



THE HORIZON

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BUDGET 2023-24 - GREEN GROWTH ECOSYSTEM IN MAKING

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The Union Budget for 2023-24 was presented by Nirmala Sitharaman, Minister of Finance, on February 1st, 2023 .

India has committed to a variety of challenging goals as part of its 2022 Nationally Determined Contribution (NDC) goals, which includes reducing GDP emissions intensity by 45% from 2005 levels by 2030, expanding its renewable energy capacity to 500 GW by 2030, and reaching net zero status by 2070.

The transition to a more sustainable energy and transportation system, the reversal of deforestation and land degradation, the reduction of agriculture’s carbon footprint, the reduction of food waste, and similar measures are some of the important initiatives for attaining these goals.

So, it is good to see “Green Growth” included as one of the seven goals for future growth in the Budget 2023-24. This helped shape the Indian narrative in favour of decarbonization and encouraged green energy as a significant component of disruptive transformations. A resilient future is envisioned by the desire to reach net zero emissions by the year 2070 and India’s apparent drive for Lifestyle for the Environment (LiFE) as the G20 chair.

SAPTRISHIS

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The budget's increase in the capital investment outlay to INR 10 lakh crore has given tremendous encouragement for the development of assets, especially infrastructure. Such significant targeted investment by the government will boost the economy's capacity for growth, create jobs, and draw investments from the private sector. The Primitive Vulnerable Tribal Communities Development Mission would get a budget of INR 15,000 crore in order to enhance the socio economic circumstances of vulnerable tribal groups, including access to secure housing, clean drinking water, and education.

The elimination of taxes on lithium-ion batteries will lower the cost of EVs and increase acceptance, and the Green Credit Program will encourage ecologically responsible behaviour on the part of businesses, people, and local authorities. These actions are anticipated to hasten the nation's shift to a low-carbon economy, reduce reliance on fossil fuels, and ultimately result in the achievement of net zero emissions by 2070.

India must take the lead if the world is to address climate change and make sure we leave a greener and healthier planet for our children. The budget has set aside a sizable amount of INR 35,000 crore for net zero and energy transformation goals. In order to address the intermittent nature of renewable energy and promote hybrid renewable projects, it has also made explicit commitments for both battery storage and pumped storage projects.

While a specific framework for Pumped Storage Projects is promised, the budget has suggested viability gap funding for Battery Energy Storage Systems with a capacity of 4,000 MWH. Cost-effective technologies will guarantee a constant supply of renewable energy and bring grid stability. Additionally, this will encourage additional parties to

launch renewable energy projects, assisting India in meeting its goal of 500 GW of renewable energy by 2030.

An encouraging step is the budgetary support of INR 20,700 crore for an interstate transmission link to facilitate the removal and grid integration of 13 GW of renewable energy from Ladakh.

Circular Economy and Climate Change

Nirmala Sitharaman, the Union Finance Minister, emphasised sustainable development and a circular economy in India's Union Budget 2023-24. Despite the nation's pledge to cut its carbon emissions and reach net-zero emissions by 2070, the Ministry of Environment, Forests, and Climate Change (MoEFCC) only experienced a slight rise in funding.



GOBARDHAN

A new programme called GOBARDHAN with a budget of INR 10,000 crore was introduced by the minister. By constructing 500 “waste-to-wealth” facilities across the nation, including 200 compressed biogas (CBG) plants and 300 community-based plants, the programme intends to advance a circular economy. The objective is to turn waste into useful resources in order to promote sustainability and reduce the nation’s carbon impact.

Amrit Dharohar

In an effort to encourage the preservation of wetlands around the nation, the government has unveiled a brand-new programme called Amrit Dharohar. This programme, which will be put into action over the following three years, will inform the public on the special conservation importance of wetlands and promote the best possible use of them.

MISHTI

Mangroves are being planted by the government on salt pan sites and along the shoreline. The Mangrove Initiative for Shoreline Habitats & Tangible Incomes (MISHTI), as it is known, intends to protect and restore the mangrove environment while offering local populations means of subsistence.

Coastal shipping as a Vehicle with Low Energy Consumption

In order to promote coastal shipping as a more energy-efficient means of transportation for both people and goods, the government has set out to do so. This will be accomplished via viability gap funding and the Public-Private Partnership (PPP) approach. Coastal shipping is promoted because it is thought to be a more cost- and environmentally-friendly means of transportation, and because it supports the government’s effort to encourage sustainable development.



