

 INDIA CLIMATE DIALOGUE

# HOT AIR

Climate negotiations and India



# Contents

---

Introduction	3
From bipolar to multipolar disorder	4
Climate ABCD – Alignments, Blocs, Countries, Divisions	11
India in a hotter world	17
Climate policy in India	24
World after Paris COP	31

# Introduction

---

[indiaclimatedialogue.net](http://indiaclimatedialogue.net) is an independent non-partisan news and views website dedicated to objective coverage of all aspects of climate change, how it affects India, national climate policymaking and the role India plays in global climate negotiations. It covers climate science, the impacts of climate change, the mitigation of greenhouse gas emissions, adaptation to climate change impacts, global negotiations under the United Nations Framework Convention on Climate Change, India's national and sub-national policymaking in the climate arena, and the changes coming about due to rollout of renewable energy projects.

In this special report, [indiaclimatedialogue.net](http://indiaclimatedialogue.net) traces the evolution of India's climate policy and its stance at climate negotiations over the last few decades; how India has championed the cause of the developing world and the effect this has had. It looks at the extent to which India's climate policy has evolved due to internal compulsions and how much due to external pressures. It examines why India insists on carrying on with coal-based power generation and why Indian policymakers insist on low-carbon rather than no-carbon; what are the prospects of India's ambitious solar programme; what role can renewable sources play in improving energy access. It also looks at what India is taking to the Paris COP and what it wants out of the deal; in the medium and long terms, what direction will India's climate policy take, and what will be the effect of this on India's energy and development scenarios.

Authors: *Joydeep Gupta* and *Tirthankar Mandal*

# From bipolar to multipolar disorder

---

Scientists have known about climate change since 1896, when Svante Arrhenius published his findings on the effect of fossil fuel combustion on global temperature. But it was 1972 before policymakers actually started discussing the problem, at the United Nations Conference on the Human Environment, popularly known as the Stockholm Summit.

Apart from the host, only one Prime Minister attended that summit – Indira Gandhi of India – a far cry from the situation now. At least 37 heads of state and government are expected to inaugurate the Paris summit of the [United Nations Framework Convention on Climate Change](#) (UNFCCC).

The UNFCCC came into being in 1992, a full two decades after the Stockholm Summit. The negotiations that went on during those two decades, the many attempts to discredit climate science, were enough for the world to realise that it would be a rough road to any international agreement to tackle climate change.

## FAULT LINES

From the very beginning of climate negotiations, four fault lines emerged between countries.

1. Greenhouse gas emissions were causing global warming, so these emissions would have to be controlled. But which country would control how much, and why? What the negotiators called the “burden sharing mechanism” was the first fault line, and remains the principal one
2. Major oil producers – led by the Organisation of Petroleum Exporting Countries (OPEC) – feared the economic consequences of emissions limitations. For years, they tried their best to rubbish climate science

3. Countries relatively resilient to climate change impacts – mostly in the temperate regions and at even higher latitudes – were not nearly as worried by the thought of global warming as tropical region countries that are extremely vulnerable
4. Climate change sceptics and deniers opened up the fourth fault line by repeatedly questioning the science and succeeded in delaying action to tackle the menace.

## CLIMATE NEGOTIATIONS – THE PHASES

The UNFCCC came into being as one of the results of the 1992 Earth Summit in Rio de Janeiro. Since then, there have been some distinct phases in negotiations held under its aegis.

1. The first phase was till the signing of the [Kyoto Protocol](#) in 1997. During this phase, the focus was on designing a workable agreement that would help address rising greenhouse gas emissions and also provide developing countries necessary support through finance and technologies so that they could tackle the problem through voluntary actions. The signing of the Kyoto Protocol made it mandatory for rich nations to reduce their emissions and was hailed as a major triumph. But on hindsight, it can at best be called a very partial success. The major problem was the non-ratification of the protocol by the United States of America. The European Union was at the forefront of those rich countries that did work according to the Kyoto Protocol, but their emission reductions were inadequate to check global warming to the extent that the scientists recommended.
2. The second phase was the decade from 1997 to 2007. Much of this decade was spent in negotiating the details of the Kyoto Protocol, whose first phase was finally determined to be 2008 to 2012. Climate science advanced manifold in this decade, and scientists ratcheted up their warnings, but developing countries failed to initiate effective pressure for more actions from developed countries. Instead, developing countries split into smaller blocs such as the Association of Small Island States and the Africa Group, which had an adverse effect on their collective bargaining power. The second phase came to an end with a dire warning from

the **Intergovernmental Panel on Climate Change** (IPCC) in its fourth **assessment report**, despite which the next UNFCCC summit at Bali saw a series of compromises on different red-lines of the developing world, while developed countries were successful in ensuring minimum actions on their part.

3. The world is in the third phase of climate negotiations now. From the fiasco of the Copenhagen summit, this phase is being marked by a split between the emerging economies and the rest of the developing world. The split has been encouraged by the US and some other rich countries, which point out that China and India are now the world's largest and fourth largest emitters, but gloss over the fact that rich countries have placed almost all the greenhouse gases that have been accumulating in the earth's atmosphere from the start of the Industrial Age. They also gloss over the fact that per capita emissions in China are one-third of that in the US and that in India one-tenth. The split has enabled rich countries led by the US to effectively dismantle the original UNFCCC pillar of differentiation between rich and poor nations. Now – except on paper – there is no top-down legal global emission reduction target to be allocated to rich nations. Instead, there are voluntary bottoms-up **Intended Nationally Determined Contributions** (INDC) by every country. At the 2010 Cancun summit, countries had agreed to keep average global temperature rise within two degrees Celsius. Current INDCs will fail to do that. Analysts estimate that at best they can hold average temperature rise to 2.7 degrees Celsius. And that is the best that can be expected from a Paris agreement for a post-2020 world.

## GLOBAL REALIGNMENTS

The binary differentiation between developed and developing countries under the climate convention had implied that rich nations had to undertake substantial emission reduction actions. Many of them have been unwilling to do this. Instead, since 1992 there have been repeated attempts by developed countries to break G77 plus China, the 134 developing countries that undertake climate negotiations as a bloc.

