

A LOOK AT THE KEY HAPPENINGS AT COP28

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(Views expressed in the brief are those of the author, and do not represent those of ISSI)



The UAE hosted COP28 from November 30 to December 12, 2023, at Expo City Dubai to unite the world towards agreement on bold, practical, and ambitious solutions to the most pressing global challenge at this time. The first Global Stocktake (GST) provided a comprehensive assessment of progress since adopting the Paris Agreement. This helped COP28 to align the efforts on climate action, including measures that needed to be put in place to bridge the gaps in progress.¹

COP28 marked the first GST, during which the United Nations Framework Convention on Climate Change (UNFCCC) evaluated the combined endeavours and accomplishments in mitigating greenhouse gas (GHG) emissions and addressing the challenges posed by climate change. Prepared in advance of the COP28, the written technical report indicated that the current trajectory fell short of achieving these objectives. This evaluation established the foundation for deliberations and conversations during COP28. After appraising the advancement toward the objectives outlined in the Paris Agreement, the UNFCCC engaged in discussions to formalize its initial GST agreement during COP28. This accord offers the UNFCCC a chance to realign its efforts in pursuit of climate-

¹ "2023 UN Climate Change Conference (UNFCCC COP 28)," IISD, Accessed on November 23, 2023, <https://sdg.iisd.org/events/2023-un-climate-change-conference-unfccc-cop-28/>

related initiatives, establishing fresh targets and objectives to fulfil the goals outlined in the Paris Agreement.²

On November 4, 2023, countries agreed on key measures to supply funds to the world's most vulnerable people to repair the damage from climate breakdown. This came about after Governments from richer and poorer countries drew up the blueprint for a new loss and damage fund after a tense two-day meeting under UN guidance in Abu Dhabi.³ The aim of the Loss and Damage Fund established at COP27 was to provide financial assistance to poorer and most vulnerable nations as they deal with the negative consequences that arise from the unavoidable risks of climate change. It was for the first time that global leaders agreed to establish a fund, paid for by wealthy countries, to support low-income countries in the developing world that have fallen victim to climate crises and disasters.⁴ There were fears before this agreement that disagreements between rich and poor nations over how to manage a new fund to tackle the loss and damage caused by climate change could throw the COP28 to be held in Dubai into disarray.⁵

The main point of contention was the hosting of the fund by the World Bank. Developed countries, led by the United States (US), were pushing for the fund to be based at the bank while developing nations argued this would skew the balance of power towards wealthy governments and make it hard for them to tap into the funding. Therefore, the G77 and China group of developing countries preferred an independent loss and damage fund that can set its own rules, or one housed at a UN agency. However, under the new agreement, the loss and damage fund will be administered at first by the World Bank and will draw on funding sources including large developing countries as well as the US, the EU, and the UK.⁶

The affluent nations, primarily accountable for the climate crisis, have committed a collective sum slightly exceeding \$700 million to the loss and damage fund. This amount represents less than 0.2%

² Rachel Richardson, "COP28: renewed climate commitments follow first global stocktake," Macfarlanes, December 19, 2023, <https://blog.macfarlanes.com/post/102ivfg/cop28-renewed-climate-commitments-follow-first-global-stocktake>

³ Gloria Dickie and Valerie Volcovici, "World Bank poised to host climate loss and damage fund, despite concerns," Reuters, November 5, 2023, <https://www.reuters.com/sustainability/sustainable-finance-reporting/world-bank-poised-host-climate-loss-damage-fund-despite-concerns-2023-11-04/>

⁴ Melina Nguyen, "COP27 Establishes Historic Loss and Damage Fund," PBS, March 29, 2023, <https://www.pbs.org/wnet/peril-and-promise/2023/03/cop27-establishes-historic-loss-and-damage-fund/#:~:text=For%20the%20first%20time%2C%20global,to%20climate%20crises%20and%20disasters.>

