

Quote by Sameer Jain- Managing Director, Primus Partners

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India's green leap driving its climate goals for a sustainable future

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Article Content:

India's commitment towards climate change is mirrored in public and private sector initiatives, ranging from government investments in renewable energy and green hydrogen to private firms driving innovations in sustainable mobility, green technologies and waste management.

India's proactive stance on climate change reflects its commitment to sustainable growth and global environmental leadership. Despite contributing just 4% to historical global emissions, India has demonstrated bold climate commitments under the Paris Agreement, including reducing emissions intensity by 45% by 2030 and achieving net-zero emissions by 2070.

As the global focus shifts towards actionable steps for decarbonisation, India's initiatives in renewable energy, hydrogen technology and afforestation serve as significant milestones. With private sector engagement gaining momentum, COP29 highlights India's efforts to balance economic growth with sustainable practices, offering innovative solutions to global climate challenges.

Industry leaders emphasise the importance of collaboration between stakeholders, consistent policies, and innovation to meet these goals.

Sambitosh Mohapatra, Partner and Leader - ESG, Climate and Energy, PwC India said that approval of the methodological principles for the Paris Agreement Crediting Mechanism is an enabler towards establishing a global platform for trading carbon offsets that are real, transparent, conservative and credible.

"This upholds the core carbon principles of setting an ambitious baseline, considers the feasibility of best available technologies (BATs) in a given economy, urges alignment with country-specific NDCs, and re-emphasises the need for demonstration of additionality. It will build trust amongst the larger stakeholder groups around the quality of the carbon credits in the global market," he said.

Experience of Indian industries under the Clean Development Mechanism (CDM) regime

earlier will provide confidence to invest in cutting-edge technologies for deeper decarbonisation efforts.

India's current climate policies are projected to reduce carbon dioxide emissions by around four billion tonnes between 2020 and 2030 and drive a 24-per cent reduction in coal-based power generation, according to a new report.

According to the report, in the power sector alone, policies promoting renewable energy are expected to drive a 24-per cent decline in coal-based electricity generation by 2030, relative to a no-policy scenario.

Talking about India's role in global climate change mitigation, Vishnu Sudarsan, Partner, JSA Advocates & Solicitors said that under its NDCs to the Paris Agreement, India aims to reduce its emissions intensity by 45% from 2005 levels by 2030 and achieve 50% of its total installed electric power capacity from non-fossil fuel sources by the same year.

India is also undertaking large-scale afforestation projects to create an additional carbon sink of 2.5 to 3 billion tonnes of CO₂ equivalent through forest and tree cover by 2030, he said, adding that despite contributing only about 4% of global emissions historically, India is implementing ambitious policies like the National Hydrogen Mission and state-level climate action plans, demonstrating its leadership in the transition towards a sustainable future.

"As of 2024, Indian private companies are actively engaging in various initiatives to combat global warming, reflecting a significant shift towards sustainability and climate resilience. Approximately 90% of corporate leaders in India now view sustainability as a key driver for competitive advantage, with many committing to ambitious climate goals. For instance, the Mahindra Group has pledged to achieve net-zero emissions and is investing heavily in electric vehicles, renewable energy, and green buildings, contributing to a projected economic impact of over \$15 trillion from India's transition to a net-zero economy," said Sudarsan.

The government has also allocated \$2.2 billion to develop green hydrogen capacity and 125 GW of renewable energy, while private sector investments have surpassed \$200 billion in support of these initiatives, he added.

Sudarsan further said that the rise of over 90,000 startups, particularly in climate tech, further exemplifies the private sector's role in fostering innovation and sustainable practices across agriculture, energy and transportation sectors. Collectively, these efforts demonstrate a robust commitment from Indian private companies to address climate change and contribute to the nation's ambitious climate goals under the Panchamrit framework, he said.

Highlighting the role of the Indian government in climate action, Sameer Jain, Managing Director of Primus Partners said that historically, India has been a champion in taking the cause of climate justice forward based on common but differentiated responsibilities, with it getting ranked among the top 10 countries taking climate action seriously.

For the same, India must establish a consistent and long-term policy environment to make confident investment decisions in sustainable practices, enhance government investments in R&D for innovation in green technologies and provide industries economic support in the form of tax breaks, subsidies and grants, especially during early stages of green technologies adoption, develop a robust green infrastructure network, including smart grids, create awareness among consumers which will lead to demand creation and devolution of climate action goals, Jain said, adding that India must also build capacities for

accessing domestic finance, instead of relying on developed nations for green finance.

He further said that several states, such as, Rajasthan, Assam, Meghalaya, Bihar, etc. have announced green budgets, which is a good sign of local action.

Role of Industries in Climate Action

Of the more than 70 bn USD India needs for its Climate Action, only 20-25% is currently being met, majorly through government resources while the rest has to come from the private sector. However, for the private sector, climate action is looked at as a separate investment or even CSR and is not necessarily built into the private sector's capital investment plans.

The climate transition offers the private sector an opportunity to commercially and technologically advance across multiple sectors—smart and decentralized grids, energy-efficient green buildings, infrastructure, mobility, energy generation, and agriculture.

Ankit Sharma, CEO & Co-Founder, Vidyuta said that climate change is one of the most pressing challenges of our era and the role of India has become very crucial in combating it.

“India's shift from fossil fuels to electric vehicles represents a transformative step in combating climate change. With the domestic electric vehicle market projected to grow at a compound annual growth rate (CAGR) of 49% between 2022 and 2030, reaching annual sales of 10 million units by 2030, the demand for sustainable battery materials has never been greater,” he said

Maninder Singh Nayyar, CEO and Founder of CEF Group said that addressing this crisis requires a united effort between the public and private sectors. Companies have a responsibility to drive innovation and adopt sustainable practices that significantly cut emissions, he said.

Suyash Gupta, Director General of Indian Auto LPG Coalition said “Climate change requires collective action and as a rapidly developing nation, we must adopt sustainable practices and reduce our carbon footprint.

“Auto LPG is a viable alternative fuel that emits significantly lower levels of pollutants compared to conventional fuels, making it a cleaner and more environmentally friendly option. By promoting the adoption of Auto LPG, we can help reduce vehicular emissions and improve air quality, contributing to a healthier planet, he added.

Akshit Bansal, Founder & CEO of Statiq said that both the public and private sectors must work hand in hand to address the concerns surrounding climate.

“Private companies have a unique opportunity and responsibility to drive innovation and implement sustainable practices that can significantly reduce greenhouse gas emissions,” he said.