

## Concerns on Financing Climate Change

### What is the issue?

Foreign assistance on climate change is not forthcoming and hence India needs to stand on its own to remove the perils of global warming.

### What does the Biennial update report to UNFCCC reveal?

- India recently submitted its second biennial update report to the United Nations Framework Convention on Climate Change (UNFCCC).
- The scope of BUR is to provide an update to India's first BUR to UNFCCC.
- According to the report, India is on track to fulfilling two of its three main commitments made as part of the nationally determined contributions (NDCs) to combat climate change.
- These involve -
  1. Reducing the greenhouse gas (GHG) emissions intensity of its gross domestic product (GDP) by 20-25% by 2020 over 2005 levels
  2. Raising the share of non-fossil fuels-based power in electricity production to 40%.
- The third commitment — creating 2.5-3 billion tonnes of carbon sink through forestry — is set to be missed.
- Nevertheless, despite unabated increase in the GHG emissions, the carbon intensity of the Indian economy has dipped to 21%, which is well within the targeted range.
- Similarly, the proportion of non-fossil electricity in power output has surged to 35.5%, bringing the 40% goal within striking distance.
- However, more resources would need to be mobilised to sustain and step up these efforts.
- Thus, India seeks adequate financial and technological support to meet the new challenges on this front.

### What are the concerns?

- Funding worth about \$206 billion (at 2014-15 prices) is estimated to be needed till 2030 for climate adaptation in areas such as agriculture, water resources and ecosystems.
- An additional \$834 billion is required for global warming mitigation

measures.

- Against this, India has received only an indicative allocation of \$87.87 million till 2018.
- Of this, the actual approvals amount to merely \$59 million.
- Also, the indicative allocation for the 2018-22 period has shrunk to just \$40 million.
- Even among the pledged amount, how much of it materialises is uncertain as the developed countries often renege on their pledges.

### **What should be done?**

- India will have to stand on its own in staving off the perils of global warming.
- The agriculture sector needs greater resilience against erratic weather to safeguard the livelihood of the bulk of the country's population.
- According to the farm ministry, the output of major crops may not show any significant dip in the shorter run but it might decline sharply by as much as 10-40% over a longer period.
- The country's capacity to cope with weather-induced natural disasters, too, would need to be shored up.
- A World Bank report said that the rising temperature and changing monsoon rainfall patterns could reduce 2.8% of India's GDP, affecting the living standards of nearly half of its population by 2050.
- Also, the losses due to events attributable to climate change were estimated at around \$10 billion a year.
- Thus, India should lay greater emphasis on adaptation measures, apart from relying on global finance, on the battle against climate change.

**Source: Business Standard**

