



# WORLD SUSTAINABLE DEVELOPMENT SUMMIT 2023

MAINSTREAMING SUSTAINABLE DEVELOPMENT  
AND CLIMATE RESILIENCE FOR COLLECTIVE ACTION

February 22-24, 2023  
New Delhi



## Instruments and Leadership for Inclusive Green Growth

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### PLENARY SESSION SUMMARY

Venue: Stein Auditorium

Date: 23 February 2023

Time: 10:00 AM – 11:00 AM (IST)

#### **Suggested Citation**

World Sustainable Development Summit (2023), Instruments and Leadership for Inclusive Green Growth, Plenary Session Summary (Rapporteur: Soham Banerjee), New Delhi: The Energy and Resources Institute.

## Actionable Messages

**Message 1:** Green growth should be imperative to all policies and frameworks for India. Deployment of renewable energy and green hydrogen will be the key for the Indian shipping sector to decarbonize and reach the 'net zero' target by 2070.

**Message 2:** Improving governance is an essential enabler of green growth and for green growth to be effective, governments at all levels must work towards policy alignment and coherence.

**Message 3:** The key to tackling climate change is by focusing at the local level through enhanced coordination from the policy actors at the regional level. The need of the hour is green growth and not a green-washed grey industry.

**Message 4:** A green development pact needs to move towards the path of a circular economy. A multi-stakeholder approach including indigenous people should be the key to tackling just transition.

**Message 5:** Some measures to mainstream the environment in economic decision-making by the governments include green budgeting, greening economic surveys, and greening gross domestic product/growth measures. Apart from this, a regulatory policy framework is needed to complement and support market-based instruments.

**Message 6:** It is possible to mobilize adaptation finance through leveraging social finance and de-risking capital investments. The need for climate finance in India is surprisingly towards sustainable lands followed by energy and power.

**Message 7:** G20 should take the initiative to change the narrow narrative of climate finance to a climate-smart transition of the financial sector. There is a need to enhance the capacity of the bureaucracy across G20 for effective implementation of climate action.

## Narrative

The plenary session titled, “Instruments and Leadership for Inclusive Green Growth” was conducted as part of the World Sustainable Development Summit (WSDS) - the annual flagship initiative of The Energy and Resources Institute (TERI). The fulfilment of India’s short- and long-term climate action targets should be synergized with the notion of green growth and development. Green growth strategies should ensure that the environmental pillar of sustainable development is aligned to meeting economic and social objectives. In a federal setting, securing a local public goods for green growth would also require a predictable and secure revenue base. Planning for public and fiscal finances is crucial for integrating environmental considerations into economic decisions. Green budgeting, greening economic surveys, and using environment-friendly GDP/growth metrics are some government initiatives to mainstream the environment in economic decision-making. With this overarching objective, the session was moderated by **Ms Kathleen McGinty, Vice President & Chief Sustainability Government and Regulatory Affairs Officer, Johnson Controls**. She emphasized the financing gap of 4 trillion US dollar a year, and called for collective action to be in line with the objectives of the Paris Agreement. This will require multistakeholder approaches particularly at the Conference of Parties (COP) with finance ministers, heads of central banks, big investment houses, etc., to actually bring collective action. She also lauded India’s climate action commitments and mentioned India’s entry in the green finance market with issuing green bonds accompanied through a rigorous green finance framework.

The first speaker was **H.E. Ms Gina Lund, Governor, Agder County, Norway**. She highlighted the need for climate action and stressed on how Norway is facing challenges due to unprecedented loss of biodiversity and ecosystem services. One of the major challenges Norway faces is conflicting political goals centring on climate change that needs to be clarified at the national level. As a result, it becomes a challenge to ensure that the municipalities at the ground level comply with the national political commitments. Norway is doing exceptionally well in deploying renewable energy into their economy. For example, almost 100% of the nation’s electricity is met through hydropower, which has resulted in new jobs and economic growth.

The next speaker was **H.E. Ms Terhi Lehtonen, Deputy Minister, Ministry of Environment, Finland**. She emphasized the opportunity for India to take on a strong climate action leadership role in terms of the G20 presidency. Finland has committed to be climate neutral by 2035 along with 85% electricity generation with zero greenhouse gas emissions. She stressed on the need for innovative solutions to unlock investments to deploy renewable energy, especially in the developing world. She mentioned that to achieve low carbon transition pathways, a green development pact is crucial to ensure circular economy. Circular economy is more than waste policy and recycling as in practice, it means a broad partnership with different stakeholders to create a new model for development.

**Ms Helen Clarkson, CEO, The Climate Group** talked about bringing networks apart from the government, which has ambition at the centre to enhance collective action against climate change. Climate action at the local level is crucial as it is often seen that there is conflict in terms of jobs and emissions which pose a significant challenge to deal with and hence, the number of sub-national and sectorial policies are gaining attention. She mentioned that the Climate Group is carrying out a lot of initiatives to building capacity of the Indian states towards their climate action targets and highlighted that states now have a lot of innovative solutions which must be backed up through mobilization of funds. Hence, facilitating climate finance and diversifying the fiscal base for green growth are absolute priorities. Capacity building should be the core of climate action in the developing nations, which is lacking at the moment. For example, designing a green budget will require training of stakeholders for technicalities.