⁵ Fiona Harvey, "'Loss and damage' deal struck to help countries worst hit by climate crisis," Guardian, November 05, 2023, <https://www.theguardian.com/environment/2023/nov/05/countries-agree-key-measures-to-fund-most-vulnerable-to-climate-breakdown>

⁶ Megan Rowling, "Tensions soar over new fund for climate 'loss and damage' ahead of COP28," Reuters, October 23, 2023, <https://www.reuters.com/sustainability/cop/tensions-soar-over-new-fund-climate-loss-damage-ahead-cop28-2023-10-23/>

of the irreversible economic and non-economic losses that developing countries endure annually due to global warming. Italy and France have pledged \$108 million each, UAE and Germany \$100 million, US \$17.5 million, and Japan \$10 million.⁷ So far pledges have fallen far short of what is needed while no firm target has been set for how much money the fund will disburse, but countries most affected by the climate crisis hope it will reach hundreds of billions of dollars within a few years.⁸

Pakistan and COP28:

During the COP28 summit, Prime Minister Anwar-ul-Haq Kakar of Pakistan unveiled a historic initiative known as "Recharge Pakistan." This ambitious seven-year, \$77.8 million project aims to harness the power of nature in adapting to the challenges posed by climate change. Representing a significant stride forward, "Recharge Pakistan" is poised to fortify the country against the impacts of climate change. The ground-breaking announcement took place at Pakistan's pavilion within COP28, where a diverse assembly of delegates, environmentalists, and leaders convened to deliberate on and address climate change-related issues. "Recharge Pakistan" has secured a substantial funding package totaling \$77.8 million, comprising \$66 million from the Green Climate Fund (GCF), \$5 million from USAID, \$5 million from The Coca-Cola Foundation, and an additional \$1.8 million from WWF-Pakistan. This initiative is set to redefine Pakistan's approach to environmental stewardship and pave the way for transformative measures in combating climate change.⁹

Pakistan has welcomed the launch of the fund to address loss and damage caused by climate-induced disasters at the COP28. Pakistan needs a substantial share of the new fund to recover from loss and damage caused by climate change. Climate change has been one of the most under-resourced and underpowered issues in Pakistan, even though the country has been impacted by cross-sectoral climate, pollution, and environmental vulnerabilities.¹⁰

Pakistan hopes that the Fund will bridge a major gap in the climate finance architecture, as it is still facing the financial impacts of the unprecedented floods of 2022 which caused more than USD 30

⁷ Nina Lakhani, "\$700m pledged to loss and damage fund at Cop28 covers less than 0.2% needed," Guardian, December 6, 2023, <https://www.theguardian.com/environment/2023/dec/06/700m-pledged-to-loss-and-damage-fund-cop28-covers-less-than-02-percent-needed>

⁸ Gloria Dickie and Valerie Volcovici, "World Bank poised to host climate loss and damage fund, despite concerns," Reuters, November 5, 2023, <https://www.reuters.com/sustainability/sustainable-finance-reporting/world-bank-poised-host-climate-loss-damage-fund-despite-concerns-2023-11-04/>

⁹ "Prime Minister Kakar Announces \$77.8 million 'Recharge Pakistan' at COP28," WWF, December 2, 2023, <https://www.wfpak.org/?382195/Prime-Minister-Kakar-Announces-778-million-Recharge-Pakistan-at-COP28>

¹⁰ Saima Shabbir, As UAE gears up for COP28, experts urge Pakistan to secure greater share of 'loss and damage' fund, October 31, 2023, <https://www.arabnews.pk/node/2400446/pakistan>

billion in damages according to the World Bank. There are dozens of developing countries, including Pakistan, which are facing severe fiscal stress due to unsustainable debt pressures that need to be paid back despite the damage being incurred due to climate threats. Therefore, Pakistan must have instant access to the Fund to address the financial losses caused by climate-induced disasters and develop mitigation and resilience strategies to deal with them in the future.¹¹

COP28 and Key Takeaways:

- global transition away from fossil fuels

After a fortnight of negotiations marked by contentious debates on the fate of oil, coal, and gas, representatives from almost 200 nations have reached a consensus on a fresh climate accord. The agreement advocates for a global transition toward renewable energy sources in a fair, systematic, and impartial fashion, signalling a collective commitment to reducing dependence on fossil fuels.