MILESTONE	YEAR	IMPORTANCE
<b>First World Climate Conference</b>	<b>1979</b>	Lays the foundation for some international climate programmes including the Intergovernmental Panel on Climate Change
<b>IPCC's First assessment report</b>	<b>1990</b>	Provides the first estimates of confidence about the extent of global climate change and the human influence behind it
<b>UN Framework Convention on Climate Change (UNFCCC) signed</b>	<b>1992</b>	A major international climate change treaty representing worldwide agreement that action is needed against climate change
<b>UNFCCC enters into force</b>	<b>1994</b>	Countries signing the UNFCCC are now bound by its rules
<b>First Conference of the Parties (COP) of the UNFCCC</b>	<b>1995</b>	The first of the (generally annual) international negotiations on climate change stipulated by the UNFCCC, leading to the Kyoto Protocol
<b>Kyoto Protocol signed</b>	<b>1997</b>	Thirty-seven developed nations and economics in transition commit to reducing their emissions by at least five per cent below 1990 levels from: 2008-2012
<b>Kyoto Protocol enters into force</b>	<b>2005</b>	Countries with greenhouse gas reduction targets are now committed to them
<b>IPCC's Fifth assessment report</b>	<b>2013-2014</b>	Follows reports in 1995, 2001 and 2007. Makes strong statements about the high likelihood of human influence on the global climate and the consequent impacts
<b>Twenty-first UNFCCC COP in Paris</b>	<b>2015</b>	The meeting is aiming for an agreement to succeed the Kyoto Protocol

The bloc survives, but many of its member countries are now also in smaller blocs that speak in different voices – the Least Developed Countries group, the Africa Group, Association of Small Island States, and Small Island Developing States being the most prominent among them.

Perhaps in response, bigger developing countries have formed their own groups – BASIC (Brazil, South Africa, India and China) and Like Minded Developing Countries (LMDC), a group that has India, China, Malaysia, Saudi Arabia and a host of others.

“ *The climate change control system has moved from a top-down approach like the Kyoto Protocol to one where individual countries make voluntary pledges – the INDCs*

Then there are groups that are a mix of developing and developed countries, such as Cartagena Dialogue, which has 32 members ranging from Australia to Bangladesh, Britain, France, Germany, Ghana, Indonesia, Kenya, Maldives, Nepal, New Zealand and United Arab Emirates. The Independent Alliance of Latin America and the Caribbean (AILAC) falls in the same mixed group.

While the European Union negotiates on behalf of all its members, most non-EU developed countries including the US and Japan are members of the Umbrella Group.

The result of divisions within the G77+China group was most apparent during the 2009 Copenhagen summit, when AOSIS and LDCs opposed the target of keeping average global temperature rise within two degrees Celsius. It was too high, they said, and would submerge the island countries. They wanted an upper limit of 1.5 degrees. This was opposed by the BASIC group as well as countries such as Indonesia and Saudi Arabia, who could see that this would leave them, with very little carbon space.

There have also been serious differences within the developing world over issues such as financial support and how it should be prioritised, as well as technology transfer. LDCs are looking for money that will help them adapt to climate change effects; they are not too worried about the head under which

the money arrives. Bigger developing countries that are more able to finance their adaptation actions are keen to ensure that the money received from developed countries is “new and incremental” rather than renamed aid. The bigger developing countries are also keener on technology transfer without having to pay patent fees, while LDCs are keener on capacity building programmes within their countries.

The result of all this has been a weakening of the unified G77+China voice, which allowed some rich nations to get away without having fulfilled their legal obligations under the first phase of the Kyoto Protocol. Developing countries still insist that developed countries fulfil their obligations under the second phase of the protocol by 2020, but there is hardly anybody ready to listen to them.

## THE TRENDS

These changes, as well as new bilateral relations between various developing and developed countries, have moved the climate change control system from a top-down approach like the Kyoto Protocol to one where individual countries make voluntary pledges – the INDCs.

This leads to worries on two counts. First, as shown by the [latest report of the IPCC](#), climate change and its impacts are all gathering pace, but the INDCs are not good enough to rein in the trend. Second, in a voluntary system a country that fails to live up to its pledge does not have to worry about any action by the international community. Some countries are still trying to subject these pledges to an international review system, but that is being opposed by others that see this as a dilution of their sovereignty. Some sort of a review system is likely to be put in place in the Paris deal, but it will probably be weak.

“ ***The 2015 COP is crucial because it can determine the direction to be taken by global energy generation systems after 2020. But by current indications, this opportunity will at best lead to a common minimum programme that will be too weak to combat climate change effectively*** ”

The other big trend is that it is no longer a binary climate world, split between developed and developing countries. Despite strenuous efforts by their negotiators, emerging economies such as China and India now have to take a substantial share of the emission control responsibility.

As it stands now, emission control pledges by developing countries are actually bigger than pledges by developed countries, a situation that flies in the face of climate justice. On top of that, there are serious question marks on the kind of financial support rich countries are providing and whether there is any double counting going on. A recent OECD report totalled climate finance support by its member countries at over \$62 billion, but developing countries point out that the UN's [Green Climate Fund](#) has only \$10.3 billion in pledges.

It all points to one trend that has remained unchanged since 1896 – policymakers do not pay sufficient attention to scientists. Apart from IPCC, the annual 'emissions gap' reports brought out by the United Nations Environment Programme have failed to act as wake-up calls.

## THE PARIS COP-OUT?

The annual climate summits of the UNFCCC are officially known as Conference of Parties (COP). The 2015 COP is crucial because it can determine the direction to be taken by global energy generation systems after 2020. But by current indications, this opportunity will at best lead to a common minimum programme that will be too weak to combat climate change effectively.

# Climate ABCD – Alignments, Blocs, Countries, Divisions

---

In climate negotiations, countries usually do not act alone – they act in blocs. These blocs are often overlapping and their shifting as well as relatively constant positions can be confusing. They will be especially important during a climate summit that is expected to deliver an agreement with many implications for the world economy in the next decade.

