



ACCELENSE

A Newsletter to Accelerate SDGs



Edition 2: ECONOMIC LENSE

Theme: Climate Adaptation, Costs & Competitiveness

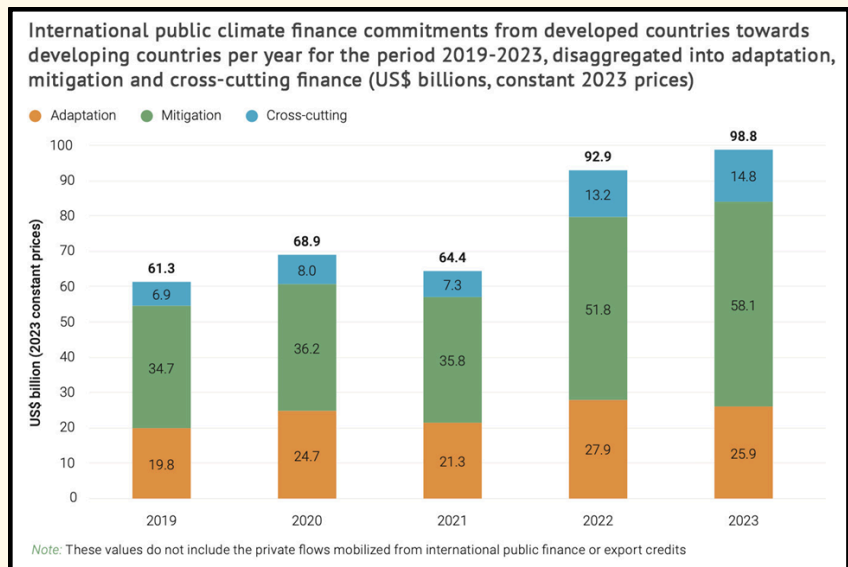
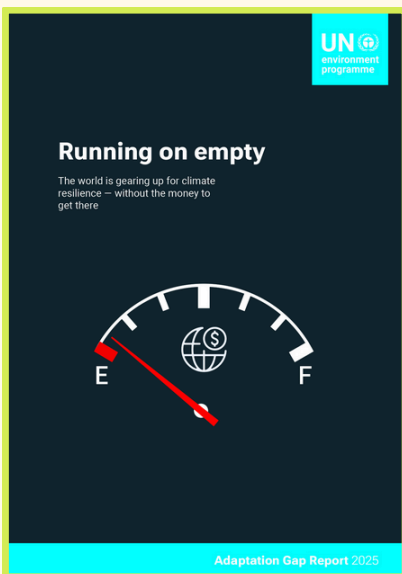
SDG Coordination and Acceleration Centre (SDGCAC), Haryana welcomes you to their fortnightly newsletter series **SDG Accelense** - designed to help share knowledge, spotlight ideas and focus on innovations shaping sustainable development. We hope this “lens” provides multiple perspectives on developmental issues and drives real “acceleration” on the ground helping achieve a **‘VIKSIT HARYANA’**. Each edition will explore development through either of the three lenses – the **Social Lense**, capturing stories of people, inclusion, and environment; the **Tech Lense**, highlighting digital and technological enablers of change; and the **Economic Lense**, focusing on growth, finance, and resilience. Together, they will endeavour to provide impetus for the state to be a “Non -stop Life Force” in its path to become globally competitive, inclusive, and sustainable Haryana.

Global Growth and Decadal Dips

The IMF’s World Economic Outlook (October 2025) reports a modest global slowdown from 3.3% in 2024 to 3.2% in 2025, and further to 3.1% in 2026, following import tariff hikes in the United States. Over the past decade (2017-2026), long-term global growth is expected to average 3.1%. In contrast, growth in emerging economies is projected to slow to 4% this decade, compared with 5.3% in the previous one (2007-2016). India’s decadal dip is comparatively mild, with average growth easing from 6.8% to 5.7%. India’s annual growth is expected to moderate from 6.6% in 2025 to 6.2% in 2026.

