



WRI INDIA

INITIATIVE FOR
**Climate Action
Transparency**

WEBINAR:

POTENTIAL IMPACT OF CORPORATE CLIMATE ACTION IN INDIA

November 28, 2018 3:30pm IST

Non-State and Subnational Action Guidance Partners:



WORLD
RESOURCES
INSTITUTE

NEW
CLIMATE
INSTITUTE



THE CLIMATE GROUP

India Pilot Partner:



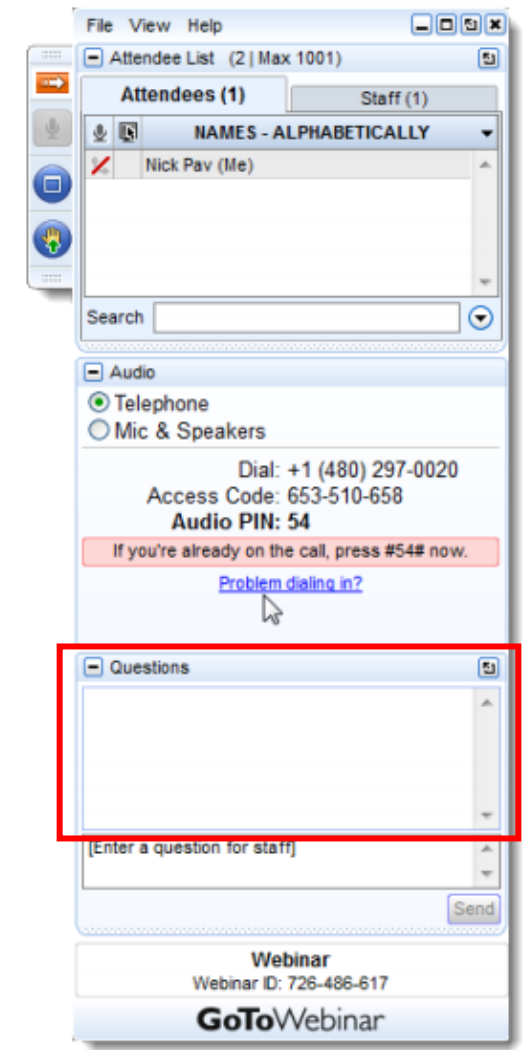
CONTENT

- Introduction
- Context: Non State and Subnational Action Guidance and India Pilot
- Initial Findings from India Pilot
- Panel Discussion on role and potential of corporate action in India
- Q&A

INTRODUCTION

Attendee Participation

- Join audio:
 - Choose “Mic & Speakers” to use VoIP
 - Choose “Telephone” and dial using the information provided
- Attendees remain in listen-only mode
- Please use the Questions pane to raise comments or questions during the webinar
- **Note:** Today’s presentation is being recorded and will be shared with registered participants



INTRODUCTION

Today's Presenters:

- Vivek Adhia, *Director - Business, Climate Program*, **WRI India**
- Atik Sheikh, *Associate Counsellor-Energy Efficiency & Climate Change*, **CII**

Today's Panellists:

- Damandeep Singh, *Director – India*, **CDP**
- Jarnail Singh, *India Director – The Climate Group*
- Ashwani Pahuja, *Chief Sustainability Officer & Executive Director – Dalmia Cement (Bharat) Ltd*

POLL



Overview of the initiative

VIVEK ADHIA, WRI INDIA

ABOUT THE PROGRAM

Tracking and Strengthening Climate Action (TASCA)

- Managed by WRI
- Aims to support governments to be able to:
 - transparently communicate progress toward their NDCs
 - meet international accounting and reporting requirements
 - account for their commitments
 - Identify additional abatement opportunities to support national dialogue on future commitments
- Currently work in five countries:
 - Colombia, Ethiopia, India, Indonesia, South Africa

Partnership on Transparency in the Paris Agreement

- Launched in May 2010
- Aim: promoting ambitious climate action through practical exchange on enhanced transparency and, by this, contributing to achieving the global temperature goal



ICAT NON-STATE AND SUBNATIONAL GUIDANCE

- Non-state and subnational impact on national emissions trajectories, targets, policies, often not yet fully considered by governments
- NewClimate Institute in collaboration with WRI, CDP and The Climate Group developed guidance through a multistakeholder process

Purpose

- Expected future impact of non-state and subnational mitigation action in a country



Download the guidance:

<https://climateactiontransparency.org/wp-content/uploads/2018/08/ICAT-Non-State-and-Subnational-Action-Guidance-July-2018.pdf>

ICAT NON-STATE AND SUBNATIONAL GUIDANCE

Scope and applicability

- Mitigation only
- All types of non-state and subnational commitments (e.g. absolute emission and intensity targets, renewable energy...) by all types of actors (e.g. by companies, cities, states, regions, international cooperative initiatives..)

Intended users

- Governments
- Donor agencies and financial institutions
- Businesses
- Research institutions and non-government organisations (NGOs)
- Stakeholders affected by policies and actions, such as local communities and civil society organizations



AGGREGATION OF NON-STATE ACTION IN INDIA

India Partner – Confederation of Indian Industry (CII)



Objective

- Assess the emission reduction impact from voluntary business commitments in India
- Provide feedback to improve the draft guidance

