



## CLIMATE CHANGE AND ENERGY: VIEWPOINTS FROM INDIA, CHINA AND AMERICA

A REPORT ON A RECENT CHINA-INDIA-US ROUNDTABLE  
NOVEMBER 2010

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*The Singapore International Energy Week (SIEW) is an annual forum for energy professionals, policy makers and commentators to debate energy issues. As part of this year's forum, the Energy Studies Institute organized a China-India-US Roundtable on Climate Change and Energy Efficiency. This tripartite panel discussed each country's outlook on climate change and their preparations for the climate summit currently being held in Cancun. The panelists were Dr Lin Boqiang from the China Centre for Energy Economics Research, Mr Suresh Prabhu, former Indian Federal Cabinet Minister and Dr Andrew Light, Director of International Climate Policy at the Center for American Progress. This article reports on each speaker's viewpoint, and the subsequent post-presentation discussion.*



The Singapore International Energy Week (SIEW) is a week-long forum held every year for energy professionals, policy makers and commentators to discuss energy issues, strategies and solutions. As part of this year's SIEW, held in early November, the Energy Studies Institute, a research body affiliated with the National University of Singapore, organized a China-India-US Roundtable on *Climate Change and Energy Efficiency*. This tripartite panel discussed each country's outlook on climate change and their preparations for the climate summit currently being held in Mexico.

The first speaker in the panel, Dr Lin Boqiang, from the China Centre for Energy Economics Research at Xiamen University, spoke on *Understanding China's Energy Demand and Low Carbon Transition in China*.

He outlined China's 5-year plan for low carbon transition by first prefacing that with an overview of China's insatiable energy demand, which Dr Lin described as "high, rigid and unavoidable". Dr Lin presented a chart showing the relative percentages of China's energy sources, with coal at 70%, being the dominant source.

China's ongoing massive urbanization is the biggest single driver for this energy demand. Labor-intensive industries, he explained, are necessary in order to provide enough jobs for the masses moving to the cities, and these industries tended to be very energy intensive too.

China has a key target of lowering its carbon intensity per GDP. Carbon intensity per capita is a measure of how much carbon equivalents are emitted per capita of GDP. Dr Lin claimed that from 2005 to 2010, a 20% reduction in carbon intensity was achieved and a further 20% reduction is planned from 2010 to 2020. Another important target for 2020 is that 15% of China's energy requirements will come from clean energy sources.

When asked whether fuel subsidies in China were masking the actual demand, Dr Lin claimed that Chinese fuel prices are already quite close to international prices. In response to another question on carbon tax, Dr Lin predicted that carbon tax would be imposed in China some time in the next five years but he could not gauge the possible impact on economic growth.

Mr Suresh Prabhu, former Indian federal cabinet minister and Member of the Lok Sabha (Indian Parliament) spoke extempore on the Indian perspective. Mr Prabhu pointed out the similarities between China and India in terms of energy dependence and development constraints. Coal constitutes over 60% of India's energy source.



However, India's per capita consumption of electricity and carbon emissions is already amongst the lowest in the world, with over 44% of the population having no access to electricity. With an annual 9% economic growth rate, however, this situation would inevitably change.

Dr Andrew Light, Director of International Climate Policy at the Center for American Progress in Washington, D.C. spoke on *Inching towards Cancun: Current US Climate Policy*.

Dr Light started off with a quick review of the history of Kyoto and Copenhagen talks from the US perspective. In 1997, the US Senate voted unanimously (95 to 0) to not even look at the Kyoto Protocol. Where Copenhagen was concerned, the US was not willing to commit to anything prior to Congress arriving at a consensus. Ultimately, Dr Light said, the day was saved in part due to the Danish initiative that took place barely a month prior to Copenhagen. The initiative got countries to agree that they would separate the issue of reduction of emissions from the issue of getting domestic government consensus on these emission reduction targets. Subsequently, the US State Department did affirm the Copenhagen pledge of lowering the 2005 levels by 17% in 2020 despite the fact that the legislation to enable that had not yet been put in place.

Dr Light offered some thoughts on how the US would stay active in the game, namely regulation through the EPA and smaller legislative bills. Currently there are two bills that already have bipartisan support, namely the bills on oil consumption reduction and energy efficiency. The energy efficiency bill includes several key areas such as building efficiency standards and the renewable energy standard (RES).

The post panel Q&A session proved to be a lively exchange of ideas between the panelists and the audience.

Dr Lin was adamant that there should be no finger-pointing at China. Given China's mass urbanization, economic growth was paramount. While China would not agree to a cap, she is doing the best she can to lower her carbon emissions per capita. Dr Lin observed that whatever total emissions China could reduce in two years, it would take the US ten years or more to reduce.

Dr Light responded that the point of contention was not the US demanding that China and India should achieve a certain reduction in emissions, but rather how to actually measure, verify and monitor carbon emission reductions.

Mr Prabhu was dismissive of the Copenhagen and upcoming Cancun talks. He lamented that he was "disappointed that we will likely not have a deal in



Cancun” and that there has been “more discord than accord” so far. However, given that (on the panel) he was sitting between representatives of the “biggest emitters in the world”, he does believe that targets are necessary. India, he said, has already voluntarily agreed to a carbon intensity cut of 9%. India already had an oil dependence of 65% and if nothing were to be done, this figure would increase to beyond 80%. Mr Prabhu ruled out the possibility of fuel subsidies being removed completely in India, warning that would “remove the livelihoods of the poor”.

As Mr Prabhu is also affiliated with the Bureau of Energy Efficiency, when asked whether it was the carrot or the stick approach to energy efficiency that would be more effective in India, Mr Prabhu replied, “Both, but the carrot works a little better in India”.

Both Dr Light and Mr Prabhu voiced their opinions on co-operation possibilities amongst the three countries on the issue of climate change.

Dr Light mentioned that the Obama visit to India in November would see the announcement of a “several hundred million” US fund for green technologies in India.

Mr Prabhu proposed an alliance of countries/regions where there was sunshine for more than 300 days in a year such as some parts of India and about three to four states in the US. This alliance would work together on more cost effective solar power solutions.

All in all, there was a diversity of views amongst the panelists because of the different growth rates and needs for energy in their respective countries. However, all agreed that when it came to climate change, there was a need to take an inter-generational view. Mr Prabhu expressed his lofty long term goal of “not *low* carbon intensity, but *no* carbon intensity” and Dr Light summed up his optimistic view of the situation by saying that what allowed him to sleep at night was his perception that there are “many people who are committed to combating climate change and to making a difference”.



## About the Author



Asha Hemrajani is a member of the International Contributors Editorial Board at ICA Institute. She is currently Head of Strategy & Business Development at a major multinational telecommunications vendor, based out of Singapore.

Asha holds a Bachelor's degree in Electrical Engineering. She is a member of the Institution of Engineering and Technology (UK) and the Hong Kong Institute of Directors. A Hong Kong native of Indian origin, Asha speaks Cantonese, Mandarin, Hindi and Sindhi.

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