Despite rising restrictions on imports and migration, global trade volume growth is forecast to edge up by 0.1 percentage point in 2025 before slowing to 2.3% in 2026. Exports from advanced economies are expected to rise from 1.8% to 2.1% in 2025, while export growth in EMDEs is projected to decline from 6.5% to 5.9% over the same period.

<https://www.imf.org/en/-/media/files/publications/weo/2025/october/english/text.pdf>



A Growing Divide in Climate Adaptation Finance

The UNEP’s latest Adaptation Gap Report paints a stark picture: while developing countries will require US \$310–365 billion annually by the mid-2030s to cope with mounting climate risks, actual financial support is moving in the opposite direction. International public finance for adaptation fell to US \$26 billion last year, down from US \$28 billion the year before. This shortfall is far below the commitment made at the Glasgow UN Climate Summit (2021), where nations agreed to mobilize around US \$40 billion a year for adaptation by 2025.

<https://www.unep.org/resources/adaptation-gap-report-2025>

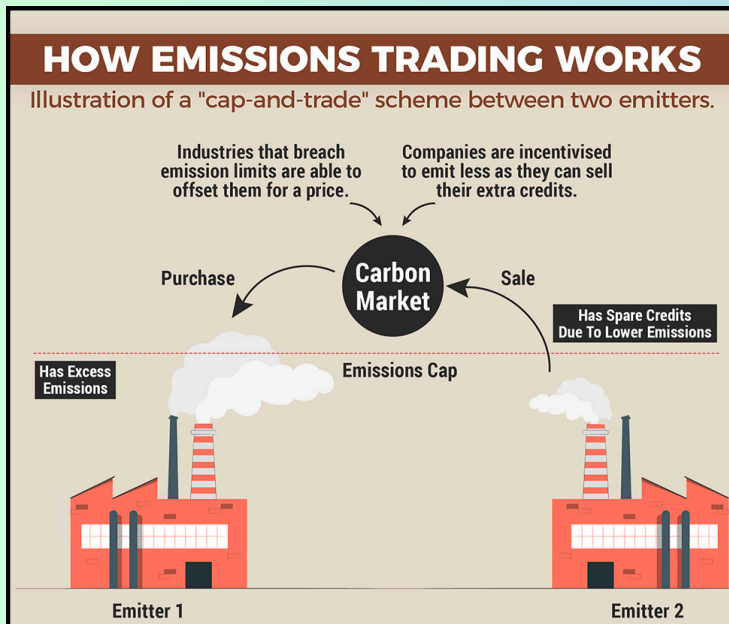
Climate-finance Requirement Ups for India's Big Polluters

A recent study titled 'India's Climate Finance Requirements: An Assessment' estimates that India will need an additional US \$467 billion in capital expenditure beyond what is already planned under a business-as-usual pathway between 2022 and 2030. That works out to roughly 1.3% of GDP annually across the cement, steel, power, and road transport sectors to support a transition toward a low-carbon economy. The assessment also finds that decarbonisation could significantly cut fossil-fuel use by 2030: around 291 million tonnes of coal in the power, cement and steel sectors, and about 72 billion litres of petrol and diesel in the road transport sector.



<https://ippr.in/index.php/ippr/article/view/421>

Gujarat Emissions Trading Scheme: A testament of how market based approach can address Air pollution challenges



The Earthshot Prize has recognized the Emissions Market Accelerator (EMA), a joint initiative of J-PAL and the Energy Policy Institute at the University of Chicago (EPIC), for its role in supporting Gujarat, named one of this year's Clean Our Air finalists. EMA and J-PAL affiliated researchers partnered with the Gujarat Pollution Control Board to design and implement a particulate pollution cap-and-trade market in Surat, where the pilot showed that firms reduced particulate pollution by 20-30 percent more than under traditional regulations, complied at 11 percent lower cost, and increased their profits. Non-compliance also fell from roughly a third of all facilities at any time to less than one percent ever, demonstrating the potential for emissions markets to deliver cleaner air and stronger industrial performance simultaneously. Following Surat's success, Gujarat launched a second market in Ahmedabad, extending cleaner air to 20 million people. Additional sulfur dioxide and wastewater markets are now in development, with expansion planned across India.