Initial Findings from India Pilot

ATIK SHEIKH, CII

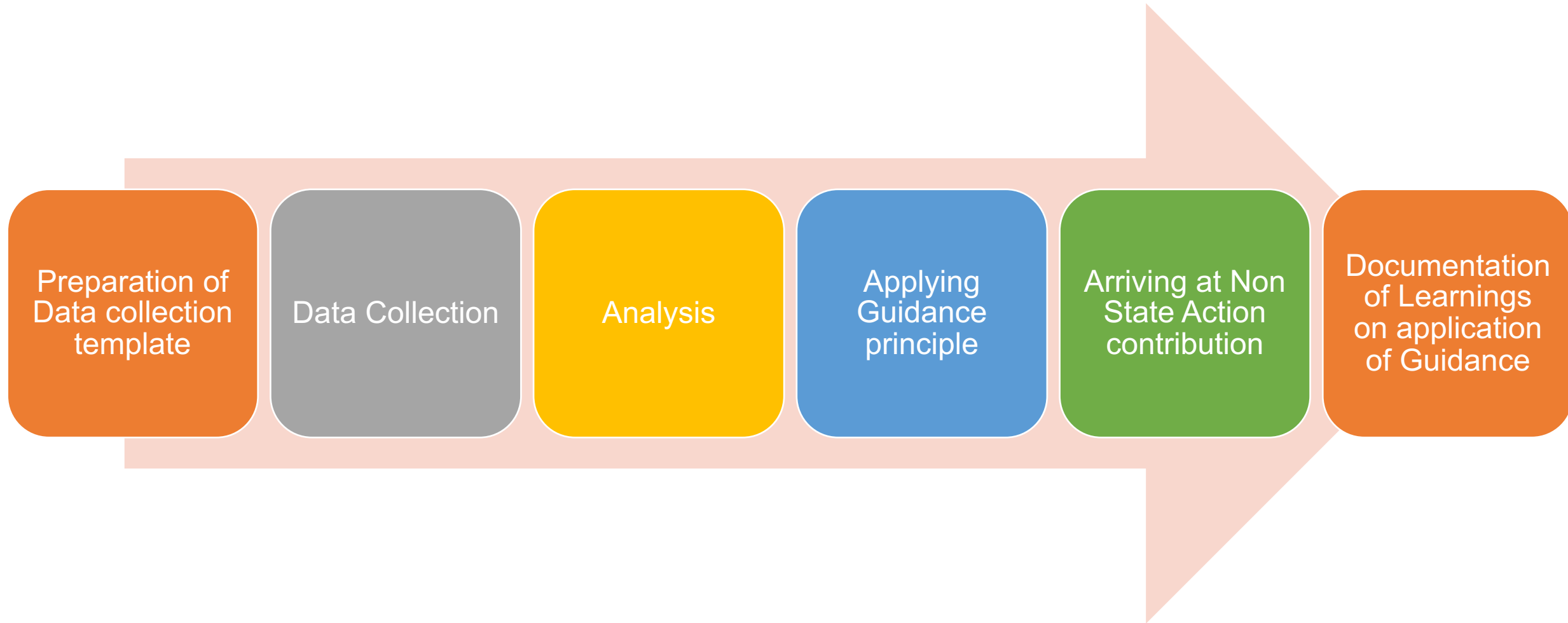
OBJECTIVE

To pilot the latest draft of ICAT Non State and Subnational action guidance in India to:

1. Assess the emission reduction impact from voluntary business commitments in India
2. Provide feedback to improve the draft guidance

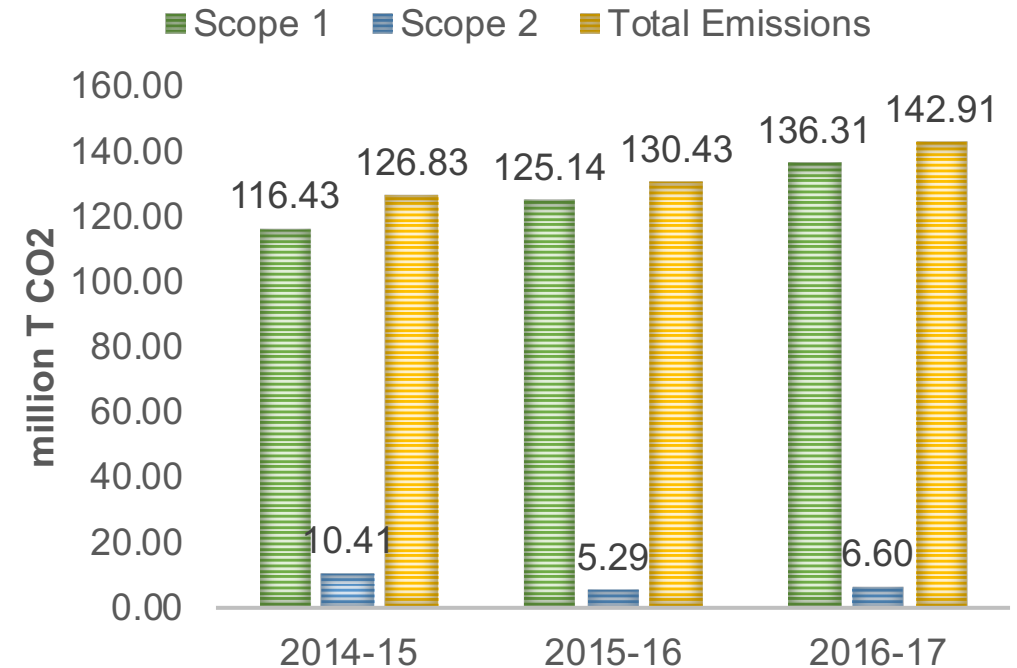
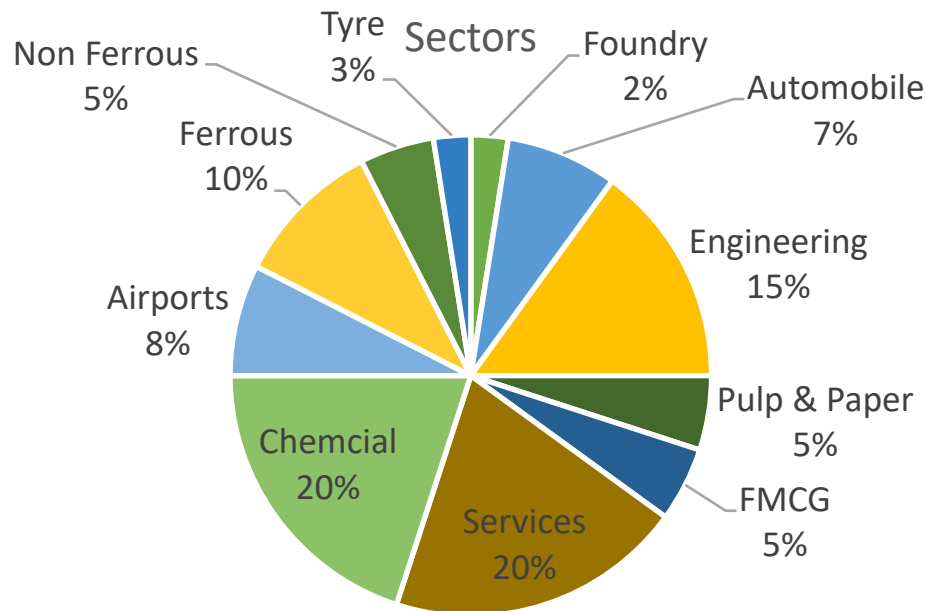


