

Domestic market

Analyse the significance of domestic market for carbon permits at achieving the goals of INDC.

The CO_2 emission in atmosphere is increasing day-by-day and in order to combat climate change Paris conference, 2015 framed guidelines in order to reduce global temperature by 2°C - 2100 preferably 1.5°C .

Thus to attain this India should set the guidelines for domestic market capacity enrichment to attain goals of INDC.

India's - INDC targets:

1. Achieve 2.5 to 3 bn T additional forest cover by 2030.
2. Achieve 40% energy from renewable energy source from 2005 base level.
3. To reduce emission intensity of GDP by 33% .

Significance of domestic markets:

1. Reducing emission intensity:

1. India's huge manufacturing base has 4^{th} largest carbon footprint -

2. Thus by providing CO₂ trading policy to industries will benefit INDC.
 3. (e.g) Steel and aluminium industry requires power for melting which can be attained by giving renewable technology for automobile sectors and vice versa.
2. Attaining additional forest cover:
1. India has many industries in secondary and tertiary sector with 49% of employment.
 2. Thus CSR funds can be used in CAMPA management to attain forest cover.
 3. (e.g) Forest survey report suggest domestic fund funds to be rerouted towards forest cover.
3. Attaining Renewable energy source:
1. The CO₂ limit in emissions will target heavy industries towards market oriented clean energy production.
 2. (e.g) India's Transfer of Technology MOU with nations can pioneer in Indian CO₂ emission industry like textile and electronic sector.

Concerns and Challenges:

1. India should cope up with world competition on manufacturing through INDC which needs Transfer of technology.
2. Certain relaxation should be given to green industries to motivate towards renewable energy like tax benefits.