

JOURNAL OF LEGAL STUDIES,
POLITICS AND ECONOMICS RESEARCH

An Internationally Indexed Peer Reviewed & Refereed Journal

www.JLPER.com

Published by iSaRa Solutions

Climate Change Governance in India: Legal Frameworks, Political Challenges and Economic Implications

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Abstract

Climate change has emerged as one of the most important environmental, economic, and political challenges facing India. As a developing country with a large population, rapidly growing economy, extensive agricultural sector, and long coastline, India is highly exposed to the effects of a changing climate. Rising temperatures, irregular rainfall, floods, droughts, heatwaves, cyclones, and changing agricultural conditions can affect livelihoods, public health, infrastructure, and economic growth. At the same time, India faces the difficult task of balancing climate action with the need for poverty reduction, employment generation, energy security, and economic development.

Climate change governance in India involves a combination of constitutional principles, environmental laws, government policies, institutions, international commitments, and state-level initiatives. The legal framework includes the Environment (Protection) Act, 1986, the Energy Conservation Act, 2001, the National Green Tribunal Act, 2010, and various policies related to renewable energy, energy efficiency, forests, water, and sustainable development. The National Action Plan on Climate Change provides an important policy framework through its national missions.

However, effective climate governance faces several challenges. These include coordination between the central and state governments, conflicts between development and environmental objectives, political and economic pressures, dependence on fossil fuels, financing constraints, institutional capacity, and the need to ensure a just transition for vulnerable communities.

This paper examines India's climate change governance framework, its legal and institutional foundations, political challenges, and economic implications. It argues that India needs a governance approach that combines environmental protection with economic development, technological innovation, social justice, and long-term resilience.

Keywords: Climate Change, Climate Governance, India, Environmental Law, Renewable Energy, Economic Development, Climate Policy, Sustainable Development

1. Introduction

Climate change is no longer only an environmental issue. It has become a major concern for economic development, public health, agriculture, infrastructure, energy security, and national planning. Changes in temperature and rainfall patterns can affect almost every sector of an economy.

India is particularly vulnerable because of its geographical and socioeconomic characteristics. A large population depends directly or indirectly on agriculture, millions of people live in coastal regions, and many communities depend on climate-sensitive natural resources. At the same time, India is experiencing rapid urbanisation, industrialisation, and infrastructure development.

The central challenge for India is therefore complex. The country needs to reduce greenhouse gas emissions and adapt to climate impacts while continuing to provide affordable energy, employment, housing, transportation, and economic opportunities to its population.

Climate change governance refers to the systems through which governments, institutions, businesses, communities, and other stakeholders formulate and implement policies to address climate change. In India, climate governance operates at multiple levels. The central government establishes national policies and laws, while state governments implement many environmental and development programmes. Local governments also have an important role in areas such as waste management, water management, urban planning, and disaster preparedness.

India's climate governance has developed significantly over the last few decades. However, the effectiveness of climate policy depends not only on the existence of laws but also on implementation, institutional capacity, political commitment, financing, and public participation.

2. Climate Change and Its Significance for India

Climate change refers to long-term changes in temperature, precipitation, and other climatic conditions. Human activities, particularly the burning of fossil fuels, industrial processes, deforestation, and changes in land use, have contributed significantly to global warming.

For India, climate change can have wide-ranging consequences.

2.1 Rising Temperatures

Increasing temperatures can lead to more frequent and intense heatwaves. Extreme heat can reduce labour productivity, increase electricity demand for cooling, and create serious risks for vulnerable populations.

Outdoor workers in agriculture, construction, transportation, and other sectors can be particularly affected because their productivity is directly connected with weather conditions.

2.2 Impact on Agriculture

Agriculture remains highly sensitive to changes in temperature and rainfall. Changes in the timing and intensity of monsoon rainfall can affect crop production.

Droughts, floods, heatwaves, and changing water availability can increase risks for farmers. Small and marginal farmers may be especially vulnerable because they often have limited financial resources and insurance coverage.

