

»»» KNOWLEDGE NEXUS «««

COP29: A STEP FORWARD IN THE FIGHT AGAINST CLIMATE CHANGE



December 2024

INTRODUCTION

»»» The 29th United Nations Climate Change Conference (COP29), held in Baku, Azerbaijan, from November 11th to 22nd, 2024, marked a significant milestone in global climate action. As the world grapples with increasingly severe climate impacts, COP29 aimed to accelerate efforts to mitigate greenhouse gas emissions and adapt to the changing climate. While the conference marked significant advancements in certain areas, it also highlighted the ongoing challenges in addressing the global climate crisis.

- **New Climate Finance Goal (NCQG):** Developed countries agreed to "take the lead" in raising \$300 billion per year for developing countries by 2035. This is a significant increase from the previous goal of \$100 billion per year.
- **\$1.3 Trillion Finance Target:** Parties agreed to work towards mobilizing \$1.3 trillion in finance for developing countries by 2035, including the \$300 billion NCQG and additional funds from private sources.
- **Carbon Market Rules:** COP29 finalized the rules for carbon markets, which aim to create a global system for trading carbon credits, incentivizing emissions reductions.
- **Fossil Fuel Phase-down:** While not explicitly mentioned, the conference discussions emphasized the need to transition away from fossil fuels, with several countries calling for a phase-down of fossil fuel use.
- **Enhanced Climate Action:** Parties agreed to strengthen their national climate action plans (NDCs) by 2025, aiming to align them with the goals of the Paris Agreement.

KEY OUTCOMES AND HIGHLIGHTS:

Challenges:

- **Implementation Gap:** Despite ambitious goals, many countries struggle to implement effective climate policies and meet their emission reduction targets.
- **Climate Finance:** Developed countries have not yet fulfilled their pledge of \$100 billion per year in climate finance for developing countries. The new \$300 billion target raises questions about its mobilization and distribution.
- **Carbon Market Integrity:** Ensuring the environmental integrity of carbon markets is crucial to prevent greenwashing and ensure real emissions reductions.
- **Geopolitical Tensions:** Ongoing geopolitical tensions can hinder international cooperation and delay climate action.
- **Just Transition:** Transitioning to a low-carbon economy requires careful planning to ensure social equity and minimize job losses in carbon-intensive industries.

CHALLENGES AND OPPORTUNITIES:

»»» Opportunities

- **Innovation and Technology:** Advancements in renewable energy, energy efficiency, and carbon capture technologies offer new opportunities to reduce emissions and mitigate climate change.
- **Green Jobs:** The transition to a low-carbon economy can create new jobs in renewable energy, sustainable agriculture, and green infrastructure.
- **Sustainable Finance:** The growing demand for sustainable investments can mobilize significant capital for climate action.
- **International Cooperation:** Collaborative efforts between countries can accelerate climate action and share best practices.
- **Climate Resilience:** Investing in climate resilience can help communities adapt to the impacts of climate change, such as extreme weather events and rising sea levels.

Overall, COP29 presented both challenges and opportunities for global climate action. While the conference made significant progress in some areas, it is crucial to translate these commitments into concrete actions and ensure that the most vulnerable countries receive adequate support.

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INDIA'S STANCE AT COP29: A VOICE FOR THE GLOBAL SOUTH

India played a pivotal role at COP29, emerging as a strong advocate for the Global South. India's rejection of the final climate finance deal was rooted in several key concerns:

1. Insufficient Climate Finance:

- **Inadequate Funding:** India argued that the pledged \$300 billion per year by 2035 was significantly less than the \$1.3 trillion demanded by developing countries.
- **Delayed Delivery:** The timeline for achieving this goal was deemed too distant, with immediate and substantial climate finance being crucial for vulnerable nations.

2. Dilution of Developed Countries' Responsibilities:

- **Historical Emissions:** India emphasized the historical responsibility of developed countries for climate change, given their significant contributions to greenhouse gas emissions.
- **Equitable Burden Sharing:** India called for a more equitable distribution of the burden of climate action, with developed countries taking the lead.

3. Inclusion of Private Finance:

- **Questionable Reliability:** India expressed concerns about the inclusion of private finance in the climate finance package, citing its potential volatility and lack of long-term commitment.
- **Public Finance Priority:** India advocated for prioritizing public finance as a more reliable and sustainable source of climate finance.

4. Lack of Transparency and Accountability:

- **Verification Mechanisms:** India demanded robust mechanisms to ensure transparency and accountability in the delivery and utilization of climate finance.
- **Effective Monitoring:** India called for effective monitoring systems to track the progress of climate finance commitments.

5. Climate Justice and Equity:

- **Vulnerable Nations:** India highlighted the disproportionate impact of climate change on vulnerable nations, particularly small island states and least developed countries.
- **Fair and Just Transition:** India emphasized the need for a fair and just transition to a low-carbon economy, ensuring that the social and economic costs are equitably shared.

By rejecting the final climate finance deal, India demonstrated its commitment to safeguarding the interests of the Global South. India's stance underscored the importance of climate justice, equity, and historical responsibility in addressing the global climate crisis.

GLOBAL SOUTH'S CONCERNS

India's stance echoed the concerns of many other developing countries, particularly those most vulnerable to the impacts of climate change. These countries have long argued for increased climate finance to support their mitigation and adaptation efforts.

CLIMATE FINANCE: A MAJOR HURDLE

Climate finance remains a critical issue, with developing countries demanding increased support from developed nations. The following table highlights the global climate finance landscape:

Year	Pledged Climate Finance (Billions USD)	Actual Disbursed Climate Finance (Billions USD)
2019	80	67
2020	83	79
2021	83	83

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CLIMATE FINANCE FOR DEVELOPING COUNTRIES

Amounts provided and mobilised by developed countries, billion USD



The gap in the private finance series in 2015 is due to the implementation of enhanced measurement methodologies. As a result, private flows for 2016-22 cannot be directly compared with private flows for 2013-14.
Source: OECD (2024), Climate Finance Provided and Mobilised by Developed Countries in 2013-2022.

Challenges Ahead

Despite the positive outcomes, significant challenges remain:

- **Financing Climate Action:** Securing adequate and sustainable financing for climate mitigation and adaptation remains a critical challenge.
- **Technology Transfer:** Promoting technology transfer and capacity building in developing countries is essential for accelerating climate action.
- **Just Transition:** Ensuring a just transition to a low-carbon economy requires careful planning and social support to protect vulnerable communities.
- **Climate Justice:** Addressing the historical responsibility of developed countries and the disproportionate impacts of climate change on vulnerable communities is crucial for building trust and solidarity.

CONCLUSION



COP29 marked a significant step forward, but the road to a sustainable future remains long and challenging. To address the global climate crisis, it is imperative for all countries to work together, enhance ambition, and deliver on their commitments. The success of future climate negotiations will depend on building trust, fostering cooperation, and prioritizing climate justice.

Disclaimer

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