

Press Release

A Just Energy Transition is essential for Odisha to become a green industrial and mining hub of India, says iFOREST research

- *Odisha's accounts for 9.7% of India's total greenhouse gas emissions. Its per capita emission is more than double of the national average.*
- *An unplanned energy transition can potentially impact over 9.3 lakh formal and informal jobs in coal mining, power and steel sectors. A Just Energy transition will be crucial for the state to build a green economy.*
- *Angul-Dhenkanal and Jharsuguda-Sundargarh-Sambalpur mining and industrial clusters are key regions that will be affected by energy transition.*
- *For green growth and jobs, Odisha should set ambitious targets for renewable energy, green hydrogen and green steel for the next 10 years. It should also invest in education and skilling to build a future-ready workforce.*
- *District Mineral Foundation funds and coal cess should be used to divert investments in Just Energy Transition.*

Bhubaneswar, November 5, 2024: Environment research and innovation organisation, International Forum for Environment, Sustainability and Technology (iFOREST), in partnership with Government of Odisha's Department of Energy, organised a multi-stakeholder meeting on '*Just Energy Transition to support Green Growth and Green Jobs in Odisha*'. The event drew participation from policy makers, government, industry, civil society and media to discuss investments for green industries, renewable energy, future-ready workforce and advancing climate action in the state.

During the event iFOREST released a report titled: *Just Transition in Odisha for Green Growth and Green Jobs*. It is the first comprehensive assessment on the opportunities in Odisha to shift to a low carbon economy while boosting economic growth and jobs. The report also highlights key policies and targets that the state government can implement in the next 10 years.

In his inaugural address, Deputy Chief Minister of Odisha, Shri Kanak Vardhan Singh Deo, stated, “We have to be progressive. We will move with the times, with the thought process of our honorable Prime Minister and meet our net zero targets. We must move towards a greener, more sustainable Odisha and it won’t be possible without everybody’s collective effort.”

Principal Secretary, Energy Department, Govt. of Odisha, Shri Hemant Sharma, emphasised that the foundation of a low-carbon economy in Odisha rests on three pillars: renewable energy, energy efficiency, and sustainable industrial practices. “Energy transition is imminent. It is a necessity and an imperative. If it doesn’t happen this civilization will not survive. The justice in Just Transition is about those people whose jobs will be impacted. Justice must be inbuilt. And the transition needs to be done in a planned manner. I can assure you on behalf of this government, that the Government of Odisha is committed to a Just Transition. That’s why we commissioned this study to iFOREST,” he said.

iFOREST’s report reveals that Odisha is one of the highest emitters of greenhouse gases (GHGs) in the country, accounting for 9.7% of India’s total GHG emissions. The coal-based power plants and the steel sectors contribute to 84% of the state’s total emissions. It’s per capita emission of 6.9 tonnes, is more than double of the country’s average of 2.8 tonnes. Odisha, therefore, will have a key role in building a net zero economy in India by 2070, a target pledged by Prime Minister Narendra Modi at the Glasgow climate summit in 2021.

“Odisha has a huge opportunity to become India’s hub of green minerals and metal industry, given its mineral wealth, massive renewable energy potential and human resources. To make this transition beneficial for all, the state needs to develop a comprehensive Just Transition policy. Such a policy can guide green investments in fossil fuel dependent districts, strengthen the ecosystem for skilling and jobs and mobilise finances,” said Dr. Chandra Bhushan, President and CEO of iFOREST, speaking on key policy recommendations.

The report highlights seven top mining and industrial districts that are the hotspot of transition. These include Angul, Dhenkanal, Jajpur, Jharsuguda, Sundargarh, Sambalpur and Kendujhar districts. These districts together account for 100% coal production and a majority of coal-based power capacity and steel production.

The meeting saw participation from industry leaders from Mahanadi Coalfields Limited, Tata Steel, Jindal Steel & Power Limited, The Utkal Chamber of Commerce and others. Agencies such as Odisha Power Generation Corporation Limited, GRIDCO and Odisha Renewable Energy Development Agency, World Skills Centre, Skill Council for Green Jobs and others participated in panel discussions making the case for a multi-sectoral approach to achieve a just energy transition.

Speaking at the event, Srestha Banerjee, Director, Just Transition at iFOREST said, “A Just Energy Transition will allow fossil-fuel dependent states like Odisha to build a green economy without compromising the welfare of workers and communities. Proper planning and investments will be crucial for this. Our report provides actionable recommendations to pursue this goal”.

Key recommendations of iFOREST’s report:

1. Develop Just Transition policy and regional Just Transition plans for Angul-Dhenkanal and Jharsuguda-Sundargarh-Sambalpur mining and industrial clusters.
2. Streamline policies and procedures to meet 11 GW renewable energy target by 2030.
3. Enforce Renewable Purchase Obligations (RPOs) target of 43.33% by 2030 for Captive Power Plants.
4. Mandate the establishment of greenfield ‘hydrogen-ready steel plants’ from 2025 onwards and set Green Steel targets of 25% by 2035.
5. The state can scale up renewable energy developments by utilising mining and industrial wasteland. About 11,000 hectares (ha) of coal mining land can be available for green energy and industry by 2030. This land is primarily in Talcher and Jharsuguda blocks.
6. Strengthen skilling ecosystem to develop skilled workforce in four areas:
 - Green energy
 - Green metals and mining
 - Green manufacturing
 - Green construction and infrastructure
7. Odisha will have about Rs. 35,000 crores in district mineral foundation (DMF) funds from coal mining alone in the next two decades. In addition, the coal cess from Odisha in the next two decades will be over Rs. 2,50,000 crores. The state and central government should work together to use financial resources from coal cess and DMF to support Just Energy Transition.

About iFOREST

The International Forum for Environment, Sustainability and Technology (iFOREST) is an independent non-profit research and innovation organisation working on pressing environment-development challenges in India.

We conduct independent evidence-based research, develop new knowledge and innovative solutions, convene stakeholders to increase awareness and build consensus to scale up green solutions.

In Odisha, iFOREST is working with the Department of Energy, Government of Odisha, GRIDCO Ltd. and Odisha Renewable Energy Development Agency (OREDA) to support green energy development in the state.

Visit <https://iforest.global/> for more information.

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