2.3 Water Security

Climate change can influence the availability and distribution of water. Changes in rainfall patterns, glacier and snow dynamics, groundwater stress, and increasing demand can create additional pressure on water resources.

Water scarcity can affect agriculture, industries, households, and energy production.

2.4 Coastal Vulnerability

India has a long coastline and several densely populated coastal cities. Sea-level rise, coastal flooding, cyclones, erosion, and saltwater intrusion can threaten infrastructure and livelihoods. Coastal ecosystems such as mangroves and wetlands can provide natural protection, making ecosystem conservation an important part of climate adaptation.

2.5 Health Impacts

Climate change can affect human health through extreme heat, changing patterns of infectious diseases, air pollution interactions, water contamination, and food insecurity. Public health systems therefore need to incorporate climate risks into planning and emergency preparedness.

3. Evolution of Climate Change Governance in India

India's climate policy has evolved from traditional environmental regulation towards a broader framework that combines mitigation, adaptation, energy transition, and sustainable development. India's approach has historically emphasised the principle that environmental protection must be balanced with developmental requirements. As a developing economy, India has argued that climate responsibilities should consider historical emissions, development needs, and differences in national capacities.

India has also increasingly focused on renewable energy, energy efficiency, electric mobility, green hydrogen, sustainable infrastructure, and climate-resilient development.

An important milestone was the establishment of the National Action Plan on Climate Change (NAPCC) in 2008. The NAPCC provides an overarching policy framework for addressing climate change through a set of national missions.

4. Legal Framework for Climate Change Governance in India

India does not have one comprehensive "Climate Change Act" covering every aspect of climate policy. Instead, climate governance operates through constitutional provisions, environmental legislation, sectoral laws, policies, regulations, and judicial decisions.

4.1 Constitutional Provisions

Environmental protection has constitutional importance in India.

Article 48A of the Constitution directs the State to protect and improve the environment and safeguard forests and wildlife.

Article 51A(g) places a fundamental duty on citizens to protect and improve the natural environment.

The right to life under Article 21 has also been interpreted by Indian courts to include aspects of a healthy environment.

These constitutional principles provide an important foundation for environmental governance.

4.2 Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 is one of India's major environmental laws. It provides broad powers to the central government to take measures for protecting and improving environmental quality.

The Act has supported the development of environmental standards and regulations covering areas such as industrial pollution, hazardous substances, and environmental protection.

Although the Act was not originally designed specifically as climate legislation, its broad scope provides a legal basis for several environmental measures that are relevant to climate governance.

4.3 Energy Conservation Act, 2001

The Energy Conservation Act, 2001 provides the legal foundation for promoting energy efficiency in India.

Energy efficiency is important for climate policy because reducing energy consumption for the same level of economic output can reduce emissions while also lowering energy costs.

The Bureau of Energy Efficiency has implemented several programmes under this framework, including initiatives related to energy-efficient appliances, buildings, industries, and energy consumption standards.

The Act has also evolved over time to address newer areas of India's energy transition.

4.4 National Green Tribunal Act, 2010

The National Green Tribunal Act, 2010 established the National Green Tribunal (NGT), a specialised judicial body dealing with environmental disputes.

The NGT plays an important role in environmental governance by providing a specialised forum for cases involving environmental protection, natural resources, pollution, and compensation.

Its decisions have contributed to the development and enforcement of environmental principles in India.

4.5 Forest and Biodiversity Laws

Forests and biodiversity are closely connected with climate change because forests absorb carbon dioxide and provide ecosystem services.

The legal framework governing forests, wildlife, and biodiversity therefore forms an important part of climate governance.

Forest conservation can simultaneously support biodiversity, water security, soil conservation, rural livelihoods, and climate mitigation.

5. National Action Plan on Climate Change

The National Action Plan on Climate Change provides a major policy framework for India's climate response.

It originally included eight national missions:

1. National Solar Mission
2. National Mission for Enhanced Energy Efficiency
3. National Mission on Sustainable Habitat
4. National Water Mission
5. National Mission for Sustaining the Himalayan Ecosystem
6. National Mission for a Green India
7. National Mission for Sustainable Agriculture
8. National Mission on Strategic Knowledge for Climate Change

These missions address different aspects of climate mitigation and adaptation.

