

Bill No. 41 of 2021

THE CLIMATE CHANGE (NET ZERO CARBON) BILL, 2021

By

SHRI JAYANT SINHA, M.P.

ARRANGEMENT OF CLAUSES

CHAPTER I

PRELIMINARY

CLAUSES

1. Short title, extent and commencement.
2. Definitions.

CHAPTER II

THE Climate Change COMMISSION

3. Establishment of Climate Change Commission.
4. Functions of the Commission.
5. Commission to act independently.
6. Reports of the Commission.
7. Laying and publication of Reports of the Commission, etc.

CHAPTER III

EMISSION REDUCTION 2050 TARGET

8. Target for 2050.
9. Review of inclusion of emissions from international shipping and aviation in 2050 target.
10. Other 2050 target reviews.
11. Recommendations to amend 2050 target.
12. Government to achieve 2050 target, etc.
13. Setting Emissions Budget.
14. Contents of Emissions Budget.
15. Commission to recommend on Emissions Budget.
16. Government's response to Commission.
17. Publication of emissions budgets in Gazette, etc.
18. Revision of emissions budgets.
19. Power to bank or borrow.

CLAUSES

20. Requirement for emissions reduction plan.
21. Commission to advise on emissions reduction plans.
22. Government to prepare and make emissions reduction plans publicly available.
23. Commission to monitor progress towards meeting emissions budgets.
24. Commission to report annually on results of monitoring.
25. Commission to report at end of emissions budget period.
26. Effect of failure to meet 2050 target and emissions budgets.
27. Guidance for Departments, etc.
28. National climate change risk assessment.
29. National adaptation plan.
30. National adaptation plan to be laid before each House of Parliament and made publicly available.
31. Progress reports on national adaptation plan.
32. Power to request information .
33. Regulations relating to requiring provision of information.

CHAPTER V

MISCELLANEOUS

34. Vacancies, etc., not to invalidate proceedings of Commission.
35. Power to remove difficulties.
36. Power of Central Government to make rules.
37. Rules and regulations to be laid before Parliament.

Bill No. 41 of 2021

THE CLIMATE CHANGE (NET ZERO CARBON) BILL, 2021

By

SHRI JAYANT SINHA, M.P.

A

BILL

to provide for a framework by which India may develop and implement clear and stable climate change policies that contribute to the global efforts under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels and allows India to prepare for, and adapt to, the effects of climate change and for matters connected therewith or incidental thereto.

WHEREAS India has made significant commitments in its Intended Nationally Determined Contribution (NDC) submitted to the United Nations Framework Convention on Climate Change (UNFCCC) in 2015 as part of the Paris Agreement;

AND WHEREAS India's headline Paris pledge was to reduce the emission intensity of its Gross Domestic Product (GHG emission per unit GDP) by 33-35% over 2005 levels by 2030;

AND WHEREAS the Paris Agreement is a legally binding international treaty on climate change; it was adopted by 196 Parties COP 21 (known as Conference of the Parties) in Paris, on 12 December 2015 and entered into force on 4 November 2016; its goal is to limit global warming to well below 2, preferably to 1.5 degree Celsius, compared to pre-industrial levels;

AND WHEREAS it is considered necessary to achieve this long-term temperature goal, countries aim to reach global peaking of greenhouse gas emissions as soon as possible to achieve a climate neutral world by mid-century.

BE it enacted by Parliament in the Seventy-second Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

Short title, extent and commencement.	<p>1. (1) This Act may be called the Climate Change (Net Zero Carbon) Act, 2021.</p> <p>(2) It extends to the whole of India.</p> <p>(3) It shall come into force on such date as the Central Government may, by notification in the official Gazette, appoint.</p>	5
Definitions.	<p>2. In this Act, unless the context otherwise requires, —</p> <p>(a) “2050 target” means reduction in net account emission of green house gases, other than biogenic methane, to zero by the calendar year beginning 1 January, 2050.</p> <p>(b) “biogenic methane” means all methane greenhouse gases produced from the agriculture and waste sectors (as reported in the India Greenhouse Gas Inventory);</p> <p>(c) “Commission” means the Climate Change Commission established under section 3;</p> <p>(d) “emission” means emissions of greenhouse gases;</p> <p>(e) “emissions budget” means the quantity of emissions permitted in each emissions budget period as a net amount of carbon dioxide equivalent;</p> <p>(f) “emissions budget period” means the five year period for the years 2022 to 2050, as specified under sub-section (3) of section 16 except for the period 2022 to 2025 which is a four year period;</p> <p>(g) “emissions reduction plan” means a plan for achieving an emissions budget prepared in accordance with sections 25 to 27;</p> <p>(h) “Fund” means the Environmental Relief Fund established under sub-section (3) of section 7A of the Public Liability Insurance Act, 1991;</p> <p>(i) “Government” means the Central Government;</p> <p>(j) “gross emissions” means India’s total emissions from the agriculture, energy, industrial processes and product use, and waste sectors (as reported in the India Greenhouse Gas Inventory);</p> <p>(k) “India Greenhouse Gas Inventory” means the annual inventory report under Article 4 of the United Nations Framework Convention on Climate Change;</p> <p>(l) “net accounting emissions” means the total of gross emissions and emissions from land use, land—use change and forestry (as reported in the India</p>	<p>10</p> <p>15</p> <p>20</p> <p>25</p> <p>6 of 1991</p> <p>30</p> <p>35</p>

