



**RIS**  
Research and Information System  
for Developing Countries  
विकासशील देशों की अनुसंधान एवं सूचना प्रणाली



**AIC**  
ASEAN-India Centre at RIS

# AIC COMMENTARY

No. 45, November 2023

## Indo-ASEAN Cooperation for Facilitating Just Green Transition

Anshuman Gupta\*

***Abstract:** Given the potential catastrophic consequences of climate change and developmental requirements of Global South, ensuring just green transition has acquired critical importance. Three issues are significant to ensure just transition. These include judiciously distributing remaining carbon space among nations, making environmental laws (like CBAM) more accommodative to the need of poor countries and rewriting new IPR rules. This commentary outlines the agenda for Indo-ASEAN cooperation for just transition.*

### Introduction

Addressing climate change has recently acquired critical importance in international discourse. There is a consensus that incremental approach is no longer sufficient (Zadek, 2023) and radical measures are urgently required to tackle the issue of global warming. Keeping the urgency in mind, the Paris Agreement under the aegis of UNFCCC aimed to limit the temperature increase below 2 degrees Celsius. During 26<sup>th</sup> COP meeting, members went further and decided to limit the temperature increase to below 1.5 degree Celsius. For realizing this objective, most of the countries have announced ambitious target to achieve net-zero emission between 2050 to 2070. However, the million-dollar question is how to perform this herculean task in a manner which not only ensures the transition to green economy across globe but also involves fairness and equity among countries and within countries. In other words, world is facing a challenge to ensure a “JUST” energy transition.

---

\* Consultant, RIS

There are three issues which will have the major impact on just transition. These include judicious distribution of remaining carbon budget among nations of planet, more accommodative use of some environmental laws having trans-border developmental consequences [like Carbon Border Adjustment Mechanism (CBAM)] and developing new IPR regime to make green technologies available to poor countries, either free of cost or at nominal price. These will also have major implications for attaining sustainable development goals (SDGs) in countries of Global South. However, given the diverse interests, forging global consensus on these critical issues is difficult and needs tremendous efforts.

ASEAN and India are two important global players. ASEAN represents a population of over 650 million with GDP of almost US\$4 trillion (nominal) and over US \$ 11 trillion as per purchasing power parity (PPP) measurement. India is also 5<sup>th</sup> largest economy as per nominal measurement with over US\$ 3 trillion GDP. As per purchasing power parity, it boasts of being over US\$10 trillion economy. Its population size is 1.4 billion with the highest group of working age people in the world. Both, India and ASEAN countries are signatories to the Paris Agreement and have announced their respective years for attaining the net-zero emission status (except Philippines). However, they also need to pull their citizens out of abject poverty along with transitioning to green economy. Given the mutual interest, Indian and ASEAN have great scope of working together for pushing the agenda for just transition. Specifically, India and ASEAN should do following three things for ensuring just energy transition.

### **Green Agenda for Indo-ASEAN Cooperation**

First, the remaining carbon budget is very limited. It is going to be the rarest of rare inputs in near future. Each country will be implementing carbon price instrument in some forms in near future for phasing-out fossil fuels and phasing-in clean and green technologies, including renewable energy. As per scientific estimates, including IPCC report, the carbon budget is barely enough to exhaust in less than 8 years and 25 years (as per current emission rate) (IPCC Report,2021), depending upon targets of meeting temperature increase to 1.5 degree Celsius and 2 degrees Celsius respectively. A scramble might be seen tacitly, on the part of developed countries, to grab the remaining carbon space. CBAM under green deal of EU and Inflation Reduction Act (IRA) and CHIPS and Science Act of the US to help domestic industries can be cited in this regard. Their carbon footprints have increased in the last two years after the Russian invasion on Ukraine. Even if these countries remain stick to their timelines for reaching net-zero emission by year 2050, very little carbon budget will be left for developing countries, which have not only been struggling to access technology and finance for green transition but have also been reeling under debt pressure. In such a scenario, it is of utmost importance to judiciously distribute the remaining carbon space among nations of the world. A progressive method favoring developing and poor countries is required. Though it can be done in appropriate multilateral forum dealing with climate issues (under UNFCCC), an understanding and awareness can be created among countries of the South

first on the basis of scientific evidences. ASEAN and India can spearhead this process through research institutions they have been supporting such as ASEAN-India Center, ERIA, etc.