National Green Hydrogen Mission

The government allocated INR 19,700 crore to the National Green Hydrogen Mission, a project aiming at encouraging the use of hydrogen as a clean and renewable energy source in the nation. This will lessen reliance on imported fossil fuels and aid in the transition of the economy to one with a low carbon footprint. This mission could revolutionise India’s energy industry, lowering the nation’s reliance on fossil fuels and paving the way for a greener, more sustainable future.

PHASED APPROACH



Boost to Natural Farming

The government would help 1 crore (100 million) farmers make the switch to natural (or chemical-balanced) farming during the course of the following three years, according to Budget 2023. In order to encourage states and Union Territories to promote alternative fertilisers and a balanced use of chemical fertilisers, it was declared in the budget that the PM Program for Restoration, Awareness, Nutrition, and



Amelioration of mother earth (PM PRANAM) will be implemented.

Bio-Input Resource Centers were announced, urging farmers to practise natural farming. 10,000 Bio-Input Resource Centers will be established, resulting in the development of a countrywide distribution network for the production of pesticides and micro-fertilizers.

The reduction of chemical exposure for both farmers and customers is another advantage of natural farming. Artificial fertilisers and pesticides can be detrimental to the environment, wildlife, and public health. Natural farming forgoes their use, lowering exposure risks and fostering a more nutritious food system.

Natural farming can also lower the danger of crop failures since organic farmers use a variety of crops, which lowers the chance of crop failures brought on by pests and diseases.

Natural farming has advantages for both farmers and consumers as well as for the environment. Natural farming methods support biodiversity, minimise greenhouse gas emissions, and conserve soil and water resources. Natural farming lessens the risk

of water contamination, which is a major concern in India, by using less synthetic chemicals.

WAY FORWARD

This budget represents a significant first step in the Narendra Modi administration's pursuit of Net Zero 2070. This has taken a while to happen. And it arrived suddenly. The plan is forward-looking, definite, and goal-oriented. The budget places a big emphasis on sustainability and green growth. But, India must make sure that financial aid is focused on low-carbon technologies, identify the economic sectors most affected by environmental deterioration, and take action to address these issues.

While the aforementioned initiatives are undoubtedly positive moves, the current Budget does not include certain particular measures to promote private investment in climate funding. An initial corpus for extending carbon markets and for establishing a market liquidity-cum-stabilization fund for carbon markets, as well as incentives for potential investors in the carbon market, are a few representative examples. Investors in the nation's recently launched sovereign green bonds may also qualify for tax and related regulatory concessions.

DETAILED ANALYSIS OF COP 27 (SHARM EL-SHEIKH)

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1. The UN Climate Summit: What is it?

Every year, UN climate conferences are organised to encourage governments to adopt measures to slow global temperature rise.

They are known as COPs, or “Conference of the Parties,” for short. The parties are the participating nations that ratified the first UN climate accord in 1992.

The 27th annual UN climate conference is known as COP27. It was held in Sharm el-Sheikh from November 6 to November 20, 2022.

On November 7 and 8, the meeting was attended by heads of state and government. From November 15–18, a high-level event that was mostly attended by ministers was held.

Countries gathered at the COP27 climate change conference in Sharm el-Sheikh to take steps toward meeting the global climate goals set forth in the Paris Agreement and the Convention.

Representatives from 198 nations wrapped up the COP27 meeting. Negotiators and heads of State made headway in important areas after the conference deadline passed, which is likely to have comprehensive impacts.

2. Why do we need COP meetings?

Human-caused emissions, primarily from the combustion of fossil fuels like coal, oil, and gas, are to be blamed for global warming.

According to the Intergovernmental Panel on Climate Change (IPCC), which is comprised of climate scientists from the UN, global temperatures have increased by 1.1C and are on track to reach 1.5C.

According to the IPCC, half of the world’s population might be exposed to heat and humidity that pose a threat to their lives if temperatures increase by 1.7 to 1.8C above levels from the 1850s.

To avert this, 194 nations signed the Paris Agreement in 2015, vowing to “pursue efforts” to limit global rising temperatures to 1.5C.

3. Adopted Agendas at COP 27

1. Opening of the session.
2. Organizational matters.
3. Reports of the subsidiary bodies.
4. Reporting from and review of Parties included in Annex I to the Convention.
5. Reporting from Parties not included in Annex I to the Convention.
6. Matters relating to adaptation
7. Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts.
8. Matters relating to finance.
9. Matters relating to development and

transfer of technologies.

