Dear Mr. Secretary Moniz and Mr. Deputy Chairman Ahluwalia:

On behalf of the India-US Track II Dialogue on Climate Change and Energy convened by the Aspen Institute, USA, and the Ananta Aspen Centre, India, we would like to thank both of you for taking time to meet with us during our most recent in-person meetings: last April in Delhi with Deputy Chairman Ahluwalia and this February in Washington with Secretary Moniz. We appreciate and share your commitment to working to enhance bilateral partnership between our countries.

On the eve of the India-US Energy Dialogue, we would like to share with you some ideas that our discussion has produced that could help to bolster clean energy and climate cooperation and collaboration between our two countries:

**TRADE**

Since 2010, there has been a rise in international trade disputes over renewable energy. These disputes can hinder efficient renewable energy development and investor confidence across jurisdictions. The current trade dispute between the United States and India over solar power development is highly unfortunate. We encourage the two governments to resolve the dispute quickly with an eye towards advancing renewable energy more broadly and recognizing that the wider deployment of renewable energy serves to create a global public good as a response to climate change.

To minimize the potential for further disputes in this area, the Track II dialogue suggests that a joint bilateral dialogue among relevant government representatives (trade, energy, environment, foreign affairs) be established to discuss resolution of the current dispute and to develop mutually agreed upon principles to harmonize international trade and renewable energy policies. We recommend that core principles include:

- Recognition of need for energy security and the value of policies that acknowledge the global nature of supply chains and support the development of high-quality renewable energy goods, services or technologies.
• The practice of early consultation between the two governments on national policies affecting renewable energy trade as a means of creatively identifying approaches that address the desired outcomes of each nation.

• Circumstances under which the two governments would agree to exercise restraint before initiating WTO disputes affecting trade in renewable energy.

ADAPTATION AND RESILIENCE

Even as we must address the drivers of climate change, we must also develop strategies to prepare and adapt to the impacts of climate change that are already too late to avoid. To that end, cooperation in this area could be greatly enhanced.

• The two governments should explore creating an umbrella India-US Partnership for Climate Resilience, drawing upon the experience of the clean energy partnership (PACE).

• Given the importance of climate risks in urban areas and the need to sustain the natural resource base, participants identified cities and ecosystem resilience as promising initial areas for action. Participants also recognized the importance of building resilience in energy infrastructure as another potential area for cooperation.

(In the United States, these ideas have also been shared with the State Department.)

HFCs

The Track II participants had a constructive discussion on hydrofluorocarbons (HFCs), the highly potent but short-lived climate forcers at our most recent meeting, which was the first since last year’s US-India and G-20 agreements on HFCs. To help make progress, we recommend that the phase down of HFCs employ a policy framework that:

• Is technology-agnostic (i.e., does not specify the coolant) and outcome-oriented (i.e., provides for a continuous reduction in the global warming potential) for cooling technology;

• Ensures energy efficiency performance (e.g., coefficient of performance) of the cooling technology so that cooling equipment’s net contribution to greenhouse warming, taking into account the electricity input, continuously improves;

• Ensures conformity with the Montreal Protocol and the United Nations Framework Convention on Climate Change with no adverse impacts on the ozone layer and climate change; and

• Provides a time frame and gives a long-term signal to the R&D, industry and business communities to innovate (this is similar to the structure of US vehicle efficiency standards).
JOINT CLEAN ENERGY R&D CENTERS (part of PACE-R and PACE-D)

In addition to the current R&D activities in these centers, the Track II Dialogue recommends:

- Actively connecting and leveraging the whole DOE R&D ecosystem (funded by ARPA-E, Hubs, applied energy programs) of technologies in areas including but not limited to biofuels, storage, solar (Sunshot), and building energy efficiency in order to address the needs and opportunities in India (technologies, products, markets, financing, business models). Equally, coordinating with the broader ecosystem of R&D activities in India, including various government departments, centers of excellence and laboratories, as well as agencies mandated with the task of identifying trending technologies and monitoring outcomes of public funding (TIFAC, NST-MIS).

- Actively focus on capacity building in science and engineering and beyond. That is focus on educating/training people with a holistic or system-level view of innovation that spans science and engineering to business models, and everything between (manufacturing, products, financing, etc.). The purpose is to enable not only technological innovation, but also innovation in transitioning these technologies to the market in an entrepreneurial way.

In each of the above areas, it would be important to identify appropriate institutional focal points that can help support partnership and collaboration efforts.

This group stands ready to assist you in such undertakings in any way possible.

Thank you for your consideration.

Sincerely,

Jamshyd Godrej
Chairman
Ananta Centre, India

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