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Dear Reader,

Facilitating greater interaction between international businesses to foster a sustainable future is one of The Climate Group's strengths. As we move towards the global negotiations marking the 16th Conference of Parties, estimated to have little positive outcome, it is important to realise the potential of intra-national and inter-national partnerships. In line with this, we helped organize a group of senior business leaders from the UK to meet their Indian counterparts at the UK-India Business Leaders Climate Group meeting during the UK government visit led by British Prime Minister David Cameron in July. We are delighted to serve as the international secretariat of this high-profile group.

Building on the our successful launch of the LED project in Kolkata, we are happy to report tremendous attention from at least three more municipalities who have asked for our help to set up new LED lighting schemes in their cities.

Financial institutions have also shown considerable interest supporting renewable energy projects. The Climate Group along with ICICI Bank organized a roundtable on Leveraging Public and Private Finance in the Energy Efficiency Sector in mid-August this year in Mumbai. A selected group of experts discussed developing paths to a low carbon economy.

Globally, The Climate Group organised its marquee event, Climate Week NY°C 2010 in the third week of September with more than 2 000 guests attending. Presentations focused on bringing together the world's most influential government and business leaders to discuss what it will take to unlock the financing needs to drive a clean revolution in India (more on this below).

Climate Week NY°C 2010

At the Climate Week NY°C 2010 in September there were several stand out events, including the EV20 Roundtable; Financing Smart Cities, States and Regions: Policies to Stimulate the Growth of Emerging Technologies; Crossing the Commercialization Valley of Death and Financing Clean Energy Technologies.

Bloomberg New Energy Finance and The Climate Group hosted a high-level discussion focused on financing clean energy technologies, such as concentrated solar power and electric vehicles. The event 'Crossing the Commercialization Valley of Death' was introduced by Peter Grauer, Chairman of Bloomberg L.P. and Amy Davidsen, US Executive Director of The Climate Group. The event featured a panel discussion with financial leaders and clean tech CEOs. The keynote address was delivered by Lord Nicholas Stern, author of the landmark Stern Review, a 700-page report that estimated the effects of climate change on the world economy.

For cities and regions, smart policies that stimulate private finance are crucial to enable the rapid scale-up of clean technologies. Some cities, states and regions have already created policies that support the growth of low carbon technologies, that create jobs and that also provide a profit through private financing.

Major Economies Forum

“All major economies developed and developing agreed to implement a set of actions... the old Kyoto paradigm that developed countries have to do things on a mandatory basis and developing countries don't ... was not a feature of a Copenhagen Accord.” These were the words of America's climate change negotiator, Todd Stern, at the end of the Major Economies Forum meeting in New York. If the international negotiations were to move in the direction of legally binding carbon emission cuts then all major economies, including India and China should be under an obligation to do so, he further explained.

China has the largest population in the world and is the overall top emitter of greenhouse gases followed by the US, which still has the highest per capita carbon emissions. China and India, however, assert that they cannot agree to legally binding cuts as they must cope with the problems of poverty and development. Instead, both countries have taken on voluntary mitigation action, which in India's case is a decision to reduce carbon intensity by 20 to 25 per cent by 2020 compared with 2005 levels.

Overwhelming response to the Solar Mission

Not only private funds but state-owned hydrocarbon companies such as Oil and Natural Gas Corp., Indian Oil Corp., and GAIL (India) Ltd are among the nearly 400 applicants who want to set up solar power units as part of India's efforts to promote clean energy.

India has a power generation capacity of 164,508MW, of which only 16,429MW is generated through renewable sources such as solar energy. The Jawaharlal Nehru National Solar Mission aims to achieve 20,000MW of grid solar power and 2,000MW of off-grid solar applications.

ONGC, OIL and GAIL, along with Lanco Infratech Ltd, Punj Lloyd Ltd, Gammon India Ltd, Acme Tele Power Ltd, Maharashtra State Power Generation Co. Ltd, Andhra Pradesh Power Generation Corporation Ltd (AP Genco), and Karnataka Power Corporation Ltd, among others, have submitted expressions of interest (EoIs). The last date for submission was 24 September.