APPROACH



INDIA PILOT PROGRESS

- More than 50 Companies data collected
- Three years data – 2014-15, 2015-16 and 2016-17
 - GHG emissions, intensity, targets
- 95% companies have GHG reduction targets

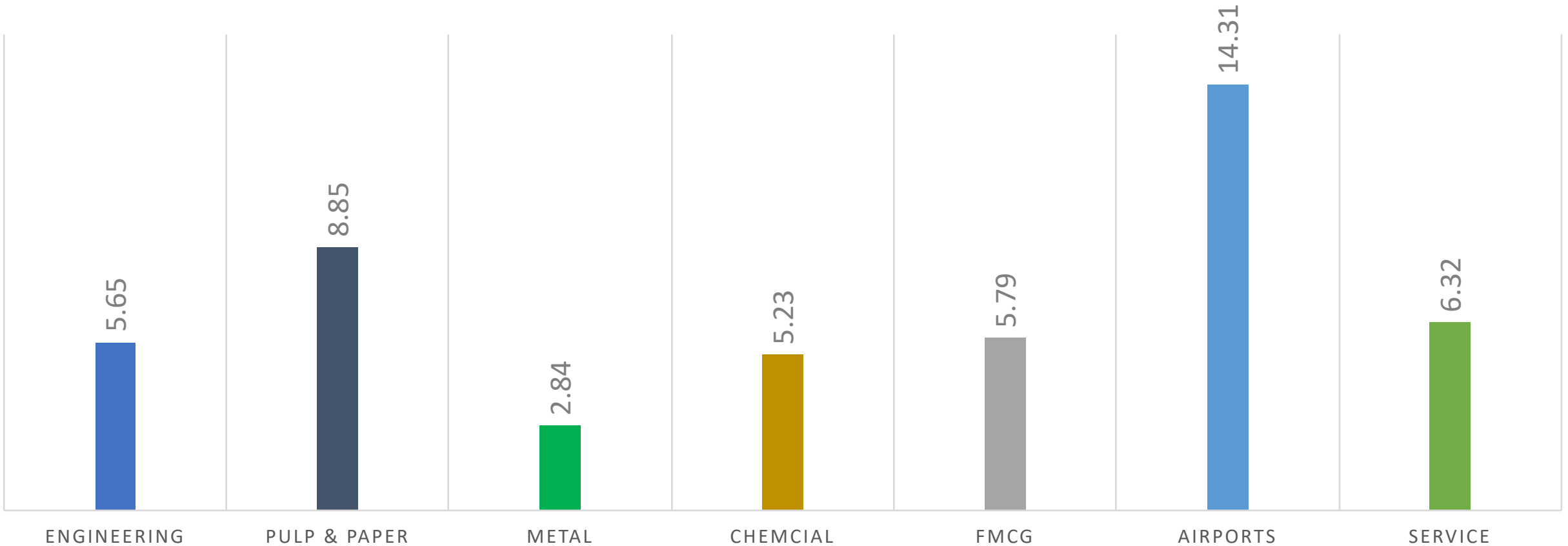


Total Scope 1 accounts for 28% of India's industrial sector emission¹

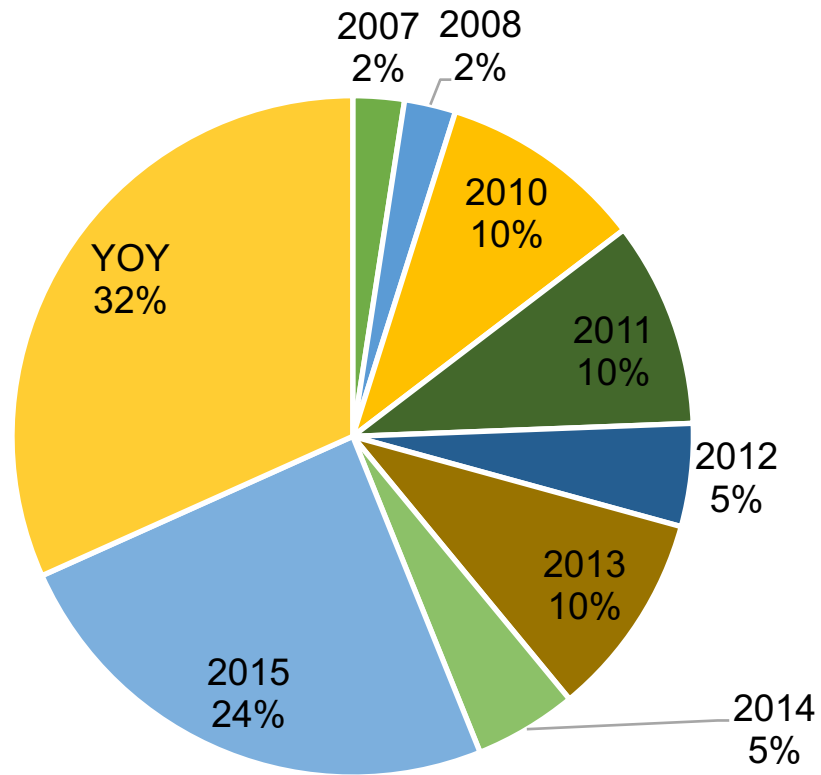
¹Based on India's first biennial update report –Emissions from manufacturing Industries – 300 million T CO₂ 171 million T CO₂ from Industrial Process and product use – Total 471 million T CO₂

GHG REDUCTION TRENDS & TARGET TYPES

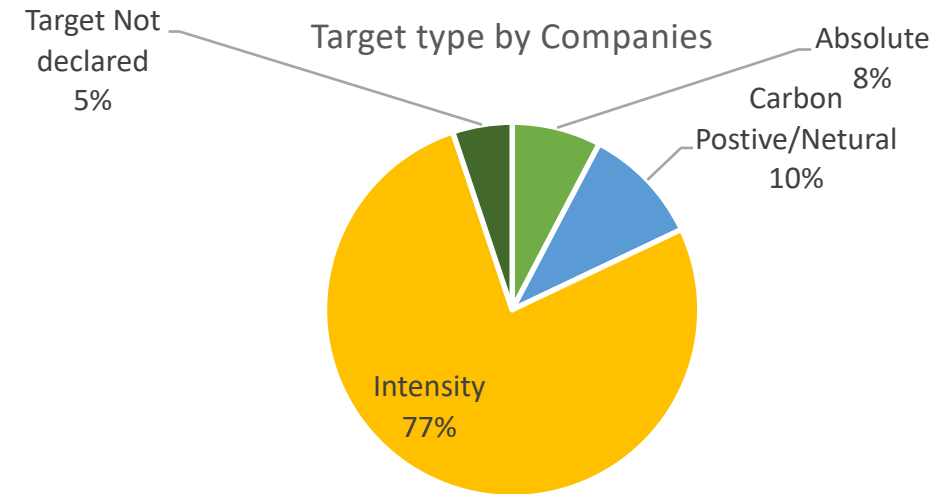
YEARLY AVERAGE REDUCTION IN INTENSITY (%)