10. Capacity-building under the Convention.
11. Matters relating to the least developed countries.
12. Report of the forum on the impact of the implementation of response measures.
13. Second periodic review of the long-term global goal under the Convention and of overall progress towards achieving it.
14. Gender and climate change.
15. Consideration of proposals from Parties for amendments to the Convention under Article 15.
16. Second review of the adequacy of Article 4, paragraph 2(a-b), of the Convention.
17. Administrative, financial and institutional matters.
18. High-level segment.
19. Other matters.
20. Conclusion of the session

4. Daily report for Sharm El-Sheikh Climate Change Conference - November 2022

4.1 Day 1 - Nov 6, 2022

Owing to the various items on the agenda, the programme commenced after a delay. One of the main agenda items was, as expected, issues relating to finance mechanisms for reacting to loss and damage brought on by the adverse consequences of climate change, with a focus on mitigating loss and damage.

- In his opening remarks, COP27 President and Foreign Minister of Egypt, Sameh Shoukry, highlighted the record-breaking heat of the previous eight years. The time has come for immediate action and implementation of climate change mechanisms. It was emphasised that the food and energy crises caused by Russia and Ukraine should not derail the projects.
- Antonio Guterres, the UN Secretary-

General, conveyed anguish in his facial expressions when discussing the climate change scenario.

- Only 29 nations out of 194 had submitted concrete national plans since COP26, according to Simon Stiell, the UN climate chief and former minister of the environment for Grenada. He said that he is currently observing 165 nations as they prepare to review and reinforce their national promises for this year.

4.2 Day 2 - Nov 7, 2022

In his opening statement at the second opening session, UN Secretary-General António Guterres said, “We are on a highway to climate hell with our foot still on the accelerator.”

- Agnes Callamard, the Secretary General of Amnesty International, stated at a press conference that she will attend COP27 to advocate immediate action regarding the case of Egyptian activist Alaa Abdel Fattah and other prisoners who are allegedly being held arbitrarily, in addition to pressing for action on human rights issues related to climate change.
- Large crowds attended discussions on some agenda topics, such as those concerning cooperation strategies under the Paris Agreement (Article 6.2). The subject of the Climate Implementation Summit, “Together for Implementation,” was emphasised by the president of Egypt, Abdel Fattah El-Sisi.
- UN Secretary-General António Guterres issued a warning that the conflict in Ukraine should not be used as an excuse to delay climate action. He demanded that the G20 countries speed up the switch to renewable energy, establish a climate solidarity pact, especially between developed and developing nations, under the leadership of the US and China, tax fossil fuel companies’ windfall profits, and implement a universal early warning system within five years.
- To fulfil the USD 4.5 trillion in yearly climate funding needed, former US Vice-

President Al Gore advised ending fossil fuel colonialism, restructuring the World Bank, and opening up access to private capital.

- Several developing countries and organisations criticised the fact that a sizable portion of pledges are still unfulfilled and that the needs of developing countries for adaptation financing are not being satisfied. They demanded that the Glasgow Climate Pact “pledge” be mentioned, which states that by 2025, the amount of climate money provided to developing countries for adaptation must at least double from 2019 levels (Decision 1/CMA.3, paragraph 18). Many emphasised that the Adaptation Fund is the best method for directing these funds.
- French President Emmanuel Macron acknowledged the frustration of vulnerable nations and outlined strategies to “move the needle” through joint energy partnerships with developing nations, laying the groundwork for similar alliances with nations which having rich biodiversities to support the preservation of ecosystems that store significant amounts of carbon.
- Along with a report to the adaptation committee and the Santiago Network, rules, modalities, and procedures for the Paris Agreement Article 6.4 Mechanism were considered.
- The President of Pakistan requested loss and damage payments from the international community for the floods that Pakistan experienced, which could affect any nation in the near future owing to the degradation of the global ecosystem.
- The president of Poland, Andrzej Duda, issued a warning, saying that outsourcing the manufacturing of goods does not absolve companies of responsibility for the associated emissions.
- Sri Lankan President Ranil Wickremesinghe emphasised that the largest obstacle to effective climate action is a lack of competence. He has suggested setting up a climate action university in Sri Lanka.
- Carlos Fuller (Belize) and Gertraud Wollansky (Austria), who co-chaired the contact group on long-term climate finance, solicited opinions on what should be on the agenda and what should be included in the decision text.
- Switzerland, Saudi Arabia, and Ecuador spoke up in favour of the USD 100 billion funds as recommended by the Standing Committee on Finance (SCF), and formal discussions and guidelines were developed around it. The United Kingdom adhered to its pledge to contribute to the fund.
- For 2023, there was discussion of the NCQG (New Collective Quantified Goal) for climate funding. The Forests and Climate Leaders’ Partnership was established to safeguard some of the world’s varied natural environments, such as the Amazon and Congo Basin.
- Technical interaction with Subsidiary Body for Implementation’s (SBI) targeted groups. High-level participants were attracted to the consultations on funding plans for loss and damage. Several parties from developing countries raised the significance of these talks during the consultations, saying that loss and damage is a “matter of survival” for them.

