



Budget 2022-23: Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition, and Climate Action

For Prelims: Constitutional Provisions related to Budget, Different Government Interventions such as C-PACE, AVGC, etc.

For Mains: Proposals for EODB and Ease of Living, Energy Transition and Climate Action.

Why in News?

Recently, the Minister of Finance presented the [Union Budget 2022-23](#).

- One of the priority areas is **'productivity enhancement and investment; sunrise opportunities; energy transition and climate action'**.
- It aims **to ensure ease of living and doing business and to attain the vision of promoting energy transition and climate action** during the Amrit kaal.

How does the Budget promote Ease of Living and Doing Business?

- **Next Phase of Ease of Doing Business & Ease of Living:**
 - In recent years, over 25,000 compliances were reduced and 1486 union laws were repealed, result of **'[minimum government & maximum governance](#)'**, and Ease Of Doing Business (EODB).
 - For the Amrit Kaal, the next phase of **'[Ease of Doing Business EODB 2.0](#)'** and Ease of Living, will be launched.
 - EODB 2.0 would entail digitisation of manual processes, integration of central and state level systems through IT bridges, single-point access for all citizen-centric services and standardisation and removal of overlapping compliance requirements.
 - The government will follow the idea of **'trust-based governance'**.
- **Green Clearances:** Expansion of the single window portal, **'[PARIVESH \(Proactive and Responsive Facilitation by Interactive, Virtuous and Environmental Single-window Hub\)](#)'**, for all green clearances, which was launched in 2018.
- **e-Passport:** **'[e-Passports](#)'** with embedded chip and futuristic technology to be rolled out.
- **Urban Development:** A **high-level committee of reputed urban planners, urban economists and institutions** will be formed to make recommendations on urban sector policies, capacity building, planning, implementation and governance.
- **Urban Planning:**
 - Modernization of building bye laws, Town Planning Schemes (TPS), and **'[Transit Oriented Development \(TOD\)](#)'** will be implemented.
 - Battery swapping policy to be brought out for setting up charging stations at scale in urban areas.
- **Land Records Management:**
 - **'[Unique Land Parcel Identification Number](#)'** for IT-based management of land records.

- The facility for transliteration of land records across **any of the [Schedule VIII languages](#)** will also be rolled out.
- The adoption or linkage with [National Generic Document Registration System \(NGDRS\)](#) with the '**One-Nation One-Registration Software**' will be promoted as an option for uniform process for registration and 'anywhere registration' of deeds & documents.
- **Amendments in Insolvency and Bankruptcy Code** to facilitate cross border [insolvency resolution](#).
- **Accelerated Corporate Exit:** The **Center for Processing Accelerated Corporate Exit (C-PACE)** with process re-engineering, will be established to facilitate and speed up the voluntary winding-up of these companies from the currently required 2 years to less than 6 months.
- **Government Procurement:** To enhance transparency and to reduce delays in payments, a completely paperless, end-to-end [online e-Bill System](#) will be launched for use by all central ministries for their procurements.
- **AVGC Promotion Task Force:** An [Animation, Visual effects, Gaming, and Comic \(AVGC\)](#) promotion task force to be set-up to realize the potential of this sector.
- **Telecom Sector :** A scheme for design-led manufacturing will be launched to build a **strong ecosystem** for [5G](#) as part of the [Production Linked Incentive Scheme](#).
- **Export Promotion:** The [Special Economic Zones Act](#) will be replaced with a new **legislation** that will enable the states to become partners in '**Development of Enterprise and Service Hubs**'.
- **AtmaNirbharta in Defence:**
 - 68 % of the capital procurement budget will be earmarked for domestic industry in 2022-23, up from 58% in 2021-22.
 - Defense R&D will be opened up for industry, startups and academia with 25 % of defense R&D budget earmarked.
 - Independent nodal umbrella body to be set up for meeting testing and certification requirements.
- **Sunrise Opportunities:** [Artificial Intelligence](#), [Geospatial Systems and Drones](#), [Semiconductor and its ecosystem](#), [Space Economy](#), [Genomics and Pharmaceuticals](#), [Green Energy](#), and [Clean Mobility Systems](#) have immense potential to assist sustainable development at scale and modernize the country.

PRODUCTIVITY ENHANCEMENT AND INVESTMENT



Ease of Doing Business 2.0

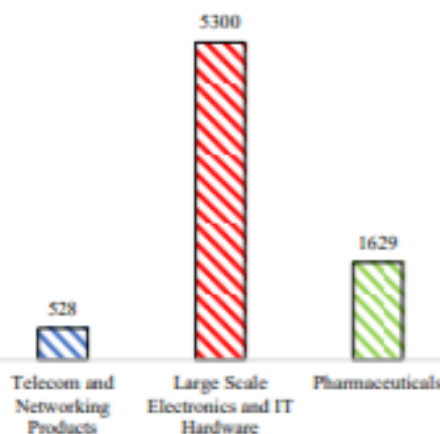
- Trust based governance
- Integration of central and state level systems through IT bridges
- Expanding scope of PARIVESH Portal
- Unique Land Parcel Identification Number for IT based management of land records.
- Establishing C-PACE to facilitate voluntary winding up of companies
- End to end online e-Bill System and utilising surety bonds in government procurement.
- AVCG promotion task force
- Support to 5G under PLI scheme
- Opening up defence R&D for industry, startups and academia



Ease of Living

- Issuance of chip embedded e-Passports
- Modernisation of building byelaws, implementing Town Planning Schemes and Transit Oriented Development
- Establishing Centres of Excellence in urban planning
- Providing a battery swapping policy as an alternative to setting up charging stations in urban areas

Allocation under PLI Schemes, 2022-23 BE (in crore)



How does the Budget promote Energy Transition and Climate Action?

▪ Solar Power:

- To facilitate domestic manufacturing for the ambitious **goal of 280 GW of installed solar capacity by 2030**, an additional allocation of **19,500 crore for Production Linked**

Incentive for manufacture of high efficiency modules, will be made.

▪ **Circular Economy:**

- The **Circular Economy** transition is expected to help in productivity enhancement as well as creating large opportunities for new businesses and jobs.
- The action plans for ten sectors such as electronic waste, end-of-life vehicles, used oil waste, and toxic & hazardous industrial waste are ready.

▪ **Transition to Carbon Neutral Economy:**

- **Five to seven per cent biomass pellets** will be co-fired in thermal power plants resulting in CO₂ savings of 38 MMT annually.
 - This will also provide extra income to farmers and job opportunities to locals and **help avoid stubble burning** in agriculture fields.
- Four pilot projects for **coal gasification** and conversion of coal into chemicals required for the industry will be set-up.
- **Financial support to farmers** belonging to Scheduled Castes and Scheduled Tribes, who want to take up **agro-forestry**.

[Source: PIB](#)

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