The way these shifting alignments work will to a large extent determine the strength of the Paris agreement, so it becomes important to understand them.

Here is a primer:

- **Umbrella group**

This is a group of countries which is a mix of developed and some emerging economies. Big developed country carbon emitters like Australia, Canada and the US are an integral part of the **Umbrella group**.

In recent times the group has maintained that the greenhouse gas emission reduction needed to keep temperature rise within two degrees Celsius should come from all countries including developing countries. Unless China and India are part of any deal for emission controls, the group will not be a part of it. Further, it maintains that the stringency of reporting and accounting for emissions should be same for all countries. This group does not believe that the difference between Annex I (developed) and Non-Annex I (developing) countries created by the Kyoto Protocol should exist. It holds that responsibility for emission reduction ought to be determined on the basis of emissions of the day rather than on historic levels of emissions.

Currently, the focus of the group is to oppose assessments of the INDCs that they have put forward, and also the level of financial and technical

support they are actually putting on the table. For them, issues of transparency, reporting and compliance are vital. The US, which leads the group, now has bilateral understandings with China and India and expects that this will tone down opposition during negotiations. Other group members such as Japan and Australia have come up with weak INDCs, leading to severe criticism from climate activists.

- **EU group**

The European Union approaches climate negotiations as a group and it is till now the only big group to have undertaken some actions as agreed in the UN convention. However laggards in the EU like Poland have held it back from further emission reduction commitments. Recent commitments of the EU do not reflect high ambition and also the much needed science-based targets to reduce emissions. Further, the performances of the group in providing fast start finance to developing countries has been muddled due to lack of transparency and shifting of aid money to climate actions. This group informally maintains that emerging economies should commit to emission reductions as part of the new 2015 deal and should also contribute substantially to emission reductions before 2020, when the 2015 deal is supposed to kick in.

It has recently been argued that the tacit agreement between the EU-AOSIS-Cartagena-AILAC groups has created new momentum in the UNFCCC negotiations on a number of issues. This is the root cause of tensions between the EU on one hand and the G77 and China group on the other over lots of important negotiating elements. Since this year's COP presidency is with EU member France, the group has been busy in diplomatic missions, but their joint INDC has still disappointed developing countries. There is talk that the EU can do more, but is holding back on that as a negotiating card.

- **BASIC group**

This group was formed as a reaction to the ever increasing pressure on big developing countries Brazil, South Africa, India and China. In this except India all countries have moderate to high levels of per capita emissions. Further, with the recent developments of China voluntarily

agreeing to a peaking year for its emissions, other countries in the group are facing fresh challenges. The group has publicly maintained the need for developed countries to take the lead in emission reductions and also to fulfil the support needed for developing countries through finance and technology for undertaking actions. In recent times, the group has maintained a broad common position on various important aspects of negotiations, but they differ in their detailed positions. The main thrust of the group is to put the issues of equity and access to carbon space for development on the agenda for the 2015 agreement. But they have so far failed to provide any operational guidelines on the equity question.

Despite a number of meetings of BASIC ministers during 2015, their level of mutual engagement fell during the year. The situation has been further complicated because this year South Africa is the rotating chair of the larger G77 and China group. It is now clear that India and China do not believe the tactics of South Africa on equity and differentiation issues. The concept of Equity Reference Framework, proposed by South Africa and partially addressed in the negotiations, has broadened the gap between the members. Brazil has failed to convince others on the issue of their perception of graduation framework using differentiation principle in the form of Concentric Differentiation. The main thing that holds the group together now is the need for principled opposition to any attempt of breaking the binary differentiation between rich and poor nations, plus the demand for a roadmap for the developed world to pay \$100 billion a year by 2020.

- **LMDC group**

This is a porous group of 33 developing countries who are regarded in the climate negotiations as a group of elders. This group of Like Minded Developing Countries (LMDC) in the recent past has been seen as the stumbling block by the EU, AOSIS and AILAC groups. The main demand of the **LMDC group** is to maintain the binary differentiation between developed and developing countries. It vociferously asks developed countries to meet the commitments they have made without necessarily spelling out the actions to be taken by developing countries. The group has been the centre of attention in recent times with its strong position

on the issues of emission reductions actions by developing countries, climate finance and means of implementation.

There is a possibility that India and China may break away from this group if Saudi Arabia and other OPEC countries force the Paris summit towards a Copenhagen-like fiasco.

- **Cartagena group**

This is a group of countries with representatives from the Umbrella group, least developed countries (LDC) and small island developing states (SIDS). Its position is usually a nuanced variant of the EU position, and it does not have a very strong position on sticky issues such as climate finance and emission reduction commitments. The **Cartagena group's** main objective over the years has been to moot innovative thinking which sometimes extends the interpretation of the UN convention, maybe even in a manner that may be seen as misrepresentation of the principles of the convention. This group is seen by observers as the one that will soften the reactions of countries against the strident positions of the Umbrella group. In recent years, this group has maintained the need for contribution from all countries to meet temperature limits and has officially stated the need for emerging economies to take higher emission cuts. It is regarded by EU, Umbrella group and other developed countries as one of the progressive groups in climate negotiations.

- **G77 and China group**

This is the overall group of all developing countries, and the number of member countries is now 134, well above the original 77. It is a fairly amorphous group with lots of differences among its members. But so far it has stuck to a common position on critical issues such as loss and damage, and adaptation, while individual countries and blocs within the group freely articulate differences on other issues.

- **Africa group**

This is one of the largest blocs within the G77 and China group. This bloc consists of developing countries from Africa. In recent years, it has been playing an important role in keeping the two degree limit in focus, when

that was in danger of falling off the table. The bloc is one of the strongest in asking for stringent action from developed countries and seeking finances to combat climate change. This group aligns itself with G77 and China on most issues. So does another bloc – that of the Least Developed Countries (LDC) – though during the 2009 Copenhagen climate summit the LDC bloc found itself at odds with the BASIC bloc, and said so quite openly, though both are members of the G77 and China group.

