

CSD 14: Enhancing the contributions of the private sector and other stakeholders in addressing air pollution, atmospheric problems, combating climate change, and promoting industrial development:

Statement by the Indian delegation:

Mr. Chairman:

Since the advent of economic liberalization in the early 1990s, the Indian industrial sector has grown rapidly. The corporate sector has made significant investments in the energy supply sector, going beyond thermal power and petroleum, to include hydropower, wind and solar power, coal bed methane, and biodiesel.

In parallel with rapid but sequenced economic liberalization, the Government has taken several measures at increasing energy efficiency, and reducing pollution. The outcome has been increased efficiency in energy and overall resource use throughout the economy. Accordingly, the energy intensity of the economy has fallen steadily on an aggregate basis, from about 0.3 kgoe per \$ GDP at PPP in 1971 to less than 0.2 kgoe per \$ GDP at PPP in 2003.

In individual energy intensive sectors, reductions in energy use have been appreciable. For example, in 1990/91, the steel industry on average, consumed 9.29 Gigacalories per tonne of crude steel; by 2004/05, this had fallen to 7.28. In newer plants in the cement, aluminum, paper and pulp, and textiles sectors, the levels of energy efficiency compare well with levels in advanced industrial economies.

There are numerous examples of successful innovation in reducing energy use and pollution abatement by the corporate sector. For example, Tata International Ltd., has undertaken the conversion of chrome leather waste to biomass energy, reducing the generation of waste water, saving 127 tonnes of coal in a single factory annually, and recovering chromium for reuse, while ensuring financial viability. As another example, the DCM Shriram Consolidated Ltd., has developed an integrated industrial complex at Kota, Rajasthan, so designed that the waste generated by one unit is used as raw material in another. For example, a cement plant in the complex utilizes waste from the carbide plant.

A particular challenge is the small-scale industrial sector. I would mention an initiative by a NGO – The Energy and Resources Institute (TERI), in association with the Swedish Development Corporation (SDC). The initiative targeted foundries, glass works, brick kilns, and several units using biomass based fuels. Outcomes of this intervention include: development of 8 clean technology packages; enhancing awareness of energy efficiency and pollution abatement in several thousand small and micro enterprises throughout the country; and

replication, which is continuing, and now exceeds 300 units, with CO2 reductions estimated at 200,000 tonnes by 2008.

The renewable energy sector in India, currently has more than 300 manufacturers producing a great diversity of products, and a domestic market estimated at over US\$ 1 billion annually. Government policies, including budgetary support for demonstration projects, a legal framework for wheeling and banking of power, remunerative tariffs, capacity building activities, and education and information dissemination have supported the sector. Several Indian manufacturers now compete successfully in the global market, and one wind power company, Suzlon Ltd., is listed on NASDAQ.

A joint initiative of the Ministry of Environment & Forests and industry associations, is the Charter on Corporate Responsibility for Environmental Protection (CREP). The charter is a voluntary commitment for partnership and participatory action of concerned stakeholders, for improvement in environmental management in 17 categories of polluting industries. 8 Task Forces have been set up to facilitate implementation of the action plan, and these have undertaken site visits for peer assessment of adherence to the plan by individual units.

Last year, the ITC, a major private sector corporate, instituted an annual award for industries demonstrating strong commitment to sustainable development in all three aspects – economic performance, environmental management, and social responsibility, through a carefully structured, transparent evaluation process. Interestingly, the results show strong positive correlation between economic performance, environmental management, and beneficial interactions with local communities.

At the same time, community action has ensured that industries are held to account if they neglect community concerns. In numerous instances, the courts at all levels, including the Supreme Court, have intervened at the instance of local communities. The successful transformation of New Delhi's commuter bus services entirely to CNG, is due to intervention by the Supreme Court.

Mr Chairman: India's proactive implementation of the Clean Development Mechanism (CDM) is well known. Till April 2006, 295 CDM projects, all except a very few by Indian domestic industry, received host country approval. 43 of these projects have also been registered by the CDM Executive Board, and of these several are already generating CERs. India is also a Partner in the Asia-Pacific Partnership on Clean Energy and Climate, which is a voluntary partnership among 6 countries in Asia-Pacific, and focused on R&D in clean technologies, investment, and deployment. Indian industry is actively considering several specific proposals in the Action Plans being drawn up by 8 Task Forces.

Thank you, Mr. Chairman.