

Strategic Synergy: Russia–India Cooperation in Achieving Sustainable Development Goals

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Abstract

The cooperation of the BRICS+ countries in achieving the most important goals of the sustainable agenda plays a pivotal role in the global context. This is due to the scale of the member countries, their economies, significant progress in the field of sustainability, as well as close views on mitigating climate change. One of the effective tools for economic regulation of sustainable development and achieving zero emissions is the implementation of climate projects and the functioning of carbon markets. Currently, countries face ambitious goals to reduce CO₂ emissions, which accelerates the need to create international markets and mechanisms for carbon offsetting. Cooperation of the BRICS+ countries in carbon markets requires deep analysis of existing national approaches to validation of 'green' projects and verification in order to harmonize cross-border mechanisms. This article analyses the climate agenda legal basis in the BRICS+ countries and carbon market development stages, focusing on the contribution of Russia and India to the creation and integration of global carbon markets. The article examines best practices of climate initiatives of Russia and India and explores ways to harmonize global carbon markets.

Introduction

Since the creation of the BRICS, sustainable development has always been an important issue in international cooperation, encompassing principles of equity, environmental and social responsibility, sustainable industrialization, and digital transformation. Sustainable development should ensure a just transition within the framework of combating climate change and improving the well-being of the population, including expanding the share of renewable energy, combating deforestation, ensuring biodiversity, and promoting sustainable transport and agriculture.

In order to assess the pace of sustainable development of the countries' economies, the authors analyzed the volume of investments in sustainable infrastructure, the degree of development of carbon markets, and net zero goals.

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BRICS Perspective

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Table 1. BRICS+ countries' carbon markets regulation systems overview

No	BRICS+ Country	Net Zero Target	Carbon Market Status	Key Regulatory Documents
1	Brazil	2050	Regulated market developing (National ETS). Voluntary market active.	Green Growth Program; NDC; ABC+ Plan; Zero Waste Programme; PRSA; Federal Decree establishing SINARE 11,075/2022; Law No. 15,042 SBCE establishing the Brazilian Emissions Trading System.
2	Russia	2060	Regulated market under development (Federal Law 34-FZ experiment in select regions). Voluntary market active.	Strategy for Socio-Economic Development with Low GHG Emissions to 2050; Presidential Decree No. 666/2020; Federal Law No. 296-FZ (2021) on Limiting GHG Emissions; Federal Law No. 34-FZ (2022) on GHG Experiment; National Project 'Ecological Well-being'.
3	India	2070	Rate-based ETS under Carbon Credit Trading Scheme (CCTS) being adopted. Voluntary market active.	Energy Conservation Act; National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVEGs); National Principles for Responsible Business Conduct (NGRBC).
4	China	2060	Regulated market operational; voluntary market (China Certified Emission Reduction System, CCER) also active.	Action Plan for Peak CO ₂ Emissions by 2030; White Paper on Responding to Climate Change; Dual Carbon Emissions Control System Work Plan; Carbon Footprint Management System Implementation Plan.
5	South Africa	2050	Carbon tax regulates emissions; voluntary market also active.	Low-carbon Development Strategy to 2050; Industrial Policy Action Plans; White Paper on Climate Change; Green Transport Strategy 2018–2050; Carbon Tax Act; Climate Change Response Act.
6	UAE	2050	Voluntary market active.	UAE Vision Strategy; UAE Green Agenda 2015–2030; National Climate Change Mitigation Plan to 2050; Federal Decree-Law No. 11 of 2024 on Climate Change Mitigation.
7	Iran	–	Signed Paris Agreement in 2016; ratification subsequently rejected. Voluntary market active.	Energy Efficiency Optimization Law; Third National Communication (NC3); National Climate Change Strategy.
8	Ethiopia	2050	Voluntary market active; regulated market under development.	Climate-Resilient Green Economy Strategy; Environmental Protection Authority (EEPA); Climate Adaptation Programme (EPACC); Environmental Policy; Addis Ababa Declaration 2025.
9	Egypt	–	Ratified Paris Agreement; no carbon neutrality commitment adopted. Voluntary market developing.	Waste Reduction Programme; Vision-2030 Sustainable Development Strategy; Integrated Sustainable Energy Strategy 2015–2035; National Climate Change Strategy (NCCS) to 2050; Sustainable Finance Principles.
10	Indonesia	2060	Carbon regulation covers coal-fired power sector. Voluntary market active.	Presidential Decree 2/2008 on Energy Efficiency; Government Regulation No. 40/2025 on National Energy Policy (KEN); Regulation No. 16/2022 on Carbon Price in Electricity Generation; Long-term Low-carbon and Climate-resilient Development Strategy to 2050.

