

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.166
ANSWERED ON 20.07.2023**

MARKET FOR TRADING CARBON CREDITS

166. SHRI BRIJENDRA SINGH:

**Will the Minister of POWER
be pleased to state:**

- (a) the details of the agencies authorized to issue carbon trading certificates;**
- (b) whether the Government has any mechanism to ascertain an explicit price to a carbon credit;**
- (c) if so, the details thereof and if not, the reasons therefor;**
- (d) whether the Government proposes to create a domestic market for trading carbon credits in order to meet its COP26 commitments; and**
- (e) if so, the details thereof?**

A N S W E R

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a) : The Carbon Credit Trading Scheme (CCTS) has been notified by the Central Government vide S.O. 2825 (E) dated 28th June 2023 under the powers conferred by clause (w) of section 14 of the Energy Conservation Act, 2001. The carbon credit certificates will be issued by the Central Government or any agency authorised by it under section 14AA of the Energy Conservation Act, 2001.

The CCTS notification provides an overarching framework for the functioning of the Indian Carbon Market and includes details related to the issuance, trading, roles & responsibilities of stakeholders towards operationalization of the scheme.

(b) & (c) : It is envisaged that the prices of carbon credit will be determined through market trading.

(d) & (e) : The Government of India has notified the Carbon Credit Trading Scheme in order to create a framework for domestic market to enable trading of carbon credits.

The objectives of the Scheme is to reduce or avoid the Greenhouse Gases (GHG) emissions from the various sectors of Indian economy by pricing the greenhouse gases emissions through trading of carbon credit certificates.

Putting a price on GHG emissions will encourage the participating industries, investors and businesses for adopting low carbon technologies and associated decarbonization strategies for reducing emissions.

The Carbon Credit Trading Scheme is expected to contribute in achieving India's climate goals in line with the commitments made under Conference of Parties (COP).