In recent months, the key issues for the group have been financing and actual implementation of the technology mechanism. However, this group is highly divided on the issue of climate resilient agriculture, which some countries support and others oppose on the ground that it is being pushed by rich countries.

- **ALBA group**

In many ways, this is the group most stridently opposed to the Umbrella group, the one most stridently demanding GHG emission reductions from developed countries while not conceding an inch from its own side. The group – formally called Bolivarian Alliance for the People of Our America – has nine member countries, though the most vocal during climate negotiations are Venezuela, Bolivia, Cuba and Ecuador, perhaps in that order. During the 2009 Copenhagen climate summit, this group was catalytic in ensuring the breakdown of a formal agreement in the wake of backdoor negotiations between the US and the BASIC group. Its delegates repeatedly pointed out the weaknesses of the behind-the-scenes agreement, so that the deal could not be formalised in the plenary session of the COP.

- **AOSIS group**

The Association of Small Island States (AOSIS) has always had a strong presence in climate negotiations, pointing out that the survival of their countries is at stake, as sea levels rise due to global warming. The group made a valiant attempt to bring down the acceptable temperature rise from two degrees Celsius to 1.5. At times the **AOSIS group** has aligned with EU to push for stronger emissions reductions action by all countries and has thus invited the ire of emerging economies in the BASIC group.

The bloc called Small Island Developing States (SIDS) often takes the same position as AOSIS in climate negotiations.

The position of this group is closest to that of climate activists from rich countries. They want emissions reductions on the same principle by rich and emerging economies, while other developing countries are placed in a separate category.

- **Fluid blocs**

Almost every country is a member of more than one bloc, and some countries have changed blocs since climate negotiations started. Although all UN decisions must be taken by consensus, these fluid blocs can swing the balance of the negotiations perceptibly.

# India in a hotter world

---

India started the UNFCCC negotiations in the late eighties and early nineties from a position of strength. It had attended the Stockholm Conference at the highest level, it had passed a number of laws to protect the environment, it had some internationally renowned climate scientists, it had strong green activists who had ensured that the 1992 Rio Earth Summit included the right to development as one of the pillars of the new world.

And from the 1950s or even before, India had a record of being the champion of the developing world. This was extrapolated to the climate negotiations arena. It worked well in the initial phase, but is not working half as well in recent years.

Earlier in 2015, former environment minister Jairam Ramesh wondered at a public speech if India would be “the last man standing in Paris?” In recent years, India’s stand at climate negotiations has been criticised by the richest as well as the poorest countries. The only difference is that the rich countries, led by the US, have been far more vocal in their criticism. The criticism from the LDC and AOSIS groups has been mostly behind closed doors.

## INDIAN STRATEGY

To understand why, one has to go through the history of Indian strategy. Climate negotiations under the UNFCCC started in the backdrop of two events. The first was the collapse of the Soviet Union. The second a round of World Trade Organisation (WTO) negotiations on agricultural issues, where India had positioned itself as a balancing force between rich and poor countries.

India tried to take this balance to climate negotiations and as a champion of the global South, often opposed positions held by both the US and Russia. Such a stance won it kudos from the G77+China group in initial years, but left the country with few strong allies.

From within the country, two main briefs have been given to negotiators over the years. First, ensure India's right to development is not hampered in any way. Second, maximise the money, technology transfer or any other support available from rich countries.

The first brief has led to India historically being the champion of the right to development by developing countries. It has made its position clear by repeatedly pointing out that:

- Almost all the greenhouse gases now warming up the atmosphere has been placed there by developed countries since the start of the Industrial Age, so rich nations have a historical responsibility they cannot ignore
- Per capita emissions in India are still about one-tenth of that in the US and about one-sixth of that in the EU
- There are still over 300 million Indian without access to electricity, India's first priority has to be to ensure the development of these people, India will have to continue and expand coal-based power generation for this, and rich countries that have built their wealth on coal-based technologies have no right to ask India to eschew coal use now.

Developing these themes, India has consistently held that rich nations have a legal obligation to reduce their greenhouse gas emissions, but any action taken by poor nations can only be voluntary. It has also consistently stressed the need for rich countries to provide financial and technology support to developing countries for mitigating emissions as well as for adapting to climate change effects.

All this led to one of the pillars of UNFCCC – that every country has a responsibility to combat climate change, but they shall do so on the basis of their “common but differentiated responsibilities and respective capabilities”.

Shortened to CBDR&RC and then to CBDR, this became one of the commonest bits of jargon heard during climate negotiations.

## CHANGED WORLD, CHANGED INDIA

The Indian strategy worked very well till the signing of the Kyoto Protocol in 1997 and reasonably well till 2007. But from the Bali Roadmap drawn up at the climate summit at the end of that year, it became evident that questions were now being raised about the positions taken by bigger developing countries, especially China and India.

“ Just a few weeks before the Paris summit, US Secretary of State John Kerry once again described India “as a challenge”, leading to an angry reaction from Prakash Javadekar, India’s Minister for Environment, Forests and Climate Change

These questions gained momentum as the 2008 recession hit rich countries hard. Now there were studies pointing out that China was on its way to becoming the world’s largest emitter, which it became in 2010. It found India to be the fifth largest emitter; by 2012 it had overtaken Russia and become fourth, after China, the US and EU.

Since then, rich countries – most vocally the US – have made it clear that they will not mitigate their emissions without strong action from emerging economies. This has led to innumerable arguments inside and outside negotiating rooms. Just a few weeks before the Paris summit, US Secretary of State John Kerry once again described India “as a challenge”, leading to an angry reaction from Prakash Javadekar, India’s Minister for Environment, Forests and Climate Change.

But in a more quiet way, India has also been under attack within G77+China. As soon as China and India supported the goal of keeping average global temperature rise within two degrees Celsius rather than 1.5 degrees, they were criticised by AOSIS. This is an issue that has not gone away since 2007, it was raised once again by heads of governments from Pacific island nations when they met Prime Minister Narendra Modi in New Delhi recently. During

that summit, Kiribati President Anote Tong told [indiaclimatedialogue.net](http://indiaclimatedialogue.net) that since the 1.5-degree goal had not been accepted, [“Whatever happens in Paris we are already doomed”](#).