Indian Clean-Energy Market estimated to be worth over Rs 9 000 crore annually

A \$2 billion-a-year market for clean-energy products such as solar-powered lanterns may exist among India's rural poor who want dependable, energy-efficient devices, according to a new study.

The poor who live outside cities and comprise 60 percent of the nation's 1.2 billion people already spend \$4.8 billion a year on fuels like firewood and dung for energy for lack of better, more reliable alternatives, said the report supported by the ICICI Foundation whose main donor is ICICI Bank Ltd., India's second-largest bank, said news report by Bloomberg.

Government earmarks Rs. 25,000 crore to fight climate change

With the realisation that "we are going to be the most affected by this problem," the Central government has made a provision of Rs. 25,000 crore (over \$ 5 billion) to mitigate the effects of climate change, a serious problem that India will face in the coming decades, Minister of State for Environment and Forests, Jairam Ramesh told the Parliament recently.

"We are going to be the most affected by climate change ... the government has made a provision for Rs. 25,000 crore to mitigate its impact. Besides, the Finance Ministry has also sanctioned Rs. 5,000 crore as recommended by the 13th Finance Commission to tackle this serious problem," Ramesh said replying to a debate on a private member's resolution for setting up a fund for dealing with climate change.

Clean Energy Fund

Referring to the Clean Energy Fund, Ramesh said there would be a cess of Rs. 50 per tonne on both domestically produced and imported coal. "This year, roughly Rs. 3,000 crore will accrue to the corpus of this fund. There are projections that by the year 2015, India will produce almost two to three times the amount of coal that we are producing now. So, it is possible that in the year 2015, Rs. 10,000 crore would accrue in this fund. In the next couple of months, projects under this fund will also start getting funded, both in renewable energy, and also in environmental management, pollution control and remediation," he said.

Government to introduce PAT System to Control Air Pollution

The Environment Ministry has taken steps towards Market Based Regulation to control air pollution. Releasing a paper 'Towards an Emissions Trading Scheme for Air Pollutants in India,' minister Jairam Ramesh said the Energy Saving Certificate scheme and the Perform, Achieve and Trade (PAT) System will encourage people who meet their efficiency targets with certificates which they can sell to industrial units that fall short of meeting their respective targets. The Parliament has recently passed the Energy Conservation Act 2002, and very soon the of Energy Efficiency Bureau will be introducing PAT System for over 700 energy intensive industrial units in energy intensive sections like steel, aluminium and petro-chemicals.

The pilot projects will be introduced in Tamil Nadu and Gujarat because they are advanced states in online monitoring. The key requirement for a market based trading scheme will be online monitoring round the clock. The pilot project will be supported by the Ministry and a team from MIT will be associated with it. Once it is in operation, it will be extended to the rest of the country.

UK-India Business Leaders Climate Group

A delegation of senior business leaders from the UK met Indian counterparts under the aegis of the UK-India Business Leaders Climate Group during this week's official UK government visit by British Prime Minister David Cameron, discussed opportunities to create low carbon economic growth and related jobs. A draft report was discussed at the meeting as a basis for launching a charter of principles and recommended actions for strengthening collaboration, which will be presented to the UK and Indian governments soon.

The New Delhi meeting included participation from, among others, FICCI, HSBC, M&S, Johnson Matthey, Modi Enterprises, News Corporation, Rolls Royce, IL&FS, Bharti Enterprises, Steria Group, Great Eastern Energy Corporation and Suzlon – who believe that there are significant business opportunities in clean energy, energy efficiency, low carbon technology, water, waste management and related services that could boost UK-India investment and trade in both directions and create new jobs. In addition, greater bilateral collaboration will also support energy diversification and energy security in both countries and reduce costs of commitments to achieve significant cuts in greenhouse gas emissions.

Member Spotlight

China Mobile



One of our prominent members in China has outlined its Green Action Plan to include:

- Managing emissions by initiating a Management System for Energy Conservation and Reducing Emissions,
- Managing emissions in our industry by improving cooperation with suppliers,
- Reducing energy use in our network equipment.

They will manage emissions from our customers and the public by:

- Using information services to conserve energy and reduce emissions
- Increasing public participation in environmental protection

For more details please contact: Urvashi Devidayal uvedidayal@theclimategroup.org,
Aditi Dass adass@theclimategroup.org