Source: authors' contribution based on [1, 2, 3, 5, 6].

The rapid industrialization of the BRICS countries explains the growing CO₂ emissions, which account for about 50% of all global emissions. In 2009, at the first BRIC summit, a willingness to cooperate on climate change issues was indicated *"based on the principles of common but differentiated responsibilities, considering the need to combine climate protection measures with steps to solving the issues of socio-economic development of the countries"* [9].

In the modern carbon market infrastructure, the following instruments of carbon regulation are used. The carbon tax is an environmental tax on emissions (carbon dioxide and other greenhouse gases) — an indirect tax on environmental pollution. The carbon unit (carbon credit) refers to a unit of measurement used to estimate and trade greenhouse gas emissions, representing 1 tonne of CO₂ reduced.

There are emission trading systems (ETS) characterized by voluntary or obligatory principles. Within the regulated carbon market, government agencies distribute quotas or permits for GHG emissions among enterprises for a certain period. In order to decrease emission levels, companies can introduce green technologies, purchase missing quotas from companies that have surplus, or pay a fine.

Voluntary carbon markets are platforms for the purchase and sale of units for reducing greenhouse gas emissions in order to meet carbon footprint reduction aims. Pricing for credits depends on validity, measurability, continuous effect of emission reduction, ratings, and additional ecological or social impact. Reduction and sequestration of carbon emissions is implemented through green projects including reforestation, alternative energy, peatland restoration, and others.

Combating climate change is a global challenge requiring joint action. In 2015, the Paris Agreement was adopted at the 21st UN Climate Conference, and each signatory country identifies its own Nationally Determined Contributions to mitigate climate change.³

Article 6 of the Paris Agreement concerns international carbon cooperation in achieving climate goals, providing market and non-market mechanisms for trading emissions reduction results between countries. Article 6.2 covers the mechanism of internationally traded mitigation outcomes (ITMOs) during bilateral carbon trading. Article 6.4 discusses creation of a global carbon market considering validation of projects by national bodies and a United Nations Special Body — now known as the Paris Agreement Crediting Mechanism (PACM). Discussions on Article 6 mechanisms were also a key aspect of COP30 in Brazil in 2025.⁴

³Nationally Determined Contributions (NDCs) | UNFCCC.

⁴COP30 Debrief: What Really Happened for Carbon Markets in Belém.

Relations between Russia and India play a special role in the framework of BRICS+ climate cooperation. Russia and India have historically been long-standing partners and are developing joint priority areas including IT, biotechnologies, energy technologies, space science, and security [12].

In July 2024, Russia and India signed a Memorandum of Understanding on climate change and low-carbon development — a practical tool for building effective cooperation in the implementation of climate projects, covering aspects such as carbon unit trading, methods for estimating and monitoring emissions, and development of green technologies.⁵

Within the framework of the annual Russia–India Summit, the importance of joint efforts in combating climate change and the functioning of Article 6 mechanisms of the Paris Agreement was noted.⁶

Russian Carbon Market

In Russia, both a voluntary and a regulated (quota-based) carbon market are functioning. On the voluntary market, business entities place and purchase carbon units to achieve ESG goals through climate projects. Within the framework of Federal Law No. 296-FZ of July 2, 2021 'On Limiting Greenhouse Gas Emissions', criteria for classifying projects as climate-related were approved. In 2023, the number of climate projects registered in the Carbon Units Registry reached 12; in 2024, 36; and as of December 25, 2025, this number had reached 85, approaching 100. Over 36 million carbon units are in circulation, and almost 100 million are planned to be issued.⁷ Projects include modernization of hydroelectric power plants, introduction of energy-efficient technologies, technical re-equipment of boiler houses, and artificial restoration of ecosystems.

The regulated market principles are introduced on a regional basis, starting from September 2022 in the Sakhalin Region. The volume of the regulated market is 349,003 quota fulfillment units.⁸ Notably, in 2025 this region officially achieved carbon neutrality — absorption of greenhouse gases exceeded emissions, with the region's GRP growing by 51% and investments by 47%. Emissions have been reduced threefold. This positive experience will be applied in other Russian regions including the Republic of Sakha (Yakutia), Republic of Komi, Republic of Tatarstan, Stavropol Territory, and Irkutsk and Arkhangelsk regions.

Indian Carbon Market

Turning to carbon regulation in India, it should be noted that, being one of the fastest growing economies in the world, India has formed its own national set of legal measures and an internal

⁵<https://www.mea.gov.in/Portal/LegalTreatiesDoc/RU24B4486-1.pdf>

⁶Joint Statement following the 23rd Russia–India Annual Summit, December 5, 2025.

⁷The Carbon Units Registry.