5.1 National Solar Mission

The National Solar Mission was established to promote solar energy and reduce dependence on fossil fuels.

India has significantly expanded solar power capacity, making renewable energy an increasingly important part of its electricity system.

5.2 National Mission for Enhanced Energy Efficiency

This mission promotes energy efficiency in industries, appliances, buildings, and other sectors. Improved energy efficiency can reduce emissions while also helping businesses and households reduce energy costs.

5.3 National Mission on Sustainable Habitat

This mission focuses on sustainable urban development, including energy-efficient buildings, waste management, public transportation, and improved urban planning.

It is particularly important because India's cities are expanding rapidly.

5.4 National Mission for Sustainable Agriculture

Climate-resilient agriculture is important because farmers are directly exposed to changing weather patterns.

The mission focuses on improving agricultural resilience and promoting practices that can help farmers cope with climate risks.

6. India's International Climate Commitments

India is a party to major international climate agreements and participates actively in global climate negotiations.

Under the Paris Agreement, India has made climate commitments relating to emissions intensity, non-fossil electricity capacity, and carbon sinks.

India has also announced longer-term climate goals, including achieving net-zero emissions by 2070.

India's international climate position has consistently emphasised the principles of equity and common but differentiated responsibilities. The argument is that countries with historically higher cumulative emissions should bear significant responsibility for addressing climate change, while developing countries need adequate space for economic development.

India has simultaneously increased its emphasis on renewable energy and clean technology.

The country's international initiatives, including the International Solar Alliance and the Coalition for Disaster Resilient Infrastructure, also demonstrate its efforts to contribute to global climate governance.

7. Institutional Structure of Climate Governance in India

Climate governance involves multiple institutions.

7.1 Ministry of Environment, Forest and Climate Change

The Ministry of Environment, Forest and Climate Change is the central ministry responsible for environmental policy and climate-related matters.

It plays an important role in formulating environmental regulations, coordinating climate policy, and representing India in international environmental negotiations.

7.2 NITI Aayog

NITI Aayog contributes to policy planning in areas such as energy transition, sustainable development, infrastructure, and climate-related development strategies.

Its role is particularly relevant because climate policy intersects with economic planning.

7.3 State Governments

State governments are essential to climate governance because many climate-related activities occur at the state level.

Agriculture, water, urban planning, electricity distribution, transport, health, and disaster management require significant state-level action.

Many states have therefore developed their own climate action plans.

7.4 Local Governments

Municipalities and panchayats play a critical role in implementing climate-resilient development. Urban local bodies are responsible for areas such as waste management, drainage, local infrastructure, and several public services that directly affect climate resilience.

8. Political Challenges in Climate Governance

Climate change governance is not simply a technical or scientific issue. It involves political choices about development priorities, public expenditure, energy prices, employment, land use, and resource allocation.

8.1 Development versus Environmental Protection

One of the biggest challenges is balancing economic development with environmental protection.

India needs roads, housing, industries, power plants, airports, and other infrastructure to support economic growth. However, infrastructure projects can sometimes create environmental costs.

The challenge for policymakers is to develop infrastructure while minimising environmental damage.

8.2 Federal Coordination

India's federal structure creates both opportunities and challenges.

The central government may establish national climate policies, but implementation often depends on states and local governments.

Differences in financial resources, administrative capacity, political priorities, and local conditions can lead to differences in implementation.

Effective climate governance therefore requires strong cooperation between different levels of government.

8.3 Political Economy of Energy

Coal continues to play an important role in India's electricity and industrial economy. Moving away from fossil fuels is therefore not simply a technological decision.

Coal mining and conventional energy industries provide employment and government revenues in several regions. A rapid transition without proper planning could create economic and social difficulties.

This makes the concept of a "just transition" important.

9. The Just Transition Challenge

A just transition means ensuring that the movement towards a low-carbon economy does not unfairly harm workers and communities that depend on traditional industries.