Greenhouse Gas Inventory), except—

(a) removals, including from land use, land—use change, and forestry (as reported in the India Greenhouse Gas Inventory); and

(b) offshore mitigation

5 (m) “offshore mitigation” means emissions reductions and removals, or allowances from emissions trading schemes—

(i) that originate from outside India; and

(ii) that are expressed as a quantity of carbon dioxide equivalent; and

10 (iii) that are robustly accounted for to ensure that, among other things, double counting is avoided; and

(iv) that either represent an actual additional, measurable, and verifiable reduction or removal of an amount of carbon dioxide equivalent; or

(v) that are an emissions trading scheme allowance that triggers the reduction of carbon dioxide equivalent;

15 (n) “Paris Agreement” means the agreement adopted in Paris on 12 December 2015, and includes any amendments that are binding on India, from time to time;

18 of 2003 (o) “Peoples Biodiversity Register” means the Register as defined by the Biological Diversity Act, 2002;

20 (p) “removals” means in relation to a removal activity—

(i) carbon dioxide equivalent greenhouse gases that are, as a result of the removal activity, removed from the atmosphere; or

(ii) not released into the atmosphere; or

(iii) a reduction from emissions reported in—

25 (a) India’s annual inventory report under sub-section (2) of section 24; or

(b) any emissions report from India under a successor international agreement.

CHAPTER II

30 CLIMATE CHANGE COMMISSION

3. (1) With effect from such date as the Government may, by notification, appoint, there shall be established for the purposes of this Act a Commission to be known as the Climate Change Commission.

Establishment of the Climate Change Commission.

(2) The Commission shall consist of: —

35 **(a) A Chairperson, to be recommended by a panel comprising of the Prime Minister of India, the Leader of Opposition in the House of the People and the Chief Justice of India:**

Provided that in case of the post of Leader of Opposition in the Lok Sabha lying vacant, the Leader of the single largest party in the
40 **Opposition in the House of the People shall be included in the panel.**

(b) A Deputy Chairperson;

(c) not exceeding five members from indigenous communities and appointed as per the Peoples Biodiversity Register;

(d) not exceeding three specialists who have technical and professional skills, experience, expertise and innovative approaches, relevant to the environmental, ecological, social, economic and distributional effects of climate change and climate change policy intervention, to be appointed by the Government in such manner as may be prescribed:

Provided that at least one-fifth members of the Commission shall be women and at least two-fifth members shall belong to the Scheduled Castes and the Scheduled Tribes.

(3) The members, other than the Chairperson shall be recommended by a Nominating Committee to be constituted by the Government comprising the following members, namely:—

(a) the Chairperson of the Commission; and

(b) four or more persons who, in the opinion of the Government, have the relevant skills or experience to identify suitably qualified candidates:

Provided that if the post of Chairperson is lying vacant, the Nominating Committee shall comprise of five or more persons who, in the opinion of the Government, have the relevant skills or experience to identify suitably qualified candidates.

(4) The Nominating Committee constituted under sub-section (3) shall, —

(a) on request of the Government, nominate one or more person who, in its the opinion, are suitably qualified to be appointed to be members of the Commission;

(b) before nominating a person for appointment,—

(i) publicly call for expressions of interest in being appointed; and

(ii) consult any person or group who may have an interest in being a member of the Commission, including—

(a) those included in the Peoples Biodiversity Register; and

(b) any person or group that the Government has identified as having an interest.

(5) A member may resign from his office by giving notice in writing to the Government and on such resignation being accepted, he shall be deemed to have vacated his office.

(6) A person shall be disqualified from being nominated or appointed if he,—

(i) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude, or;

(ii) has been adjudged an insolvent, or;

(iii) is of unsound mind and stands so declared so by a competent court.

5 (7) The Government may in consultation with the Chief Justice of India and the Leader of Opposition in the House of the People, at any time, remove from office any member, after giving him a reasonable opportunity of being heard against the proposed removal if such member —

(i) has been adjudged an insolvent, or;

10 (ii) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude, or;

(iii) is of unsound mind and stands so declared so by a competent court, or;

15 (iv) has acquired such financial or other interest as is likely to affect prejudicially his functions as a minister, or

(v) has so abused his position as to render his continuance in office prejudicial to public interest.

20 **(8) The Government shall, provide such number of officers and other employees to the Commission as it may consider necessary for the purpose of effective implementation of the provisions of this Act.**

(9) The salary and allowances payable to and other terms and conditions of appointment of Chairperson, Deputy-Chairperson, members, officers and employees of the Commission shall be such as may be prescribed:

25 **Provided that in recommending the appointment of a member of the Commission, the Government shall recommend a term of office that ensures that not more than two members have their terms of office expire in any calendar year.**

4. (1) The Commission shall,—

Functions of the Commission.

30 (a) review the 2050 target and, if necessary, recommend changes to the target;

(b) provide independent, expert advice to the Government on mitigating climate change (including through reducing emissions of greenhouse gases) and adapting to the effects of climate change;

35 (c) monitor and review the Government's progress towards its emissions reduction and adaptation goals;

(d) advice the Government to enable the preparation of emissions budgets;

(e) recommend necessary amendments to emissions budgets;

(f) advise the Government about the quantity of emissions that may be banked or borrowed between 2 adjacent emissions budget periods;

(g) advise the Government to enable the preparation of an emissions reduction plan; 5

(h) monitor and report on progress towards meeting emissions budgets and the 2050 target;

(i) prepare national climate change risk assessments;

(j) prepare reports on the implementation of the national adaptation plan and other reports as may be requested by the Government; and 10

(k) undertake such other activities as may be assigned to it, from time to time, for carrying out the purposes of this Act.

