

WORLD SUSTAINABLE DEVELOPMENT SUMMIT 2022

TOWARDS A RESILIENT PLANET:
ENSURING A SUSTAINABLE AND EQUITABLE FUTURE











TATA CLEANTECH CAPITAL LIMITED

Virtual Stakeholder Roundtable on 'Mobilizing Green Finance for Strengthening Climate Ambition' for the COP26 Charter of Actions

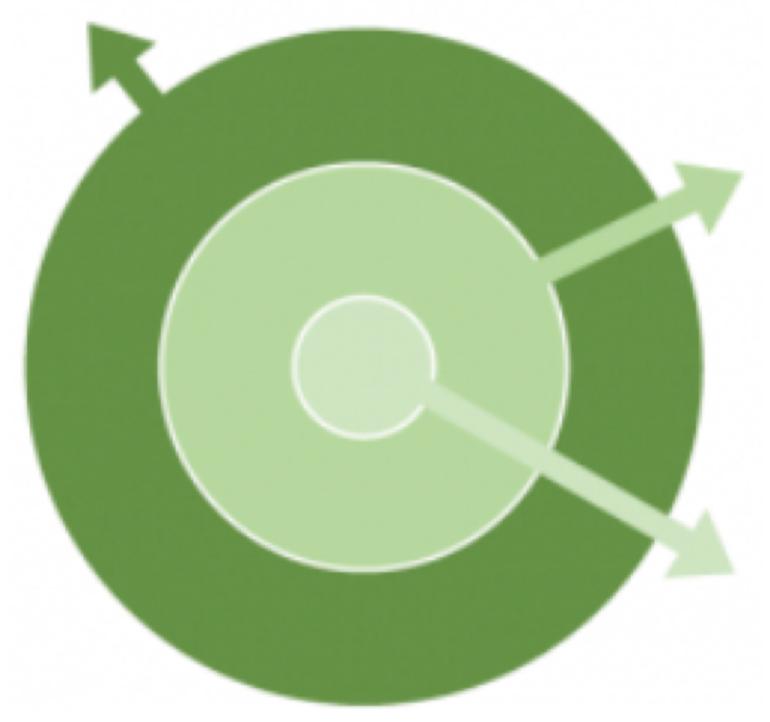
Date: 17th August, 2021 | Time: 3:00 PM to 4:30 PM | Duration: 90 minutes

Green Finance



A significant part of existing climate commitments, and their enhancement, is dependent on green finance, which includes the future carbon markets and trading mechanisms, and other financial instruments.

Sustainable Development: overarching theme that includes both green finance and climate finance, as well as other social, economic and governance aspects.



