

Indian Institute of Management, Ahmedabad

APEIS Training Workshop 25th Nov- 8th Dec, 2004



India Team

Presentation Agenda

- Indian Data
- Modification of Model
- Scenarios
- Results
- Future Task

Dataset

- <u>I/O Table</u>, U Matrix, V Matrix
- <u>Commodities</u>: 115
- Sectors: 35
- Energy Commodities: 6
- Energy Sectors: 6

Modification of the Dataset

- Sector definitions
- Commodity definitions
- Creation of Fixed Capital Formation Matrix
- Emission Coefficients



- BAU
- High growth
- Low growth
- Efficiency improvement

Economy, Energy and Environment

- Energy consumption and emissions have grown faster than GDP
- Strong linkage between energy and carbon emissions
- Synergy between economic, energy and environment policies



GDP Projections (from Bottom Up Analysis)



Hypothesis

- Higher GDP Higher emissions
- Lower GDP Less emissions
- Higher Efficiency Less Emissions

GDP Projection



Results (CO₂ Emissions)



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Policy Options

- Promote Efficient Technologies
- Fuel Switch
- Innovation

Policies for sustainable development

Existing development path

- Creates tradeoffs
- Lock-in of technologies
- Path dependencies
- Bifurcate the path
- Development policies with positive environment spillovers
- Technological innovations
- North-South investment and technology flows



Environmental Quality

Comparison of Results



Learning's from this workshop

- Understanding
 - the AIM group of models
 - Top down model: CGE
 - Difference between top down and bottom up models

Learning's from this workshop

- CGE
 - Static
 - Dynamic
 - Tax
- Develop base model AIM/CGE for India
- Importance of Strategic Database

Future Tasks

- Preparation of better database (Calibration)
- Project till 2030
- Analysis of Scenarios
- Introduction of Tax
- Introduction of rural/urban divide
- Introduction of other gasses
- Comparison of results with other developing countries
- Linking AIM/ End-use and AIM/CGE Model