

# Punjab takes further steps to understand and adopt an Emissions Trading Scheme to tackle industrial air pollution

## Knowledge transfer on implementation of pilot Emissions Trading Scheme in Surat (Gujarat) with delegation from Punjab Pollution Control Board

9<sup>th</sup> and 10<sup>th</sup> August, 2021

SGTPA Hall, Pandesara, GJ: A two-day knowledge transfer workshop was organized at Surat for a 20-member delegation comprising of government officials from Punjab Pollution Control Board (PPCB) and industry representatives from Ludhiana. The workshop was aimed at sensitizing the participants about the pilot Emissions Trading Scheme (ETS) in Surat and the sessions included presentations describing the milestones in the implementation of the pilot ETS in Surat and the innovativeness offered by market-based instruments for environmental regulation. This workshop which was jointly hosted by J-PAL South Asia and Energy Policy Institute at the University of Chicago (EPIC India), was attended by officials from Gujarat Pollution Control Board (GPCB), prominent representatives from South Gujarat Textile Processors Association (SGTPA) and the NCDEX e- Markets Limited (NeML).

Mr. Vaibhav Chowdhary, Director, EPIC India, in his opening address appreciated the efforts by GPCB in implementing ETS in Surat and described it as a “win-win” situation for everyone involved. Highlighting the need to modernize environmental regulation, Mr. P.U. Dave, Regional Officer, GPCB Surat said,



First day of the workshop saw lively participation from the audience.

Mr. Vaibhav Chowdhary, Director, EPIC India, in his opening address appreciated the efforts by GPCB in implementing ETS in Surat and described it as a “win-win” situation for everyone involved. Highlighting the need to modernize environmental regulation, Mr. P.U. Dave, Regional Officer, GPCB Surat said,

Mr. Vaibhav Chowdhary, Director, EPIC India, in his opening address appreciated the efforts by GPCB in implementing ETS in Surat and described it as a “win-win” situation for everyone involved. Highlighting the need to modernize environmental regulation, Mr. P.U. Dave, Regional Officer, GPCB Surat said,

“ The State of Gujarat is involved in a unique and long-standing partnership with the Ministry of Environment, Forests and Climate Change and has pioneered mandatory CEMS installation and introduced the world’s first ever emissions trading scheme in particulate matter in Surat. ”

Mr. Dave described ETS Surat as a “success story” while urging industries in Ludhiana to implement the scheme to reduce overall emission levels as well as reap financial benefits in the long run.

In his keynote address, Mr. Jitendra Vakharia, President, SGTPA said,

“ It is important for industries to realize that although the journey through ETS might involve some roadblocks, its long-term outcomes of reduced pollution and financial savings ensure continuous benefits to ecology and economy. Both ecology and economy should work hand in hand and ETS is one way of making that happen.”

He further added, “Although it has taken ETS many years to take-off in Surat, this pilot has created a strong foundation and has helped put in place protocols which could benefit all new

clusters., I am confident the new clusters are well equipped to implement ETS on a faster timeline.” Mr. Tejas Patel, Deputy Environment Engineer, GPCB shared the encouraging preliminary results of the pilot highlighting the significant improvements in emissions monitoring. He stated, “ETS leads to a creation of a wealth of accurate real-time data for monitoring industrial performance as well as regulatory use. The benefits of ETS to industries are twofold; cost savings on fuels and improvements in



From left: Mr. Jitubhai Vakharia, Mr. P. U. Dave and Mr. T.C. Patel

boiler efficiency, and monetary benefits due to sale of surplus permits in the market.”

Prior to the workshop, Shri Krunesh Garg, Member Secretary of the PPCB, had stated,

“ This workshop is key in building capacity among participant units on the use of CEMS and ETS for reducing particulate matter in the dyeing cluster across Ludhiana. The ETS in Gujarat is an innovative mechanism to regulate industries and PPCB is keen to learn from their experience in Surat and Ahmedabad and support instituting a CEMS mandate for environmental regulation in the state.”

Industry representatives and PPCB officials actively participated in the question and answers rounds and most questions revolved around the market design elements, such as cap-setting, permit allocations, and pricing of permits. Participants were keen to understand the parameters for the selection of CEMS devices and trade-offs in selecting one device type over the other. The discussions were punctuated by experience sharing by Surat and Ahmedabad industry representatives, as well as GPCB officials.

A half-day industry visit to CEMS sites in Surat allowed the participants to understand the CEMS Data Acquisition System (DAS) and to interact with Surat industry owners themselves. They also got an opportunity to see the data systems, the trading platform and the requisite monitoring stations within each Surat industry.



The delegation interacted with Surat industries

Bobby Jindal, industrialist and secretary of an industry association in Ludhiana said,

“ We are very pleased with the workshop and the useful information delivered on CEMS and trading. It was reassuring to talk to Jitubhai who is an industrialist and association member like us. He has put to rest many of our apprehensions. ”

In his poignant closing address, Mr. Mahendra Kher, an industry representative from Surat strongly advocated for ETS and delivered a vote of confidence echoing positive sentiments and reassurances about the scheme.

“ I would like to say, with extreme confidence, that no serious issues were faced while transitioning into ETS. Rather, we faced issues in the absence of ETS and CEMS monitoring. GPCB, industry associations, and every one of us are on a mission to ensure the survival of our next generations, nature, and the universe. ”

“All we have to do is stand by them (regulators), give them our full support, and contribute to the best of our capabilities,” he added, in his closing remarks.