Date: 28-12-24 Day: Saturday

Q1) COP29 once failed to secure a global consensus on climate finance for vulnerable countries. How can implementing a carbon trading systems provide significant benefits for developing nations?

1. **Introduction:**

The agreement on climate finance reached at COP 29 failed to deliver an ambitious and fit-for-purpose quantum to support developing countries in their existential fight against the devastating impact of climate change. Developed countries agreed to provide at least $300 billion annually, which triples the previous commitment of $100 billion, but still falls far short of the estimated $1.3 trillion to $2.4 trillion needed annually by 2030 to support developing countries in their fight against climate change. The agreement didnot provide a clear roadmap for how the finance would be disbursed or how it would reach the communities that need it most. Carbon markets allow countries for companies to trade emissions allowances, creating

Date: Day:

financial incentives for reducing greenhouse gas emissions. Developing countries can get benefit through revenue generation, technological innovation, capacity building and Regional cooperation.

2. Reasons for COP'29's failure to build Consensus on Climate Finance:

There are several reasons which indicate the COP29's failure to build consensus. They are as follow:

1) **Insufficient Financial commitments:**

Richer nations, despite their historical emissions, failed to meet their fair share of financial responsibilities. On ~~adap~~ Climate Finance, John Nordbo, Senior Climate Adviser, CARE International (Denmark) said:

"The agreement is a failure. The goal of $300 billion in climate finance is far too low compared to the actual need, and it won't be disbursed for another 10 years – all while the climate crisis intensifies. The agreement sets no clear

This part is not asked so no need to discuss it in detail

Date: Day:-

targets for how much climate finance should be allocated specifically to adaptation or to addressing climate disasters like floods, droughts, and severe hurricanes. The world's poorest countries continue to pay the price for the climate crisis created by the rich."

2) Inadequate adaptation Support:-

The allocation of adaptation finance remains insufficient to meet the needs of the vulnerable nations. On adaptation and loss and damage, Obed koringo, Climate Policy Adviser, CARE international, said:

"COP29 has failed to address developing countries pressing climate change needs. The quantum lacks sub-goals, shift the burden to developing countries, and fails to address the growing adaptation finance gap. Despite acknowledging urgent loss and damage needs, the NCQG offers no guaranteed, dedicated funding. A year after the loss and damage fund's creation, pledges remain woefully inadequate. Climate-vulnerable communities cannot endure further delays - delivering meaningful funding is not just a solidarity but a moral and practical necessity."

3. Weak Accountability mechanisms:

Despite progress in transparency measures, there were no binding provisions to hold nations accountable for unmet climate finance commitments. On mitigation, Mrityunjoy Das, Deputy Director, Humanitarian and Climate Action Programme, CARE Bangladesh said:

"Wealthy and high emitting countries have failed to follow-up on the first Global Stocktake and align with the 1.5°C limit. The next round of NDCs must include clear milestones complemented by adequate finance flow, with rich countries taking the lead including ending fossil fuel subsidies and redirecting the funds towards climate action."

4. Inequality in access to Resources.

Countries like Pakistan, Bangladesh, and Pacific Island nations faced barriers in accessing pledged funds due to undefined operational mechanisms. On Climate Justice, Francesca Rhodes Policy Advisor Climate Justice, Date: Day:

CARE international, UK, said:

"The outcome of COP29 is a brutal betrayal. The richest governments have failed to commit to the scale of finance needs and are expecting already indebted countries to take on more debt to finance a crisis they didnot cause. The world's poorest people and communities are battling everyday with the devastating impacts of climate change, especially women and girls who see their livelihoods and future destroyed."

3. Carbon trading: Benefits for developing countries:

Carbon markets allow countries or companies to trade emissions allowances, creating financial incentives for reducing GHG emissions. Benefits for developing countries are:

1. Revenue Generation:

Developing countries can sell carbon credits generated through renewable energy projects, reforestation, and energy efficiency measures. Pakistan's Sindh Forest department's Delta blue carbon Projects generated \$4 million through 3.1 million carbon credits.

2. Technological Innovation:

Access to funds from carbon markets can support clean energy projects, such as solar farms and wind energy installations. Pakistan's feasibility studies for green hydrogen production and renewable energy expansion in Balochistan and Sindh is an innovation.

3. Promoting Sustainable Development

Leave a line space between headings for neatness

Carbon trading incentivizes developing countries to adopt sustainable development practices such as reforestation, renewable energy, and energy efficieny. This can lead to improved environmental outcomes job creation and economic growth. India's National Solar mission aims to deploy 100 GW of solar power by 2022. The mission has been supported by carbon credits generated through the clean development mechanism (CDM). The project has helped to redue India's greenhouse gas emissions and promote sustainable energy development.

4. Improved Energy Access:-

Carbon trading can support the

development of renewable energy projects in developing countries, improving energy access for rural communities. This can have positive impacts on health, education and economic development. The lake Turkana wind Project in Kenya is largest wind farms in Africa. The project has been supported by carbon credits generated through com. The project has helped to increase energy access for local communities and reduced Kenya's reliance on fossil fuels.

5. Global climate leadership:

Carbon trading provides an opportunity for developing countries to take a leadership role in global climate efforts. South Africa has implemented a carbon tax to reduce greenhouse gas emissions and promote sustainable development. The tax has been designed to be compatible with international carbon trading mechanisms, allowing South Africa to participate in global carbon markets and demonstrate its leadership on climate change.

Add more arguments in this part

Date:

Day:

4. **Conclusion:**

In short, COP29 didnot reflect the urgency and scale of the climate crisis, and that developed countries have failed to meet their obligations to support vulnerable countries. On the other hand, developing countries through regional cooperation, capacity building, alignment with SDGs, technological innovation and Revenue generation can get benefits. Carbon trading system provides financial, Environmental and social benefits to developing states.

08