

CDM big opportunity for industry

Our Bureau in Kolkata
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The Clean Development Mechanism (CDM) has enormous potential for India in numerous areas and it was for businessmen to capitalise on them, the principal secretary, department of environment government of West Bengal, Hirak Ghosh, told a gathering of industrialists while speaking at a seminar organised by Bengal Chamber of Commerce & Industry.

The necessity of CDM arises from the fact that the Kyoto Protocol stipulates that industrialised countries are to reduce their aggregate Green House Gas (GHG) emission by 5 per cent below their 1990 levels by 2008 and 2012.

“The Kyoto Protocol provides for a flexibility mechanism — CDM whereby industrialised nations can buy carbon credit points from developing countries like India to achieve their emission reduction targets. CDM is an investment proposition by which developed countries can invest in GHG mitigation projects in a developing nation.

This would result in capital flow and clean technology for the developing country, which also naturally would translate to substantial financial benefits,” Ghosh explained.

Managing director of West Bengal Power Development Corporation Ltd (WBPDCL), B K Paul said, “From the business aspect, a number of potential sectors like power generation, iron & steel, paper, cement, chemicals and renewable energy projects can greatly benefit from CDM.

In fact, CDM can be viewed as an investment proposition. Firms in developed countries may invest in a GHG mitigation project in a developing country.”

“Our objective back home would be to create awareness of the opportunities that exist. Our focus should also be to introduce industrial sector back home to the activities undertaken by firms in the developed world, who are also interested in such a process,” he added.

“The process of striking a match between a foreign party and an Indian one will have to be through global consultants who facilitate the process.

Further, it is equally important for all of us to learn about the pre-investment phase of a CDM project as also the various aspects of validation and certification for a CDM project in its implementation stage,” he said.