(2) The Commission shall, while performing its functions under sub-section (1), consider, where relevant—

(a) current available scientific knowledge; 15

(b) existing technology and anticipated technological developments, including the costs and benefits of early adoption of these technologies in India;

(c) the likely economic effects;

(d) social, cultural, environmental, and ecological circumstances, including differences between sectors and regions; 20

(e) the distribution of benefits, costs, and risks between generations;

(f) responses to climate change taken or planned by parties to the Paris Agreement or to the Convention;

(g) proactive engagement with experts to perform its functions, duties, and exercise powers; 25

(h) participation by the public where it considers necessary;

(i) publishing and inviting submissions on discussion papers and draft reports; and

(j) undertake any other type of consultation that it considers necessary for the performance of its functions and duties under this Act. 30

Commission to act independently.

5. (1) The Commission shall act independently while performing its functions and duties and exercising its powers under this Act:

Provided that the Government may direct the Commission to have regard

to the Government policy including,—

(a) recommending unit supply settings of the India emissions trading scheme; and

5 (b) providing advice about India's nationally determined contributions under the Paris Agreement in the report requested under sub-section (1) of section 6.

6. (1) The Government may, at any time, direct the Commission to prepare reports on matters related to reducing emissions of greenhouse gases and adapting to the effects of climate change.

Reports of the Commission.

10 (2) The Government shall, while directing the commission under sub-section (1), specify the terms of reference for the report, including—

(a) the scope of the report;

(b) requirements concerning consultation;

15 (c) matters relating to the Commission working jointly with other agencies (including overseas agencies) concerned with the subject matter of the report; and

(d) the date by which the Commission shall submit its report to the Government.

(3) The Commission shall, on receiving directions from the Government under sub-section (1),—

20 (a) as soon as practicable, make the terms of reference publicly available;

(b) prepare a report in accordance with the terms of reference; and

(c) submit the report to the Government.

25 7. (1) The Government shall cause to be laid a copy of every document including advice, report, recommendations or an assessment, received from the Commission, as soon as may be, but not later than ten days of its receiving, before each House of Parliament.

Laying of documents received from Commission before Houses of Parliament.

CHAPTER III

EMISSION REDUCTION 2050 TARGET

30 8. (1) The Commission shall set the target for emissions reduction to be known as the 2050 target stating that net accounting emissions of greenhouse gases in a calendar year, other than biogenic methane, are zero by the calendar year beginning on 1 January 2050 and for each subsequent calendar year:

Target for 2050.

Provided that the emissions reductions that meet or exceed those required by the target, the 2050 target shall be deemed to have met the target.

35 (2) The Commission shall, in addition to the 2050 target set under sub-section (1), set the target for biogenic methane emissions after undertaking relevant research and consultation.

Review of inclusion of emissions from international shipping and aviation in 2050 target.

9. The Commission shall, as soon as practicable, recommend to the Government to amend target 2050, if necessary to include emissions from international shipping and aviation and, if so, the mechanism for amendment for such target.

Other 2050 target reviews.

10. (I) The Commission shall review the 2050 target and set an emissions budget for an emissions budget period beginning on or after 2036.

(2) The Commission shall submit a detailed report on outcome of any review, including any recommendations made in accordance with section 11.

Recommendations
to amend 2050
target.

11. (I) The Commission may, on the basis of review under section 10, recommend a change to —

(a) the time frame for achievement of the 2050 target or a part thereof; 10

(b) the levels of emission reductions required by the 2050 target or a part thereof;

(c) the greenhouse gases, emissions and removals to which the 2050 target or a part thereof applies; and

(d) the mechanism to meet the 2050 target or a part thereof including limits on removals and offshore mitigation. 15

(2) The Commission may consider the following factors while recommending any change to the 2050 target under sub-section (1) —

(i) global action in regard to reduction in emission;

(ii) scientific understanding of climate change; 20

(iii) India's economic or fiscal circumstances:

(iv) India's obligations under relevant international agreements;

(v) technological developments;

- (vi) distributional impacts;

(vii) equity implications including generational equity; 25

(viii) the principal risks and uncertainties associated with emissions reductions and removals; and

(ix) social, cultural, environmental and ecological circumstances.

Government to
achieve 2050 target.

12. (I) The Central Government and the State Government shall endeavour towards achieving 2050 target. 30

The Government shall, within twelve months after receiving a recommendation, inform the Commission in writing about reasons for departure, if any, from the

recommendation of the Commission.

(2) The Government shall, as soon as practicable, but not later than ten working days after it has informed to the Commission, upload the reasons on its website for information of the public.

5 **13. (1)** The Government shall set a series of emissions budgets, —

Setting emissions
budgets.

(a) to meet the 2050 target set under sub-section (1) of section 8;

(b) to contribute to the global efforts under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels; and

10 (c) to meet emissions budgets domestically; and

(d) to provide greater predictability for all those affected including households, businesses and investors, by giving advance information on the required emissions reductions and removals.