The LDCs and at least some members of the Africa Group have also been critical of emerging economies, because they have been told that China and India were holding up a global climate agreement, so the developed world was unable to give them more money and green technologies. After the Copenhagen summit, China made a proactive bid to explain its position to other developing countries. India did not.

The recent fault line between India and the LDC group is over accessing money from the Green Climate Fund. As [India's INDC](#) shows, it needs serious money to combat climate change, and it wants to access GCF money. But it is being told by some countries in the LDC group that they need the money more, so instead of seeking money from the GCF, India should be paying money to it. The issue is still unresolved. In the process, developed countries that have not pledged to put money in the GCF or those who failed to keep their pledges, have not been criticised as strongly as they may have been

## SUCCESSSES AND SETBACKS

For India, one major positive fallout of the UNFCCC negotiations was the large number of projects it obtained under the Clean Development

Mechanism (CDM). However, by the end of 2009, it was evident that CDM only benefitted a few countries in the developing world, mainly China and India. Moreover, not all activities under CDM were truly environment friendly; many were technology fixes by private companies.

The money for CDM came as a small percentage of the money received per tonne of carbon emissions, which was a commodity traded in the open market. But as UNFCCC negotiations stalled and the carbon emission price collapsed, CDM was called into question. The number of projects has gone down drastically, but the process, while it lasted, led to many jealous

whispers in other developing nations. There were allegations of impropriety too. While CDM was a success from the financial point of view, from the diplomatic point of view it was a setback.

One success that endures is the drawing up of the global technology sharing mechanism. It was India's brainchild and it has been accepted by all countries. Also, India has played a key role in preparing the structure of the Green Climate Fund.

But there has been little success on the most important point India has been trying to make – the equitable sharing of carbon space among every human being in this world. The theory and the justice of this position are unexceptionable. But the problem has been India's inability to come up with a formula that can make it work. India sees this as a red line that must not be crossed, but it has failed to come up with a proposal and with a basis of differentiation between countries that will not contravene the red lines of other countries.

India's negotiating position has also suffered due to inadequate homework. Climate negotiations are hard, and no country willingly gives an inch. When a dissenting note comes from a delegate of another country, there is little point in saying India's position is principled, so it will not budge. That only leads to an impasse, which harms the cause of combating climate change.

Most big players identify their red lines, but they also have a plan B ready on the issues that are likely to prove recalcitrant. India has been markedly lacking in that.

As an example of lack of homework, when Brazil did come up with a formula for differentiation, India was caught unawares, and did not know how to react. The result of all this is that over the years, India has conceded substantial ground to developed countries in its principled stand on the issue of development and equity.

## DEFENSIVE PLAY

When India was attacked by AOSIS and some LDCs in closed rooms, it went on the defensive. The result is that India's stature as a leader of the developing world in climate negotiations has eroded substantially. Many now see it as a regressive force, keen to use coal despite the emissions connected with that use. India has failed to really convince many developing countries why it wants to continue using coal.

As part of its new strategy, India has been reaching out to a number of Latin American countries. But its choice of allies has been based more on Cold War era relationships than climate blocs. Many developing countries that have been left out fail to understand the rationale behind the positions India takes.

On one hand, it is clear to the whole world that India has the technical ability to mitigate its emissions and to adapt to climate change impacts. On the other hand, it talks of over 350 million very poor people for which the government needs support. This duality irks smaller developing countries, especially the small island states that are the most vulnerable from one effect of climate change – sea level rise. Many of them see such underdevelopment as failure of governance rather than scarcity of resources.

In recent years, internal tussles have complicated the problem. The negotiations are led by the Ministry of Environment, Forests and Climate Change (MOEFCC), but the Ministry of External Affairs (MEA) plays a role. Sometimes this role is purely in terms of logistical support, but there have been times when the two ministries have not seen eye to eye. MOEFCC officials work on the brief that India is a developing country and must act as one. Some diplomats would prefer to see India play the role of an emerging economy, as China has often done in recent years. This tussle has been apparent during recent climate summits.

## PARIS PROGNOSIS

At the Paris summit, India will launch an International Solar Alliance under which it will provide cheap solar power generation technologies to other countries. Such a move is being universally welcomed, but after that India will find it even more difficult to ask for climate finance. It can get a lot of money for green technologies from the private sector, but the money from rich country governments is more likely to go to LDCs.

Historically, India has been a weak communicator of its position. Its negotiators have been reluctant to speak to the media and civil society representatives, especially if they are not from India. It has lacked outreach. This has had an adverse effect on its negotiating position. During the Paris summit, for the first time India has rented space for a country pavilion. Maybe that will help the country win friends and influence people.

# *Climate policy in India*

---

India's development policies have acknowledged the need to protect nature. From the beginning of the twentieth century, the British and Indian governments have recognised the need to conserve natural resources. This is enshrined in India's Constitution.

However, such policymaking was not designed to meet the challenge of controlling greenhouse gas emissions – that has entered policymaking space a little over 20 years ago. In this period, India's core challenge has been to find a way in which it can meet its development goals while controlling the emissions, which mostly occur due to economic exploitations of natural resources.

This has necessitated new thinking at the interface of economic, energy, social and environmental policymaking, to name a few. India is still grappling with this challenge.

## **NATIONAL PRIORITIES, INTERNATIONAL DEVELOPMENTS**

India has a millennia old tradition of environmental policymaking. But in the early years after independence in 1947, economic development took centre stage. The Constitution mentioned the need for balance, but there were no legal provisions to protect natural resources from overexploitation. This state of affairs continued till the early 1970s.

Conservation of nature gained attention after the protests against the cutting down of the Silent Valley in Kerala and the Chipko movement in what is now Uttarakhand. Parliament passed various laws to protect the environment. It was also during this period in the seventies and eighties that India was drawn into international environmental diplomacy. Many of its domestic actions were in response to its pledges in international platforms. But the essential

'polluter pays principle' was enshrined in law after the methyl isocyanate gas leak from the Union Carbide factory in Bhopal, which killed an estimated 50,000 people and is the world's worst industrial disaster till now.

