



WORLD SUSTAINABLE DEVELOPMENT SUMMIT 2022

**TOWARDS A RESILIENT PLANET:
ENSURING A SUSTAINABLE AND EQUITABLE FUTURE**

February 16-18, 2022 (Virtual)



MacArthur
Foundation

Responsible Climate Action towards a Low Carbon & Resilient Pathway: An Inclusive Worldview

THEMATIC TRACK SUMMARY

Venue: Kanha

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World Sustainable Development Summit (2022), Responsible climate action towards a low carbon & resilient pathway: An inclusive worldview, Thematic Track Summary (Rapporteurs: Tattaiyya Bhattacharjee and Falti Teotia), New Delhi: The Energy and Resources Institute.

Actionable Messages

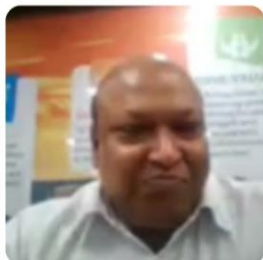
Message 1: Need micro finance institutions not just budgetary support for this transition and huge investment needed.

Message 2: Optimally utilizing land & natural resources to create alternative livelihood choices.

Message 3: Collective engagement and just transition discourse can perhaps pave the way for a brighter decade ahead and redefine the development model.

Message 4: Trust deficit to be bridged by engaging local people, SHGs and communities during this transition.

Message 5: Graded local level (district) micro-planning aligned with local needs and aspirations calls for engagement of stakeholders, sustained resource support and convergence (leveraging various flagship schemes/ missions) to effectively build resilience and ensure inclusion. Such inclusive and sustainable models may have replication value and can be scaled across larger geographies.



Narrative

India holds the fifth largest coal reserves in the world and more than 70% share in energy supply manifests the nation's over dependence on coal-based generation. However, with "Net Zero Target" as the futuristic ambition, there is a need to think beyond coal and explore cleaner alternatives to build resilience despite temporary challenges. Visualising an alternative worldview through a new lens is possible and this belief would take us through new trajectories of energy transition. Focusing on de-carbonisation and cleaner energy options, can have potential adverse implications on the social and economic sector of coal-rich states, and hence, calls for a transition that is just and fair. Just Transition needs to consider a broad range of social and economic dimensions, geographic locations, diverse stakeholders, local planning, policies, resources and time horizons. It also offers an opportunity to take a holistic view of energy, climate and development considerations. Just transition requires a resilient strategy and it needs to happen in a phased manner especially in India, where coal and its mining is a major source of revenue and employment for mineral rich states like Jharkhand, Odisha, Chhattisgarh, West Bengal and Madhya Pradesh. Coal mining often gives stimulus to the local economy through the creation of jobs and contributes to the development of local infrastructure. As coal or mineral enriched states are also rich in flora and fauna, the alternative solution to boost the existing economy could be bio-ethanol production through waste management, engagement in horticulture, setting up of botanical gardens and museums to showcase the indigenous culture and biodiversity, livestock farms, building micro and solar irrigation farms to improve the agriculture and power production. Creating a sustainable supply chain is crucial. Further in order to address the man-animal conflict owing to proximity to the forest, training institutes and forest academy could be established to build the local capacity to deal with it effectively. The development model needs to be redefined as a state level approach (micro approach) and a roadmap for just transition needs to evolve through engagement of local communities and other stakeholders. In absence of any alternative economic choices and social support systems, low income population would become more vulnerable as coal dependent local businesses would be get impacted owing to sudden or unplanned closure of mines. Consequently, large scale migrations to urban areas, weakening of social capital and inequity would deepen this crisis.

The key challenges ahead during this transition would be the lack of reskilling, political willpower and burden on agricultural cooperative societies. In order to transform the economy of the coal producing states, promotion and diversification of these states' industrial establishment will help promote enhanced levels of economic activity, large-scale employment integration and explore alternative natural resource and traditional skill based enterprise opportunities. There is also a felt need for micro-financing by dedicated institutions rather than exclusive dependence on budgetary allocations in order to plan effectively and ensure restoration, rehabilitation and livelihood generation for local communities. Not only from an economic perspective, but also from a social point of view there is a need to engage dedicated institutions involving the key stakeholders from the Gram Panchayats, local ministries, private players and Self-Help Groups (SHGs) for capturing the local voice, needs aspirations and collective action. Moving forward, if coal-phase down/ phase out does happen in an unplanned manner, the entire local economy would collapse and it will destabilise the social fabric of that area. Hence, alternate financial model for development of state economy such as ensuring income security with the use of crucial resources like District Mineral Foundation (DMF) funds is the need of the hour. The potential of the combined DMF's across the country is enormous for improving the socio-economic conditions of local communities in the mining districts. Besides, a greater convergence is needed by leveraging resources from other flagship programmes like livelihood mission as well as participation of financial institutions and corporates is a necessity for greater investment which can go a long way in building resilience.