4.3 Day 3 - Nov 8, 2022

Discussions about loss & damage funds comprised major agenda of day 3. There have been discussions on making all three methods of joint implementation under the Paris Agreement operational. Small island nations banded together and called for a windfall tax on oil companies to make up for the damages caused by climate change in emerging nations.

- The president of Ukraine took part via video statement and made the statement, “There can be no effective climate policy without the peace.”

4.4 Day 4 – NOV 9, 2022

Day 4 was mostly focused on finance. In February 2022, India unveiled its framework for sovereign green bonds in accordance with the current fiscal year's annual budget.

- For the first time, the prime minister of Antigua and Barbuda, who also serves as chair of the Association of Small Island States (AOSIS), included China and India in the group of wealthy nations that are particularly guilty of severe pollution. "We all know that the People's Republic of China and India are major polluters, and the polluter must pay," he said in his remarks.
- South Africa called on industrialised nations that have made pledges to keep them, citing this as a significant cause of the trust deficit, in its guidance to the Green Climate Fund (GCF). Pakistan expressed similar worries about it.
- The European Union, with the assistance of Switzerland, warned against micromanaging the GCF Board on behalf of the Environmental Integrity Group (EIG). A programmatic strategy to address the same was backed by Australia and the EIG.
- Paraguay and Brazil raised awareness of REDD+ (reducing emissions from deforestation and forest degradation) results-based payments made on behalf of Argentina, Brazil, and Uruguay (ABU) and the Independent Alliance of Latin America and the Caribbean (AILAC), respectively.
- Developing nations backed doubling the amount of adaptation financing provided by affluent nations, with some advocating "at least doubling" in line with the Glasgow Climate Pact.
- Centralized Accounting and Reporting Platform (CARP) discussed. As the issue was not resolved in Glasgow the previous year, different opinions on linking national registries to the international registry emerged.

4.5 Day 5 – NOV 10, 2022

Day 5's discussions focused on loss and damage as well as long-term financing for the climate and informal consultations featured discussions about the Global Goal on Adaptation. Protests took place in opposition to turning the summit into a mere talk show and in favour of taking actual action on climate change and loss & damages funds.

- With India as a partner, the Mangrove Alliance for Climate (MAC) was established. In order to protect and restore the mangrove forests in the area, India will work with Sri Lanka, Indonesia, and other nations in a move that is in keeping with its ambition to increase its carbon sink.
- Developing nations, particularly India, expressed the need for more than just a USD 100 billion fund. As the costs of combating and adapting to climate change have increased, they are pressuring wealthy nations to accept a new global climate finance objective, also known as the new collective quantified goal on climate finance (NCQG).
- The role of data in the Global Stocktake was explored in order to fulfil the goals of the Paris Agreement during the Global Stocktake Climate Datathon. The main message for policy makers to use scientific research to aid in the transition from assessment to action was "Uniting Global Scientific Research Efforts to Tackle Climate Change."
- At the session titled "Health and Climate Change: One Health for All: One Vision and One Response," the Presidency unveiled its One Health Initiative.
- The World Climate Research Programme, Earth League, and Future Earth jointly issued a paper titled 10 New Insights in Climate Science 2022. It was noted that by 2050, there could be up to 1.6 billion people living in "vulnerability hotspots."

- Another important topic of debate was the present “huge” gas expansion plans, which are in danger of exceeding the 1.5°C warming limit because of the rush for natural gas against the backdrop of the Ukraine war. African governments have advocated for the right to exploit fossil fuel resources in order to help their populations escape poverty.
- Delegates at the conference were more receptive to debating the topic because of how Russia’s invasion of Ukraine has increased food prices globally and aggravated the food insecurity brought on by climate change.
- From January to June 2022, the contribution of solar production in China, India, Japan, South Korea, Vietnam, the Philippines, and Thailand prevented potential expenses associated with fossil fuels of almost US\$34 billion. India is one of the five Asian nations with the biggest solar capacity economies, ranking among the top ten.