The next phase started with negotiations for what would become the Montreal Protocol to save the ozone layer on top of the earth's atmosphere. This phase gained momentum after the 1992 Earth Summit in Rio de Janeiro. Three conventions were established at Rio – to combat climate change, to protect biodiversity and to battle desertification. The nineties also saw international development targets being established through the Millennium Development Goals.

## EVOLUTION OF CLIMATE POLICYMAKING IN INDIA

Climate policymaking started in India on the basis of the development-first ideology that sees emissions control as a co-benefit. To a certain extent, it worked in the case of industry, especially heavy industry, which steadily increased its energy use efficiency and thus reduced its emissions per unit of output. A recent estimate places this reduction in emissions intensity between 1997 and 2015 at over 17%. In its INDC prepared for Paris, India has pledged an emissions intensity reduction of 30-35% by 2030.

But other effects of such policies were not felt in reality, while India kept facing more frequent and more severe storms, floods and droughts, which scientists say is a result of climate change. Apart from the loss of lives and human misery, the economic value of having to deal with such extreme weather events was as high as 2.6% of India's GDP, according to the country's 2008 annual economic review.

There were voices within and outside the government seeking to make climate actions a policymaking priority. But these voices were in a minority and till recently they have not influenced energy or industrialisation programmes in any significant way. The one significant action came through participation of the private sector in the [Clean Development Mechanism](#).

## IMPORTANT INTERNATIONAL MILESTONES AND THE INDIAN RESPONSE

<b>INTERNATIONAL ENVIRONMENTAL MEETINGS</b>	<b>RELEVANT INDIAN ENVIRONMENTAL STATUTES</b>
The Stockholm Conference, 1972	<ul style="list-style-type: none"> <li>• The Air (Prevention and Control of Pollution) Act, 1981</li> <li>• The Environmental Protection Act, 1986</li> <li>• Wildlife Protection Act 1972</li> </ul>
The Rio Conference, 1992	<ul style="list-style-type: none"> <li>• The Public Liability Insurance Act, 1991</li> <li>• The National Environmental Tribunal Act, 1995</li> <li>• Regulations on Waste Management: Hazardous Wastes (Management and Handling) Rules 1989, Biomedical Wastes (Management and Handling) Rules 1998, Recycled Plastics (Manufacture and Usage) Rules 1999, Municipal Solid Wastes (Management and Handling) Rules 2000</li> </ul>
Convention on Biological Diversity, 1992	<ul style="list-style-type: none"> <li>• The Biological Diversity Act, 2002</li> </ul>
Convention of International Trade in Endangered Species of Wild Fauna and Flora, 1973	<ul style="list-style-type: none"> <li>• The Wild Life Protection (Amendment) Act, 2002</li> </ul>

Throughout this period, India kept insisting at international climate negotiations that the developed world must lead on emissions cuts through legally binding commitments. Its one big announcement came at a 2007 G20 summit in Germany, when then Prime Minister Manmohan Singh said that India's per capita emissions would never exceed that in a developed country. Everyone knew India would not have to do anything extra to fulfil this promise.

India did come up with a comprehensive [National Action Plan on Climate Change](#) (NAPCC) in 2008, but it did not really take off till after the 2009 Copenhagen climate summit.

Two developments in 2008 and 2009 affected climate negotiations and hence climate policymaking. First, the developed world slumped into recession due to the sub-prime crisis. Second, emerging economies including India became centres of fast economic growth. That was why India's traditional position of capability shortage for climate actions was questioned by the LDCs and AOSIS in Copenhagen, not to speak of the rich countries.

In the face of this scathing attack, the easiest way out was to make a voluntary commitment that would not be legally binding. India committed to a 20-25% reduction in emissions intensity by 2020, compared to 2005 levels.

## AFTER COPENHAGEN

The next phase of climate policymaking was about implementing the NAPCC. The plan had eight missions:

- National Solar Mission
- National Mission for Enhanced Energy Efficiency
- National Mission on Sustainable Habitat
- National Water Mission
- National Mission for Sustaining the Himalayan Ecosystem
- National Mission for a Green India
- National Mission for Sustainable Agriculture
- National Mission on Strategic Knowledge for Climate Change



rich countries have a far worse record in either mitigation or helping poor countries. That silences critics for a while, but does not help the combat against climate change.

Indian approach to climate policymaking came under severe attack due to perceived notion of the country hiding behind its poor and projecting it to be unable to meet the costs of climate actions against already high bills of development expenses. This approach attracted strong criticism from the countries both developed and developing ones post 2009. In order to abate such notion, India started taking actions towards emission reduction voluntarily so that it (a) is able to have leg room for development needs related emissions increase and (b) explicate the seriousness on taking actions on climate change to back the pressure on developed countries who have faltered miserably on reducing emissions.

## NEW PLANS

As outlined in India's INDC, the country has an ambitious plan to generate 350 GW through renewable sources by 2030. This will be a mix of both grid and off grid installations and will mean 40% of the electricity needed in India will come through these sources. The real challenge here will be to implement this plan. Entrepreneurs in the renewable energy arena have complaints that need to be addressed urgently.

A bigger challenge will be to find the billions of dollars needed to move India to a green development path. Major infrastructure sectors such as railways, road transport and manufacturing require investments that are simply not available in the current global economic climate. Indian policymakers have reposed their faith in technological breakthroughs that will radically reduce the cost of green technologies – but right now it is more a matter of faith than policymaking.

There will be enhanced pressure on India during and after the Paris COP to take more climate actions. Some experts think the Indian government negotiators are aware of this, and have submitted a conservative INDC so that they can make some higher pledges if necessary during the negotiations.

Indian policymakers need to really internalise the fact that it is in India's interest to have a strong agreement in Paris. The country is now ranked the second most vulnerable – after Bangladesh – to climate change impacts. Only a strong global compact with adequate potential for economic returns on investments will bring in the money needed to avert disaster.

