

INSIGHT DAILY CURRENT AFFAIRS

INSIGHT



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NOVEMBER 18, 2022

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COP27 | India, China, Brazil, South Africa oppose 'carbon border tax'

Subject: GS-III (Environment and Ecology)

Why in the news?

- The European Union has proposed a **policy to tax products such as cement and steel**, that are extremely carbon intensive, with effect from 2026.
- With the **27th edition of the Conference of Parties (COP) in Sharm El Sheikh** nearing its final stages and efforts being ramped up to arrive at a conclusive agreement, a **consortium of countries that includes India has jointly stated that carbon border taxes**, that could result in market distortion and aggravate the trust deficit amongst parties, must be avoided.
- **BASIC**, a group constituting **Brazil, India, South Africa and China**, and therefore large economies that are significantly dependent on coal, has for several years voiced common concerns and reiterated their right to use fossil fuel in the interim during their countries' eventual transformation to clean energy sources.
- **Unilateral measures and discriminatory practices**, such as **carbon border taxes**, that could result in market distortion and aggravate the trust deficit amongst Parties [**signatory countries to the United Nations climate agreements**], must be avoided. **BASIC countries** call for a united solidarity response by developing countries to any unfair shifting of responsibilities from developed to developing countries.
- Their joint statement expressed **"grave concern" that developed countries were still not showing leadership or responding with a matching progression of effort**. Developed countries had "backtracked on finance and mitigation commitments and pledges" and there was a **"significant increase"** in the consumption and **production of fossil fuels** in the past year by developed countries, their statement underlined, even as they continue to press developing countries to move away from the same resources. "Such double standards are incompatible with climate equity and justice."

COP27 | India thwarts attempt to club it with historical polluters

- They said that adaptation was **still not being accorded the balanced and substantive attention** they deserved in the U.N. climate framework process, despite the **opportunities and linkages with "loss and damage."** The latter refers to a **demand by developing countries** to have an institutional system to finance countries affected by climate change for the environmental damage that has already occurred.

Source: The Hindu

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