

A LOOK AT THE KEY OUTCOMES OF COP29

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



Conference of Parties (COP29), hosted by Azerbaijan in Baku from November 11 to 22, 2024, convened over 65,000 world leaders, policymakers, business executives, and civil society representatives to address the global climate crisis. This year's summit, held under the theme *“Solidarity for a Greener World”*, aimed to deliver bold, practical, and ambitious solutions. Participants from nearly 200 countries focused on key issues such as climate finance, adaptive capacity, nature-based solutions, and clean energy transitions, with a spotlight on the needs of climate-vulnerable regions.¹

Key Achievements at COP29

1. New Climate Finance Goals:

COP29, dubbed the first-ever "Finance COP," prioritized mobilizing resources to support climate action. A New Collective Quantified Goal for Climate Finance was introduced to replace the \$100 billion-per-year target set previously.² The two key components of this new goal are:

- \$1.3 trillion per year to be mobilized by all actors, including public and private sectors.

¹ COP-29 Updates, “United Nations Climate Change”, November 24, 2024
<https://unfccc.int/cop29/updates-archive>

² “COP29 in Baku is a Climate Finance COP: It’s about justice”, International Institute for Allied System Analysis, November 07, 2024
<https://iiasa.ac.at/blog/nov-2024/cop29-in-baku-is-climate-finance-cop-its-about-justice>

- \$300 billion annually led by developed countries to support developing nations.

While these targets are more ambitious than past commitments, they remain insufficient to meet the needs of vulnerable nations. The mechanisms for ensuring equitable disbursement and scaling up private sector investments remain unclear, presenting challenges for achieving tangible impact.

2. Operationalizing Carbon Markets:³

Significant advancements were made under Article 6 of the Paris Agreement, which governs international carbon market mechanisms:

- **Article 6.2:** Clear guidelines were established for countries to authorize and track carbon credit transactions, ensuring transparency and environmental integrity.
- **Article 6.4:** A centralized carbon crediting mechanism now includes mandatory safeguards to protect the environment and uphold Indigenous Peoples' rights. Projects under this framework require informed consent from affected communities, with a detailed action plan set for 2025.

These developments aim to create functional carbon markets that support emissions reductions and mobilize much-needed finance for climate action.

3. Enhancing National Climate Commitments:⁴

With the 2025 deadline for updating Nationally Determined Contributions (NDCs) approaching, nations were urged to set more ambitious and investable climate targets. COP29 saw countries like the UK and Brazil announce updated NDCs and emission reduction goals. Business leaders also pushed for policies that translate these commitments into stable, long-term frameworks to attract private sector investments. Key priorities include phasing out fossil fuels, tripling renewable energy capacity, and doubling energy efficiency by 2030.

³ "COP29 achieves full operationalisation of Article 6 of Paris Agreement - Unlocks International Carbon Markets". COP 29, November 23, 2024
<https://cop29.az/en/media-hub/news/cop29-achieves-full-operationalisation-of-article-6-of-paris-agreement-unlocks-international-carbon-markets>

⁴ "COP29: What are NDCs and why do they matter?" World Economic Forum, November 26, 2024
<https://www.weforum.org/stories/2024/11/cop29-ndcs-and-why-they-matter/>

Persistent Challenges and Gaps

Despite notable achievements, some critical issues remained unresolved:

1. Fossil Fuel Transition:

Delegates disagreed on binding commitments to phase out fossil fuel subsidies, a significant barrier to decarbonisation. These subsidies distort energy markets and hinder the adoption of cleaner alternatives. Clear timelines and mechanisms for phasing out subsidies are essential to align global energy systems with decarbonisation goals.

2. Scaling Climate Finance:

While new targets were set, mechanisms for mobilizing and allocating funds—especially from private sources—remain inadequate. Ensuring that financial commitments lead to actionable projects on the ground remains a key challenge, particularly for developing nations.

3. Integrating Nature-Based Solutions:

This summit placed comparatively less emphasis on biodiversity and nature-based solutions. Linking these areas with climate strategies will be crucial at COP30 to address the interconnected challenges of climate change and ecosystem degradation.

4. Translating Energy Targets:

Progress on the ambitious energy goals set at COP28—such as tripling renewable energy capacity—was limited. Governments and businesses must work together to develop actionable national and sectoral plans, enabling industries to align with these targets and accelerate the clean energy transition.

The Road Ahead

The year 2024 was pivotal for global climate action. Looking forward, countries are expected to submit updated NDCs ahead of COP30, which will be critical for maintaining momentum.

However, the COP process itself needs reform. Collaborative public-private partnerships must play a central role in addressing the climate crisis at the scale and urgency required. The upcoming World Economic Forum in Davos will be a key platform to translate COP29 outcomes into actionable initiatives and strengthen global cooperation among governments, businesses, and civil society.⁵

⁵ "COP29: What are NDCs and why do they matter?" World Economic Forum, November 26, 2024
<https://www.weforum.org/stories/2024/11/cop29-ndcs-and-why-they-matter/>

Pakistan at COP-29

In his address at COP29 on November 13, 2024, Prime Minister Shehbaz Sharif highlighted the urgent need for climate justice and warned of the severe consequences of global inaction. He emphasized Pakistan's climate vulnerability despite its minimal contribution to global emissions. He called for the fulfilment of financial commitments made at COP27 and COP28, stressing the importance of grant-based climate finance rather than debt-inducing mechanisms. He urged the international community to provide robust financial support, particularly for developing nations that are disproportionately impacted by climate change, and to expedite the disbursement of pledged funds, such as the Loss and Damage Fund established in 2022.⁶

Prime Minister Shehbaz Sharif underscored Pakistan's commitment to global climate action, noting the country's initiatives towards achieving 60% clean energy and 30% electric vehicle adoption by 2030. He described Pakistan's steps to develop a National Adaptation Plan and a National Carbon Market Framework but emphasized the necessity of international assistance to realize these goals. He lamented the unfulfilled promises of the Paris Agreement, calling for immediate, tangible actions from developed nations. He concluded by expressing hope that COP29, under Azerbaijan's leadership, would become a turning point for climate finance, restoring confidence in the pledging process and setting a precedent for future climate action.⁷

Conclusion

COP29 underscored the escalating impacts of climate change, the growing demand for climate justice, and the deep divisions over responsibility and financing. While notable progress was made—particularly in climate finance and carbon markets—the summit highlighted continuing challenges, including lack of progress on phasing out fossil fuel subsidies and the inadequacy of financial commitments to meet the needs of developing nations. The divides between developed and developing countries remain stark, with the latter disproportionately bearing the brunt of climate change despite contributing the least to global emissions.

Nevertheless, COP29 achieved critical milestones, such as finalizing a global framework for carbon market trading under Article 6.4, offering developing nations new opportunities for sustainable growth. As the world moves toward COP30, the need for greater solidarity, transformative solutions, and actionable commitments has never been more urgent.

⁶ "Previous financial pledges on climate change yet to materialise, PM Shehbaz tells COP29 summit", Dawn News, November 13, 2024
<https://www.dawn.com/news/1872112>

⁷ Ibid.