# World after Paris COP

---

Negotiations for the Paris climate agreement started with the host French government trying its utmost to avoid what its Foreign Minister Laurent Fabius called the “Copenhagen syndrome” – a situation where global leaders arrive at the end of a climate summit and find that negotiators have not been able to agree on key questions; and it is too late by then.

So France and the UNFCCC started the process of negotiating a text of the Paris agreement right after the 2014 summit ended at Lima. There have been four rounds of negotiations in 2015, plus two rounds of meetings between environment ministers of most countries.

It has not worked. At the last round of textual negotiations in late October, recriminations flew thick and fast, and the draft of the agreement swelled from 18 pages to 51 in that week. Much of it is in square brackets – UN-speak for proposals that do not have any consensus.

## [See Climate talks fail to clear major obstacles ahead of Paris summit](#)

France convened the second meeting of environment ministers in early November in an effort to give a political push to the stalled negotiations. It has now released an [aide-mémoire](#) on the basis of that meeting. The co-chairs of the textual negotiating group – one from the US and the other from Algeria – have also produced what they call a [scenario note](#) on how they plan to talk to governments before the COP and then conduct discussions during it. Whether this move is a help or a hindrance remains to be seen – the last two notes produced by the co-chairs were roundly criticised by developing countries.

The other big move made by France is to call heads of state and government to open the summit, rather than close it. The hope is that global leaders

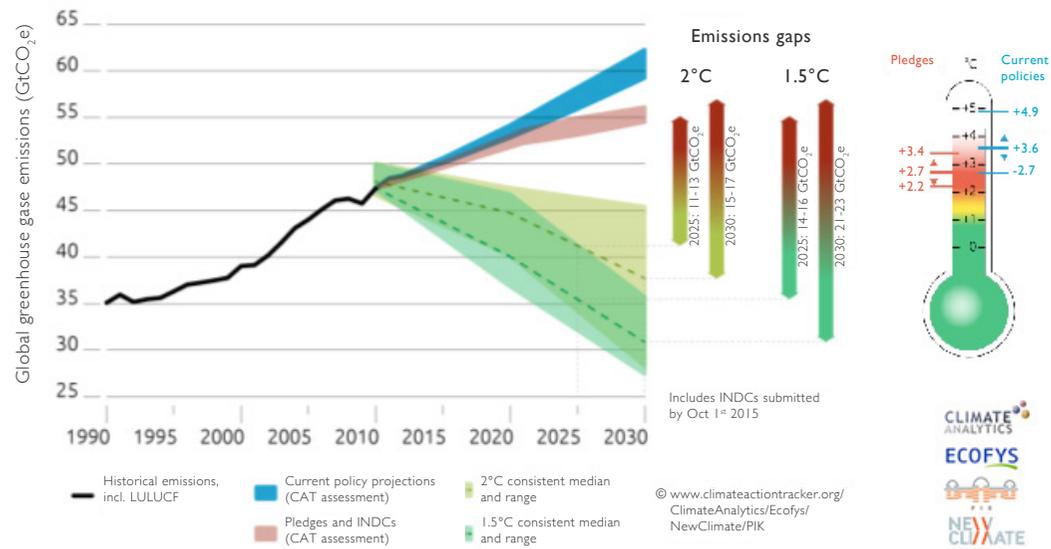
will provide the final political direction that will enable negotiators to make much-needed compromises and come up with an acceptable Paris agreement. Prime Minister Narendra Modi is among the leaders scheduled to speak at the opening. Together with French President Francois Hollande, Modi is also scheduled to inaugurate the International Solar Alliance that India is leading.

## COMMON MINIMUM PROGRAMME

With the stakes so high, negotiators and observers all expect that a Paris agreement will be finalised and signed. However, expectations on what that agreement will contain are low. Observers fear that the process of UN negotiations and decisions by consensus among 195 countries will ensure that the agreement will end up with a common minimum programme that will fail to keep average global temperature rise within two degrees Celsius by the end of this century.

The bedrock of the Paris agreement will be the INDCs. With countries that account for over 90% of global greenhouse gas emissions having submitted their INDCs already, academics have calculated that at best they can limit global temperature rise to 2.7 degrees Celsius. In its latest [Emissions Gap Report](#), The United Nations Environment Programme has calculated that there is a nearly 60% gap between the mitigation proposed in the INDCs and what the scientists say is needed to stick to the two-degree goal.

# INDCs move emissions and temperature but not enough



Source: [Climate Action Tracker](http://ClimateActionTracker.org), 1 October 2015