4.6 Day 6 – NOV 11, 2022

Decarbonization Day arrived on the sixth day, and everyone was riveted to US Vice President Joe Biden’s speech. The majority of people listened to him when he said, “The climate problem is about human security, economic security, environmental security, national security, and the very life of the planet.” He reaffirmed that the USA is on course to meet its 2030 obligations and that there should be less reliance on fossil fuels, particularly given the ongoing Russia-Ukraine issue.

- The Fashion Industry Charter for Climate Action’s signatories committed to a set of goals, including halving emissions by 2030, transitioning to low-carbon materials, and scaling up renewable energy throughout their supply chains.
- The Report of the Adaptation Fund Board made some progress, and efforts to streamline text for the Green Climate Fund were also considered.
- The proposals for climate action from

Armenia, Ghana, Jordan, Liberia, Macedonia, Paraguay, and Togo were presented. The worldwide stocktake concluded after a week of panel discussions and breakout sessions.

- Co-facilitators reminded participants to finish debating the issues before the closing plenaries of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI).
- Delays caused by text changes and long-running political concerns resulted in a number of late-night meetings. It was planned to have informal consultations on national adaptation plans till the early hours of the day.

4.7 Day 7 – NOV 12, 2022

Agriculture and Adaptation Day was on Day 7. The comment made by Special Climate Envoy John Kerry that “some governments have resisted stating a worldwide objective of reducing warming to 1.5°C” was the main talking point.

- On Saturday, during the UN meeting COP27 in Egypt, more than 40 protests were scheduled around the UK.
- Texts for the last meetings of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI) were anticipated to be ready.
- The final plenaries gave a pretty gloomy impression. On several topics, such as those pertaining to the consideration of reports by constituted bodies and to reporting guidelines, consensus was reached.
- The list of topics on which no consensus could be reached remains pending, including the Paris Agreement’s cooperative implementation (Article 6), difficulties pertaining to least developed countries, and debates on national adaptation plans.
- Developed countries noted that the reporting cycle under the Paris Agreement’s Enhanced Transparency

Framework is perennial while developing countries disagreed with the idea of mandating the Standing Committee on Finance (SCF) to prepare an annual report on the achievement of the USD 100 billion goal.

4.8 Day 8 & 9 – NOV 13 & 14, 2022

Owing to the fact that it was a Sunday on the eighth day, all forums were closed.

At COP27, Day 9 was designated as “Women and Water” Day. In Sharm el-Sheikh, this event put a focus on the importance of women as major drivers of climate solutions and the critical impact that the climate issue is having on our water supply.

- India unveiled its long-term climate action plan, outlining the steps to be followed to achieve net zero emissions by 2070, including investigating a larger role for nuclear power and quickly growing renewable energy sources.
- Three lines of work were defined by COP President Sameh Shoukry for the coming week. The technical work on the pending 13 topics on the Subsidiary Bodies’ agenda that cover mitigation, adaptation, loss and damage, agriculture, gender, and response measures, he said, would continue. On the cover decisions as well as other matters mentioned in the opening plenaries, the presidency will continue talks.
- The Secretariat stated that if present pledges are not carried out, emissions will rise by 10.6% by 2030, putting the world on course to experience a 2.5°C rise in temperature by the end of the century.
- Similar to past years’ experience, agreement on the Warsaw International Mechanism’s (WIM) administration was elusive. Many nations support combined power under the Paris Agreement and the Convention, notwithstanding a few countries’ claims to the contrary.
- Singapore voiced concern about the possibility of a series of “talk shops” as

a result of the text now being discussed about mitigation work programmes, and the UK called for specific mechanisms.

- Bhutan requested a clear timeline of benchmarks for nations to adhere to on behalf of the Least Developed Countries (LDCs). The UK urged for stepping up efforts to phase out fossil fuels, while Tuvalu and Vanuatu asked for a treaty to prevent their proliferation.

4.9 Day 10 – NOV 15, 2022

Day 10 of COP 27 doubled as Day 1 of the G20 conference, which had the slogan “Recover Together, Recover Stronger” as its centrepiece. A sustainable climate transition accord known as the Just Energy Transition Partnership (JETP) was reached in Bali, causing COP 27 to have an impact on subsequent international forums.

