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Editorial

COP29 and Pakistan's Path to SDGs: Challenges, Opportunities, and the Way Forward

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Abstract

The 29th United Nations Climate Change Conference (COP29) held in Baku, Azerbaijan, marked a significant milestone in global climate action. The conference, dubbed the "Finance COP," focused on enhancing financial commitments to support developing nations in mitigating and adapting to climate change. Key outcomes included the establishment of a new climate finance goal, operationalization of carbon markets, and the launch of a loss and damage fund. For Pakistan, COP29's outcomes have significant implications. The country can benefit from the operationalization of the Loss and Damage Fund, which pledged $800 million to aid adaptation efforts in vulnerable regions. Pakistan must also strengthen its climate finance proposals and ensure transparency in fund utilization to attract international climate finance. Additionally, the country can benefit from carbon trading mechanisms and accelerate its transition to renewable energy sources.

Keywords: COP 29, Pakistan, SDGs, Pathway

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1. Introduction

The 29th United Nations Climate Change Conference (COP29), held in Baku, Azerbaijan, from November 11 to 22, 2024, marked a pivotal moment in global climate action. Dubbed the "Finance COP," the summit concentrated on enhancing financial commitments to support developing nations in mitigating and adapting to climate change.

Key Highlights

1- New Climate Finance Goal

A significant outcome was the establishment of a New Collective Quantified Goal (NCQG) on climate finance. Developed countries committed to mobilizing at least $300 billion annually by 2035 to assist developing nations in addressing climate impacts and transitioning to sustainable energy sources. While this represents a substantial increase from the previous $100 billion target, it falls short of the $1.3 trillion that many developing countries deemed necessary.[1]

2- Carbon Markets Operationalization

COP29 achieved a milestone by finalizing frameworks under Article 6.4 of the Paris Agreement, establishing UN-backed body to regulate international carbon credit trading. This development is anticipated to unlock significant climate finance, particularly benefiting developing countries.[2]

3- Adaptation Fund and Loss and Damage

The conference saw the operationalization of a new loss and damage fund, with $800 million pledged to aid adaptation efforts in vulnerable regions. However, discussions revealed that the Adaptation Fund, created in 2001 to finance concrete adaptation projects, remains underfunded, disproportionately affecting developing countries and Small Island Developing States.[3]

4- Nationally Determined Contributions (NDCs)

Countries were reminded of the requirement to submit new or updated NDCs by February 2025. These plans are crucial for setting region-specific targets to reduce greenhouse gas emissions and promote sustainable development. The emphasis was on creating ambitious, investable NDCs that actively involve the private sector.[4]

5- Geopolitical Dynamics

The summit was not without controversy. Argentina's delegation withdrew early, with the government labeling the climate crisis a "socialist lie." Additionally, tensions arose when Azerbaijan's President Ilham Aliyev criticized France's colonial history, leading to the cancellation of a visit by France's ecology minister.[5]

6- Innovative Financing Proposals

Discussions included the introduction of solidarity levies on high-carbon goods and services, such as crypto currency transactions, plastics production, and aviation. A report suggested that a levy on crypto currency alone could generate $5 billion annually for climate action.[6]

COP29 made notable strides in climate finance and carbon market frameworks. However, the outcomes highlighted ongoing challenges, particularly in securing sufficient funding and achieving consensus among diverse geopolitical interests. The conference underscored the critical need for continued collaboration and increased ambition to effectively address the escalating climate crisis.

COP29's outcomes, particularly in climate finance, adaptation funding, and carbon markets, will have direct implications for Pakistan's progress in achieving the Sustainable Development Goals (SDGs), especially SDG 13 (Climate Action), SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), and SDG 2 (Zero Hunger).

Key Impacts on Pakistan

1- **Climate Finance and Loss & Damage Fund**

Pakistan, being highly vulnerable to climate change-induced disasters such as floods and heat waves, stands to benefit from the operationalization of the Loss and Damage Fund introduced at COP29. The pledged $800 million is a step forward, but much more is needed. Pakistan must advocate for increased and timely disbursements of these funds to support recovery from extreme weather events like the 2022 floods, which caused damages exceeding $30 billion. [7,8]

Impact on SDGs

✓ SDG 13 (Climate Action): Funding will help build climate resilience in disaster-prone areas.

✓ SDG 11 (Sustainable Cities & Communities): Supports infrastructure rebuilding in affected regions.

2- **New Collective Climate Finance Goal ($300 Billion by 2035)**

Although the revised climate finance goal is higher than the previous $100 billion target, it still falls short of the financial needs of developing countries. Pakistan, which has requested $100 billion over the next 10 years for climate adaptation, will have to compete with other developing nations for these limited funds.[9]

Action Required: Pakistan must strengthen its climate finance proposals and ensure better transparency in fund utilization to attract international climate finance.

Impact on SDGs:

✓ SDG 9 (Industry, Innovation, and Infrastructure): Access to climate finance can help in developing sustainable transport and green industries.

✓ SDG 7 (Affordable & Clean Energy): More funding can accelerate Pakistan's shift towards renewable energy sources.

3- **Carbon Markets and Article 6.4 Implementation**

Pakistan can benefit from carbon trading mechanisms introduced at COP29. If implemented effectively, this could open up new revenue streams by selling carbon credits through reforestation projects, sustainable energy transitions, and green industries.

Challenges:

- Pakistan currently lacks a structured carbon market; regulatory frameworks need to be developed.
- Strong monitoring mechanisms are essential to avoid exploitation by large corporations.

Impact on SDGs:

✓ SDG 15 (Life on Land): Forest preservation programs can be funded through carbon credits.

✓ SDG 8 (Decent Work & Economic Growth): Green industries can generate employment opportunities.

4- **Energy Transition and Phasing Out Fossil Fuels**

COP29 reinforced the push towards clean energy transition, which is critical for Pakistan, as it relies on fossil fuels for over 60% of its energy needs. Investments in solar, wind, and hydropower could accelerate if Pakistan effectively taps into international climate financing and incentives.

Barriers:

- Dependence on imported fossil fuels, leading to energy insecurity.
- Lack of infrastructure for large-scale renewable energy adoption.

Impact on SDGs:

✓ SDG 7 (Affordable & Clean Energy): Transitioning to renewables will help reduce energy costs and dependence on imports.

✓ SDG 12 (Responsible Consumption & Production): Encourages sustainable industrial practices.

5- **Agriculture and Food Security Risks**

Pakistan's agriculture sector is highly vulnerable to climate change, affecting SDG 2 (Zero Hunger). The discussions at COP29 emphasized the need for climate-resilient agricultural practices and financial mechanisms to support farmers. However, there was no strong global commitment to agricultural adaptation funding, meaning Pakistan must prioritize local solutions.

Impact on SDGs:

✓ SDG 2 (Zero Hunger): Investments in climate-smart agriculture can ensure food security.

✓ SDG 6 (Clean Water & Sanitation): Improved water management strategies can mitigate the impact of droughts.

Conclusion

What Should Pakistan Do?

Strengthen Climate Diplomacy: Pakistan should proactively engage with global climate finance institutions to secure a fair share of the newly pledged funds. Develop Carbon Market Policies: Establish a structured carbon credit trading system to attract foreign investment. Accelerate Renewable Energy Projects: Attract private sector investment in solar, wind, and hydro projects. Improve Climate Resilience in Agriculture: Implement water-efficient and climate-smart farming techniques to safeguard food security. While COP29's agreements provide opportunities for Pakistan, the actual benefits depend on strong policy implementation and international negotiations.

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