For example, communities dependent on coal mining may face significant economic disruption if coal demand decreases.

A successful transition should therefore include:

- Skill development and retraining for affected workers.
- Creation of alternative employment opportunities.
- Investment in regions dependent on fossil-fuel industries.
- Social protection for vulnerable households.
- Support for new industries and clean technologies.

The transition to a low-carbon economy should not simply move economic costs from one group to another.

10. Economic Implications of Climate Change

Climate change has significant economic consequences for India.

10.1 Agricultural Losses

Extreme weather events can reduce agricultural productivity and increase income uncertainty for farmers.

Lower agricultural productivity can also influence food prices, rural employment, and household consumption.

10.2 Impact on Labour Productivity

Extreme heat can reduce the productivity of workers, particularly those employed outdoors.

Construction workers, agricultural labourers, street vendors, and other outdoor workers can be particularly exposed to heat stress.

This can affect overall economic output.

10.3 Infrastructure Damage

Floods, cyclones, landslides, and other extreme events can damage roads, bridges, railways, power infrastructure, houses, and industrial facilities.

The cost of repairing damaged infrastructure can place additional pressure on public finances.

10.4 Health Expenditure

Climate-related health risks can increase healthcare expenditure for households and governments.

Lost working days due to illness can also reduce economic productivity.

10.5 Energy Demand

Rising temperatures can increase demand for cooling and electricity.

This creates both a challenge and an opportunity. Greater demand can place pressure on electricity systems, but it can also accelerate investment in renewable energy, energy-efficient buildings, and improved power infrastructure.

11. Climate Change as an Opportunity for Economic Transformation

Although climate change presents serious risks, the transition to a greener economy can create new economic opportunities.

11.1 Renewable Energy

Solar, wind, and other renewable energy sources can support new investments, industries, and employment.

India has significant potential for renewable energy because of its geographical conditions and growing domestic demand.

11.2 Green Hydrogen

Green hydrogen has the potential to support decarbonisation in sectors where direct electrification is difficult, including some industrial applications and long-distance transport.

The development of a green hydrogen ecosystem could create opportunities in manufacturing, infrastructure, research, and exports.

11.3 Electric Mobility

Electric vehicles can reduce dependence on petroleum-based fuels and contribute to cleaner urban transportation.

The transition can also create new industries related to batteries, charging infrastructure, software, and vehicle manufacturing.

11.4 Green Jobs

Climate action can generate employment in renewable energy, energy efficiency, waste management, sustainable construction, environmental services, electric mobility, and ecosystem restoration.

Skill development will be important to ensure that Indian workers can take advantage of these opportunities.

12. Climate Finance in India

Climate policies require significant financial resources.

Governments need funds for renewable energy, resilient infrastructure, disaster preparedness, water management, agricultural adaptation, and public health.

Private investment is also important because government budgets alone cannot finance the entire transition.

Green bonds, climate-focused financial institutions, blended finance, carbon markets, and other financial instruments can potentially mobilise additional resources.

However, climate finance must be accessible and affordable, particularly for developing economies and vulnerable communities.

India's climate financing challenge is therefore not only about the amount of money available but also about ensuring that finance reaches projects and communities where it can have the greatest impact.

13. Role of Businesses and the Private Sector

The private sector plays an increasingly important role in climate governance.

Businesses can reduce emissions through renewable energy, energy-efficient production, sustainable supply chains, waste reduction, and cleaner transportation.

Companies can also invest in climate-related innovation and develop new products and services. Environmental, Social and Governance considerations have become increasingly relevant to corporate decision-making and investment.

However, corporate climate commitments should be supported by transparent reporting and credible monitoring to prevent misleading environmental claims.

14. Role of Technology and Innovation

Technology can help India respond to climate change.

Satellite technology can support weather forecasting, agricultural planning, disaster management, and monitoring of natural resources.

Artificial intelligence and data analytics can improve energy management, weather prediction, and resource efficiency.

Smart electricity grids can help integrate renewable energy into the power system.