(2) Emissions budgets set under sub-section (1) shall,—

15 (a) from 31 December 2021, be three consecutive emissions budgets, one current and two prospective, in place at any one time;

(b) be notified in the Gazette under section 17 as follows:—

(i) for the emissions budget period from 2022 to 2025, by 31 December 2021;

20 (ii) for the emissions budget period from 2026 to 2030, by 31 December 2021;

(iii) for the emissions budget period from 2031 to 2035, by 31 December 2021;

25 (iv) for the emissions budget period from 2036 to 2040, by 31 December 2025;

(v) for the emissions budget period from 2041 to 2045, by 31 December 2030;

(vi) for the emissions budget period from 2046 to 2050, by 31 December 2035; and

30 (vii) for any subsequent emissions budget period, by 31 December not less than ten years before that emissions budget period commences.

(3) The Government shall ensure that the net accounting emissions do not exceed the emissions budget for the relevant emissions budget period.

Contents of
emissions budgets.

14. (1) Each emission budget set under sub-section (1) of section 13 shall state the total emissions that may be permitted for the relevant emissions budget period, expressed as a net quantity of carbon dioxide equivalent including greenhouse gases.

(2) Each emission budget set under sub-section (1) of section 13 shall, as far as possible, meet through domestic emissions reductions and domestic removals:

5

Provided that international emissions data may be used in setting emission budget if there has been a significant change of circumstance that affects, —

(a) the considerations on which the relevant emissions budget has been based; and

(b) the ability to meet the relevant emissions budget domestically.

10

Commission to
recommend on
emission budget.

15. (1) The Commission shall recommend to the Government on the following matters which are relevant to set an emission budget under sub-section (1) of section 13, namely:—

(a) the recommended quantity of emissions that may be permitted in each emissions budget period;

15

(b) the rules that may apply to measure progress towards meeting emissions budgets and the 2050 target;

(c) the mechanism to achieve emissions budgets and the 2050 target, including by pricing and policy methods;

(d) the proportions of an emissions budget that may be met by domestic emissions reductions and domestic removals;

20

(e) the amount by which emissions of each greenhouse gas shall be reduced to meet the relevant emissions budget and the 2050 target; and

(f) the appropriate limit on offshore mitigation that may be used to meet an emissions budget, and an explanation of the circumstances that justify the use of offshore mitigation.

25

(2) The Commission shall, while preparing the recommendations for the Government under sub-section (1), for meeting emissions budget and 2050 target, take into consideration the following factors:—

(a) the key opportunities for emissions reductions and removals in India;

30

(b) the principal risks and uncertainties associated with emissions reductions and removals;

(c) the emission and removal of greenhouse gases projected for the emissions budget period;

(d) a broad range of domestic and international scientific advice;

35

(e) existing technology and anticipated technological developments, including the costs and benefits of its early adoption in India;

(f) the need for emissions budgets that are ambitious but likely to be technically and economically achievable;

5 (g) the results of public consultation on an emissions budget;

(h) the likely impact of actions taken to achieve an emissions budget and the 2050 target, including on the ability to adapt to climate change;

(i) the distribution of those impacts across the regions and communities of India, and from generation to generation;

10 (j) economic circumstances and the likely impact of the Government's decision on taxation, public spending and public borrowing;

(k) the implications, or potential implications, of land—use change for communities;

15 (l) responses to climate change taken or planned by parties to the Paris Agreement or to the Convention; and

(m) India's relevant obligations under international agreements.

(3) The Commission shall, before recommending the Government on an emissions budget,—

20 (a) make the proposed recommendations publicly available and invite comments thereon; and

(b) allow adequate time and opportunity for any submissions to be received, heard and considered by the Commission.

(4) The Commission shall provide its advice to the Government in the case of,—

25 (a) the first three emissions budgets, at least six months before 31st December, 2021;

(b) all subsequent emissions budgets, at least twelve months before an emissions budget is notified under section 17 or at least fifteen months before, if a general election is to take place in that year.

30 **16. (1)** The Government shall, prior to setting an emissions budget under sub-section (1) of section 13, ensure that adequate consultation has taken place with all the stakeholders before making the proposed emissions budget publicly available.

Government's
response to
Commission.

35 (2) The Government shall, while setting and notifying an emissions budget under section 17 in accordance with the dates set out in sub-section (2) of section 13, provide reasons for departure, if any, from the commission's advice tendered under this Act.

Publication of
emissions budgets
in Gazette, etc.

17. (1) The Government shall, before an emissions budget is notified in the Gazette under sub-section (2) and laid before each House of Parliament, consult the representatives of each of the political parties represented in each House of Parliament.

(2) Every emissions budget finalised by the Government shall be—

- (a) notified in the Gazette, stating the date on which the emissions budget period commences and ends; 5
- (b) laid before each House of Parliament; and
- (c) made publicly available at the direction of the Government in such manner as may be prescribed.

Revision of
emissions budgets.

18. (1) The Commission may at any time, recommend that any emissions budgets notified under section 17 be revised if,— 10

(a) there have been methodological improvements to the way that emissions are measured and reported; or

(b) one or more significant changes have affected the considerations listed in sub-section (2) of section 15 on which an emissions budget has been based. 15

(2) The Commission may, at any time the 2050 target is revised, recommend that the relevant emissions budgets be revised to reflect the change in the 2050 target.

(3) An emissions budget notified under section 17 may be revised only if the Commission recommends the revision.

