

**Statement made by Mr. A.R. Ghanashyam, Joint Secretary(UNES),
Ministry of External Affairs, Government of India during the
session on “Green Economy in the context of sustainable
development and poverty eradication”, 2nd PrepCom of Rio+20
7 March 2010, New York**

Mr. Chairman,

Thank you for giving me the floor.

India associates itself with the statement made by Argentina on behalf of the G-77.

It is now becoming increasingly clear that the concept of Green Economy is subsumed in the larger framework of sustainable development as defined by the Rio principles. There is also a convergence on the view that Green Economy should give equal focus to all the three pillars of sustainable development – economic, environment and social.

It is time for us to move from the ideal to the practical and from the maximum to the optimum in the journey towards developing the components of a road map for green global economy at the Rio 20.

For developing countries, poverty eradication and growth are overriding development priorities. Only when these priorities are taken into account will the idea of green economy become an effective driver of global growth.

We also believe that Green Economy to be effective and legitimate it must capture the underlying differences in the scale and scope of the economies of developed and developing countries. It must abide by the principle of common but differentiated responsibilities and respective capabilities and stand the test of scrutiny on the principle of equity.

Enabling mechanisms consisting of financial, technological and capacity building support are a must for developing countries to join the road to Green Economy. India concluded a successful India–LDC Conference last month in which we announced 5 scholarships per year to each LDC and a credit line of USD 500 million for projects and programmes specifically for LDCs. But we must recognize that south-south cooperation can supplement North–South cooperation but not substitute it.

We must also ensure that Green Economy does not lead to trade protectionism.

An important component of Green Economy debate must be to address unsustainable consumption, production and life style patterns. Without adequate focus on this critical issue, we would again be caught treating the symptoms rather than the cause.

Now coming to the questions or issues that you have raised:

Priorities for Green economy:

Conservation of water, renewable energy, protection of land from degradation and conversion of waste into energy are our high priorities.

Tax Policies:

Tax incentives to promote environment friendly investments have been effectively and regularly used by India in the past. The rapid growth of wind power and solar power in India owe a great deal to tax incentives.

Successful models of green economy:

While India has its own successful models of green economy, this is an area in which we would like to borrow from the best practices from everywhere else in the world. There are also areas in which we can share technologies and experience with other countries.

How should Businesses promote green economy:

The environmental responsibilities of business should be built-in in the principles of corporate governance and corporate social responsibility. This is indeed the case in India. Polluters must pay for the pollution they create. Otherwise, they are rejected by the society sooner than later.

Costs of transition to the green economy and how to finance them:

At the current juncture, the high cost of green technologies and low cost of brown technologies deter the deployment of green technologies. Introducing disincentives to environment unfriendly technologies and enhancing the demand for environment friendly goods will in our opinion and experience lead to better prospects for green economy. Innovative financing like imposing a burden on polluters to pay for investments in clean technologies is another useful instrument.

Conclusion

Several developing countries, including India, realise the value of following the green growth path. Mahatma Gandhi said long before the 1972 Stockholm Conference that mother nature has enough for every one's need but not for any one's greed. India's Mahatma Gandhi National Rural Guarantee Scheme, a Cash for Work programme is focussed on preservation and restoration of natural capital. About 84% of its investment goes into water conservation, irrigation and land development. India has also undertaken an ambitious Green India Mission to regenerate 10 million hectares of forests by 2020.

Our National Action Plan on Climate Change has 8 dedicated missions which place emphasis on energy efficiency, clean technology, renewable energy, public transport, resource efficiency and tax incentives, among other sustainable development tools.

It is our sincere hope that the Rio 20 Conference should be a mile stone towards sustainable development and not a mill stone around its neck. It is our understanding that if it tries to make Green Economy the norm and standard for a global development model which is target based and prescriptive, it may not be a workable option for developing countries who need policy space to follow their development priorities. We would recommend that the Green Economy framework be more of a direction and guidance for countries to follow the path of sustainability: it must be a voluntary programme of action. We see this approach as a practical way forward.

Thank You.

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