The right financial and investment climate for renewable energy is a pre-requisite for achieving intended climate goals of the country. (200 words)

PM Modi laid out India's ambitious five pronged targets, Panchamrit pledge, which includes net zero emission by 2070 and 500 GW non-fossil based energy to name a few at COP-26 in Glasgow.
These targets will require a sustained and institutionalized financing if they are to be turned into reality.

Need for Climate financing

→ Developing nations, with their large populations living with low economic-social security cannot easily change their economic/energy structure on their own.

→ Heavy inflow of funds for R&D and innovation for climate change mitigating technologies.

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→ Morally, developed nations being responsible for anthropogenic climate change, must take the responsibility of financing developing nations for climate mitigating efforts, with the vision of common but differentiated responsibility as per the Kyoto protocol.

→ Taking India as a surrogate for developing nations →

i) India's energy needs will go up in future & most of it will be met with coal & oil.

i) Though potential for renewable energy is huge, it needs a sustained investment stream.

प्रश्न संख्या
(Question No.)

U.P.S.C.

इस भाग में कुछ न लिखें
(Don't write anything in this part)

Climate financing can be done in multiple ways →

- Green Investment Banks → 'crowds in' private investment in renewables
- Green Bonds → to finance projects
- Incentivized tax breaks for corporates investing in green technologies
- Transfer of technology by developed nations.
- Dedicated multilateral orgnizations & funds eg: Green Climate Fund, UNEP etc.

With the vision of miraculous recovery in the next few decades, climate finacing will become the central pillar around which the fruits of climate change mitigation will ripe.