(4) The Government shall, on recommendations by the Commission, determine whether to revise an emissions budget, taking into account— 20

- (a) the matters set out in sub-section (2) of section 15; and
- (b) follow the procedure set out in sections 16 and 17:

Provided that the Government shall not revise an emissions budget,—

(i) after an emissions budget period has begun, unless the circumstances are exceptional; or 25

(ii) after the end of the emissions budget period to which it relates; or

(iii) in any way other than that required if any of the circumstances described in sub-section (1) or (2) apply.

(5) If the Government determines to revise an emissions budget, it shall present before each House of Parliament an explanation of the reasons for revising the original emissions budget, having regard to— 30

- (a) the matters specified in clauses (a) and (b) of sub-section(1); and
- (b) the prohibition on revising an emissions budget and any exceptional

circumstances that led to the Government's decision.

19. (1) If the total emissions in an emissions budget period are lower than the emissions budget for that period, the excess reduction may be carried forward and banked to the next emissions budget period:

Power to bank or borrow.

5 Provided that if the excess reduction has been carried forward and banked to the next emissions budget period under sub-section (1), the emissions budget for the next emissions budget period shall be increased by the amount carried forward.

 (2) If the total emissions in an emissions budget period are greater than the emissions budget for that emissions budget period, an amount from the next emissions
10 budget may be carried back and borrowed to the preceding emissions budget period:

 Provided that if the excess reduction has been carried back and borrowed to the preceding emissions budget period under sub-section (2), the emissions budget for the next emissions budget period shall be reduced by the amount carried back:

 Provided further that the amount carried back under sub-section (2) shall not
15 exceed one per cent. of the emissions budget for the next emissions budget period.

 (3) The Government shall decide whether to bank or borrow the emissions budget for the next emissions budget period under sub-sections (2) and (3) and determine the extent to which such banking or borrowing be permitted.

 (4) The Government shall, before taking a decision under sub-section (3), ensure
20 that the Commission in its report on an emissions budget period has recommended on the quantity of emissions that may be banked or borrowed between two adjacent emissions budget periods and considers such advice necessary.

20. (1) The Government shall prepare and make publicly available a plan setting out the policies and strategies for meeting the next emissions budget, including the
25 policies and strategies for meeting emissions budgets that have been notified under section 17 in accordance with the dates set out in sub-section (3) of section 15.

Requirement for emissions reduction plan.

 (2) The plan under sub-section (1) shall include—

 (a) sector specific policies to reduce emissions and increase removals;

 (b) a multi-sector strategy to meet emissions budgets and improve the ability
30 of those sectors to adapt to the effects of climate change; and

 (c) a strategy to mitigate the impacts that reducing emissions and increasing removals will have on employees and employers, regions, indigenous and wider communities, including the funding for any mitigation action; and

 (d) any other policies or strategies that the Government deems necessary.

35 (3) The plan under sub-section (1) shall be prepared and published—

 (a) after the relevant emissions budget has been notified under section 17; and

(b) before the commencement of the relevant emissions budget period.

Commission to advise on emissions reduction plan.

21. (1) The Commission shall, as soon as possible but not later than twenty-four months before the beginning of an emissions budget period, prepare and forward to the Government necessary emissions reduction plans for that emissions budget period.

5

(2) The Commission shall, while preparing its recommendations, take into consideration the provisions of sub-section (2) of section 15 as if it referred to preparing an emissions reduction plan.

Government to prepare and make emissions reduction plan publicly available.

22. (1) The Government shall, while preparing a plan and supporting policies and strategies for an emissions budget period,—

10

(a) consider the emissions reduction plans received from the Commission under section 21 for meeting emissions budgets; and

(b) ensure that the consultation has been adequate with sector representatives, affected communities and indigenous communities whether or not included in the Peoples Biodiversity Register,

15

(2) The Government shall, before the relevant emissions budget period commences, publish in the Gazette the plan, policies, and strategies.

(3) The Government may, at any time, amend the plan and supporting policies and strategies to adhere to the 2050 target—

(a) using the same process as required for preparing the plan; or

20

(b) in the case of a minor or technical change, without repeating the process used for preparing the plan.

(4) The Government shall,—

(a) make an emissions reduction plan publicly available twelve months before the commencement of a budget period; and

25

(b) cause to be laid a copy of each emissions reduction plan before each House of Parliament.

Commission to monitor progress towards meeting emissions budgets.

23.(1) The Commission shall regularly monitor and report on progress towards meeting an emissions budget and the 2050 target in accordance with sections 24 and 25.

30

(2) The Commission shall carry out its monitoring function in accordance with the rules referred to in clause (b) of sub-section (1) of section 15 which relates to measuring progress towards meeting emissions budgets and the 2050 target.

Commission to report annually on results of monitoring.

24. (1) The Commission shall prepare an annual report for the most recent year of the emissions budget period for which data is available including,—

35

(a) the latest projections for current and future emissions and removals; and

(b) an assessment of the adequacy of the emissions reduction plan and

progress in its implementation, including any new opportunities to reduce emissions.

(2) The Commission shall also prepare an India Greenhouse Gas Inventory for measuring emissions and removals.

5 (3) The Commission shall, not later than three months after the publication of an India Greenhouse Gas Inventory report, provide its annual report prepared under sub-section (1) to the Government.