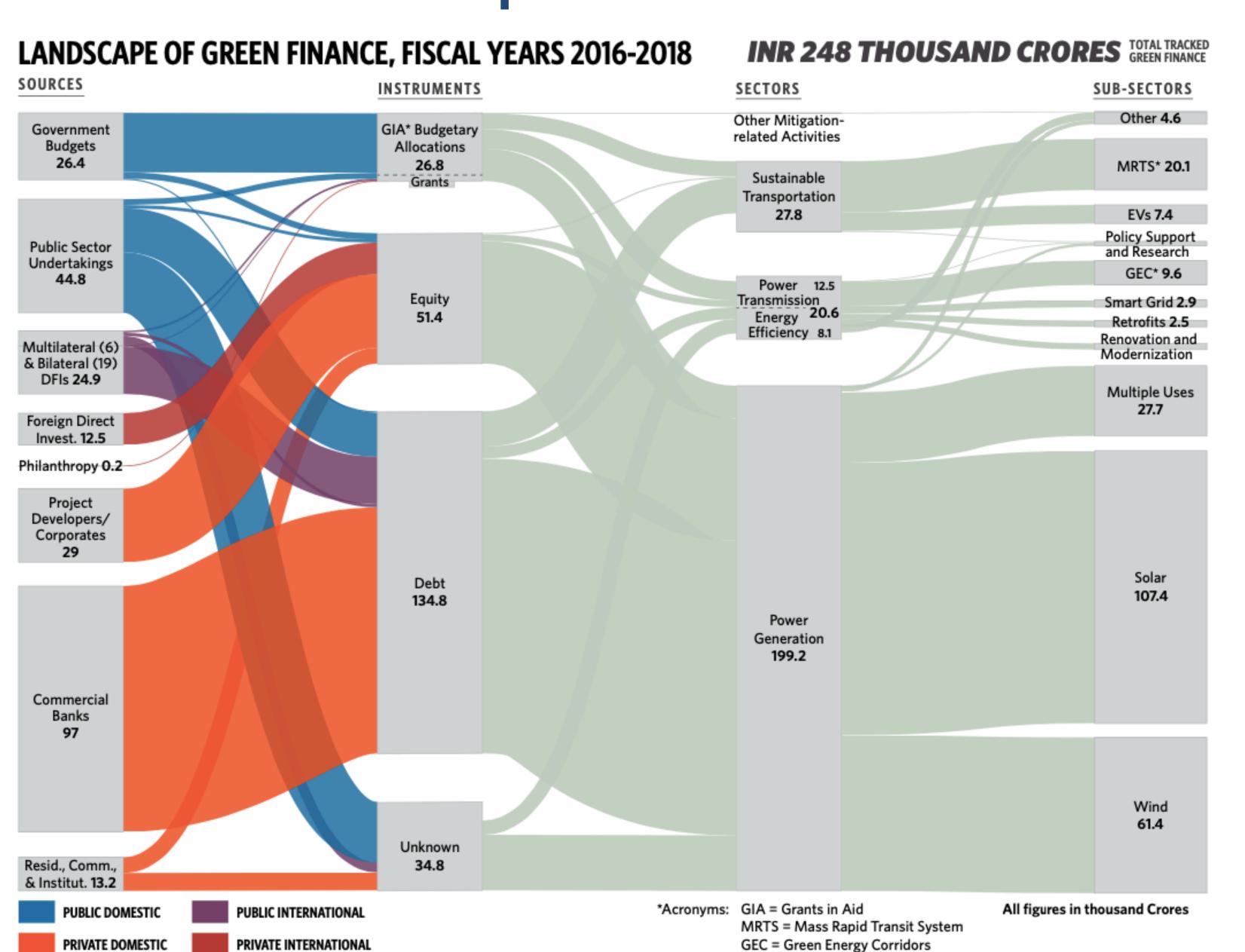
Green Finance: projects range from climate change mitigation, climate change adaptation, and other environmental projects like promotion of renewable energies, energy efficiency, water sanitation, environmental audits, the reduction of transportation and industrial pollution, climate change, deforestation, carbon footprint.

Climate Finance: projects that cover climate change mitigation and climate change adaptation.

