



Green Economy for Sustainable Development in Indian Economy

(*Meenakshi Attri¹ and Himanshu Tiwari²)

¹Ph.D. Scholar, Department of Agronomy, SKUAST, J&K

²Ph.D. Scholar, Department of Agronomy, SVPUAT, Meerut

* meenakshiattri418@gmail.com

A green economy is low carbon, resource efficient and socially inclusive. In a green economy, growth in employment and income are driven by public and private investment into such economic activities, infrastructure and assets that allow reduced carbon emissions and pollution, enhanced energy and resource efficiency, and prevention of the loss of biodiversity and ecosystem services. The Finance Minister in her Budget 2022-23 speech, stressed that Climate Change was being one of the highest external negativities facing the country and the Government was committed to a strategy of low carbon footprint. Implementation of clean air policy was undertaken considering the challenge posed due to growing air pollution reported in the large cities. This year's budget announcements underlined the importance accorded to sustainability and decarbonisation goals by the Government. Implementation of clean air policy was undertaken considering the challenge posed due to growing air pollution reported in the large cities. This would enable emission levels under check through an effective monitoring mechanism in place. However, despite three years into launch of NCAP in 2019, analysis of pollution levels shows there has been a marginal decrease in pollution levels in targeted cities. It also shows an insufficient expenditure of funds by the States to ensure air pollution reduction. The institutions engaged in regulatory functioning both at the Central Government and States' level need to be strengthened in maintaining environmental-regulation standards in large cities/urban centres. To a large extent, an effective regulation system will reduce pollution at various levels.

Budgetary Allocation

Apart from estimates of expenditure and revenue, the annual budget exercise provides directions to the economic policy measures and articulates major initiatives of the incumbent government. In 2022-23, the Ministry of Environment, Forests and Climate Change (MoEFCC) has been allocated Rs 3030 crore, which is an annual increase of 5.6% over the budget allocation in 2021-22. In 2021-22, the Ministry was allocated Rs 2869 crore, which is decreased by Rs 349 crore (12%) at the revised estimates stage. This includes a reduction in the budget towards (i) Environment, Forestry, and Wildlife (reduced by Rs 96 crore), (ii) Establishment Expenditure of the Centre (reduced by Rs 71.5 crore), and (iii) Control of Pollution (reduced by Rs 80 crore), among others. This may be due to a change in the spending prioritised to conserve jumbos across the country, is raised to Rs 35 crore. The budget allocation for the National Tiger Conservation Authority (NTCA), a statutory body under the Ministry of MoEFCC responsible for tiger census and conservation of wildcats, is Rs 10 crore which remains the same as in current fiscal. The allocation for the National Coastal Mission has been made Rs 195 crore in the year 2022-23 compared to Rs 200 crore in the current fiscal. Under the National Coastal Mission, MoEFCC is responsible to ensure

livelihood security of coastal communities including fisher folks to conserve, protect the coastal stretches, and top remote sustainable development based on scientific principles.

Policy Initiatives

The Finance Minister allocated Rs 1950 crore for Production Link Initiative for the manufacture of high- efficiency modules with primary to fully integrated manufacturing units from poly silicon to solar PV modules. Calling the green economy a 'sunrise economy', she said 'the circular economy transition will help productivity enhancement and job creation.' She announced that the Government would introduce a policy for battery swapping. This would give a boost to the domestic EV industry especially on the public transport front as it would provide an affordable solution to the issue of charging anxiety. Having more EVs on the roads is an important part of the Government's plan to reduce carbon emissions from transport. It is pointed out that infrastructure is needed to make EVs mainstream and improve their use case especially in the public transport and goods delivery segments.

The FM further announced that unbalanced fuel shall attract an additional differential excise duty of Rs 2 per litre. Petrol not blended with ethanol will be costlier from October 2022. The blending of fuel is a priority of the Govt. The average blending ratio for petrol sold by State-run companies is currently 8% and is targeted to rise to 20% by 2025. However, it is observed that ethanol availability is not uniform and States far away from production centres are likely to have lower average blending ratios. Other initiatives in the Budget announced include: 5% to 7% biomass pellets will be co-fired in thermal power plants resulting in CO₂ savings of 38MMT annually. This will also help avoid stubble burning in the northern states. Additionally, energy efficiency and saving measures will be promoted. It may be states that the circular economy transition is expected to help in productivity enhancement in a sustainable manner. The action plans for ten sectors such as electronics waste, end of life vehicles, used oil waste and toxic and hazardous industrial waste are in pipeline. Further, pushing for a circular economy and expanded producer responsibility for ten sectors it provide opportunities for sustainability startups and ultimately help reduce India's carbon footprint. Experts, and large, have welcomed the FM's announcements on the transition to a low carbon economy. However, according to Centre for Science and Environment (CSE)'s assessment, coal gasification actually produces more carbon dioxide than a conventional coal-powered thermal power plant. Also, coal gasification plants are costlier than conventional power plants. Taking up R&D, recruitment of professional having domain knowledge, and provisioning of infrastructure is necessary where budget provisions need to be stepped up. (For instance, the budgetary allocations for CPCB have stagnated at Rs 100 crore for the last 4 years. CPCB is assigned the task of monitoring air and water quality and also checking polluting industrial or commercial units besides supporting SPCBS which carry out monitoring, permitting, and enforcing functions at the state levels). Closing down of coal-fired power plants not meeting prescribed standards was earlier announced by the FM, but Budget 2022-2023 didn't mention anything on the closure in Paris to generate 40% of India's power capacity from non-fossil fuel sources and create an additional 'carbon sink' of 2.5-3 billion tonnes of carbon dioxide equivalent by 2030.

According to Central Electricity Authority (CEA), as of 31 December 2021, the share of non-fossil sources in the installed capacity of electricity generation was 40.20%. The report of IFSR 2021, points out that forest cover has been increasing in India. However, the country has lost more than 1600 sq km of natural forests in this period. But some of the loss has been compensated by an improvement of the health in some of the protected areas and reserve forests while a large part of the increase is due to more areas coming from under the plantations which experts argue are no substitute for natural forests when it comes to providing critical ecological services. The reported loss of 1000 sq km of natural forests in

the northeastern States should cause concern. GIM has to be aggressively and effectively implemented throughout the States with quality planting materials. The research activities into restoring biodiversity, conserving landscapes, and preserving the natural balance biodiversity pan India will have to be encouraged.

References

1. Ministry of Finance, GOI, Annual Budget 22-23: Budget highlights
2. Ministry of Finance, Economic Survey, 2021-22
3. PIB, GOL, Salient features of Union Budget 2022-23.
4. Ministry of Environment, Forest and Climate Change, GOI, Annual Report, 2021
5. Esha Roy, Tracking NCAP: Marginal dip in pollution levels, Indian Express, 1/2/22
6. Team ET, Battery-Swap policy to push EV, Economic Times, 1/2/22
7. Team ET, Additional Excise Duty to promote ethanol blending. Economic Times, 1/2/22
8. Ministry of Environment, Forest and Climate Change, GOI, Indian Forest Survey Report, 2021
9. Amish Mehta, A Green Turn Towards Net Zero Target, Economic Times, 5/2/22
10. Laveesh Bhandari, We need wardens in our ecoparks. Economic Times, 4/2/22.