(4) The Government shall, not later than three months after receiving the annual report under sub-section (3), cause to be laid before each House of Parliament and
10 make publicly available a report that—

(a) sets out the response of the Government to the report of the Commission and recommendations;

(b) describes the progress made in implementing the current emissions reduction plan; and

15 (c) proposes any amendments to that plan.

25. (1) The Commission shall, not later than two years after the end of an emissions budget period, prepare a report for the Government evaluating the progress made in that emissions budget period towards meeting the emissions budget in the next emissions budget period, including—

Commission to report at end of emissions budget period.

20 (a) an evaluation of how well the emissions reduction plan has contributed to that progress;

(b) recommendations on any banking and borrowing that would be appropriate; and

25 (c) an assessment of the amount of offshore mitigation required to meet the emissions budget for the period to which the report relates, subject to the limit proposed by the Commission under clause (e) of sub-section (1) of section 15.

(2) The response of the Government to the report of the Commission shall,—

30 (a) provide reasons for any failure to meet the relevant emissions budget and for any departures from the recommendations of the Commission; and

(b) be made publicly available in such manner as may be prescribed.

26. (1) The Commission shall, in case of failure under section 13 in meeting the 2050 target or the emissions budget target refer the case to the National Green Tribunal for fixing the responsibilities for failure.

Effect of failure to meet 2050 target and emissions budgets.

35 (2) The National Green Tribunal shall have powers to levy penalty of rupees one thousand crore on the Government, which shall be remitted to the Environmental Relief Fund established under sub-section (3) of section 7A of the Public Liability Insurance Act, 1991.
6 of 1991

(3) If the Commission fails to perform its functions under section 4, an appellant who may be any citizen of India as defined under Part II of the Constitution may approach the National Green Tribunal.

(4) Every appeal against the judgement or order of the National Green Tribunal under sub-section (2) shall lie with the Supreme Court of India. 5

Guidelines for departments, etc.

27. (1) The Government may issue guidelines for its departments on how to take the 2050 target or an emissions budget into account in the performance of their functions, powers, and duties.

(2) The Government shall, as soon as practicable after issuing the guidelines under sub-section (1), make it publicly available in such manner as may be prescribed. 10

(3) Any person or body may, in exercising or performing a public function, power or duty conferred on that person or body by or under law, take into account—

(a) the 2050 target; or

(b) an emissions budget; or

(c) an emissions reduction plan. 15

National climate change risk assessment.

28. (1) The Commission shall, undertake and prepare a national climate change risk assessment,—

(a) assess the risks to India's economy, society, environment and ecology from the current and future effects of climate change; and

(b) identify the most significant risks to India based on the nature of the risks, their severity and the need for coordinated steps to respond to those risks in the next six year period: 20

Provided that the first national climate change risk assessment shall be prepared including any evidence commissioned to support its preparation publicly available by the Government, not later than one year after the commencement of this Act: 25

Provided further that the first national climate change risk assessment shall be laid before each House of Parliament by the Government.

(2) The Commission shall, while undertaking a national climate change risk assessment, take into account the following:— 30

(a) economic, social, health, environmental, ecological, and cultural effects of climate change;

(b) the distribution of the effects of climate change across society, taking particular account of vulnerable groups or sectors;

(c) India's relevant obligations under international agreements; 35

(d) how the assessment aligns or links with any other relevant national risk assessments produced by Central Government entities;

(e) current effects and likely future effects of climate change;

(f) any information received as a result of requests made under section 34;

5 (g) scientific and technical advice;

(h) opportunities arising for India's economy, society, and environment as a result of the effects of climate change; and

(i) any other factor that it thinks is relevant or appropriate.

10 (3) The Commission shall, not later than six years after the date on which the latest national climate change risk assessment was made available on public domain, undertake the next national climate change risk assessment and make such assessment available on public domain.

15 (4) The Commission shall, while making a national climate change risk assessment publicly available in compliance with sub-section (3), make any evidence commissioned to support its preparation publicly available.

29. (1) The Government shall, in response to each national climate change risk assessment prepared under sub-section (1) of section 28, prepare a national adaptation plan for carrying out the purposes of this Act.

National
adaptation plan.

(2) A national adaptation plan prepared under sub-section (1) shall set out—

20 (a) the objectives of the Government for adapting to the effects of climate change;

(b) the strategies, policies, and proposals of the Government for meeting its objectives;

(c) the time frames for implementing the strategies, policies and proposals;

25 (d) how the matters in clauses (a) to (c) address the most significant risks identified in the most recent national climate change risk assessment;

(e) the measures and indicators that may enable regular monitoring of and reporting on the implementation of the strategies, policies and proposals; and

(f) any other matter that the Government considers relevant.

30 (3) The Government shall, while preparing a national adaptation plan under sub-section (1), take into account the following:—

(a) economic, social, health, environmental, ecological, and cultural effects of climate change, including effects on indigenous communities whether or not included in the Peoples Biodiversity Register;

35 (b) the distribution of the effects of climate change across society, taking

particular account of vulnerable groups or sectors:

(c) India's relevant obligations under international agreements;

(d) any information received as a result of requests made under section 32;

(e) any relevant advice or reports received from the Commission;

(f) the ability of communities or organisations to undertake adaptation action, including how any action may be funded; 5

(g) scientific and technical advice; and

(h) any other matter that the Government thinks are relevant or appropriate.