- On Day 10, there was a lot of agitation among delegates in the Green Zone (the zone for State Parties’ delegates) over technical discussions in several committees that were being held. Unsettled text has a number of problems that have not been resolved, some of which are listed below: Second review of the long-term global objective and progress toward reaching it; Koronivia Joint Work on Agriculture; Glasgow-Sharm El-Sheikh Work; Programme on the Global Goal on Adaptation; Article 6 and Response Measures;
- President of COP27, Shoukry, outlined his strategy for assisting parties in reaching consensus on certain, but not all, concerns. Political discussions will specifically focus on: The mitigation work programme; The Global Goal on Adaptation; The new collective quantified goal on finance; Article 6 and related issues; Financing for loss and damage. These discussions will be facilitated by a pair of ministers, one from a developing and one from a developed country.
- According to Csaba Krösi, President of the 77th session of the UN General Assembly, the current Conference of the Parties (COP) on implementation is “an

opportunity to bridge the gaps between pledges and fulfilment.”

- “We cannot afford the continued deterioration of trust between developed and poor countries,” said Fiam Naomi Matafa, Prime Minister of Samoa.
- “Inadequate progress” has been made since Glasgow, according to the authors of the UN Environment Programme’s (UNEP) Emissions Gap Report, and existing policies might result in a 2.8°C increase in global temperature.

4.10 Day 11 – NOV 16, 2022

The eleventh day was designated as Biodiversity Day. More people watched the G20 meeting in Bali than COP 27 on November 16, 2022. Due of India’s influence over developing nations and rising markets, a full-fledged Leaders’ Declaration was released in Bali. India is now holding the G20 presidency. Food security, energy security, the climate problem, geopolitical issues, and the debt crisis all require a proactive, cooperative, hospitable, and forward-thinking attitude.

- Having effect from 2026, the European Union has proposed a policy known as the “Carbon Border Adjustment Mechanism” to tax goods with a high carbon content, such as steel and cement.
- Luiz Inácio Lula da Silva, the incoming president of Brazil, has pledged to safeguard the Amazon jungles. There was dispute on whether to establish a financial facility or fund now and iron out the details over the following two years, or to work out a procedure that may result in a financial arrangement in 2024. The former is supported by developed nations, while the latter is by developing nations.
- The day’s technical negotiations went quite slowly. The text for the Santiago Network for Loss and Damage was agreed upon, which was a plus. Consistent progress was made in discussions about markets and non-

market strategies, and texts regarding the Adaptation Fund Board were also reached.

- On the majority of other financial issues, negotiators persisted in finding it difficult to compromise and abandon entrenched stances. By the end of the day, discussions regarding long-term financing, the Standing Committee on Finance, and the direction of the Green Climate Fund (GCF) and Global Environment Facility (GEF) appeared to be either stopped or progressing extremely slowly.
- Views on action before 2030, such as peaking emissions between now and 2025, significant emissions reductions by 2030, and increased efforts under the Convention and Paris Agreement, substantially varied.

4.11 Day 12 & 13 - NOV 17 & 18, 2022

Discussions dragged over to 19th Nov for discussion on some pending items. However, the second draft of COP 27 was released and proves to be crucial.

- The forum brought to light the pressing need for action to reduce methane emissions. The Worldwide Methane Pledge, is the goal of achieving at least a 30% decrease in global methane emissions by 2030, based on levels in 2020.
- At the high-level global climate action event, the COP 27 Presidency and Marrakech Partnership assessed how non-State actors are influencing climate action.
- The India pavilion included a spotlight on electric vehicles. India and Egypt agreed to work together through the signing of a Memorandum of Understanding. The NITI Aayog organised a meeting on EV financing.
- The restriction on onshore solar power was verified to be still in effect by the UK Environment Secretary. Egypt established a new marine protected area of 2,000 kilometres comprising coral reefs in the

Red Sea. France and Spain pledged to end the sale of gasoline-powered automobiles by 2035, five years sooner than originally anticipated.

- More than €1 billion has been pledged by the EU and four of its members (France, Germany, the Netherlands, and Denmark) for climate adaptation in Africa.
 - The Friends of Greening National Investment Plans in Africa and Developing Countries Initiative, the Sustainable Urban Resilience for the Next Generation Initiative, the Low Carbon Transport for Urban Sustainability Initiative, and the Global Waste Initiative 50 by 2050 are four new initiatives that have been introduced.
 - The First Egyptian Company for Carbon Offsetting (EgyCOP) was established.
- Multi-stakeholder Dialogue:** An equitable transition to sustainable urban transportation highlighted the need for financing options for a sustainable and low-emission transportation industry.
- Innovative thinkers came together at the 1000+ Clean and Efficient Solutions to COP27 conference to exchange experiences and knowledge about high impact climate-related solutions for cities and developing economies.
 - As the discussions came to an end, the Secretary-General exhorted parties to seek the highest measures to curb loss and damage and emission reduction.
 - The young activist from Ghana, Nakeeyat Dramani Sam, reprimanded the delegates for what she claimed was their apparent unwillingness to take the climate calamity seriously and pleaded with countries to reach into their wallets and provide money to help those who were most in need.
 - A loss and damage fund was officially proposed by the European Union, giving some representatives from developing nations hope for a potential “breakthrough.”