<https://www.povertyactionlab.org/updates/earthshot-prize-names-state-gujarat-finalist-groundbreaking-work-air-pollution>

Services Boom in India: Jobs are being added, but with Caveats

There's a steady momentum building in India's services economy. NITI Aayog's latest reports show the scale of the shift: the sector has added nearly 40 million jobs over the past six years and now employs about 188 million people. The transformation is visible everywhere. India's job engine is no longer driven only by factories, but by data centres, hospitality and logistics networks, beauty and wellness services, cloud kitchens, and a fast-growing ecosystem of digital learning platforms.

But the picture isn't without concerns. Nearly two-thirds of these new jobs are in the informal sector, without contracts or social protection. Women's participation also remains low in many states. And, as a recent Economic & Political Weekly analysis of GVA trends report points out, the services story has its contradictions: Bihar, one of the most lagging states, has emerged with services making up 58% of its total value added, compared to similar states where the share sits in the 30s. At the same time, manufacturing-oriented states continue to show a persistent disconnect between the growth of their secondary and services sectors.

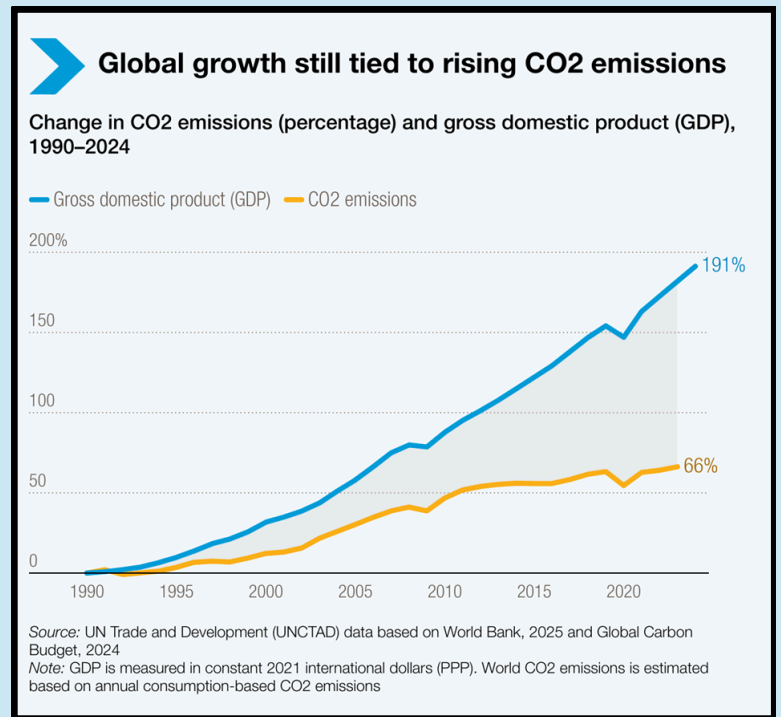
<https://timesofindia.indiatimes.com/education/news/40-million-new-roles-but-only-30-in-services-how-indias-services-sector-boom-hides-a-looming-jobs-crisis/articleshow/124894335.cms>

<https://www.epw.in/journal/2025/45/editorials/services-sector.html>

Rising Temperatures Renew Pressure to Decouple Growth from Emissions

According to the World Meteorological Organization, 2024 likely became the first full year above 1.5°C, marking a dangerous climate threshold, while fossil-fuel emissions hit new highs. Although some economies are growing while cutting emissions, globally GDP and CO₂ remain strongly connected with global GDP up 191% since 1990, but emissions still rising 66%. Trade patterns add to this imbalance. Just 35 economies generate 91% of emissions, while poorer nations, responsible for less than 4%, bear the harshest climate impacts. Further, only 64 updated climate plans have been submitted ahead of COP30, covering just 30% of emissions, leaving the world on track for 2.3–2.5°C of warming. UNCTAD's Global Trade Update report highlights how smarter trade policy could shift this trajectory by lowering tariffs on clean technologies and aligning markets with the Paris Agreement.