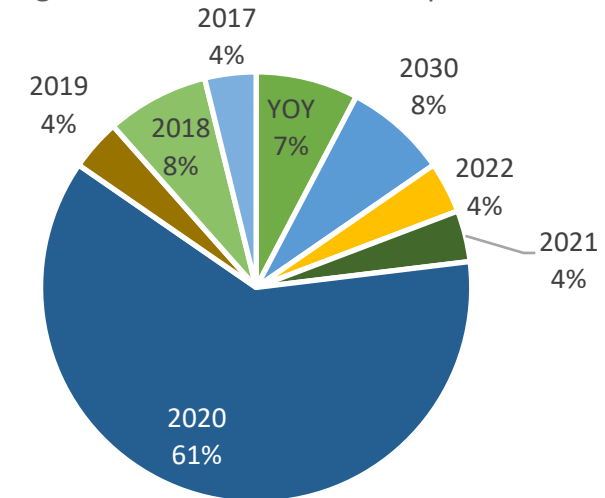
GHG REDUCTION TRENDS & TARGET TYPES



Baseline Year Distribution - Companies



Target Year Distribution - Companies



STEPS TO ASSESS NON-STATE ACTION

Country

Industrial Sector

Sector

Company

Collection of Company wise data on GHG emissions, target, projection, etc. and then aggregating it to sectoral level

Step 1 – Collection of GHG Emission Inventory Data – Emissions, intensity and targets

Emissions data for latest three years

Target data – Type, year and number

Step 2 – Collection of Production/Revenue data and projection till 2030

Option A – Projection based on sector growth

Option B – Based on growth rate in previous years

Step 3: Normalisation of Baseline and target based on baseline and target year

Step 4: Projection of Emission intensity till the target based on normalisation and assuming same intensity reduction level till 2030

Step 5: Estimating the GHG emission based on emission intensity and production level

KEY ASSUMPTIONS

Emissions Intensity/ Growth

- Company's own projections in BAU
- Company's production targets/growth goals
- Sectoral growth projections
- Company's past growth trend (3 Year Average)

Emission Intensity

- Emission intensity reduction beyond target period is assumed to be same as in previous years
 - Suppose a company has target of 20% reduction in 10 years by 2020, same is assumed till 2030

Emissions considered

- Scope 1 & Scope 2

Four Scenarios

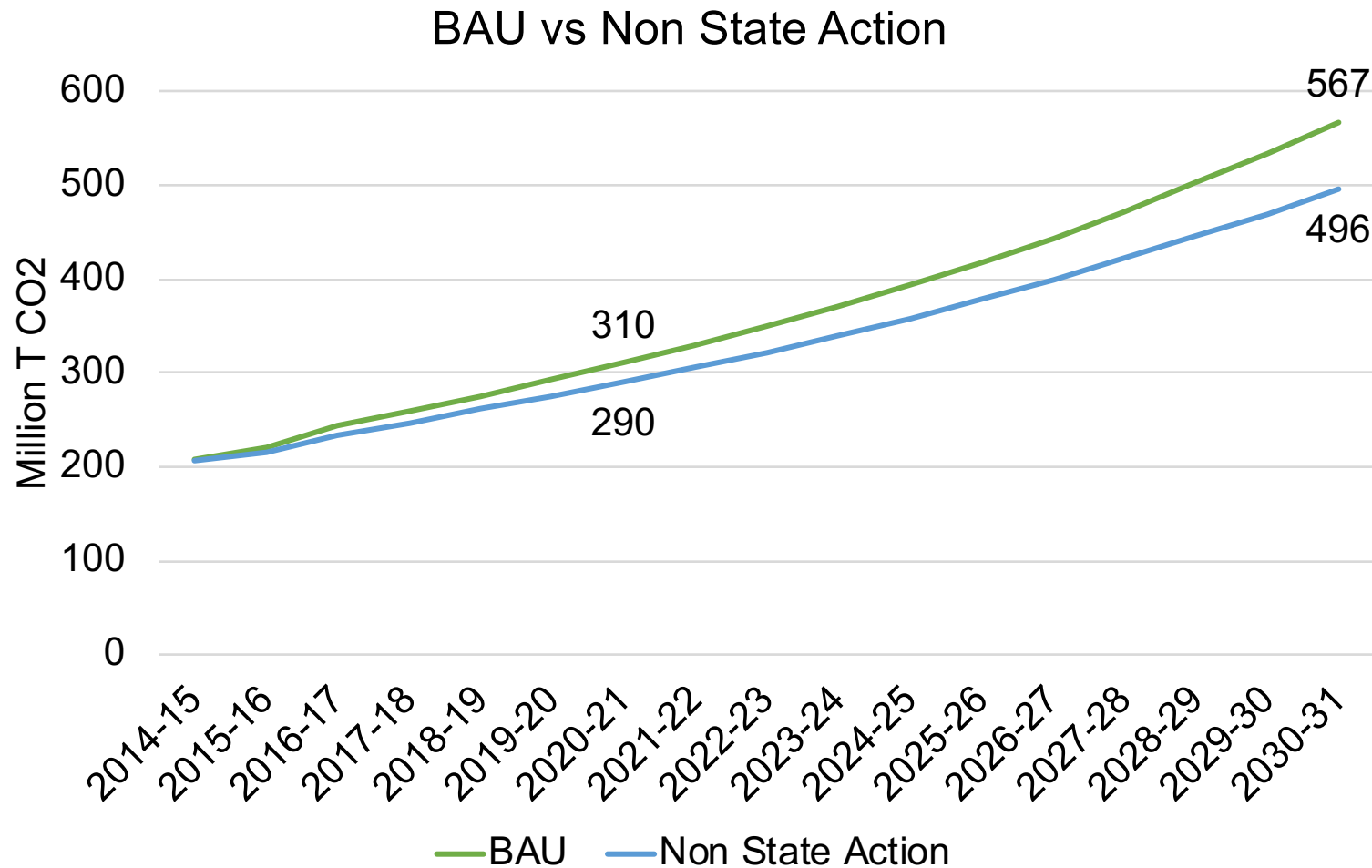
Likelihood of target achievement based on SEC and GHG emissions