⁸The Carbon Units Registry.

environmental impact management system. India's experience can be used for further harmonization of BRICS+ carbon markets.

India will assume the BRICS Presidency in 2026, with key priorities including sustainability, innovation, cooperation and environmental stability — indicating increased attention of public policy to the ESG agenda.⁹

India's real GDP in the first quarter of fiscal year 2026 amounted to 544.20 billion US dollars, 7.8% higher than the same period last year.¹⁰ Currently the fourth largest economy in the world, India's GDP is projected to reach \$7.3 trillion by 2030, placing the country third globally.¹¹ The intensive development format, implementation of internal programmes, and growing population contribute to the expansion of India's carbon footprint — the country has the third highest level of carbon emissions in the world.¹²

India is simultaneously implementing numerous initiatives aimed at reducing CO₂ emissions. In aviation, more than 90 airports are now powered entirely by renewable energy, and the airports of Delhi, Mumbai, Hyderabad and Bangalore have received Level 5 carbon neutral accreditation.¹³ In the textile industry, waste recycling has increased from 77% to 80% of companies surveyed from 2023 to fiscal year 2025, reflecting movement toward a closed-loop economy.¹⁴ India is also one of the global leaders in renewable energy installed capacity, wind power and solar power capacity.¹⁵

India's carbon market has two key mechanisms: a compliance mechanism targeting emissions from the energy and industrial sectors, and a compensation mechanism encouraging voluntary actions to reduce GHG emissions. India has the world's second-largest carbon offsets voluntary market, with projects verified via Verra and Gold Standard [7]. In 2022, the Gujarat government announced the first cap-and-trade carbon market in the country.¹⁶

India previously operated two market trading schemes — the PAT (Perform, Achieve, Trade) certificate for clean energy use and the REC (Renewable Energy Certificate) for renewable energy sources. Under the PAT scheme, Indian enterprises managed to reduce CO₂ emissions by more than 106 million tonnes from 2015 to June 2024 [5]. In 2026, the Carbon Credit Trading Scheme will be implemented as a national carbon market. The Government has doubled the composition of the

⁹Индия приняла председательство в БРИКС у Бразилии | TV BRICS, 15.12.25.

¹⁰Indian Economy Growth Rate, GDP & Economic Structure Insights | IBEF.

¹¹India's GDP Surge: Driving the Growth Story.

¹²India's carbon emission rise slower in 2025, says report — The Hindu.

¹³India transitions aviation sector as 93 airports switch to 100% green energy | TV BRICS, 22.12.25.

¹⁴India's textile industry intensifies shift to sustainable water use.

¹⁵Press Note Details: Press Information Bureau.

¹⁶India's state of Gujarat signs MoU to establish a cap-and-trade market | International Carbon Action Partnership.

National Authorized Body (NDA) to ensure broader sectoral representation and promote international carbon trading.

Successful Case

The development of Russian–Indian relations in this area is confirmed by existing successful cases. For example, Tatneft (one of Russia's top-5 oil companies) has registered an international climate project on the Indian Universal Carbon Registry (USR) platform in the field of solar energy, implemented in Uzbekistan through a subsidiary. The USR platform offers simplified project registration procedures using high technologies in calculating carbon units.¹⁷

International Carbon Trading

In order to harmonize processes in the field of international carbon trading, the following steps are necessary:

- approval and adoption of common mechanisms for the validation and verification of climate projects;
- coordination of the possibilities of recognizing carbon units issued according to international standards and converting such units into national ones;
- creating the possibility of using 'international' carbon units to meet companies' carbon emission obligations;
- creation of a common registry — for example, a platform for carbon units of the BRICS+ countries;
- provision of a transparent mechanism for offsetting carbon units.

As emphasized at the COP30 climate conference, the mechanisms of global carbon markets must not be used as an instrument of pressure on countries with different economic structures and levels of technological readiness.

Harmonization and integration of carbon trading markets are necessary steps toward achieving climate goals on a global scale. The international carbon trading system is becoming an integral part of climate policy, requiring coordinated regulatory mechanisms at the inter-country and national levels. These mechanisms can be implemented through cross-border digital tools, creating conditions for an international ecosystem of carbon markets.

The introduction of platform solutions, analytics algorithms, verification tools, and international registries will enable effective global carbon trade [10]. A pivotal role in these processes lies in academic cooperation — joint educational programmes will ensure effective preparation of specialists in innovative energy solutions, green hydrogen, IT, and renewables. Synchronization of BRICS+ carbon

¹⁷Russia Gaining Indian Carbon Credits From Investments In Uzbekistan Solar Power.

trading also requires unifying methodologies for project verification and carbon footprint calculations; cooperation of Russian and Indian universities in these spheres will bring positive results to climate change initiatives.

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