**Mr Kartikeya Desai Founder, Desai & Associates** began his talk by highlighting the fact that social capital is crucial to enhance adaptation funding and needs to be mainstreamed in the climate finance discourse. He presented an optimistic viewpoint on how to achieve adaptation finance in the years to come. He stressed on various financial instruments including public finance, private finance, philanthropic finance, and blended finance to enhance adaptation actions in vulnerable countries. There is also a huge scope in market research-based investing once the innovative financial instruments are tapped in. Adaptation needs include fulfilment of social and environmental objectives and hence, there is a lot of potential to bring capital at the venture capital end. Blended capital can be put into two

buckets: results-based financing and concessional financing. He said that 650 billion US dollars was the total pool of money of climate finance available in the year 2019-2020 out of which only 65 billion US dollars have been mobilized for adaptation activities. An interesting observation shared by him was that globally, most of the investment is towards energy demand, transportation, and buildings, while in India, it is towards sustainable lands followed by renewable energy. Finally, micro-finance will help in last-mile investment for large-scale renewable energy deployment in India.

**Shri Sarbanada Sonowal, Hon'ble Union Cabinet Minister, Ministry of Ports, Shipping and Waterways** talked about the joint venture between TERI and the Ministry of Ports, Shipping and Waterways to set 'India's First Centre of Excellence on Green Ports and Shipping'. He stressed on India's vision to become a green leader through its bold short- and long-term climate commitments. The recently launched Green Budget has emphasized on green growth with a capital outlay of INR 35,000 for the energy transitions under the Ministry of Petroleum and Natural Gas. He said that India's recent budget is towards fulfilling decarbonization targets by 2030 and net zero targets by 2070. He also mentioned that the recent budget focused on coastal shipping as an energy-saving solution. The G20 Indian presidency will be pivotal to put India's development agenda, synergized with the green growth pathways. The green shipping sector is pivotal to India's vision of developing a blue economy.

**Mr Jagjeet Singh Sareen, Principal, Dalberg Advisors** began his talk by mentioning the importance of the Green Climate Pact and how pivotal it is, considering the rise of energy prices due to the ongoing Ukraine-Russia War. The G20 needs to act as a facilitator to form a 'Climate Competition Framework' where every country is in a positive race in which any regulatory measures do not impact any other countries. The G20 can also take collective action to shift from the conventional narrative of climate finance to 'Climate-Smart Transitional Financial Sector' which includes ESG, disclosures, new capital, climate technological change, etc. The Green Climate Pact can also impact the SDGs in a positive way, where green infrastructure will enhance resilience of the country. Finally, in order to fulfil the mentioned points, he stressed on enhancing capacity for effective implementation at the regional and municipality levels.

The final speaker was **Mr Abhinav Singh, Director, Amazon India**. He started his talk by lauding India's bold and ambitious climate action targets and emphasized that companies like Amazon are complying with that vision for achieving long-term sustainability in their value chain. For that, the key is to ensure there is no trade-off between economic growth and climate action. Amazon is one of the first companies to have a climate pledge and has even announced to be 'net zero' by 2040. From a clean energy perspective, an initiative like the climate pledge calls for multi-stakeholder action to reduce emissions. Amazon set the record for the most renewable purchase company in a year. He mentioned several energy-saving initiatives undertaken by Amazon, including installation of solar rooftops in the warehouses among many others. From an industry perspective, a faster adoption of renewable energy will entail a robust policy framework which includes certain regulatory measures.

## Making Words Count @WSDS 2023

“	<p>Green growth should be imperative to all policies and frameworks for India in the years to come. Deployment of renewable energy and green hydrogen will be the key for the Indian shipping sector to decarbonize and reach the ‘net zero’ target by 2070.</p> <p style="text-align: right;"><b>Shri Sarbanada Sonowal</b> <b>Hon’ble Union Cabinet Minister, Ministry of Ports, Shipping and Waterways</b></p>
“	<p>The key to tackling climate change is by focusing at the local level through enhanced coordination from the policy actors at the regional level. We need green growth and not a green-washed grey industry.</p> <p style="text-align: right;"><b>H.E. Ms Gina Lund</b> <b>Governor, Agder County, Norway</b></p>
“	<p>A green development pact needs to move towards the path of a circular economy. A multi-stakeholder approach including indigenous people should be the key to tackling just transition.</p> <p style="text-align: right;"><b>H.E. Ms Terhi Lehtonen</b> <b>Deputy Minister, Ministry of Environment for Finland</b></p>
“	<p>Sub-national policies should be inclusive and there must be climate action at the local level through a bottom-up approach. The sub-national government often finds it more difficult to justify mobilizing climate finance than the national government.</p> <p style="text-align: right;"><b>Ms Helen Clarkson</b> <b>CEO, The Climate Group</b></p>
“	<p>It is absolutely possible to mobilize adaptation finance through leveraging social finance and de-risking capital investments. The need for climate finance in India is surprisingly towards sustainable lands followed by energy and power.</p> <p style="text-align: right;"><b>Mr Kartikeya Desai</b> <b>Founder, Desai &amp; Associates</b></p>
“	<p>G20 should take the initiative to change the narrow narrative of climate finance to the climate-smart transition of the financial sector. There is a need to enhance the capacity of the bureaucracy across G20 for effective implementation of climate action.</p> <p style="text-align: right;"><b>Mr Jagjeet Singh Sareen</b> <b>Principal, Dalberg Advisors</b></p>
“	<p>A stable industry-oriented policy framework is required to achieve low-carbon transition pathways. Amazon has reduced packing wastage to 38% as part of the company’s sustainable packaging vision.</p> <p style="text-align: right;"><b>Mr Abhinav Singh</b> <b>Director, Amazon India</b></p>
“	<p>Sustainability issues have come up from the basement of buildings to the boardrooms. Climate change negotiations have evolved over time with multi-stakeholder approaches as climate change has become a critical global challenge, which will require collective action for mitigation and adaptation.</p> <p style="text-align: right;"><b>Ms Kathleen McGinty</b> <b>Vice President and Chief Sustainability Government and Regulatory Affairs Officer, Johnson Controls</b></p>