(4) The Government shall, while preparing a national adaptation plan under sub-section (1), undertake public consultation on the draft plan in such manner as may be prescribed. 10

National adaptation plan to be laid before each House of Parliament and made publicly available.

30. The Government shall, not later than two years after the date on which the most recent national climate change risk assessment is made available on public domain, cause such national adaptation plan to be laid before each House of Parliament and make it publicly available in such manner as may be prescribed: 15

Provided that the Government may make minor or technical changes to a national adaptation plan and make any new version available on public domain, but need not cause new version of national adaptation plan to be laid before each House of Parliament.

Progress reports on national adaptation plan.

31. (1) The Commission shall, for each national adaptation plan under sub-section (1) of section 29, provide the Government with a progress report that evaluates the implementation of the adaptation plan and its effectiveness,— 20

(a) two years after the adaptation plan is made available on public domain;

(b) four years after the adaptation plan is made available on public domain; and 25

(c) six years after the adaptation plan is made available on public domain.

(2) Each progress report under sub-section (1) shall include—

(a) an assessment of the progress made towards implementing the strategies, policies, and proposals included in the plan;

(b) an assessment of the degree to which the objectives of the plan have been achieved and how well the plan responds to the most significant risks posed by climate change; 30

(c) an identification of any known barriers to the implementation and effectiveness of the current plan, including recommendations for how those barriers might be addressed or overcome in future; and 35

(d) any other relevant matters required to support the report.

(3) The Government shall, not later than six months after the date on which the Government receives a progress report under sub-section (2),—

(a) respond in writing to the progress report; and

5 (b) to be laid before each House of Parliament and make it publicly available in such manner as may be prescribed.

32. (1) The Government or the Commission shall, as the case may be, request a reporting organisation in writing to provide all or any of the following information:—

Power to request information.

10 (a) a description of the governance of the organisation in relation to the risks of, and opportunities arising from climate change;

(b) a description of the actual and potential effects of the risks and opportunities on the business, strategy and financial planning of the organisation;

(c) a description of the processes that the organisation uses to identify, assess, and manage the risks;

15 (d) a description of the metrics and targets used to assess and manage the risks and opportunities, including, if relevant, timeframes and progress; and

(e) any matters specified in regulations.

(2) It shall be the responsibility of the reporting organisation to comply with the request made under sub-section (1).

20 (3) The Government shall, as soon as practicable, provide the Commission with a copy of any information received in response to a request made by the Government.

(4) The Commission shall, as soon as practicable, provide the Government with a copy of any information received in response to a request made by the Commission.

25 (5) The Government and the Commission shall not publicly disclose any information received except those in public domain in response to a request, unless disclosure of the information is necessary to enable the Government or the Commission to perform a function or duty imposed by this Part, as the case may be:

30 Provided that before publicly disclosing any information received in response to a request, the Government or Commission shall consult with the person to whom the information relates, as the case may be.

22 of 2005 (6) Notwithstanding anything contained in this section, disclosure of information by the Government or the Commission shall be subject to relevant provisions of the Right to Information Act, 2005, as the case may be.

35 *Explanation.*— For the purposes of this section and section 33, the following shall be the reporting organisations:—

(a) the State, as defined under article 12 of the Constitution;

(b) a body which is an agency of the State whereby State is defined as per article 12 of the Constitution; and

(c) Public Sector Undertakings, as defined in sub-section (45) of section 2 of the Companies Act, 2013.

5 18 of 2013

Regulations
relating to
requiring
provision of
information.

33. (1) The Government may make regulations specifying all or any of the following:—

(a) requirements that relate to information that is provided in response to a request under sub-section (1) of section 32, including different requirements for different sectors, classes of activity, or geographical areas;

10

(b) a date by which or time within which requested information must be provided;

(c) ongoing or recurring reporting requirements including requiring the provision of further information at regular intervals following a request;

(d) any administrative matters relating to responses and requests.

15

(2) The Government shall, while preparing the regulations, consider:—

(a) the ability to tailor a request to reflect the size and capability of the reporting organisation;

(b) the potential extent and significance of climate change effects on the functions of the reporting organisation; and

20

(c) the avoidance of unnecessary duplication of information provided within existing reporting frameworks.

(3) The Government shall, before recommending the making of the regulations, consult the Commission and the reporting organisations that the Government considers may be affected by the proposed regulations.

25

CHAPTER IV

MISCELLANEOUS

Vacancies, etc.,
not to invalidate
proceedings of
Commission.

34. No act or proceedings of the Commission shall be invalid merely by reason of: —

(a) any vacancy in, or any defect in the constitution of, the Commission; or

30

(b) any defect in the appointment of a person acting as a member of the Commission; or

(c) any irregularity in the procedure of the Commission not affecting the merits of the case.

35. (1) If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act, as may appear it to be necessary or expedient for removing the difficulty:

Power to remove difficulties.

5 Provided that no order shall be made under this section after the expiry of three years from the date of commencement of this Act.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

10 **36.** (1) The Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.

Power of Government to make rules.

(2) In particular, and without prejudice to the foregoing power, such rules may provide for all or any of the following matters, namely: —

15 (a) the time and place of the meetings of the Commission and the procedure to be followed at such meetings under sub-section (1) of section 3 and the expenditure incurred on such meetings;

(b) the qualifications and experience of those whose names are to be recommended for appointment as Chairperson to the panel under clause (a) sub-section (3) of section 3;

20 (c) the procedure for giving effect to clause (b) of sub-section (3) of section 3 by the Nominating Committee under sub-section (4) of section 3;

(d) the qualifications and experience of the officers and other employees of the Commission in the field of climate change or such other field under sub-section (9) of section 3;

25 (e) the functions, powers, and terms and conditions of service of officers and other employees of the Commission under sub-section (9) of section 3; and

(f) any other matter which is to be or may be, prescribed or in respect of which provision is to be made by the Government by rules.

