



## Climate Change

IGES-TERI Asia Pacific Policy Dialogue  
Sustainable Low-Carbon Development in Asia:  
Prospects for a Successful Future Climate, 22-23 Oct 09

**PAMPOSH BHAT**  
*Chief executive*  
**EFCON**  
**CARBON MARKET SERVICES**  
**NEW DELHI**  
**INDIA**



### ▪ **Ratification status**

#### Climate Change Convention

- Date of signature: 10 June 1992
- Date of ratification: 01 November 1993
- Date of entry into force: 21 March 1994

#### ▪ Kyoto Protocol

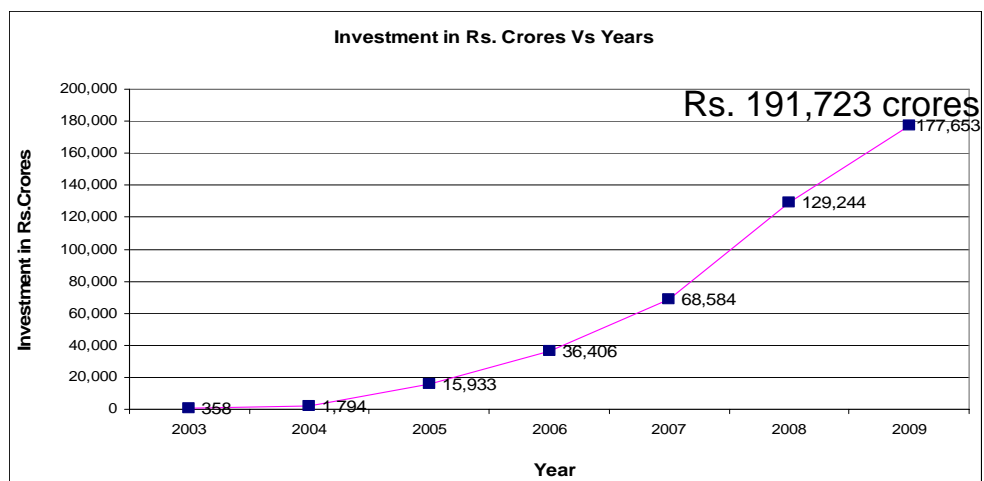
- Date of ratification: 26 August 2002
- Date of entry into force: 16 February 2005

## Status on Climate Change Projects



- Climate Change Mitigation ( CDM Projects )
- Indian registered projects :**461**
- Indian Host country approved projects : **1464 projects**
- Potential to generate 615 Million Cer`s till 2012
- All Unilateral Projects
- No Foreign Investments
- No Technology Transfer

## Investment in CDM Projects



## Bilateral Cooperation on CDM



- Germany- India bilateral cooperation 1.5 Million Euros grant to develop CDM Market in India (2003-2008)
- France –India ADEME programme focused on Energy efficiency and Renewable Energy projects
- **UK- India** also collaborated on a project piloting implementation of programmatic clean development mechanism (CDM) in India this year to jointly explore the potential of this to facilitate up-scaling of carbon market investment in accordance with India's future development priorities specially in power sector
- Spain-India – Small grant to source CER`s for industry compliance buyers

## Climate Change Adaptation



- Bilateral Cooperation
- DFID/DEFRA : Strong bottom up project focused on theme adaptation responsibilities are for every-one and need to raise awareness; Reliable information, scenarios, user friendly decision tools etc are essential with key aim to mainstream coping with Climate Change.
- GTZ: Project Climate Change Adaptation for sustainable rural development
- SDC: Swiss small grant fund for Adaptation project



## Hard facts of Bilateral Cooperation




- Bilateral cooperation promises more delivers less
- ¼ of Grant in AID value comes in cash rest in kind.
- Donor country tries to opens new market for consultancy and create employment opportunities for foreign nationals using Official Development Assistance (ODA) fund of the host country.
- Facilitates indirect sales of equipments for the projects getting special exemptions on import taxes from the host country.
- Testing of new technologies without supervision under cover of pilot projects
- ODA for Climate Change Mitigation capacity building and creating awareness of KP among the industry was actually used to source CER`s for the compliance buyers.