Source: As developed by UNEP Inquiry, 2016

Landscape of Green Finance in India





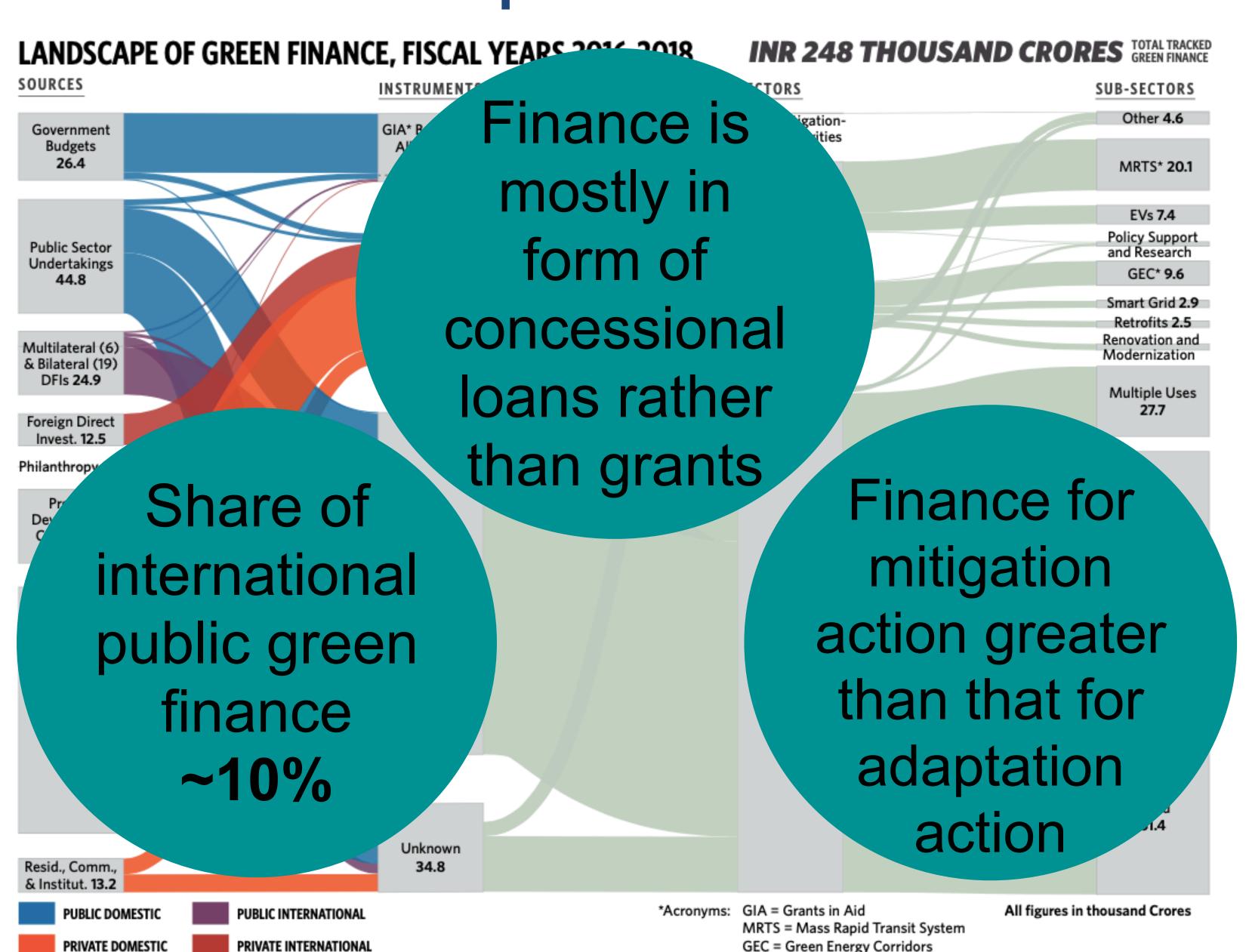
Source: Climate Policy Initiative, 2020.

India's financial requirements, as estimated under the NDCs: USD 2.5 trillion, for reaching the climate goal between 2015-2030 (or ~USD 170 billion per year)

Landscape of Green Finance in India

GEC = Green Energy Corridors





PRIVATE INTERNATIONAL

Source: Climate Policy Initiative, 2020.

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Initiatives for Green Finance