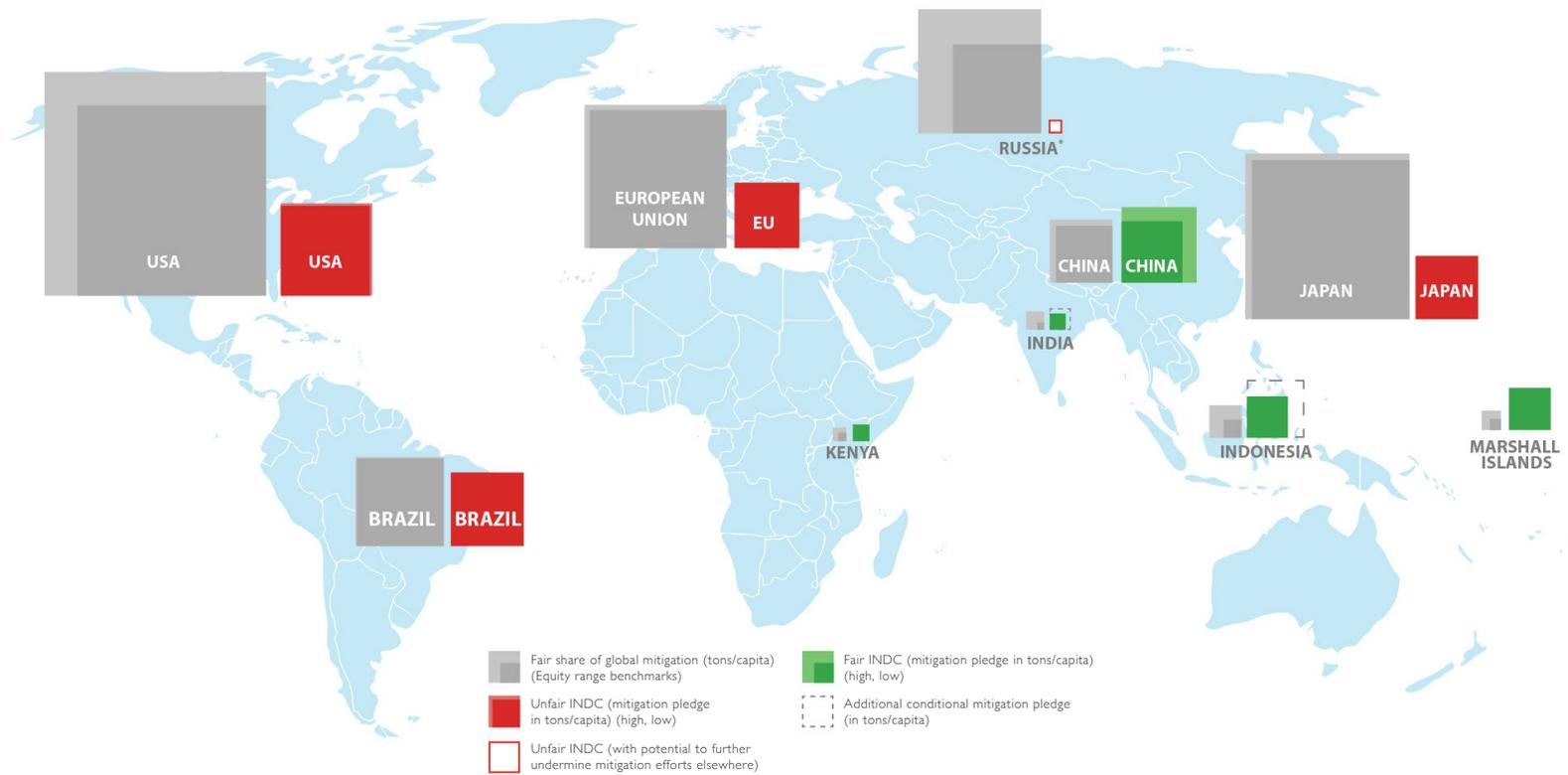
## THE POST-COP WORLD

The Paris agreement needs to be ratified by national parliaments, so it is scheduled to take effect only after 2020. So the post-COP world is divided into two phases – one between now and 2020, and the second after 2020.

Developing countries argue that a strong agreement in Paris depends on actions by the developed world between now and 2020. On paper, the world is now in the second phase of the Kyoto Protocol, under which developed countries are supposed to reduce their greenhouse gas emissions straightaway. Not only have they not done so, in the negotiations they have tried their best to move these commitments to the post-2020 period. In the latest draft, rich countries have sought to add green actions by their private sector companies to their government commitments, a move unappreciated by developing countries.

Negotiations under this head have not even been moved from a quasi-informal setup to a formal one. There is such a deadlock that nobody expects a real resolution in Paris, and that is bound to affect the post-2020 agreement.

It is also clear that support on technology transfer through the currently functioning Technology Mechanism is going to be mostly limited to small scale pilot projects, while transformational deployment will happen through private sector initiatives.



Source: Fair shares: A civil society equity review of INDCs

## THE POST-2020 WORLD

Paris is likely to come up with a common minimum programme, but even to implement that will need trillions of dollars, and the most glaring problem is the lack of money. The rich world pledged in Copenhagen to provide \$100 billion a year by 2020, but the Green Climate Fund has only about 10% of that in its kitty right now.

Finance is likely to be one of the key areas of contention during the Paris negotiations, and there is zero clarity on where this money will come from and how. In the latest draft of the negotiating text, developing countries have sought a roadmap on how this money will arrive, but the lukewarm response from developed countries suggests this is not going to be accepted in Paris.

This is not going to be only a post-Paris COP world. It is also going to be Sustainable Development Goals (SDG) era. There are prominent climate actions in the SDG list, and many observers fear this will enable some rich countries to pass off their development assistance as climate finance.

The European Union is very keen that the Paris agreement have legal force, and French President Francois Hollande has even said recently that there can be no agreement without this. But everyone knows that the US government will not be able to get such an agreement through its Congress and Senate, so in all probability the Paris outcome will be a voluntary pledge-based emission reduction mechanism.

The big problem with that is the increasingly scary findings of scientists will have little impact on commitments. At best, this mechanism will mean global average temperature rise does not shoot beyond three degrees Celsius, the inflexion point identified by scientists, after which they find it very difficult to predict impacts.

This will also mean that the pressure to control emissions will be increasingly on emerging economies, since these are the ones – especially India – whose emissions are predicted to grow significantly. India is already battling a rich world demand that its INDC, meant for 2020-2030, be subject to review in 2018.

India will have to face maximum pressure over its determination to continue using coal to generate electricity – the current plan is to add 110 GW of coal generation capacity by 2022. As the rich world talks increasingly about decarbonising economies and a no-carbon world, Indian policymakers are getting increasingly concerned that they will not be able to get international finance for their thermal power projects. It is one reason why India gave a strong backing to the setting up of the BRICS bank as a potential alternative to the World Bank.

Indian policymakers and politicians are united in saying that while they are pushing and will push renewable energy to the utmost, they have to continue using coal to provide electricity to a country of 1.3 billion people. The response that using coal is harmful to India in the long run, especially in terms of human health, cuts little ice in the country.

The energy market may see its biggest transformation in the next decade. With more and more money pouring into renewable energy projects, countries such as Germany, China, US and perhaps India – which are investing a lot into research, development and implementation – will have an advantage.

A Paris agreement will possibly give a fillip to other green initiatives such as waste management, public transport and energy-efficient buildings. As indicated in the Paris agreement draft, these initiatives will increasingly be funded by private investors and implemented by local governments. Global multilateral banks also increasingly prefer to work with sub-national governments. Some Indian policymakers are uncomfortable with such ideas, but that is the new world. But this world will have to find a way to take these actions into account when reviewing national pledges.