- Business as Usual – Intensity reduction of 2.85% considered based on historical reduction of emission intensity of India from (1990-2014)* and PAT impact for applicable sectors
 1. Likely (100% target achieved of what companies have committed)
 2. Possible (75% target achieved of what companies have committed)
 3. Not Likely (25% target achieved of what companies have committed)

KEY STEPS

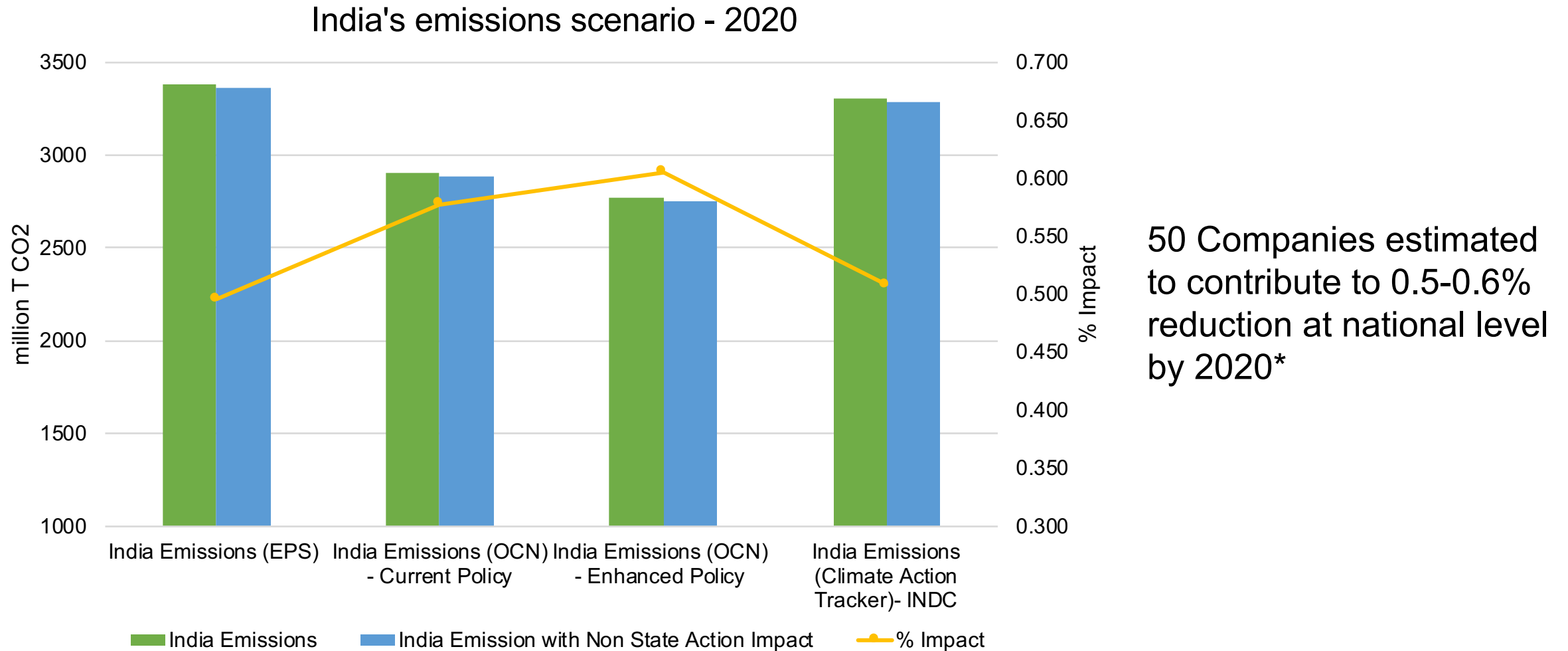
- Production/revenue for every year estimated and projected till 2030 (a)
- SEC for every year estimated and projected till 2030 (b)
- Arrived at GHG emissions – $(a \times b)$
- Three Scenarios
 - Action/Likely – $a \times b$
 - Possible – $a \times b \times 0.75$ (75% of target)
 - Not Likely – $a \times b \times 0.3$ (30% of target)

