



## EDITORIAL: THE HINDU

**GENERAL STUDIES 2: ENVIRONMENT**

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**TOPIC: Conservation**

### COP29 and Article 6.2 of the Paris Agreement

#### Key Highlights

- COP29 in Baku, Azerbaijan, is known as the "**Climate Finance COP.**"
- It focused on operationalizing **Article 6** of the Paris Agreement, which promotes **market-based mechanisms** for emissions reductions.
- **Article 6.2** allows countries to trade **Internationally Transferred Mitigation Outcomes (ITMOs)** to meet their **Nationally Determined Contributions (NDCs)**.
- Benefits include **financial support, technology exchange, and capacity building** for developing nations.

#### India and Article 6.2

- India, the **third-largest GHG emitter**, faces challenges in **balancing economic growth with climate commitments** due to financial constraints.
- India's NDCs include **reducing emissions intensity by 45% by 2030**.
- India has urged developed nations to mobilize **\$1 trillion annually** for climate finance.
- The **Carbon Credit Trading Scheme (CCTS)** launched in 2023 aims to integrate market mechanisms into national policy.

#### Opportunities for India

- India's prior experience with **CDM, VCM, ESCerts, and RECs** supports its engagement in carbon markets.
- India has identified **14 key activities** under Article 6.2, including:
  - **Renewable energy (RE)**
  - **Energy storage**
  - **Carbon Capture, Utilization, and Storage (CCUS)**
  - **Green hydrogen and sustainable aviation fuel**



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- **South-South cooperation:** India can lead climate finance efforts in **Africa and other developing nations**.
- **Foreign investment:** ITMOs can attract funds for green projects, like the **\$10 billion FDI** in India's RE sector in 2022.

## Challenges for India

- **Risk of developed nations outsourcing emissions reductions** to India instead of decarbonizing their own economies.
- **Opportunity cost:** ITMO transfers could limit India's own emission reduction efforts.
- **Governance issues:** Lack of transparency may lead to inefficiencies and inequitable benefit-sharing.

## Conclusion

- India must ensure **equitable ITMO agreements, safeguards for transparency, and alignment with national climate goals**.
- Partnerships with **developed nations and South-South cooperation** can help India access climate finance while supporting global sustainability efforts.

Source: <https://www.thehindu.com/opinion/lead/a-role-for-india-in-south-south-climate-cooperation/article69207885.ece#:~:text=The%20process%20not%20only%20supports,economy%20and%20reaching%20the%20Sustainable>