

Navigating a new path of development

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India's Intended Nationally Determined Contributions for the Paris summit must be seen as an opportunity to define a development trajectory that's distinctly different from that of the developed countries

The Intended Nationally Determined Contributions made public by the Government of India is an extremely ambitious and important document, the full potential and significance of which perhaps even the Government has not realised. If, for instance, the country has to achieve the target of 175 gigawatt of renewable energy based capacity in 2022, this would require some radical and major changes across the entire economy. The emphasis on energy efficiency incorporated in the INDC does not merely involve a shift to a more efficient pathway of energy production and use but should rightly be accompanied by more efficient use of all resources. Most importantly, the INDC gives India an opportunity to define a path of development distinctly different from that followed in other countries, particularly those of the developed world. For populous countries like China and India to follow that path would not only be disastrous for the planet and all species that thrive on it, but would have very negative consequences for India itself.

The goals of the INDC require urgent action and institutional changes that need to be articulated and put in place with a sense of urgency. The INDC document certainly refers to some of these changes and refers to an important provision in the Constitution of India, wherein Article 48-A states, "The State shall endeavour to protect and improve the environment and to safeguard the forests and wildlife of the country." The framework for institutional and policy changes is also put forward by referring to the National Environment Policy of 2006 and the National Action Plan on Climate Change supported by State Action Plans on Climate Change which have been prepared by 32 States and Union Territories. The INDC highlights policies to promote actions that address climate concerns, including fiscal instruments like the coal cess, cuts in subsidies, increase in taxes on petrol and diesel and market based mechanisms such as Perform, Achieve and Trade, Renewable Energy Certificates and a regulatory regime of Renewable Purchase Obligations. The document rightly emphasises the intent that institutional arrangements for offtake of renewable power will be further strengthened. Indeed, unless State Governments are fully involved in this initiative, as also local Governments, the INDC targets are not likely to be met. For a country with abundance of sunshine, and a majority of buildings which are only one or two storeys high, rooftop solar makes enormous economic sense in most parts of this country. Yet, our performance in this regard has been pathetic, largely because initiatives at the local level have been sadly lacking. Wherever rooftop solar has succeeded, this has been on the strength of net metering by which the amount of power from solar panels fed into the grid is continuously measured, and tariffs set for buyback of power providing a rational basis for this option.

Once the policy parameters of such a scheme are laid out on a rational basis, the activity can then be taken over by the private sector with benefits to the consumer, the private sector operator as well as the Government, which then does not have to provide for power generation capacity on a centralised basis equivalent to the aggregate power generated through rooftop solar.

The strengthening of local Government and creation of capacity at the grassroots level is an important prerequisite for meeting India's INDC, such as in the case of ensuring energy- and resource- efficient buildings. The rating system Green Rating for Integrated Habitat Assessment, which the INDC mentions, is an extremely important instrument for ensuring resource use efficiency and meeting social objectives in buildings and habitat across the country. Typically, a new building can cut down energy use by 40 to 45 per cent over a conventional building provided certain features are built into the design and structure of the building, and all of this can be done with a net saving in costs. However, regulation and its enforcement, along with appropriate incentives and disincentives, are best administered through local Governments. The RPO provisions are also not being

adequately laid out and implemented, because regulatory bodies in the States are still not familiar with the economic benefits and technological requirements for adequate renewable energy supply.

One cannot make the case that meeting the targets for emissions intensity of GDP laid out in the INDC, namely 33 to 35 per cent reduction by 2030, can be met easily, and it is wise on the part of the country to highlight where our emissions and their intensity would be in 2030 if the INDC was not implemented, because this gives us a basis for justifying financial support and technology inflows for meeting our targets. But domestically India has to do everything possible to see that these targets are met to provide us with major co-benefits at the national level. The INDC mentions India's per capita emissions as 1.56 metric tonnes (2010 value) as against 7 to 15 metric tonnes in the case of many developed countries. The question needs to be asked whether we should go substantially higher than this figure as computed in certain scenarios that were considered by the Government in arriving at the INDC. India's aim should be to see that its per capita emissions do not go beyond 2.5 metric tonnes per capita, or else the costs in terms of negative environmental impacts at the local level and risks to security of supply would enter a zone of discomfort.

The reality is that in India we have hardly ever had an informed debate on the kind of economic growth and development that we should aspire to. Soon after independence our policies were heavily dominated by Fabian socialism as their foundation. Since 1991, and much more so in recent years, we have followed the path of the developed nations, which has not only led to major environmental damage and degradation but also an increase in disparities of income and wealth. The INDC gives us a basis for mounting an informed discussion and debate on how India should grow and what should constitute its economic aspirations. To that extent the targets set in the INDC provide us with a beacon light which one hopes will draw academics, policymakers and the public at large into a debate on how India as a society should grow and develop in the years ahead, so that India's future is based on considerations of sustainability, equity and the welfare of all, particularly the poor.

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