INITIAL RESULTS - AGGREGATED IMPACT



*Based on initial analysis

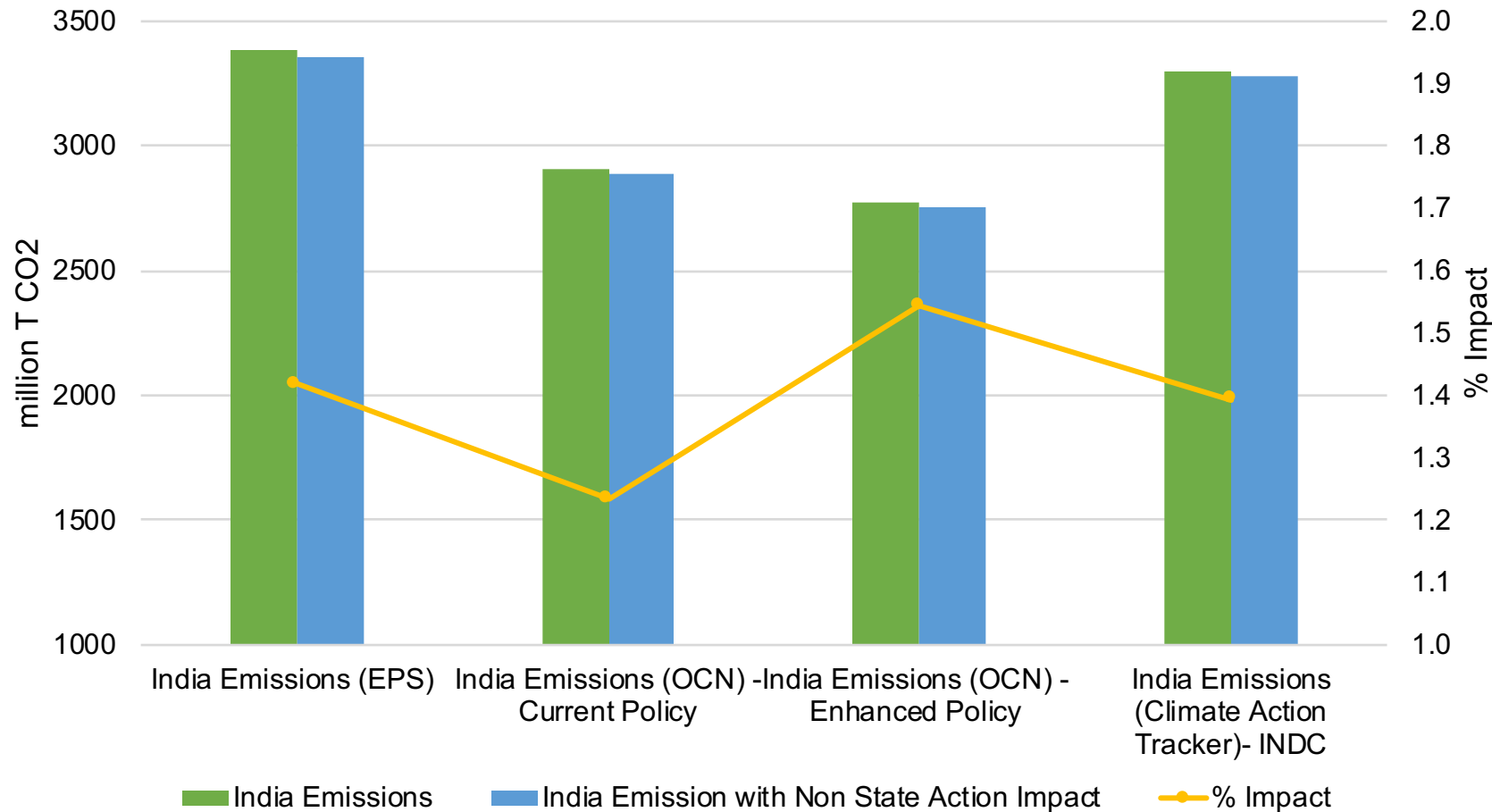
INITIAL RESULTS – NATIONAL COMPARISON



*Based on initial analysis

INITIAL RESULTS – NATIONAL COMPARISON

India's emissions scenario - 2030

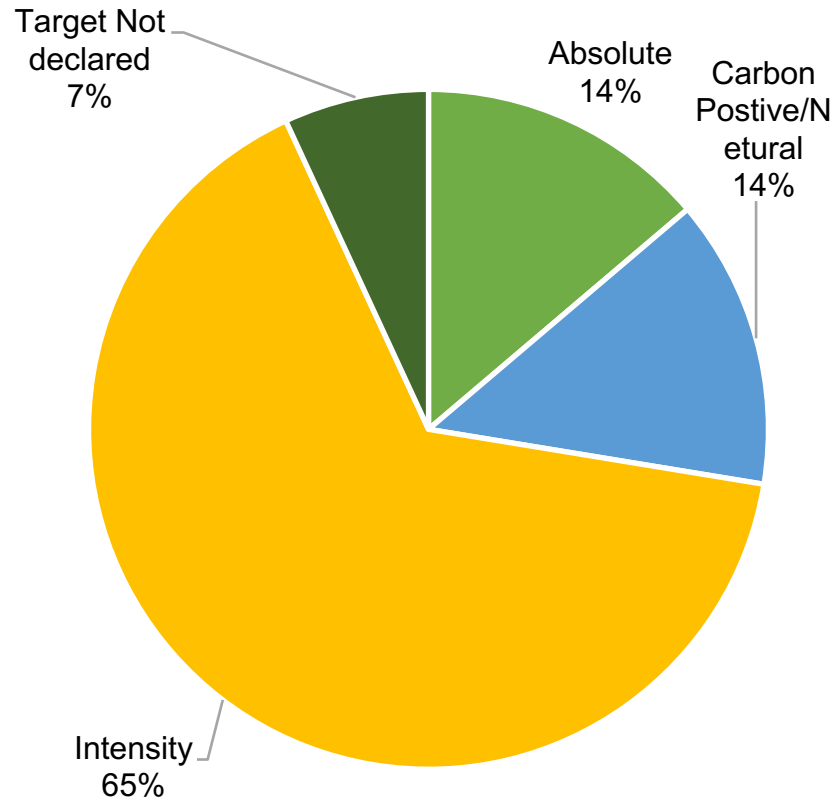


50 Companies estimated to contribute to 1.2-1.5% reduction at national level by 2030

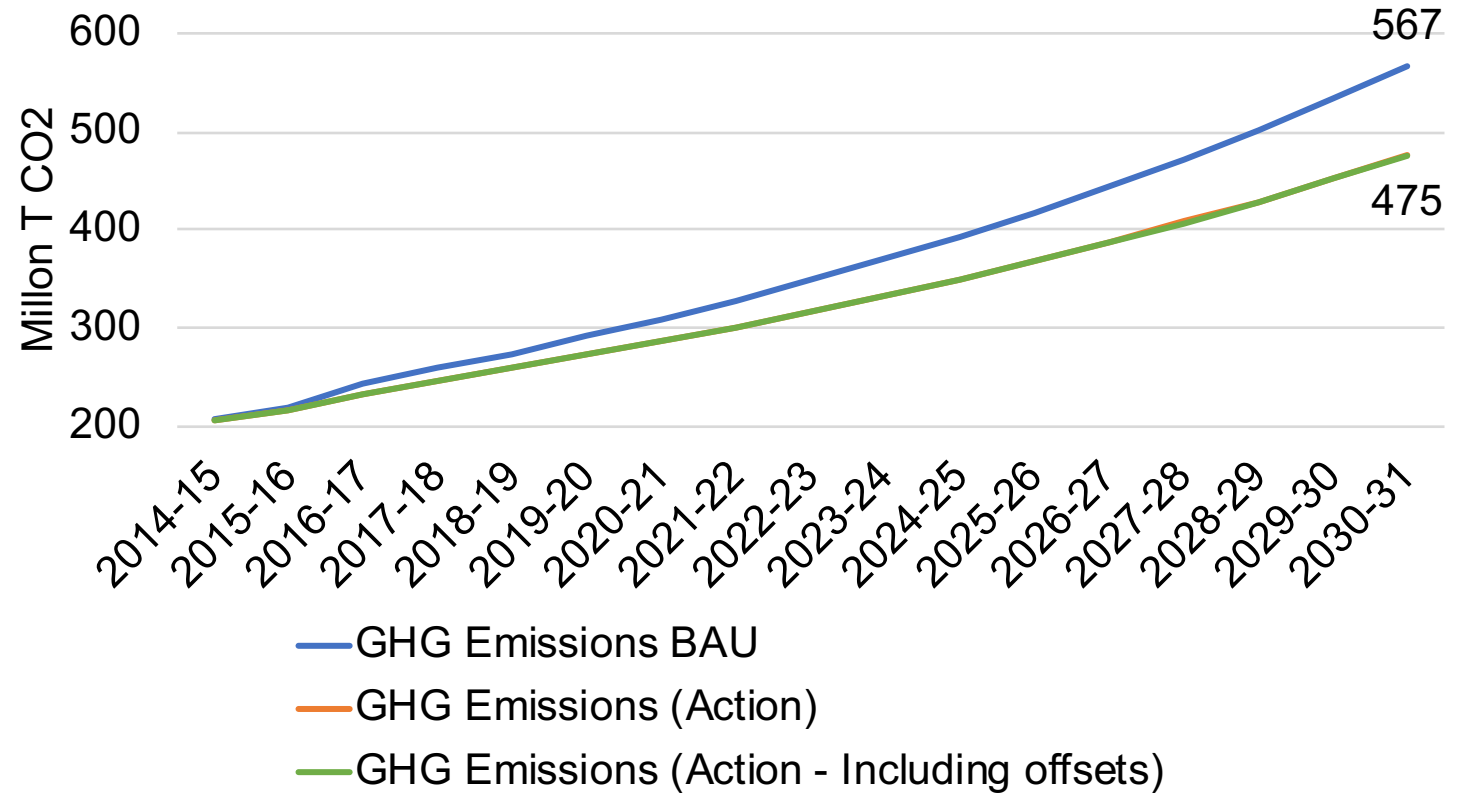
*Based on initial analysis

ADDITIONAL SCENARIO – OFFSET USE

Company Target Types



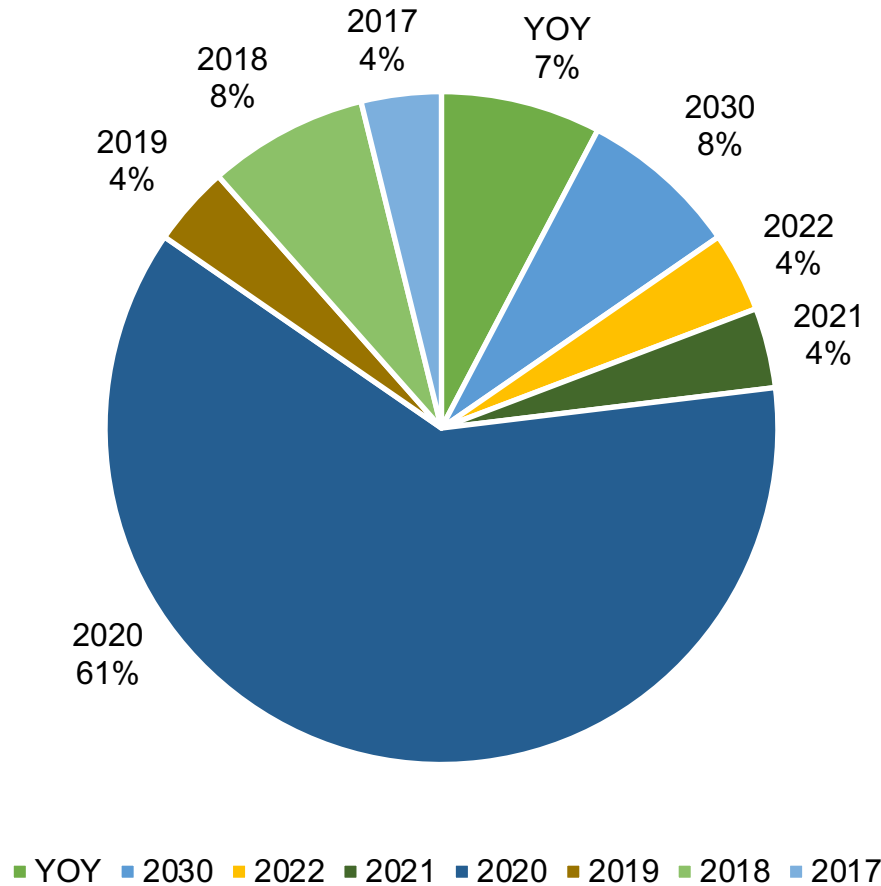
Scenarios for Non State Action



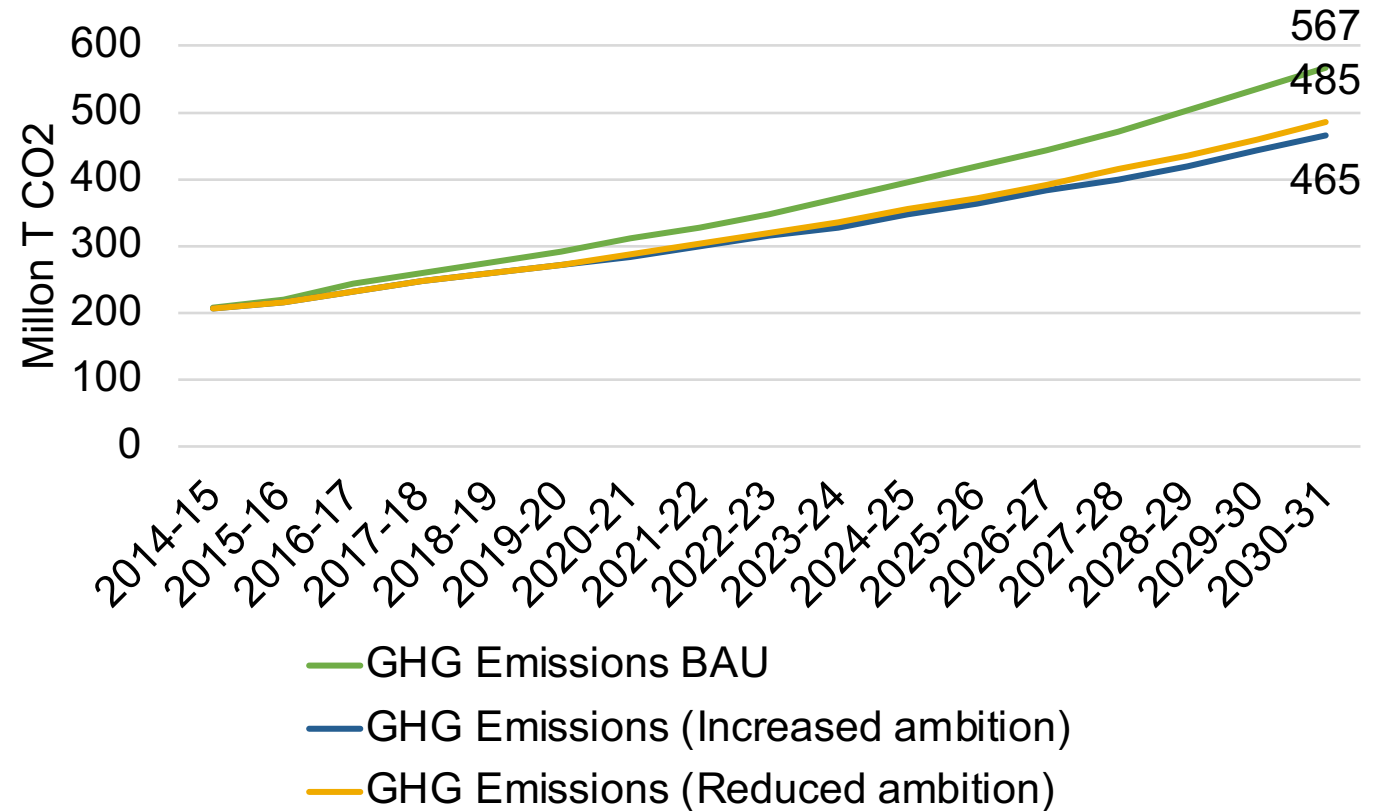
*Based on initial analysis

ADDITIONAL SCENARIO: AMBITION LEVEL

Target Year Distribution



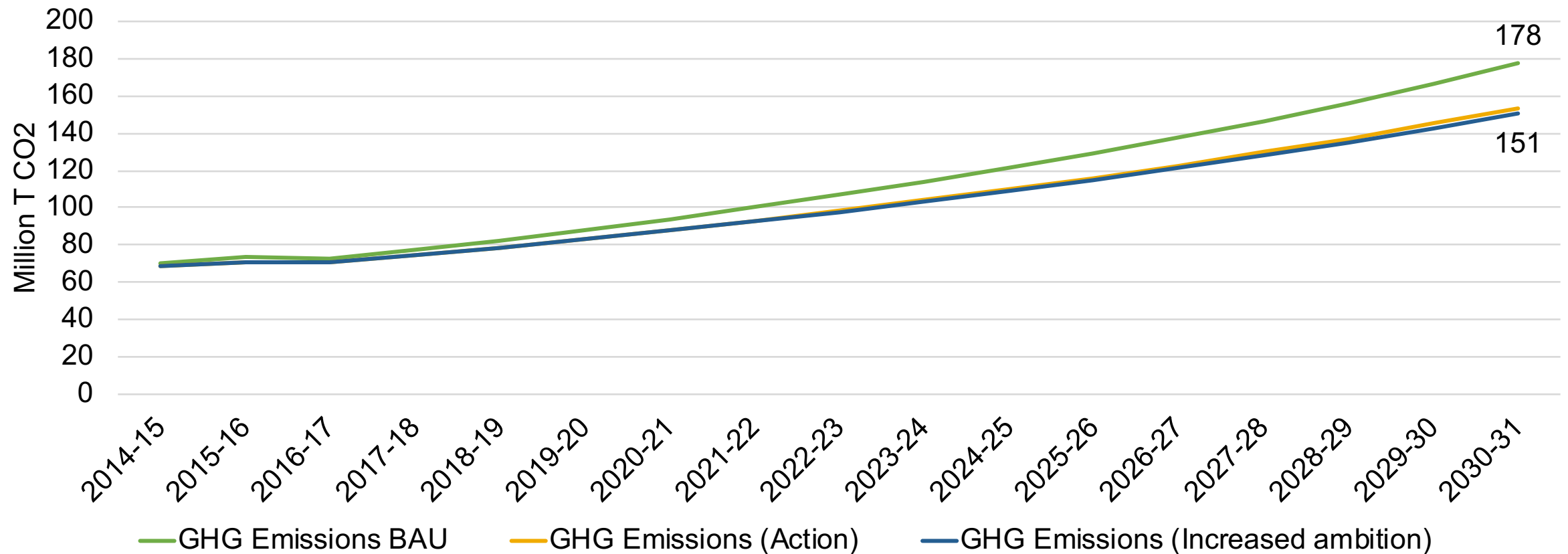
Scenarios for Non State Action



*Based on initial analysis

CEMENT SECTOR IMPACT

Scenarios for Non State Action



*Based on initial analysis

INSIGHTS FROM PILOT

