



INDIA AT COP 27

**Understanding new commitments and the
policy shifts needed to meet them**

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Global Policy Brief

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 **Swaniti** Initiative

Global Policy Analysis

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Executive Summary

COP27 saw the world come together to make a range of strategic commitments on addressing climate change, with a particular focus on developing nations and climate finance. This provides an opportunity for India to benefit from a number of available strategies on climate change, especially in its agriculture sector, and the launch of the Loss and Damage Fund has the potential to accelerate India's own ambitious commitments at COP27. Doing so, however, would require some structural shifts in government, state, and market policies which will be addressed in this brief.

India's commitments at COP27 and other climate goals

Last year at COP26, India, as part of its five-point pledges, committed to net zero transmissions by 2070. As updated recently, the government ratified two additional components to Nationally Determined Contributions (NDCs). First, it aspires to enhance its 2015 commitment to reducing emissions intensity, or the amount of emissions per unit of gross domestic product (GDP), by 45% from 2005 levels by 2030. Besides that, the government is expected to supply 50% of its power requirements using non-fossil fuel renewable energy sources, up from the 40% pledged at the Paris Agreement.

The Indian delegation announced its key commitments for COP27 based on "action in climate finance, technology transfer and capacity building." Indian representatives of multilateral organizations (including the UN, UNDP, and UNFCCC), the Government of India (GoI), NGOs, and other key stakeholders harmonized for "concessional and climate-specific grants, progress towards target of mobilization of \$100 billion annually, a new collective quantified goal (NCQG) on climate finance and the need to specify the quantity of long-term



finance in trillions, the quality of this finance and its scope as well as ease of access to finance and with methods of tracking flows of such finance in a transparent manner.”¹

While India explicitly conveyed that its coal transition will not be adopted before 2024, Prayaas Se Prabhaav Tak - '*From Mindless Consumption to Mindful Utilization*' was published by prominent dignitaries from UNEP, UNDP, and UNFCCC along with Minister of Environment, Forest, and Climate Change (MOEFCC) Sh. Bhupender Yadav. The compendium suggests frameworks for behavior modification that can aid in the creation of laws that promote sustainable production and consumption all around the world. It also highlights certain LiFE (Lifestyle for Environment) initiatives from India that teach how to live more sustainably and encourage others to follow suit. India has also conveyed its aspirations for instrumental and actionable nudges from the youth population. As such, young people will be pushed to pitch their scalable, sustainable, and globally-shared climate actions. Based on the contributions, India will organize an Innovation Summit during COP28 to encourage the sharing and improvement of ideas among students, colleges, and experts. Furthermore, on the opening day of the Indian Pavilion, the youth winners of the COP27 Young Scholar Program were celebrated by the Indian population.

Overall, the convergence of commitments from UNDP and MOEFCC² focused on three key areas, with presentations on:

- Delivering Climate Resilience through Social Protection
- Productive Decarbonisation Pathways to Achieve India's Net Zero Targets
- Towards a Carbon-Neutral Bihar in the Brick Sector- Showcasing a Public-private Partnership Approach


The Indian delegation emphasized the need for distributing climate adaptation finance and mitigation finance equally. In addition, it prompted the developed nations and COP to define what climate finance entails. In the absence of such clarity, the delegation claimed that transparency of these funds and their effective deployment in developing countries cannot be established. Credit mechanisms were also placed under scrutiny, with special respect to adaptation finance.

Global commitments and their alignments with Indian goals

Global commitments made at COP27 have been directed towards instrumentally benefiting the developing nations. Climate initiatives have been proposed across various policy sectors, including agriculture, where India

¹ Roy, Esha. "COP 27: India to Stress Action on Climate Finance by Developed Countries." *The Indian Express*, 4 Nov. 2022, indianexpress.com/article/india/cop-27-india-to-stress-action-on-climate-finance-by-developed-countries-8248274.

² *UNDP India at COP 27- key highlights: United Nations Development Programme*. UNDP. (2022, November 9). Retrieved November 29, 2022, from <https://www.undp.org/india/events/undp-india-cop-27-key-highlights>



has its largest share of the workforce. Hence, India can leverage from the following global commitments. A specific focus on how it can redirect its agriculture sector can be found in the later section.


International financial institutions have been asked by the COP27 accord to streamline their processes and priorities so that developing nations can more easily obtain funding for climate action. About 60% of Africa and about one-third of the world are not covered by early warning and climate information systems, a shortfall which needs to be fixed, according to the WMO, within the next five years.³ The COP27 accord noted wholehearted support for the initiative and asked international financial institutions and development organisations to support the endeavour. Conversations and debates throughout the conference focused on ways to overcome climate problems and how to mobilise the funding, resources, and instruments needed to successfully undertake climate action at scale, with high emphasis on food security, vulnerable populations, and just transitions.

