**[Climate opportunities](https://www.dawn.com/news/1799602/climate-opportunities)**

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SEVERAL important opportunities at [COP28](https://www.dawn.com/news/1798777) have set the direction of Pakistan’s climate journey for the year ahead. Pakistan was able to seize at least five possibilities. The additional emergent opportunities can help Pakistan further deepen climate relations with China, the EU, Britain, the US and some Arab countries, including Saudi Arabia and the UAE, to finance low-carbon and climate-resilient development.

Pakistan’s participation at the climate summit in Dubai was active and full of energy. It reflected a level of inter-ministerial collaboration hardly witnessed before. The ministries of climate, foreign policy, planning, finance, and trade and commerce combined efforts to carve out space and expand policy linkages.

They, together with the governments of Punjab and Sindh, showcased initiatives undertaken for climate resilience. The private sector and civil society, particularly with the robust participation of the youth, infused energy, innovation and creativity into the proceedings.

Pakistan was elected to the founding Board of the Loss & Damage Fund (LDF), and secured positions on four important committees of the United Nations Framework Convention on Climate Change (UNFCCC): the Technology Executive Committee (TEC); Paris Committee on Capacity-Building (PCCB); Advisory Board of the Santiago Network (ABSN); and the Standing Committee on Finance (SCF). These committees will work to address various aspects of climate change, including technology, innovation, and finance, to achieve the goals of the Paris Agreement.

Being a member of these committees will offer Pakistan strategic opportunities to leverage their workings for their synergetic impact and advantages for Pakistan. Let’s first look at the opportunities Pakistan captured proactively at COP28.

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LDF is a financial mechanism that aims to help vulnerable nations rebuild necessary physical and social infrastructure. One of the few concrete decisions of COP28 was the creation of this fund. The exact scope of the LDF still has to be clearly defined, and its financing is something that needs to be ironed out.

Pakistan was elected to become a member of the founding board. The role of the board is to oversee the fund’s operations, including financial allocations and the management of the fund’s resources. The World Bank will serve as a trustee and host of the fund for now.

TEC promotes technology development, providing an overview of technological needs, and catalysing the development and use of technology. Its operational arm, Climate Technology Centre and Network promotes the accelerated transfer of environmentally sound technologies for low-carbon and climate-resilient development. The TEC and CTCN jointly undertake activities on such common areas such as national systems of innovation, industry, and the water-energy-food nexus.

PCCB supports developing countries in building their capacity, including institutional strengthening and policy development, to effectively tackle climate change in various sectors and meet their commitments under the Paris Agreement.

ABSN was set up to catalyse technical assistance for the implementation of activities related to loss and damage. The Advisory Board is designed to connect developing countries with providers of technical assistance, knowledge, and resources. The Santiago Network is seen as the technical arm of the UNFCCC’s mechanism for addressing loss and damage.

SCF’s work is aimed at improving the understanding of the current status of climate finance flows, and to enhance efforts to identify ways to improve the effectiveness of finance in the context of the ultimate objective of the climate convention. The SCF Forum brings together representatives from governments, financial institutions, private sector, and civil society to discuss and exchange information on climate finance.

These fora are clearly linked to each other and can help reinforce each other’s work. Three of these five forums are directly linked with loss and damage, but all are committed to what Pakistan needs the most: capacity-development, technology, and climate finance. It will be in Pakistan’s interest if an interministerial working group is constituted to coordinate their work and Pakistan’s positions.

While Pakistan has benefited from its active engagement in the negotiating processes, it also stands to benefit from some of the failures of COP28. The climate summit failed to reach clear, timebound agreements on carbon trading and phasing out coal and fossil fuels.

COP28’s failure to finalise Article 6 that deals with carbon trading and carbon markets will help forestall the ‘gold rush’ of voluntary carbon markets. VCMs are often criticised for lacking transparency, community rights, and actual emissions reductions. This impasse, from Pakistan’s standpoint, was perhaps better than ceding to an agreement that enabled questionable trading or facilitated greenwashing.

The delay in concluding Articles 6.2 and 6.4 gives Pakistan an opportunity to finalise its carbon trading guidelines and policies, and to develop and digitalise its inventory. In fact, this may enable Pakistan to recast its mangroves project in Sindh from VCM to the regulatory market. Some estimates suggest that the present 30-year concession will fetch revenues of $2.3 billion at $15 per credit, but in the regulatory market, it could attract up to $6bn at $50 per credit.

Meanwhile, COP28 did not commit to phasing out but phasing down fossil fuels. This futuristic articulation provides Pakistan breathing space to plan its exit.

The Just Energy Transition Partnership, led primarily by Germany, the EU, Japan, Britain, and the US, has signed large agreements with South Africa, Indonesia and Vietnam. The aim is to help these countries comply with the Paris Agreement and support their transition to a low-carbon economy.

South Africa signed the first JETP in 2021, receiving $8.5bn in public and private finance over three to five years, with additional funding of almost $3.5bn. Indonesia and Vietnam secured $20bn and $15.5bn in JETP deals in 2022. These partnerships have begun to accelerate the deployment of renewable energy, capping total power sector emissions, and establishing goals to reach net-zero emissions in the power sector.

China was not part of these deals. Indonesia has expressed interest in seeking China’s help for renewable energy and infrastructure projects, and any partnership with China would run parallel with the JETP. Pakistan has thus far not undertaken any costing for phasing out coal but the under-construction Gwadar coal power plant can still become a model project for hybrid energy that combines hydrogen and off-shore wind energy.

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