International Initiatives

National Green Finance Instruments

National Policy Fiscal Instruments

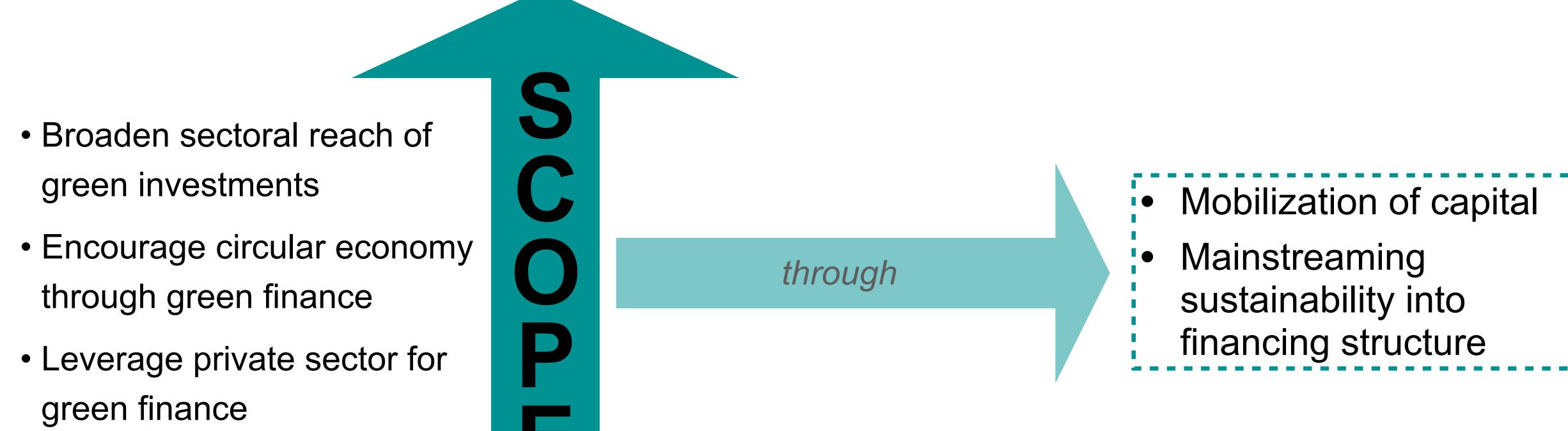
Financial Regulatory
Measures

- UN-PRB, PSI, PRI
- NGFS
- TCFD
- CDP
- Sustainable Stock Exchanges Initiative
- Loans and Grants
- National Funds
- Green Bonds
- Credit Enhancement Schemes
- Capital subsidy
- Market based Mechanisms
- Public procurement
- Social insurance
- BRSR
- BSE launched GREENEX Index & CARBONEX
- RBI includes Renewable energy projects in Priority Lending Sector

Scope for Raising Ambition



There is a scope of transformative change in the Indian economy, led by a green transition of the financial sector and investments by the high emitting industries.



Scope for Raising Ambition



There is a scope of transformative change in the Indian economy, led by a green transition of the financial sector and investments by the high emitting industries.

- Broaden sectoral reach of green investments
- Encourage circular economy through green finance
- Leverage private sector for green finance

S C P E

- Mobilization of capital
- Mainstreaming sustainability into financing structure

B A R R I E R

- Definitional inadequacy
- Lack of strong regulatory framework
- Inadequate capacity
- Wariness with international carbon markets and instruments



Future Action and Recommendations

COVID RECOVERY

Aligning
government
spending with
climatic
objectives
and SDGs

SHORT-TERM

- Standardizing green taxonomy
 - Enabling
 Networking
 Platforms for
 Sectoral
 Engagement
- Facilitating
 Information

MEDIUM-TERM

- Strengthen the policy and regulatory framework
 - Transparency of information through disclosure standards
 - Developing green finance packages, instruments and markets
- Mobilizing green finance from private sector

LONG-TERM

 Mainstreaming green lens into investment decisions

Ensure
 equity of
 international
 green
 finance

Role of International Community to Enhance



Equity

Clarity required on the global definition of green and climate finance

Clarity on Article 6 mechanism

International measures to promote appropriate green financing of the transition to a green economy should not come at the cost of developing countries' competitiveness, and should ensure equity and financial inclusion.

Address the issue of financing loss and damage

Equal consideration to finance for adaptation and mitigation

Need to define and assess the targets set under the Long Term Finance

Equity in the finance aspect, is linked to the 'common but differentiated responsibility' principle.

Develop well defined mechanisms under the New Collective Quantified Goal on Finance

Questions for Discussion



- 1. What is required to strengthen the climate finance framework to achieve the climate ambition in the Global South and which areas have large untapped potential for mobilizing green finance?
- 2. What actions are needed to fill the financial gaps for realizing India's climate ambition? What support is required to align the Indian financial sector with the global developments taking place in the area of green finance?
- 3. What finance measures are needed until 2030 and what measures are needed until 2050?
- 4. How can the international community play a role in supporting India's transition to a green financial system, to ensure an equitable and just supportive framework?













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THANK YOU!