4.12 Day 14 – NOV 20, 2022

- A ground-breaking agreement was reached at the United Nations Climatic Change Conference COP27 to give “loss and damage” funding for vulnerable nations that have been severely affected by climate disasters.
 - According to UN Executive Secretary for Climate Change Simon Stiell, “This result advances us forward.” After years of discussion on how to pay for loss and damage, we have come to a decision about how to deal with the effects on people whose lives and livelihoods have been destroyed by the worst effects of climate change.
 - A significant step forward was the establishment of a dedicated loss and damage fund, which was first approved during COP27 and was added to the formal agenda.
- Decisions taken at the Sharm El-Sheikh Climate Change Conference :**
1. The need for funding loss and damage was finally acknowledged by richer nations and emphasised use of ‘Common but Differentiated’ (CBT) responsibilities. The nations that contribute the most to climate change, must take steps to mitigate it. Developed countries should finance the loss of the developing countries.
 2. Adaptation of low emission, renewable and clean fuels should be done. There is an urgent need for immediate, deep, rapid and sustained reductions in global greenhouse gas emissions by Parties across the globe. Green washing by the corporate will not be tolerated. The goal is to reduce the emission by 43% by 2030.
 3. Science based initiatives such as Race to Zero to be used for effective climate action and policymaking. It will increase access to early warnings and other useful climatic information.

4. Food and Agriculture for Sustainable Transformation (FAST) initiative, to improve the quantity and quality of climate finance contributions aimed at transforming agriculture by 2030, to be led by the UN Food and Agriculture Organisation launched by COP27 presidency. For the first time in a COP, it was discussed that Global food chains from production to consumption contributed around one-third of greenhouse gas emissions.

5. More ground level initiatives were encouraged and action based plans were focused upon. These plans will require investment of US\$3.1bn by governments equivalent to 50 US cents per person, per year.

6. Involvement of all the stakeholders in the decision making process was promoted for an effective dialogue. This promotes social solidarity.

7. About USD 4 trillion per year needs to be invested in renewable energy until 2030 to be able to reach net zero emissions by 2050. Also, financial support from developed countries to

developing countries was urged.

8. Technology Executive Committee and the Climate Technology Centre and Network will facilitate the transformational change needed to achieve the goals of the Convention and the Paris Agreement.

9. The important role of indigenous people, local communities, cities and civil society, including youth and children, in addressing and responding to climate change was recognised and highlighted the urgent need for cooperative action. Equal participation of women was also encouraged.

5. WAY FORWARD

India's contribution towards climate change has been significant in the recent past and one such commitment can be ascertained by looking at its NDC. India recently updated its NDC to tackle the climate crisis on August 2022.

Please refer below for a comparison between the older and the latest version of NDCs:

GOAL NO.	INDIA'S INTENDED NATIONALLY DETERMINED CONTRIBUTIONS SUBMITTED IN OCTOBER 2015	INDIA'S UPDATED FIRST NATIONALLY DETERMINED CONTRIBUTION UNDER PARIS AGREEMENT (2021-2030) SUBMITTED ON- AUGUST 2022
1.	To Reduce the emissions intensity of its GDP by 33-35% by 2030 from 2005 level	To Reduce emissions Intensity of its GDP by 45% by 2030, from 2005 level
2.	To achieve 40% of electric power installed capacity from non-fossil fuel by 2030	To achieve about 50% cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030
3.	To Create additional carbon sink of 2.5-3 billion tonne of CO2 equivalent through additional forest and tree cover (increase of about 680-817 million tonne of carbon stock)	No Change

5.	To mobilize domestic, new & additional funds from developed countries to implement the above mitigation and adaptation actions in view of the resource required and the resource gap.	No change
6.	To build capacities, create domestic framework and international architecture for quick diffusion of cutting edge climate technology in India and for joint collaborative R&D for such future technologies.	No change
7.	To put forward and further propagate a healthy and sustainable way of living based on traditions and values of conservation and moderation	To put forward and further propagate a healthy and sustainable way of living based on traditions and values of conservation and moderation, including through a mass movement for 'LIFE'- 'Lifestyle for Environment' as a key to combating climate change
8.	To adopt a climate friendly and a cleaner path than the one followed hitherto by others at corresponding level of economic development	No change