Second, many environmental laws have cross-border developmental ramifications, especially for developing and least-developed countries. These laws adversely affect the growth and developmental prospects for these countries. CBAM is one such law, which was initiated by EU under its green deal package to meet its Paris agreement's commitments by year 2030 and eventually attain net-zero by year 2050. Starting from 2026, It will be applicable to certain energy-intensive industries. However, it is likely to be extended to other industries in near future. It will be equally applied to all countries, including least-developed and developing countries. Other developing countries are also planning to implement similar laws. These types of laws will have negative impact on development of poor countries and hamper their prospects of achieving SDGs. Besides being against the principle of common but differentiated responsibilities, the compatibility of these carbon adjustment laws with WTO provisions is not clear. India and ASEAN countries can collectively research and highlight which provisions of WTO might be violated by such laws and how these laws should be made more accommodative to the need of least-developed and developing countries.

Third, access to technology is critical for just transition. However, developing countries access to green technology has remained an issue of concern. Despite lengthy discussion at multilateral forums, co-development and co-ownership of clean technologies has remained a piped dream. As per WIPO report, a handful of nations dominate green technology patents. Specifically, five G20 countries, namely China, Japan, the US, South Korea and Germany, account for 85 percent of green technology patents. The EU and US are giving substantial subsidies for green technology innovation which will further strengthen their control and domination on green technologies. Given the prevailing IPR regime, control of few countries green technology is expected to hamper the energy transition of poor economies, undermining the climate mitigation's efforts at global level. There is a need to rewrite IPR rules to ease the transfer of green technologies. The green technologies should be regarded as public goods. They should be co-developed with public money. Even private sector can be involved on the cost-plus basis. Or, a share of profit or tax collection from businesses deploying new technologies may be promised to innovators. An open access patent pool can also be a viable option. The Indo-ASEAN Green Fund, set up in year 2007, can be enhanced and used for collaborative research and development projects on green technologies. India and ASEAN countries can also collectively research and suggest new alternative IPR rules, which can meet the global challenges like climate change and environment more effectively.

## Conclusion

The Indo-ASEAN cooperation can play an important role for ensuring just transition. India and ASEAN collectively can devise a formula to distribute the remaining carbon space in a progressive manner among nations of the planet and suggest some alternatives to make CBAM more accommodative. The Indo-ASEAN Green Fund could be augmented and leveraged to do combine research and development activities on green technologies. India and ASEAN should also jointly conduct research and suggest new alternative IPR regime to make it more responsive to meet challenges like climate change and environment, which are global problems warranting global solutions. Various platforms of Indo-ASEAN Cooperation can brainstorm and discuss these research-based outcomes and Media can disseminate these deliberations in lucid language to businesses, policy makers, civil societies and masses in these countries and globally. A similar process can be replicated in other research institutions, preferably collectively, across developing and least-developed countries to create a pressure on developed countries to take these issues seriously.

## References

IPCC Report(2021). *Climate Change 2021: The Physical Science Basis*.  
[https://report.ipcc.ch/ar6/wg1/IPCC\\_AR6\\_WGI\\_FullReport.pdf](https://report.ipcc.ch/ar6/wg1/IPCC_AR6_WGI_FullReport.pdf)

New Delhi G20 Declaration(2023). <https://www.mea.gov.in/Images/CPV/G20-New-Delhi-Leaders-Declaration.pdf>

Zadek, Simon (Nov. 20, 2023). *Planning for a Future Beyond 1.5 Degree Celsius*. *Project Syndicate*. [project-syndicate.org](https://project-syndicate.org)

.

## About AIC



**RIS**

Research and Information System  
for Developing Countries

विकासशील देशों की अनुसंधान एवं सूचना प्रणाली

Considering the work of the ASEAN-India Eminent Persons Group (AIEPG), and its Report with recommendations for forging a closer partnership for peace, progress and shared prosperity, the Heads of the State/Government of ASEAN and India at the ASEAN-India Commemorative Summit 2012, held at New Delhi on 19-20 December 2012, recommended the establishment of ASEAN-India Centre (AIC), which was formally inaugurated by the Hon'ble External Affairs Minister of the Government of India on 21 June 2013 at RIS. AIC serves as a resource centre for ASEAN Member States and India to fill the knowledge gaps that currently limit the opportunities for cooperation. AIC works with the Ministry of External Affairs (MEA), Government of India and undertakes evidence-based policy research and provide policy recommendations.

*AIC Commentary Series Editor: Dr Pankaj Vashisht, AIC at RIS, New Delhi*

### Contact us at:

ASEAN-India Centre (AIC)  
Research and Information System of Developing Countries (RIS)  
Zone-IV-B, Fourth Floor, India Habitat Centre, Lodhi Road  
New Delhi – 110003, India  
Tel. +91-11-24682177-80  
Fax: +91-11-24682173-74  
E-mail: [aic@ris.org.in](mailto:aic@ris.org.in)  
Visit our website at: <http://aic.ris.org.in>

@AIC\_aseanindia