While transforming to the envisaged non-fossil fuel economy in time, it is crucial to map implications of coal phase-down/-out and create a blueprint for a proactive planning and an inclusive, fair and humane transition. As a large number of stakeholders are involved in the process of just transition, new technologies for carbon reduction such as conversion of coal from solid state into liquid, gaseous form and Carbon Capture Usage & Storage (CCUS) technologies need to be adopted. Therefore, a holistic approach combining newer technological developments in carbon reduction/capture/storage along with the promotion of entrepreneurial ecosystem, diversified livelihood strategies, keeping in mind the vulnerability of the social and political transition of the local level communities would be effective in creating a new developmental policy. This level of transitional policy would also solve the dual challenge of the country which is energy security and clean energy production. The ideas of Just transition provide a larger perspective for further reflections which would guide future national, state and local level policies, research and action on the ground. There are many international, national and local level entities which are already working on equity and climate justice. Further with the net zero ambition, deliberation on Just Transition assumes significance. A thematic track on Just Transition during the WSDS by The Energy & Resources Institute (TERI) is quite timely and triggered the much needed churning among the thought leaders and other stakeholders. Moving forward, this would create more opportunities and space for further dialogue on the theme, influence future thinking, research, policies and action on the ground.

Making Words Count @WSDS 2022

“ Climate change is not a local phenomenon, it is global. India's renewable energy agenda is one of the most ambitious aspirations/targets in the world and it is being recognised by most world leaders. A resilient pathway is critical towards a responsible climate action. Coal is going to plateau in 5-10 years and we have to look for alternative technologies. There is a global recognition that there has to be a country-based strategy.

Dr Anil Kumar Jain
IAS, Secretary (Coal), Government of India

“ If the coal related activities shut down in the major 20-30 coal bearing districts, there would be a major setback in the economy of these areas. Need engagement of finance institutions or other forms of financing and not just budgetary support for this transition and calls for huge challenge considering such a long transition. Optimum use of land under coal mines, skilling, redeployment, retraining are major areas of intervention to deal with transition challenges.

Mr Sumanta Chaudhuri, IAS
Former Secretary (Coal), Government of India

“ Just transition to happen in a gradual and phased manner. Need to optimally utilize land & natural resources to create alternative livelihood choices. Chandrapur is the region with one of the highest forest cover with around 42%, but is also one of the most polluted areas in India due to presence of more than 27 coal mines causing health hazards. Gram panchayats, local ministry, NGO's and private players are significant players in the rural districts and hence they should be considered as key stakeholders. Lack of advanced agricultural skills, opportunities other than coal related activities, political willpower, presence of experienced administration, cooperative societies for agriculture would be big challenges in these transitions.

Dr Kunal Khemnar, IAS
Addl. Municipal Commissioner (Estate), Pune Municipal Corporation

“ India is moving on a dual pathway, Renewable Energy and Coal transition; simultaneously focusing on clean energy and energy security requirements. We have to focus on Sub-national, state level approaches for Just Transition. Capturing local voices is crucial especially while engaging with the vulnerable communities. Collective engagement and just transition discourse can perhaps pave the way for a brighter decade ahead and redefine the development model.

Mr Jarnail Singh
Deputy Director, India Office, MacArthur Foundation

“ The diversification is the only means to achieve sustainability. Alternative financing model by exploring opportunities in the local level is necessary. Trust deficit to be bridged by engaging local people, SHGs, community etc. during this transition. Local democracy, people and district level actors are the key stakeholders. Central & State level policies should be aligned.

Mr Ayaskant Kanungo
General Manager (Commercial & Corporate Affairs), Odisha Coal & Power Limited

“ Need to think about just transition as an opportunity for development of the local areas and the people. Emphasised participatory approaches, budgetary allocations, setting up of dedicated institutions and hand holding the local communities is an important step ahead. Politics is often driven by protection of the coal economy and just transition narrative must align with the political priorities and it needs to be made part of developmental policy. We need to fit Just Transition as a part of development policy in the country.

Dr Ashwini K Swain
Centre for Policy Research

“ Just Transition may be ahead of its time but is very necessary. The coal production is peaking in 5-10 years and after that industry will start unbundling which would make Just Transition easy. Regulatory aspects and ability to deal with such ambitious agenda needs to be understood and dealt with. Coal enriched states are poor and is it because of any systematic gap? It is crucial for TERI to gain deeper understanding on this.

Mr Subhomoy Bhattacharjee
Consulting Editor, The Business Standard

“ Conversion of solid coal into liquid and gaseous coal has potential of reducing 90% of CO2 emissions Carbon capturing & storage could be one efficient option. Switching over to synthetic natural gas, CNG or coal-based methane may be used as alternative and cleaner options. Reskilling & retraining of workers for business switch over is an essential prerequisite.

Mr Surendra Kumar Pandey
All India Secretary of BMS and Deputy In charge for Coal Sector