## Hard facts -2



- Bilateral cooperation agreement is usually initiated at the line ministry level and demand for Technical or Financial Assistance requirement is generated and sent in process to DEA and MEA to be signed as a project under bilateral Implementation agreement in G2G Consultation meeting every year .
- This is a simpler route to follow then direct Government to Government agreements which come under scanner and sometimes are rejected by donor countries for 'no demand for TC/FC' by recipient country.
- India is a big market and in which ever way businesses would want to take entry ,climate change is used as an instrument for the same.
- In registered 461 CDM Projects and Host country approved 1464 projects not a single euro has been invested in India –Why ??????
- All annex 1 buyers are looking for low hanging fruits ,not ready to take risk




## Threats




- Annex 1 Countries are for providing technology transfer to Developing Countries under Climate Change ,does that mean India should set up pilot projects of not proven technology like CCS in India and be prepared to face consequences.
- I would argue in the name of climate change India should not become guinea pig of the world.
- In 416 Registered CDM projects no technology transfer has happened .
- Analysis of Bilateral funding and its impact is necessary

Pamposh Bhat Page 9




## Benefits of Bilateral Cooperation




- Under Bilateral Cooperation a country has flexibility to test new ideas develop new models with the ODA coming in for Climate Change
- I would argue the bilateral agreements should be linked with a umbrella programme of United Nations to maintain its transparency and visibility and the results can be fed into the multilateral system for assessment and replication in other parts of the world .
- At present Bilateral Cooperation ODA on table is very small for the scale of engagement in country like India either in Adaptation or Mitigation.
- India and other countries should ask for the increase in ODA on Climate Change Mitigation and Adaptation and ask for the technology transfer of environment sound technologies ,develop capacity of the Industry ,policy makers ,farmers and educational institutions .

Pamposh Bhat Page 10



## Future Climate Change Regime



- Existing bilateral and multilateral sources of funds are clearly not adequate to support global emissions reductions, adaptation and capacity building on the scale needed. To ensure the adequate, predictable and sustainable source of financing, the implementation of the Annex I Parties' commitments on financing will be an essential part of the Copenhagen Agreement.
- There are already some viable and attractive options on the table, including generation of revenue at the international level from issuance of AAUs.
- **Governance of Funds:** A key component of the future international climate regime will be the creation of an institutional architecture under the CoP, including an entity with appropriate legal authority for receiving, managing and disbursing funding for technology cooperation, mitigation, adaptation and capacity-building. To avoid fragmentation and to ensure that financing for climate change addresses the ultimate objective of the UNFCCC, the Convention must be the principal channel for public financing for climate change at the international level.

Pamposh Bhat

Page 11



## Regional cooperation



- Efforts to address climate change can include diverse elements such as emissions targets; sectoral, local, sub-national and regional actions; research, development and demonstration (RD&D) programmes; adopting common policies; implementing development-oriented actions; or expanding financing instruments. These elements can be implemented in an integrated fashion, but comparing the efforts made by different countries quantitatively would be complex and resource-intensive.
- Regional cooperation groups like SAARC for south Asia can work on integration and south-south cooperation of transfer of EST ,capacity building ,developing regional platforms for carbon trading , GHG emission management etc
- India can emerge as leader in region on Knowledge management

Pamposh Bhat

Page 12



## EFCON Market Services

- The business seeks to provide the following services to the CDM and VCM markets:
- Advisory Services to Governments, Institutions & Industry
- Market research and Modelling
- Institutional capacity building and training programs
- CDM Project Implementation
- Forestry Projects
- REDD
- Carbon foot printing
- Policy research



- Contact

### **Pamposh Bhat**

Chief Executive

10-A, Hudco Place, Andrews Ganj, New Delhi-110049

+91 11 26266897 | +91-9810744555 |

pamposh.bhat@efcon.in | [bhat.pamposh@gmail.com](mailto:bhat.pamposh@gmail.com)



- *THANK YOU FOR YOUR ATTENTION*