

Green Credits Scheme | PM Modi Mentioned At COP28

Why In News

- Narendra Modi announced the launch of the **Green Credit Initiative** at **COP28** summit, which was backed by multiple world leaders at the meeting.
- Prime Minister Narendra Modi launched an initiative focusing on generating **Green Credits** through plantation on degraded wasteland.



- Modi, along with Sweden's PM **Ulf Kristersson**, President of Mozambique **Filipe Jacinto Nyusi** and European Council president **Charles Michel**, launched the web portal of the Green Credits Programme at the COP28 World Climate Action Summit in Dubai.

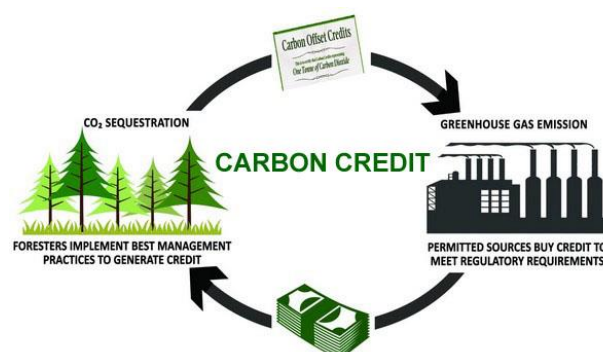


What Is The Green Credits Programme

- The **Green Credits Programme**, launched by the Environment Ministry in October this year, is an effort to create a market-based incentive for different kinds of environment-positive actions, not just for carbon emission reductions.
- The Green Credit Initiative was first introduced by the **ministry of environment, forest and climate** change on October 13, 2023.



- There are two main priorities of the initiative - **water conservation and afforestation**.
- Such a **market-based system already exists for carbon**, at the national as well as international level, that allows trade in carbon credits.
- Companies, or nations, can claim carbon credits if they take action to reduce their carbon footprint.
- These credits can they be **traded for money**. Companies unable to achieve their emission standards pay to buy these credits and improve their performance.
- Green Credits programme attempts to replicate this **mechanism for other environmental actions**, like water conservation or soil improvements.



- Methodologies and standards to measure and verify such actions are still being developed.
- The market would also need to be developed. As a starting point, it is envisaged that private companies would buy these green credits as part of their **CSR obligations**.



- Unlike the carbon markets, which are more focused at industry and corporations, **green credit programme** can benefit individuals and communities as well.



- The main purpose of this initiative is to **boost voluntary environmental activities** like tree plantation, water conservation, sustainable agriculture, and waste management by incentivizing it for big corporations and private companies, bringing about a change in the climate issues faced by the country.

Conclusion

- At **COP28**, **PM Modi** offered the concept to the international community, in the hope to create a market for green credits at an international level, just like the one on carbon credits exists.



- While launching the **web portal for the scheme at COP28**, PM Modi said, "The manner in which we give importance to our Health Card in life, we have to similarly start thinking in the context of environment."
- We will have to see what is to be done to add positive points to Earth's Health Card. I think this is what Green Credit is."