Similarly, improvements in battery technology, green hydrogen, carbon management, and energy storage can support India's long-term transition towards a lower-carbon economy.

Technology, however, cannot replace good governance. Innovation must be supported by appropriate regulations, investment, skilled workers, and institutional capacity.

15. Major Challenges in Implementation

Despite the development of several policies and programmes, implementation remains a major challenge.

15.1 Institutional Capacity

Some government institutions, especially at local levels, may lack adequate technical expertise, staff, data, and financial resources.

15.2 Policy Coordination

Climate policy overlaps with energy, agriculture, transport, industry, water, health, and urban development. Lack of coordination can reduce policy effectiveness.

15.3 Financing Constraints

Climate-resilient infrastructure and clean technologies often require high initial investment.

15.4 Public Awareness

People need to understand climate risks and the benefits of sustainable practices. Public participation can improve the effectiveness of climate policies.

15.5 Unequal Climate Impacts

Climate change does not affect all groups equally. Poor households, farmers, informal workers, women, children, and communities dependent on natural resources may face greater risks.

Climate governance must therefore incorporate social justice.

16. Recommendations for Strengthening Climate Governance

India can strengthen climate governance through several measures.

16.1 Improve Centre-State Coordination

A stronger institutional mechanism for cooperation between central, state, and local governments can improve implementation.

16.2 Strengthen Local Climate Planning

Climate risks should be incorporated into city development plans, district planning, agricultural strategies, and infrastructure projects.

16.3 Increase Climate Finance

Both public and private investment in climate mitigation and adaptation should be increased.

16.4 Focus on Adaptation

While reducing emissions is important, India must also invest heavily in climate adaptation because many climate impacts are already being experienced.

16.5 Promote Climate-Resilient Agriculture

Farmers need better access to climate information, irrigation, insurance, resilient seeds, storage, markets, and agricultural technology.

16.6 Build a Just Energy Transition

Coal-dependent regions and workers should receive appropriate support during the transition to cleaner energy.

16.7 Improve Environmental Governance

Environmental regulations should be transparent, scientifically informed, consistently enforced, and supported by adequate institutional capacity.

16.8 Encourage Public Participation

Communities should have meaningful opportunities to participate in decisions involving land, forests, water, and large infrastructure projects.

17. Future of Climate Governance in India

India's future climate governance will depend on how effectively it combines environmental sustainability with economic development.

The country has the opportunity to become a major producer of renewable energy, electric vehicles, green hydrogen, sustainable technologies, and climate-resilient infrastructure.

At the same time, climate policy must remain sensitive to India's development needs. Millions of people still require better housing, electricity, transportation, healthcare, education, and employment.

The most effective approach is therefore not to treat economic development and climate action as completely separate goals. Instead, climate considerations should be integrated into economic planning.

Future climate governance should focus on resilience, clean energy, efficient resource use, technological innovation, social protection, and long-term planning.

18. Conclusion

Climate change governance in India represents a complex interaction between law, politics, economics, technology, and social development. India has established a broad institutional and policy framework for addressing climate change through environmental laws, national missions, renewable energy programmes, energy-efficiency measures, climate action plans, and international commitments.

However, having policies on paper is not enough. The success of climate governance depends heavily on implementation. Coordination between the central government, states, and local authorities remains essential. Political decisions must balance environmental protection with employment, energy security, poverty reduction, and infrastructure development.

The economic implications of climate change make effective governance even more important. Agricultural losses, health impacts, infrastructure damage, heat-related productivity losses, and energy pressures can impose significant costs on the economy. At the same time, the transition towards renewable energy, electric mobility, green hydrogen, sustainable infrastructure, and green industries can create new economic opportunities.

India therefore needs a climate governance model that is ambitious but also practical, inclusive, and development-oriented. Climate policies should protect vulnerable communities while encouraging innovation and investment.

Ultimately, the goal should be to build an economy that is not only productive but also resilient. India's response to climate change will influence the quality of life of future generations and the sustainability of its economic development. Strong institutions, effective laws, adequate finance,

scientific decision-making, public participation, and political cooperation will be essential for achieving this objective.

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