

Emissions need to be cut down by 20% in next 15 years to stand a chance to stay below 2 degrees

New Delhi, 23 March 2016: FICCI, in partnership with the Ministry of Environment, Forest and Climate Change (MoEFCC), Government of India, The World Bank Group, The German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB), with the support of GIZ, organized the **10th edition of the India Climate Policy and Business Conclave at The Park hotel in New Delhi**. The Conclave drew 200 participants from business and industry, central and state governments, representatives from nearly 35 countries, bilateral/multilateral organizations, banks and financial institutions, NGOs and academicians.

Mr Wolfgang Lahr, Embassy of the Federal Republic of Germany, in his address, highlighted that “the 22nd Conference of the Parties to the UNFCCC in Marrakesh built on the momentum of the Paris Climate Change Agreement by preparing states towards the implementation phase. In this light, countries now have to operationalize their communicated strategies through ground level actions.” Given that policy certainty being one of the most preconditions of business to invest in climate friendly or climate-resilient technologies, he stated that the German Embassy applauded the idea of the **India Climate Policy and Business Conclave as it generates the much needed dialogue between different actors involved in the climate change discourse**. He reaffirmed German government’s commitment towards actively supporting countries on their passage towards low-carbon economies and that it is determined to continue this dialogue.

Mr Neeraj Prasad, Adviser, Climate Change Group, The World Bank Group, in his remarks highlighted that with Paris Agreement in place and countries gearing up with development of strategies and roadmaps for implementation of their commitments, cooperation among different countries and learning from each other is critical. Participation of Partnership for Market readiness (PMR) participants from more than 30 countries in the Conclave is one such good example, he added. He quoted that “if you are working in the field of climate change, optimism is your middle name”.

Ms Naina Lal Kidwai, Past President FICCI, Chair, FICCI Sustainability, Energy and Water Council, & Chairman, Max Financial Services Ltd laid stress that establishing robust financing frameworks, technology partnerships and an enabling and regulatory environment lie at the heart of stimulating scalable business and industry action for combating climate change. She emphasized the idea of channeling CSR funds to low carbon solutions in the areas of energy access, treatment and reuse of treated municipal wastewater, and sanitation. She also underlined the need for small and medium scale businesses to align towards the climate change agenda by driving scale and innovation. She highlighted FICCI’s collaboration with the Climate Bonds initiative in forming the Indian Green Bonds Council in October 2016 for facilitating the development of Green Bonds Market and the launch of the Legislators-Business Forum on Low Carbon Local Area Development in December 2016.

Dr Prodipto Ghosh, Chairman, FICCI Climate Change Task Force and Former Secretary, Ministry of Environment, Forest and Climate Change, Government of India emphasized that private sector needs to scale up efforts and investments in research and development particularly in respect of mass transportation, power generation, energy storage, electric vehicles and sustainable habitat. He also highlighted the importance of integration of surrogate carbon markets for energy efficiency and renewable energy into regional and global carbon markets. He stressed on learning from the lessons learnt in the CDM phase especially related to the challenges of the high transaction cost and unstable prices of carbon credits.

Shri Rajani Ranjan Rashmi, Special Secretary, Ministry of Environment, Forest and Climate Change, Government of India, in his special address, highlighted that Government's internal assessment has shown how India is well on track to achieve its ambitious mitigation goals and actions by 2020. He also highlighted that the Ministry would soon release the second Biennial Update Report (BUR) in 2017. He emphasized that "motivation which guide industry for environmental actions should not only include efficiency and cost but should also factor in matter of survival and long term competitiveness. He also added that efficiency should be accompanied with sufficiency and should involve action from the private sector."

Sir Nicholas Stern, Chair of the Grantham Research Institute on Climate Change and Environment, London School of Economics, stressed that in the next 15 years, emissions need to be cut down by 20% for the world to stand a chance to stay below 2 degrees and it is only possible if we acknowledge the magnitude of the task. He underscored that "we need to develop markets around sustainable development goals (SDGs) so that the carbon market agenda gets aligned by itself." He added that future lies in sustainable infrastructure where we need good policy, financing, and institutional mechanisms in place. He said "the next 20 years will shape how world economies look like in terms of Sustainability". He stressed on the need to bring down the cost of capital and that development banks could play a significant role in bringing down these costs. He also emphasized on the role of new banks such as NDB and AIIB that will be very important. Development Banks could help to guarantee against political risks.

During the Conclave, FICCI released the report on "**Road ahead of Paris: Indian Industry Perspectives**", which gives a broad plan of processes and means of implementation that would be crucial to kick-start climate action by industries to grab on to the opportunities put forth by the Paris Agreement.

FICCI MEDIA DIVISION