- Climate Finance

During the inaugural day of the conference, international representatives officially embraced a climate damage fund that had been crafted through lengthy negotiations spanning decades. Presently, nations have committed approximately \$700 million, which constitutes only a small portion of the total requirement. A recent report from the United Nations revealed that developing countries would require an annual sum ranging from \$215 billion to \$387 billion to effectively adapt to the impacts of climate change.

- Renewable energy

More than 100 nations have committed to tripling their renewable energy capacity by the year 2030. Despite the already swift advancement of renewable energy sources, meeting this target necessitates a substantial acceleration in the deployment of solar and wind power. Achieving this tripling would elevate the global renewable energy capacity to a minimum of 11,000 gigawatts within the next six years, surpassing current estimates by over 20%. Such expansion would demand a considerable upswing in investments in renewable energy initiatives.

- Methane reduction

The Global Methane Pledge signifies a dedication to diminishing methane emissions by 30% from the 2020 baseline by the year 2030. If successfully achieved, this effort could avert a potential

¹¹ Saima Shabbir, As UAE gears up for COP28, experts urge Pakistan to secure greater share of 'loss and damage' fund, October 31, 2023, <https://www.arabnews.pk/node/2400446/pakistan>

temperature increase of 0.36 degrees Fahrenheit by 2050. Over 150 countries have officially supported this commitment. At COP28, nations identified as major methane emitters unveiled comprehensive plans for methane regulation.

- Declaration around food systems resilience

The Agriculture, Food & Climate Declaration, backed by 158 nations and over 200 non-state entities, will establish a connection between the agricultural and food systems and emission targets. Additionally, more than 20 companies introduced the First Movers Coalition for Food, aimed at amplifying demand signals for the acquisition of low-carbon agri-food commodities. Concurrently, the Regenerative Landscapes Initiative will strengthen initiatives on the supply side.

Conclusion:

While steps forward operationalization of the Loss and Damage Fund at COP-28 were a notable achievement, developing countries need promises made at COP28 to materialize into substantial support. With the international public sector undergoing financial challenges, this remains to be seen. Discussions on loss and damage have long been a contentious issue in the UN climate talks, as wealthy nations for years rejected demands for compensation for the effects of their high share of the planet's heating emissions that are turbo-charging floods, droughts, and storms around the world.

The new agreement on the fund is a step in the right direction but still more needs to be done to tackle the global challenges posed by climate change, especially in developing countries like Pakistan. Pakistan is highly eligible to access the loss and damage resources provided they follow the required procedure. Therefore, it is essential that Pakistan immediately improves its capacity and, in this regard, the Ministry of Climate Change, as the focal ministry, needs to take the lead in establishing the required institutional setup and lead professionals.¹²

A substantial reduction in emissions is needed, not just commitments. International emissions have not gone down but are on the rise. Each COP should incentivize substantial and targeted reductions in fossil fuel emissions from the developed world. Countries on the frontline of climate stress, like Pakistan, are already facing the brunt. More work is needed to address the lack of data on how future environmental changes will affect the world. Mapping the scale of vulnerability is crucial,

¹² "Pakistan: Flood Damages and Economic Losses Over USD 30 billion and Reconstruction Needs Over USD 16 billion - New Assessment," The World Bank, October 28, 2022, <https://www.worldbank.org/en/news/press-release/2022/10/28/pakistan-flood-damages-and-economic-losses-over-usd-30-billion-and-reconstruction-needs-over-usd-16-billion-new-assessme>

which demands comprehensive data; the absence of a UN vulnerability index is sorely felt when attempting to understand climate vulnerability.