

Summary of Multi-governance reports:

The Government of India announced a 5-point target to continue India's commitment to global climate agenda pledging net-zero emission status by 2070, along with targets focussed on reducing emissions intensity, increasing the share of renewables in installed electricity capacity, raising installed capacity of renewable energy and an absolute reduction of 1 billion tonnes of carbon dioxide. At its core, the main urban challenge in India is to accommodate the expanding population and maintaining or improving the standard of living in cities, while avoiding excessive energy consumption. Climate change is central to India's policy agenda and a multi-layered governance approach towards climate change adaptation, mitigation and financing is required to achieve India's goals.

The report: "Opportunities For Enhanced Multi- Level Governance For Achieving Low Emission Urban Development In India" presents opportunities for the enhancement of vertical integration in relation to climate action and implementation of the NDC, and to strengthen the MRV framework as well as climate finance mechanisms based on technical diagnostics and structured interviews with key government representing national and local government entities as well as prominent experts representing donors and research institutions.

To enable commitments made under INDC, Government of India has created a National Action Plan on Climate Change (NAPCC) which consists of eight national missions covering energy, water, biodiversity and ecosystem, sustainable agriculture, and sustainable habitat, among others. Sub-national governance takes centre stage in climate action as the Constitution of India gives more power and responsibility to the states over majority of urban functions. The report finds gaps in cohesive integration between the NAPCC and SAPCC, and similarly, priorities of local governments are not addressed in the national plan. The decision-making is top-down, whereas a bottom-up approach is needed to strengthen and empower local governments. The MRV systems are insufficient as climate data is not equally accessible or circulated effectively across different levels of government. Lastly, ULBs are unable to access climate financing due to lack of knowledge on available resources, bottlenecks due to top-down approach to budgeting and outdated financial management systems.

To address the above challenges, recommendations in the report are structured around three topics: institutional arrangements, MRV and finance. The main improvements under institutional arrangements concern emphasizing climate mainstreaming by creating specific entities, for instance, a project management unit at municipal level, climate change department at the state level, and a climate change cell within the Ministry of Housing and Urban Affairs. The main function of such an entity would be to provide technical support to ensure climate change mitigation and adaptation measures are consistent across various planning instruments. The key recommendations to strengthen MRV are to improve local level data collection, collation, and harmonization, where the PMUs can be instrumental as a focal agency to coordinate this task with the multiple local level entities administering different urban functions. Finally, improving financing would require strengthening municipal capacities for convergence of central and state schemes with specific climate change objectives, leveraging international financing and public private partnerships, and using emerging blended climate finance instruments.

The diagnostics and recommendations of the report were reviewed and endorsed by the Project Advisory Committee, India. The report is submitted to Ministry of Housing and Urban Affairs for review and comments.

Based on discussions with the implementation partner, ICLEI, and the PAG, a second study on state-level (subnational) mechanisms for climate change mainstreaming was undertaken with focus on the two states (Gujarat and Maharashtra, India) under the Urban LEDS project.

Sub-national climate change planning and governance structure assumes an important role in India given the constitutional mandate in the urban sector, and varying local contexts and development priorities across different states. The focus of the study was to analyse the role of climate change cells/departments in the implementation of the state climate change policy; provide an assessment of the organizational capacity, strategic expertise, financial resources and outcomes achieved by these climate change cells/departments, and review state budgetary allocations towards climate change in the urban sector.

The study finds that five key factors contribute to successful establishment and operations of a state-level climate cell, namely, political will, inter-institutional coordination, capacity building and knowledge management of state and non-state actors, climate budgeting, and participatory policy making, specifically during drafting of the state action plan for climate change. The report has been reviewed by the project partners and submitted for review by the two states. UN-Habitat country office is also collaborating and coordinating with UNEP, India for concerted and joint efforts in outreach to Ministry of Environment Forest and Climate Change, and Ministry of Housing and Urban Affairs for dissemination of learnings under the Urban LEDS project.