

India and US Tie-up on Green Energy

September 16, 2021

Union Minister for Environment, Forest and Climate change Bhupender Yadav and United States special presidential envoy for Climate John Kerry met for the launch of Climate Action and Finance Mobilisation Dialogue (CAFMD) under “India-U.S. Climate and clean energy agenda 2030 partnership”, in New Delhi. In this context, the US-India bilateral relation with respect to clean energy and climate change become important from UPSC point of view.

In news: India, U.S. to collaborate on reaching green energy targets

Placing it in syllabus: Foreign Affairs

Dimensions:

- Decisions taken at the meet
- Importance
- History of clean energy and climate change partnership (Bush junior to present)
- Frictions on the issue of clean energy and climate change
- Suggestions

Content:

Decisions Taken at the Meet:

After the launch of Climate Action and Finance Mobilisation Dialogue (CAFMD), John Kerry commented that:

- The United States is to collaborate with India to work towards installing 450 GW of renewable energy by 2030.
- The dialogue would serve as a “powerful avenue” for U.S.-India collaboration and would have three pillars:

- **“Climate Action Pillar”** – which would have joint proposals looking at ways to reduce emissions in the next decade.
- **“Clean Energy Pillar”** – The second pillar would be setting out a roadmap to achieving the 450GW in transportation, buildings and industry.
- The final pillar, or the **“Finance Pillar”** would involve collaborating on attracting finance to deploy 450 GW of renewable energy and demonstrate at scale clean energy technologies.
- “We look forward to partnering with India in bringing finance, technology and other elements needed to achieve it,” said John Kerry

The **Climate Action and Finance Mobilization Dialogue (CAFMD)** is one of the main tracks of the **U.S.-India Agenda 2030 Partnership** that President Biden and Prime Minister Modi announced at the **Leaders Summit on Climate** in **April 2021**.

Importance:

- CAFMD will provide both **countries an opportunity to renew collaborations** on climate change.
- At the same time, **addressing financing aspects and deliver climate finances** primarily as grants and concessional finance as envisaged under the Paris Agreement
- It is **critical to ensuring that the planet doesn't heat up an additional half a degree by 2100.**

History of Clean Energy and Climate Change Partnership:

2005 – U.S.-India Energy Dialogue:

- The **U.S.-India Energy Dialogue** was launched in May 2005 to promote trade and investment in the energy sector, and held its last meeting in September 2015 in Washington DC.

- There were six working groups in oil & gas, coal, power and energy efficiency, new technologies & renewable energy, civil nuclear co-operation and sustainable development under the Energy Dialogue.

2009 – The PACE (Partnership to Advance Clean Energy):

- In November 2009, the United States and India launched the **Partnership to Advance Clean Energy (PACE)**, which is working to jointly work on a range of issues related to energy security, clean energy and climate change.
- It seeks to **accelerate inclusive, low carbon growth** by supporting **research and deployment of clean energy technologies**.
- PACE **combines the efforts of several government and nongovernment stakeholders** on both the U.S. and Indian sides and includes three key components: **Research (PACE-R), Deployment (PACE-D), and Off-Grid Energy Access (PEACE)**.
- As a priority initiative under the PACE (Partnership to Advance Clean Energy), the U.S. Department of Energy (DOE) and the Government of India established the **Joint Clean Energy Research and Development Center (JCERDC)** designed to promote clean energy innovations by teams of scientists from India and the United States, with a total joint committed funding from both Governments of US\$ 50 million.

// In November 2014, an MoU between **U.S. EXIM Bank** and **Indian Renewable Energy**

Development Agency (IREDA) was concluded to provide **US\$ 1 billion in financing for India's transition** to a low-carbon economy. //

2014 – U.S.-India Partnership for Climate Resilience

- It was launched to advance capacity for climate adaptation planning, and a new program of work on air

quality aimed at delivering benefits for climate change and human health.

- To further collaboration in the area of clean energy and climate change, in June 2016, the two sides announced finalization of a package to provide concessional finance to support clean energy projects on track, to coordinate U.S. Government efforts on clean energy investment in India jointly with leading Indian financial institutions, and to provide liquidity to small scale renewable energy investors.

2021 – The U.S.-India Agenda 2030 Partnership:

At the **Leaders' Summit on Climate on 22 April 2021**, Prime Minister Narendra Modi and President Joseph Biden agreed to launch a **high-level India-US Partnership which envisages bilateral cooperation** on strong actions in the current decade to meet the goals of the Paris Agreement.

Through the Partnership, India and the United States committed to working together in achieving their ambitious climate and clean energy targets and to strengthening bilateral collaboration across climate and clean energy.

The Partnership will aim to:

- mobilize finance and speed clean energy deployment;
- demonstrate and scale innovative clean technologies needed to decarbonize sectors including industry, transportation, power, and buildings; and
- build capacity to measure, manage, and adapt to the risks of climate-related impacts.

The collaboration will also aim to demonstrate how the world can align swift climate action with inclusive and resilient economic development, taking into account national circumstances and sustainable development priorities.

The Partnership will proceed along two main tracks: the

Strategic Clean Energy Partnership and the **Climate Action and Finance Mobilization Dialogue**, which will build on and subsume a range of existing processes.

Frictions on the Issue of Clean Energy and Climate Change

- A major theme building ahead of the climate talks in Glasgow, Scotland, in November 2021 is the **question of how many nations can commit to a net zero target and by when.**
- A **little over 120 countries have committed**, with **varying degrees of firmness**, to **reaching carbon neutrality by 2050.**
- Five countries have net zero pledges set for after 2050, including Australia and Singapore, which haven't set a firm target yet.
- The **United States has set a target of halving pollution by 2030 from 2005 levels towards the net zero target.**
- President Joe Biden has also committed to phasing out the use of fossil fuel by 2035 for power generation.
- **India has so far abstained from committing to a net zero goal** but is on a climate pathway that is compatible with keeping global temperatures to below 2C by the end of the century.
- On the other hand, **current commitments by the U.S. and Europe** see them **occupy more than their fair share of the current available carbon budget** given their historical emissions.

Suggestions

- It is **essential to invest in building local climate resilience and protecting community economies.**
- Most of the **world's unsustainable increase in global temperatures was produced by wealthy, industrialised countries** in Europe and North America.
- There should be a **large pool of funds from these**

advanced economies to support developing nations, facing the brunt of the climate crisis now.

- **Renewable energy is the key to unlocking rapid decarbonization.** It already supplies more than 26 percent of global electricity generation and its costs are dropping rapidly.
- To accelerate this fundamental transition, more governments need to **adapt and improve policies that enable renewable technologies** to be **rolled out faster.**
- **Aggregation of the NDCs of countries do not add up** to keep temperatures within the 2 degrees C limit.
- Much **more action on GHG reduction**, the introduction of green technologies, and adaptation are needed.

Mould your thought: The U.S.-India Agenda 2030 Partnership demonstrates how the world can align swift climate action with inclusive and resilient economic development. Critically Evaluate.

Approach to the answer:

- Introduction
- Discuss the Climate problem of the world
- Discuss the frictions and issues for addressing climate
- Discuss how Agenda 2030 Partnership can serve as a model
- Suggest measures required for the world to tackle climate change
- Conclusion