

## **Greening growth**

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India is probably on track to meet Paris climate goals but there is scope to achieve more. Five years after the Paris accord on climate change, the Prime Minister is right in asserting that India is on track to reducing the emissions intensity of its GDP by 33-35 per cent by 2030 over 2005 levels. Citing its own data on emissions from energy, industry, agriculture and waste, and deducting for sequestration of carbon by forests, India claims to have already reduced the emissions intensity of its GDP by 21 per cent over 2005 levels (a figure arrived at by dividing total emissions in terms of million tonnes of carbon dioxide equivalent by the GDP in rupees). At the centre of India's emissions reduction drive lies the impressive rise in renewable energy capacity in recent years, in respect of which India has committed to achieving 175 GW of capacity by 2022, comprising 100 GW of solar and 60 GW of wind power. India's solar capacity stands at 37 GW, while wind is at 39 GW. In the case of solar, installed capacity was barely 3 GW in 2014. However, India's solar capacity is no longer growing at the levels of two or three years ago.

From a peak of 3.5 GW of solar capacity set up in Q1 of CY18, fresh installations, largely in the form of grid-based utility solar, have fallen to below 500 MW in a quarter, according to analysts' estimates. Similarly, wind power capacity increased by about 2 GW in 2019-20, against 1.6 GW in 2018-19, the rate of increase being hampered by low tariffs and drop in demand for power. It does not appear that the 175 GW target for renewables (excluding hydro power) is achievable at current trends. The growth of solar capacity is hampered by the 80 per cent dependence on China on solar equipment. High import tariffs over the last two years have driven up costs, while local sourcing has run up against a WTO constraint. This issue needs to be resolved, perhaps with production in the public sector, as suggested by researchers, to circumvent the local sourcing problem. As for carbon sequestration, India's forest cover is estimated at just below 22 per cent, with a rising proportion of low density tree cover. India's renewables push to curb emissions will come to nought if its carbon sinks vanish.

The latest UNEP Emissions Gap report estimates that global greenhouse emissions may drop 7 per cent in 2020 as a result of the pandemic. But the issue is to develop a green pandemic recovery path. The UNEP report notes that global stimulus initiatives are 'carbon negative', and India is no exception. The trick will be to align economic growth with green perspectives going forward.

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