The cumulative key commitments at COP27, as per the UNFCCC,⁴ include:

- A new five-year work programme was introduced to support poor nations through technological solutions to climate change.
- COP27 made substantial progress on efforts towards mitigation, including a work programme with the urgent goal of increasing the ambition and application of mitigation initiatives. This programme is set to begin right after COP27 and last through 2026, at which point a thorough review will determine if it should be extended. Additionally, governments were urged to review and tighten up the 2030 goals in their national climate plans by the end of 2023. They were also urged to step up efforts to phase out wasteful fossil fuel subsidies and unabated coal power.
- Conference delegates also wrapped up the second technical dialogue of the first global stocktake, a mechanism to raise ambitions under the Paris Agreement. The UN Secretary-General will convene a 'Climate Ambition Summit' in 2023, ahead of the conclusion of the stocktake at COP28 next year.
- 25 new cooperative initiatives were launched by nations in five important sectors: agriculture, steel, hydrogen, road transportation, and power.
- A \$3.1 billion plan was unveiled by UN Secretary-General António Guterres dedicated to ensuring that everyone across the world is safeguarded by early warning systems within the next five years.

³ *Early warning systems must protect everyone within five years*. World Meteorological Organization. (2022, March 28). Retrieved November 29, 2022, from <https://public.wmo.int/en/media/press-release/%E2%80%8Bearly-warning-systems-must-protect-everyone-within-five-years>

⁴ Unfccc.int. (n.d.). Retrieved November 29, 2022, from <https://unfccc.int/documents>



Lastly, regarding agriculture and related sectors, delegates at COP27 placed a special emphasis on how to scale up the solutions needed to address increasing food market pressures in a climate-resilient way, which entails commercializing cutting-edge technological solutions and fostering agroecological practices that are frequently more climate-resilient than conventional farming techniques.

Overall, COP27 witnessed the launch of several initiatives and advancements on already-existing initiatives — particularly those involving non-state actors like businesses — that open the door to funding and international partnerships on decarbonizing difficult-to-abate sectors, promoting financial institutions' transitions to net-zero operations, and addressing adaptation and resilience issues.

What would the policy space look like?


When considering the new commitments, funding strategies, and areas of emphasis laid out during the conference, it is clear that India can benefit from these shifts in discourses and new funding ventures. To do so fully would require some transitions, reimagination, and new areas of emphasis in its own policy space, however.

Shifts in agriculture and related policies

The new emphasis on agroecological practices and technological solutions provides an opportunity to the agri-tech sector in India to embrace climate change leadership on a global scale. With the evolution of agriculture-specific funds, India can benefit from channelising funds from various locally available channels if it is able to enact a transition towards sustainable food systems based on agroecological principles and food sovereignty activities. Together, the areas of agroecology and food sovereignty comprise an all-encompassing strategy required to change food systems while recognising the contributions of current food systems to the climate problem. To effect long-lasting change, it will be necessary to base this strategy on a variety of sciences and viewpoints, to respect traditional knowledge and experiential knowledge, and to radically rethink the values and principles that guide food systems.

Shifts in responsibility, market policies, and fund allocation

Developing nations, and India in particular, need to locate the point of convergence where the market and state align in their commitments for a sustainable future. A shift in who holds responsibility for ensuring global commitments are met, is required. The Government of India, through its LiFe initiative, has correctly shared the responsibility with its citizens. However, the market needs to be pushed further to assume and be accountable for this responsibility as well.



While most of the commitments and climate initiatives in general focus on adaptation, mitigation, and technology solutions, there must be a shift in these approaches to incorporate more self-accountability measures among private sector companies. This shift in market policies must be a structural one, reimagining profitability to include social and ecological return despite vested interests in wealth creation and retention that contradict the materialization of these objectives. Stimulus packages build the strongest case for meandering out of the complex system and incentivizing green jobs and business practices among companies can shift the market in impactful ways.


The creation of the Loss and Damage Fund was understandably the most newsworthy output from COP27, the culmination of years of pressure from those most affected by the climate crisis. It is a notable development for another reason as well, as it provides a guiding structure for how individual countries should distribute climate funds internally. As such, the Government of India should follow a similar fund allocation strategy: identify the most climate-vulnerable groups – women, coastal groups, forest-dependent communities, and others – and shape policies that prioritize funding for these groups and the unique issues they face.

Lastly, it needs to be recognised that the development sector needs to employ a competent labour force to vouch for effective implementation and analysis of impactful climate policies. A two-sided approach which builds a niche expertise along with creating a market that will absorb the professionals must be given a priority.

Conclusion

COP27 has the potential to be a landmark in the global fight against climate change, particularly with the creation of the Loss and Damage Fund. Government leaders and climate activists from the most at-risk countries – which have historically been the lowest emitters of greenhouse gases globally – have long fought for this form of climate justice and, if wealthy nations follow-through, it could be a remarkable development. Further focus on technological solutions and mitigation efforts have significant potential as well.

For India, all of these global commitments and initiatives and funding structures will require domestic policy shifts – some structurally rather seismic, some more incrementally fine-tuning – and the political will to make them happen. Fortunately, this also provides the opportunity for global leadership and internal impact. By implementing those key policy changes, continuing to harness the demographic dividend of the youth, and combining the country's powerful technology and agricultural sectors, India can leverage global commitments for wide-ranging climate impact.



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