



Towards an Inclusive and Cohesive Low-Carbon Development (LCD) in Jharkhand

Under the Project

Building an Inclusive and Cohesive Public Climate Financing Framework

November 26, 2022, 10:30 am.-2:00 pm

Venue: Conference Hall, Hotel Le Lac Sarovar Portico, Ranchi

Concept Note

Background

The looming climate crisis facing India, coupled with the COVID-19 pandemic which has resulted in increased inequality in India, makes the need for adopting low-carbon strategy of development that also offers economic and social co-benefits, imperative. In this context, CBGA research work intends to demystifying the existing framework of public financing for climate change mitigation actions (such as Renewable Energy) by mapping government policies and financing mechanisms in various states and make suggestion for bringing cohesiveness in policies for accelerating climate finances. Our analysis for Jharkhand has identified the climate-relevant programmes and schemes and tracked the fiscal outlay by different departments in these states in the most recent years. It has also analysed the climate responsiveness of some of the existing social welfare schemes related to skilling and their potential for up-skilling the local population for job opportunities in the climate mitigation sector (such as, in clean energy). It also suggests for framework for using Climate Responsive Budgeting as a tool for mainstreaming climate concerns in state financing and make financing effective.

Relevance of continued public financing efforts for climate change mitigation actions (Renewable Energy) in Jharkhand

With an over-stressed economy, state government budgets declined across sectors including financing of those sectors with high contribution towards Greenhouse Gases (GHG) Emissions. For climate change mitigation a transition towards clean energy should be a major area of intervention, considering that it has the highest potential as climate change mitigation strategy, providing employment opportunities through industrial development and offering sustainable development. Amongst all sectors, the energy sector has been key contributor to GHG emissions in Jharkhand with a contribution of 85 per cent of its total emissions (in 2018). Despite this, the state is facing challenges in public financing for the sector. Jharkhand needs to achieve a quantum of its stipulated targets for renewable energy. Hence, Jharkhand's action for clean energy addition needs sustained

and cohesive public financing and policy directions. However, to set the economic growth trajectory towards a green growth the government not only needs to prioritize state financing for key sectors such as energy, but also needs to build a climate responsive budgeting process. Jharkhand is yet to start the green budgeting process in the State and should consider it for effective planning of public finances for climate change actions

Objective of the Roundtable

The Roundtable would aim to disseminate the findings from our research on demystifying the existing framework of public financing for climate change mitigation actions - clean energy financing in Jharkhand and its relevance for effective and cohesive public financing for climate actions. In CBGA's research study, several government policies and climate financing mechanisms in Jharkhand have been mapped, including those that bring in co-benefits, and suggestions have been made for bringing cohesiveness in policies for accelerating climate finance. The workshop would also be a platform to discuss the importance of Climate Responsive Budgeting as a tool for mainstreaming climate concerns in state financing and making financing effective.

Some Key Questions for the Discussion

In this context, the Roundtable discussion is an effort to initiate a dialogue on -

1. What are the challenges in leveraging financing for clean energy in Jharkhand and possible climate financing opportunities/ mechanisms which can be harnessed by the state?
2. How can climate financing be mainstreamed in the public financing planning in Jharkhand for delivering on Climate change actions through budgetary processes like green budgets?
3. How can climate financing bring co-benefits for the social sector in Jharkhand in terms of employment generation, reducing inequality , bringing inclusiveness etc. and what could be the possible framework for up-skilling for green jobs in Jharkhand?

Participants

- State Government Officials from Finance, Energy Department, Renewable Energy Development Agency, Environment, Forests and Climate Change, Social welfare, Skill Development Department
- Experts from academic institutions working on Public policy and public finance, climate change financing
- Experts from Public policy Think Tanks and Institutes working on climate change financing