

GOVERNMENT OF INDIA
MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE

RAJYA SABHA
UNSTARRED QUESTION NO. 1314
TO BE ANSWERED ON 28.07.2022

Finance for climate action

1314. DR. ASHOK KUMAR MITTAL:

Will the MINISTER OF ENVIRONMENT, FOREST AND CLIMATE CHANGE be pleased to state:

- (a) the strategy of Government to gain the USD 100 billion climate finance goal;
- (b) whether Government has received finance for climate action since one year of proposing it, if so, the details thereof;
- (c) whether any specific scope Government aims to achieve with the USD 100 billion climate finance and in how much time; and
- (d) whether it has come to the notice of Government that India is the third-largest emitter of carbon dioxide, and its percentage of CO₂ emissions rose faster than the world, if so, the details thereof and the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE
(SHRI ASHWINI KUMAR CHOUBEY)

(a) to (c) At the 15th Conference of Parties (COP15) of the United Nations Framework Convention on Climate Change (UNFCCC) held in Copenhagen in 2009, developed countries committed to jointly mobilize US\$100 billion per year by 2020 to address the needs of the developing countries. At COP21 in Paris, with the developed countries having failed to keep their commitment, it was decided to extend the US\$100 billion per year goal through to 2025.

India has been taking the lead in raising the issue of climate finance at the UNFCCC and in other multilateral forums. India's efforts have repeatedly exposed exaggerated claims by developed country agencies that this goal is close to being met and have shown that the currently mobilized climate finance is in reality much less. India has also been in the lead in calling for clarity in the definition of climate finance, and in clarifying the importance of scale, scope and speed in the delivery of such finance. India has always maintained that climate finance should be new and additional (with respect to overseas development assistance), predominantly as grants and not loans, as well as balanced between mitigation & adaptation.

Currently, there are several issues with respect to the definition of climate finance and with respect to transparency of the estimates and the progress made. There are sharply varying estimates of the extent to which the mobilization target has been achieved. The fourth Biennial Assessment of the Standing Committee on Finance of the UNFCCC has presented

an updated overview and trends in climate finance flows until 2018. The assessment stated that the total public financial support reported by developed country Parties in October 2020 amounted to US\$ 45.4 billion in 2017 and US\$ 51.8 billion in 2018.

In an unprecedented step, the final decision of COP26 at Glasgow noted with deep regret that this commitment of developed country Parties in the context of meaningful mitigation actions and transparency on implementation has not yet been met.

In the final decisions at COP26, it was agreed that prior to 2025, the Conference of Parties serving as the meeting of the Parties to the Paris Agreement shall set a New Collective Quantified Goal (NCQG) from the floor of US\$ 100 billion per year, considering the needs and priorities of the developing countries. The NCQG is to be significantly publicly funded with greater transparency and predictability, and take a balanced approach towards mitigation and adaptation in the light of the needs and priorities of the developing countries.

India's climate actions have so far been largely financed from domestic sources, including government budgetary support as well as a mix of market mechanisms, fiscal instruments and policy interventions. As per India's Third Biennial Update Report (BUR) to the UNFCCC in February 2021, the domestic mobilization of finance fully overshadows the sum total of international funding.

(d) As a Party to the UNFCCC, India periodically submits its National Communications (NCs) and Biennial Update Reports (BURs) to the UNFCCC which includes national Greenhouse Gas (GHG) inventory. As per India's third BUR submitted to the UNFCCC in February 2021, total net GHG emissions for 2016 are 2.5 billion tonnes CO₂e. Our per capita emissions are 1.96 tCO₂ which is less than one third of the world's per capita GHG emissions and our annual emissions in 2016 are only about 5 percent of the global emissions. India has contributed only around 4 percent of global cumulative emissions from 1850 to 2019, despite being home to around one-sixth of humanity.

Climate change is a global collective action problem to be addressed through multilateralism and nations of the World must adhere to using only their respective fair shares of the global carbon budget. By this criterion, India has used far less than its fair share of the global carbon budget.

The global rate of growth of emissions cannot be compared to India's growth rate. Based on equity and the principle of common but differentiated responsibilities, as enshrined in the UNFCCC and the Paris Agreement, India's emissions can grow as it is a developing country whose leading priorities are sustainable development and poverty eradication. India's peaking year in emissions can occur after global emissions peak and thereafter only start to decline as provided for in the Paris Agreement. It may also be noted that India's emissions increase from a significantly lower base compared to the global average. In any case, it is the contribution to cumulative emissions that is the decisive benchmark of the responsibility of individual countries to temperature increase and not the rate of growth and decline taken in isolation.