Unquestionably, COP 27 was a historic turning point for dealing with loss and damage. Additionally, even if it “remains on life support,” it “kept the line” at 1.5°C, according to COP 26 President Alok Sharma. In addition, the conference made vital decisions in key areas that are essential for implementation, including as markets, finance, and mitigation, but many people are still wondering when these various aspects of climate action will be implemented.

Although the mitigation work programme decision mentions scientific urgency, some developing countries, especially the Like Minded Developing Countries (LMDCs), felt the item might introduce new elements outside of the Paris mandate, such as medium-term targets, and preferred to end the work programme in 2023 rather than continuing through 2030. The work programme now only has a mandate through 2026 as a compromise. Similar to this, a

request for the final cover decisions to take into account recent conclusions from the Intergovernmental Panel on Climate Change regarding the necessity of reaching global emissions peak before 2025 to keep warming to 1.5°C was rejected.

A similar temporal divide in opinions was evident in the financial negotiations, as poor nations emphasised the urgency of first establishing clarity on the “quantum” and time frame of the new, post-2025 global quantitative target on climate financing, and then discussing the specifics. Developed nations persisted in wanting to first debate technical issues before deciding on a specific goal for 2024. Little is accomplished for the developing nations in this regard as per the resolution made on this matter by the Conference of the Parties acting as the Meeting of the Parties to the Paris Agreement.

Overall, the COP 27 outcomes should be enough to implement the strategies for another year, and they, undoubtedly gave those now experiencing the terrible effects of climate change a significant victory. But there is still a lot to be done. “COP 27 finishes with much homework and little time,” said UN Secretary-General António Guterres.

Many organisations and nations had already set their sights on COP 28 during the final plenary on Sunday, November 20. Through the first Global Stocktake, the upcoming COP in the United Arab Emirates is expected to advance more on both implementation and ambition. Although it is obvious that countries have very varied perspectives on how to achieve ambitious implementation, the Paris Agreement is currently in its

nascent phase. The purpose of COPs will need to be reimagined as venues for nations to come together towards progress, uphold openness and accountability, and increase ambition to the levels necessary to avert a climate crisis. Many people wonder whether COPs are effective, but few suggest changes that should be made. “If we didn’t have COPs, we’d have to invent them,” as one observer put it, especially to give the most vulnerable a platform to demand action on their top goals under the Paris Agreement. A topic that demands attention urgently is how the various implementations and ambitious visions will manifest themselves in the upcoming COPs.

<https://www.mondaq.com/india/climate-change/1266290/summary-of-cop27--climate-action-is-key-to-all-countries->



THE PODIUM



Sonal Verma, Partner - ESG Advisory shared his views on Mission G20 - Vasudhaiva Kutumbakam with the RJ at FM Rainbow on 14th Feb 2023.

Sonal Verma, Partner - ESG Advisory addressed the esteemed audience at The India ESG Conclave 2022 organised by PHD Chambers on 15th February 2023. Dhir & Dhir Associates strongly believes in doing its bit to make this world a better place to live in!



ESG DECIBELS

ESG & Arbitration

With this New Year 2023 Dhir & Dhir Associates welcomes Season 2 of ESG Decibel Series with Mr. Toby Landau KC, on growing importance of ESG & Arbitration. Mr. Landau talks about ESG considerations that have become increasingly important in the field of arbitration. Environmental and social issues, such as climate change and human rights, are becoming more prevalent in international disputes and are increasingly being taken into account by arbitrators and arbitral institutions. Sonal Verma, Partner, ESG Advisory, Dhir & Dhir Associates, moderates the episode. Join us to listen to Mr. Toby sharing his thoughts on ESG considerations that have become increasingly important in the field of arbitration.

Listen to the Podcast via https://open.spotify.com/episode/4bGGhxRxb-WSQqBOH4W2cOI?si=IQP-3sAhmQWyKd_QM1CqnA



**ESG Decibels
Season 2 Ep 1**

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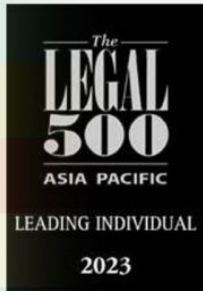






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