30 **37.** Every rule and every regulation made by the Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both the Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall
35 thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

Rules and regulations to be laid before Parliament.

STATEMENT OF OBJECTS AND REASONS

For the world in the 21st century, ‘Climate Change’ will be the zeitgeist that will continue to define life on the planet well beyond mere decades. Every single aspect of human existence will be defined by how countries react to climate change. Shifting climatic conditions can have catastrophic consequences on food production and food security; rising sea levels can jeopardize the very existence of coastal habitats, and geo-political considerations will also be hued by climate change and the policies surrounding it. The impact of climate change will thus be drastic and unprecedented in both scale as well as type.

Green House Gases (GHGs) are naturally occurring gases in the atmosphere and essential to the survival of life on the planet. They keep back some of the Sun’s heat and warm the temperature, aid plants in photosynthesis, and thus make the Earth livable. However, anthropogenic activities over centuries have inflated the amount of GHGs leading to global warming. It is a well-established scientific fact that the concentration of GHGs in the atmosphere is directly linked to the average global temperature on Earth, and that both of these have been steadily rising since the Industrial Revolution. Carbon dioxide which accounts for two-third of GHG emissions is largely the product of burning fossil fuels.

The fifth assessment report of the United Nations Intergovernmental Panel on Climate Change (IPCC) found that between 1880-2012, the average global temperature increased by 0.85°C. At the current rate of emissions of GHGs, the global mean temperature will continue to rise beyond pre-industrial levels by the turn of the century. The world’s oceans will warm and the polar ice will continue to melt leading to irreversible damage and devastating consequences.

In 2018, a special report of the IPCC highlighted that drastic and immediate steps would be essential to ensure that global warming does not increase beyond 1.5°C above the pre-industrial level. While certain aspects of climate change will have become irreversible even then, yet a 1.5°C increase compared to even a 2°C increase would have clear benefits to people and the natural ecosystem. This would require ensuring net zero transmission of human-caused CO₂ emissions by the year 2050 through sustainable and equitable development plans. The Paris Agreement seeks to accelerate actions and investments needed in this regard.

In view of the above, the Climate Change (Net Zero Carbon) Bill, 2021 seeks to provide for a framework by which India can develop and implement clear and stable climate change policies that allows India to prepare for, and adapt to, the effects of climate change.

The Bill, provides *inter alia*–

- (a) setting a net zero carbon emissions target for 2050;
- (b) constitution of a Climate Change Commission that will provide independent,

expert advice to the Government of India on mitigating climate change (including through reducing emissions of GHGs) and adapting to the effects of climate change; and monitor and review the Government's progress towards its emissions reduction and adaptation goals;

- (c) setting emissions budgets in a way that allows those budgets to be met domestically; and that provides greater predictability for all those affected, including households, businesses, and investors, by giving advance information on the emissions reductions and removals that will be required;
- (d) undertaking the National Climate Change Risk Assessments to assess the risks to India's economy, society, environment, and ecology from the current and future effects of climate change; and to identify the most significant risks to India, such that, based on the nature of the risks and their severity, the need for coordinated steps to respond to those risks can be appropriately determined;
- (e) preparation of the National Adaptation Plan consequent to the Risk Assessments so as to outline the Government's policy responses to adapt to the effects of climate change; the timelines for implementing such proposals; and the measures and indicators that will enable regular monitoring of, and reporting on the implementation of the strategies, policies, and proposals.

The Bill seeks to achieve the above objectives.

NEW DELHI;
January 21, 2021.

JAYANT SINHA

FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for the establishment of the Climate Change Commission. It also provides for the appointment of Chairperson, Deputy Chairperson, specialist and officers and staff to the Commission. It further provides for constitution of a Nominating Committee for the appointment of members to the Climate Change Commission. Clause 28 provides for preparing and undertaking the National Climate Change Risk Assessments. The Bill, therefore, if enacted, will involve expenditure from the Consolidated Fund of India. It is estimated that a recurring expenditure of about rupees one hundred and fifty crore per annum would be involved from the Consolidated Fund of India.

A non-recurring expenditure of about rupees one hundred crore is also likely to be involved.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 36 of the Bill empowers the Central Government to make rules for the purpose of carrying out the provisions of the proposed legislation, *inter alia*, including the time and place of the meetings of the Commission and the procedure to be followed at such meetings under sub-section (1) of section 3 and the expenditure incurred on such meetings, etc. As the matters in respect of which rules may be made by the Central Government are matters of procedure and administrative details and it is not practicable to provide for them in the Bill itself, the delegation of legislative power is, therefore, of a normal character.

LOK SABHA

A

BILL

to provide for a framework by which India may develop and implement
clear and stable climate change policies that contribute to the global efforts
under the Paris Agreement to limit the global average temperature
increase to 1.5° Celsius above pre-industrial levels and
allows India to prepare for, and adapt to, the effects
of climate change and for matters connected
therewith or incidental thereto.

(*Shri Jayant Sinha, M.P.*)