- Actions and initiatives from companies analyzed, could lead to **6%* absolute reduction by 2020** relative to BAU scenario
- Continued action **until 2030 could lead to 12%* absolute reduction** relative to BAU scenario
- Companies associated with **sectoral initiatives** such as Cement Sustainability Initiative, World Steel Association, Airport Carbon Accreditation, etc. contributing higher to overall reduction estimations
- A larger share of reductions **driven by the most energy intensive industries** such as Iron & Steel, Aluminum, Pulp & Paper, etc.

*Based on initial analysis



CHALLENGES

- Heterogeneity of target types, baseline and target year
- Assumptions on continued action beyond 2020
- Policy impact of indirect measures such as tax incentives
- Uncertainty of BAU scenario
- Discrete Scope 1 and Scope 2 analysis

POSSIBLE APPLICATIONS

- Voluntary Initiatives – RE100, EP100, SBT, GreenCo etc.
- Assessing sectoral achievements – CSI, Steel, ACI, etc.
- Assessing Sub National Action – SAPCC, C40, etc.
- Initiatives Monitoring & Support
- And many others

Panel Discussion

The role and potential of corporate action in India

DAMANDEEP SINGH, CDP

JARNAIL SINGH, THE CLIMATE GROUP

ASHWANI PAHUJA, DALMIA CEMENT

Discussion

QUESTIONS?

POLL



THANK YOU

ATIK M SHEIKH



DAMANDEEP SINGH



JARNAIL SINGH

THE °CLIMATE GROUP

ASHWANI PAHUJA



This project is part of the International Climate Initiative (IKI). The German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) supports this initiative on the basis of a decision adopted by the German Bundestag.

On behalf of:



of the Federal Republic of Germany



Partnership on Transparency
in the Paris Agreement



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THANK YOU

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