

The Indian government needs to set up a Green Investment Trust to fund green infrastructure projects and look for an overseas green bond market for better quality of human life. Comment. (1)

Heightened climate awareness with teenager's 'fight for climate change', environmental activism, political bureau across the world are under increased pressure to show substantive action on the ground. Given the enormity of activity involved, 'Finance' has become the roadblock for surmounting the goals. In such a scenario Green bonds seem to offer incentive for sustainable development.

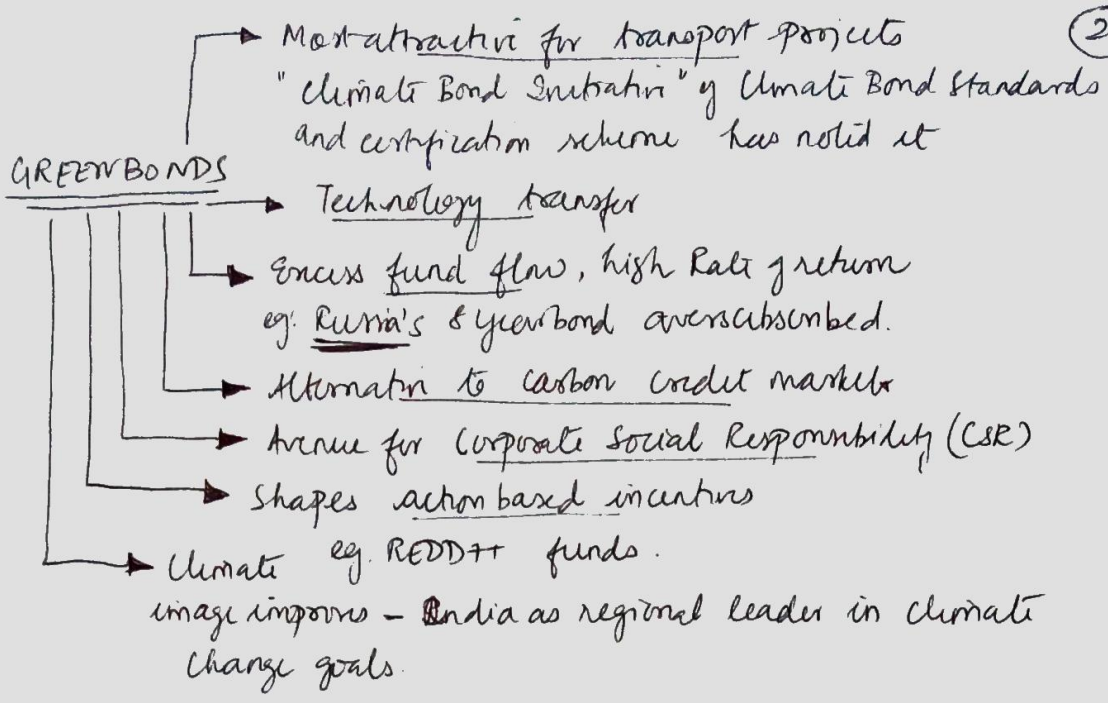
INDIA: CLIMATE GOALS and FINANCE CRUNCH

India's commitment towards Paris goal is enshrined through National Action Plan of climate change programmes encompassing all tiers of government.

- 1) Economic Survey 2019 points to \$200bn need for attaining renewable energy targets.
- 2) India's transport sector alone contributes 73% of total emissions, making it 3rd largest CO₂ emitter in world.
- 3) The proposed FAME, electric vehicle policy needs huge technology investments at affordable rate.
- 4) Extent of vulnerability and fiscal challenges deserves attention for private market.
- 5) Anti environmental stand by developed country emitters, lack of fund contribution to GEF, GCF etc, makes green bond alternative attractive investments.

GREEN BONDS & GREEN INVESTMENT TRUSTS

Indian Railway Finance Corporation (IRFC) has seen enormous fund through green bond market, to finance electrification of rails and energy-smart rakes. Such benefits are now tapped by Adani Green Energy at GIFT city to raise funds. The benefits of green bonds can be emulated as follows.



Awareness creation, channelising funds, implementation of green energy projects from the proceeds of green bond market can be channelized through Green Investment trusts.

India's call for renewable energy funds eg. ISA has gained traction worldwide, giving it a image of responsible power. This positive sentiments can bring enormous equity investments, which India is in dire need to tread a fine thread of sustainability, economic growth.