https://unctad.org/system/files/official-document/ditcinf2025d8_en.pdf



Industrial Investment Boost in Haryana: MoUs Worth ₹3,000 Crore Signed with Japan

The Haryana government secured Memorandums of Understanding (MoUs) worth ₹3,000 crore with Japanese majors in October 2025. This significant investment is split between a ₹1,000 crore R&D center with Daikin Industries and a ₹2,000 crore agricultural equipment manufacturing unit with Kubota Corporation. This twin-pronged boost aims to strengthen the state's industrial base, and boost employment opportunities.

<https://economictimes.indiatimes.com/news/india/haryana-govt-signs-mous-for-rs-3000-cr-investment-to-boost-industrial-sector-in-the-state-daikin-osaka-kubota-corporation-escorts/articleshow/124382999.cms?from=mdr>

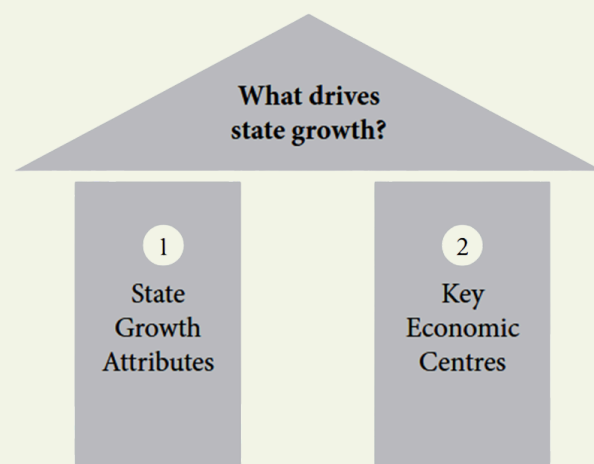
Indicator	October 2025	Previous/Change	Comments
CPI Inflation	0.25%	Fell ~1.19 pp from September and 5.96 pp from Oct 24	Mainly attributed to decline in GST and food inflation.
Unemployment Rate	5.2%	Unchanged from September (5.2%)	Urban- rose from 6.8% to 7% Rural-fell from 4.6% to 4.4%
Repo rate	5.5%	Unchanged for the second consecutive time.	supportive domestic conditions and tariff uncertainties
Trade Deficit	US\$ -21.80 billion	US\$ -9.05 billion (October 2024)	140.8% year-on-year change
INR volatility	Two way movements but least volatile emerging market currencies during April-Oct 2025.	-	Due to narrower current account deficit, healthy Foreign exchange and steady services exports

<https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=2190790>
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<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2190829>
<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2173560>

What drives a State's Growth?

A CSEP working paper, "Decoding State Growth", reveals that achieving India's ambitious goal of becoming a developed nation by 2047 hinges on state-led reforms. It highlights that state growth strategies should be a function of Growth attributes and KEC, and requires excelling on both axes: Stronger State Attributes including foundational elements including human capital, physical capital, and the quality of governance and Specialized Key Economic Centres (KECs): Urban agglomerations that act as hubs for economic activity. States that performed best, such as Gujarat and Karnataka, were strong on both attributes. Furthermore, specialization in KECs, particularly in capital-intensive manufacturing, showed a stronger correlation with faster state growth. Haryana ranks 8 (out of 8) in the fast growing state list with real per capita GDP CAGR of 5.6% (1994-2020).

<https://csep.org/wp-content/uploads/2025/04/Decoding-State-Growth.pdf>



Source: Authors' analysis.



SDGCAC

SUSTAINABLE DEVELOPMENT GOALS
COORDINATION AND ACCELERATION CENTRE



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