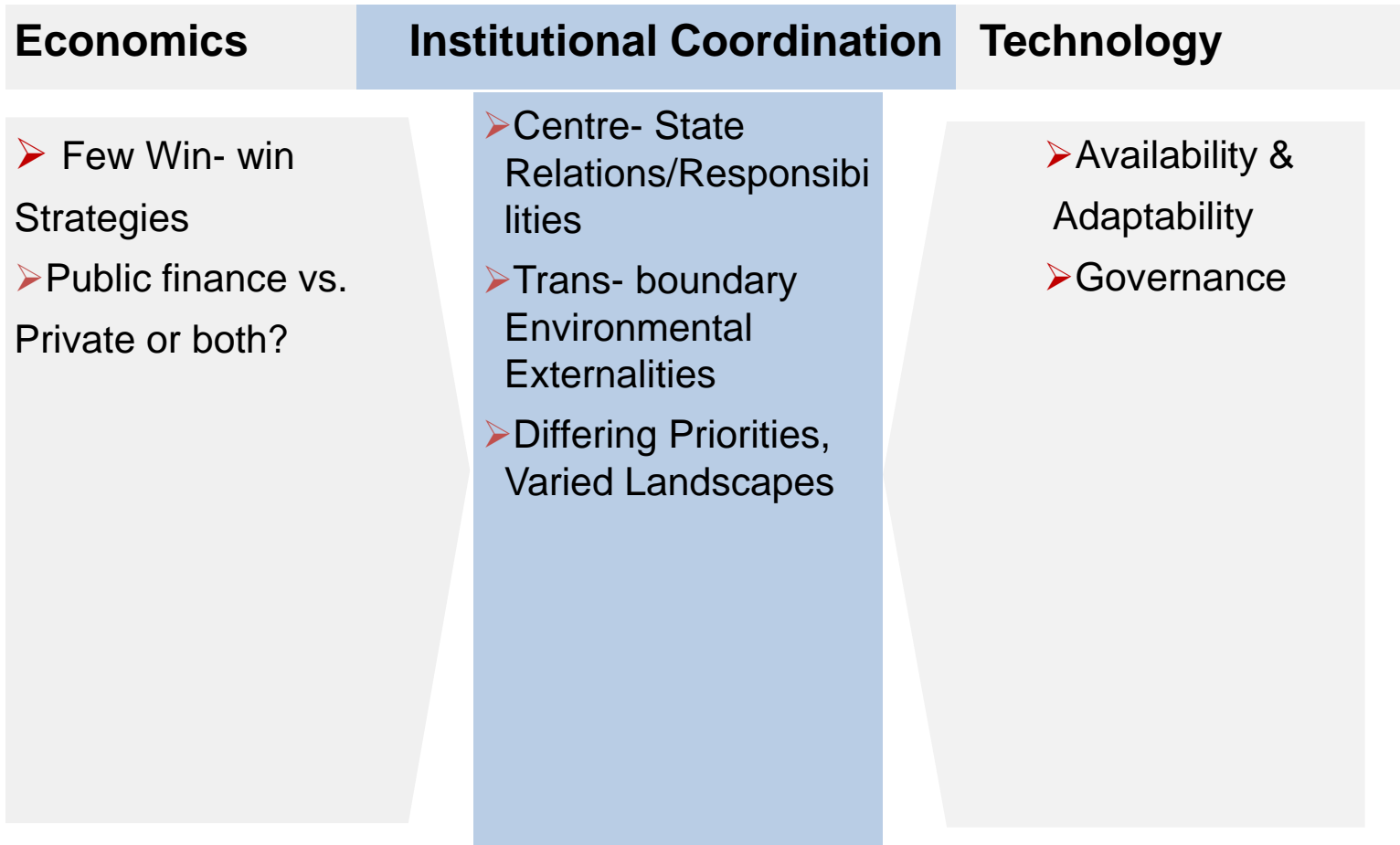
- Energy Access : clean cooking fuel and electricity access a social and economic development imperative
- Rapidly growing economy leading to increasing demand for resources
 - Implications for Equity and competitiveness
- Vulnerability to Climate-related disasters
- New Infrastructural requirement, climate change mitigation potential and adaptation needs present an opportunity.



Green Growth Targets for India: How Realistic?



Challenges for Green Growth in India



13th Finance Commission: Sub-national Grants for Environmental Performance

- India has a Federal Structure
 - “environmental federalism” counterintuitive to the “Principle of Subsidiarity”
 - Since management done by LB facing financial constraints
- Devolution of Grants to States from Consolidated Govt. Funds:
 - 1st time that environment and CC was considered as a criteria for state fund requirements
 - Devolution criteria based on forest cover , water cess collection efficiency, and renewable energy.
- Core Idea behind the grant design:
 - Balance between natural endowments as well as policy initiatives taken by states

MNRE: National Biomass Cookstoves Initiative

- A multi-pronged, multi-institutional approach is necessary to take the clean cooking initiative forward -- MNRE set up the National Biomass Cookstoves Initiative (NBCI) in 2009 to develop and expand the deployment of improved biomass cookstoves
- Project 'Surya' aims to mitigate future black carbon (BC) and greenhouse gas emissions through large scale adoption of improved cooking and lighting devices with co-benefits such as improved health of women and children.



Cooking with improved cookstove



Capacity building of the community

The S&P BSE: GREENEX Benchmark Index

- Market Based Instruments:
 - Investments through MBI: twin objectives- profitability and sustainability.
 - Increasing Popularity of Indexing: Lower expense ratios, risk diversification, and mitigation of inconsistency of human performance.
- **The BSE GREENEX is the first real time carbon efficiency index which consists of 25 companies out of the S&P - BSE 100.**
 - 3 parameters for company selection: emission intensity, market capitalization and turnover.
 - It is the first sustainability index in India based exclusively on objective parameters, derived from public disclosures of the top 100 companies.

Conclusion

Incremental financial burden may be large but so would be the cost of environmental degradation & economic retrogression

Technological input to development need to be tailored to country requirements

Coordination is key for the transference of innovation and knowledge, and good governance

Thank you!