

Q6.

## LOSSES AND DAMAGES FUND

Climate change impacts are being felt across the globe - from more frequent and intense heat waves, to prolonged periods of rainfall and flooding, to more long-term changes in weather patterns that affect biodiversity and crop yields. There is no corner of the world that is not affected in some way. However, some countries are more impacted than others and unfortunately these tend to be developing nations who lack the infrastructure and resources to effectively deal with the growing challenge of global warming.

### History of loss and damage fund

The idea was first floated over thirty years ago in 1991 at the United Nations Framework Convention on Climate Change in Geneva, Switzerland.

Developing nations who face greater risk from climate change and who often lack the financial resources and institutional capacity to recover from climate events, began to advocate for support to deal with the impacts of climate change. However, it wasn't until COP 13 in 2007

that the term 'loss and damage' was included in any official COP documentation.

The Paris Agreement signed at COP 21 in 2015 also included a specific article on loss and damage, however it was careful not to create any legal obligations for countries and again didn't include any sort of finance mechanism.

## COP 27 and the Loss and Damage Fund

COP 27 held in Sharm Al Sheikh in Egypt marked a significant turning point in the push to create some kind of loss and damage fund.

It was one of the main topics of discussion at the conference and after intense negotiations a deal was finally struck.

This agreement received much praise and was declared a historic breakthrough.

## Hesitance of wealthier nations

Wealthy nations had initially hesitated to agree to the creation of the fund, ~~due~~ due to the higher visibility surrounding the

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topic of climate justice. It is almost universally accepted that wealthier nations are responsible for a significant portion of carbon emissions and that these emissions are the primary force ~~being~~ driving climate change.

## Foundation of Transitional Committee

In order to achieve functionality of the fund, a Transitional Committee on the operationalisation of the new Loss and Damage Fund was set up. Composed of 24 members representing different geographical regions, the Transitional Committee held its first meeting in March 2023. It was tasked with developing recommendations ahead of COP 28.

## Key considerations at COP27

### 1. Potential Donors

During negotiations at COP27, the EU agreed to the creation of Loss and Damage Fund on the condition that large economies and emitters are considered as potential donors, even where they are technically classified as a developing nation under the UNFCCC.

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## 2. financing

The UN has stated that 'Social Protection, contingency finance, catastrophe risk insurance and catastrophe bonds can provide a certain buffer and rapid payouts after disasters. However, a broadened donor base and innovative finance tools would be needed to respond to the magnitude of loss and damage.

New Zealand and a small group of European countries made first pledges around \$100mn to compensate for loss and damage.

## 3. Compensation from US fossil fuel companies

COP27 focused media attention about a combined lawsuit by 19 local governments across the US who are seeking billions in compensation from fossil fuel companies.

## COP 28

COP 28 took place in Dubai, UAE with the hope to limit the long-term global temperature rise to 1.5°C which the UN's climate science body says is crucial to avoid the worst impacts of climate change.

## Opportunities of Loss & Fund Damage

A relatively small amount of money had been pledged, but getting the fund up and running is seen as a crucial step in building trust between richer and poor countries.

## Funding

In demonstrating the spirit of international solidarity, 19 countries made commitments totalling \$792 million towards the fund and funding arrangements related to loss and damage including \$100 million.

## Damages by 2030

However, this amount is a drop in the ocean compared to \$580bn in climate-related damages vulnerable

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may face by 2030

## Curbing Methane Emissions

COP 28 saw an encouraging slate of actions to address methane pollution, a greenhouse gas 20 times more powerful than CO<sub>2</sub>.

Governments, companies and philanthropists announced over \$1 billion in new grants.

## Role of Financial Institutions

Non-state actors such as private financial institutions are expected to play a pivotal role in the newly created Loss and Damage Fund. They are in a position to help countries to use financial resources effectively.

## Benefits to Pakistan

Pakistan emits less than 1% of the world's annual greenhouse gas emissions.

It is one of the countries most vulnerable to climate change.

and has ~~will paid~~ massive ~~losses~~ cost over the years due to recurring climate events.

## Damages in 2023 floods

The floods that ravaged the southern half of the country led to direct losses ~~that can be attributed~~ of more than \$30 bn while indirect losses that can be attributed to a disruption in supply chain that led to spiralling inflation and loss of livelihoods.

## Loss and Damage Fund Benefits

### ① reduced reliance on fossil fuels

Doubling down on public transit infrastructure that operate on hybrid vehicles not only reduces reliance on imported fuel but also reduces emissions.

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## 2. public transit Infrastructure

An extensive public transit infrastructure across the country also enables access to a greater number of jobs while improving household income.

## 3. expansionary fiscal policy

It continues to drive various public sector projects. Identifying how those projects can be restructured, eliminated or improved to reduce emissions that may be a direct or indirect consequence of any public sector investment is critical.

The threat of climate change is very much real - even if Pakistan has not contributed to it.



## Question 2.

## IRAN AND PAKISTAN TENSIONS

## Timeline of events

On January 16, Iran launched missile strikes into Pakistan's Balochistan province, claiming it had hit two strongholds of anti-Iran insurgent group Jaish - al - Adl (Army of Justice).

Pakistan strongly condemned the unprovoked violation of its airspace by Iran, with the ministry of Foreign Affairs saying that strike had killed two children and injured three girls.

Two days later, on January 18, it hit Iran with what it described as 'highly coordinated military strikes' in the Sistan - Baluchistan province of Iran.

Iranian officials said at least nine people were killed in the attacks.

Pakistan codenamed the operation

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a Marg Bar Sarmachor... (Death)  
to Sarmachor

## What is Jaish al Adl

Jaish al Adl surfaced in 2012  
mainly comprising members of  
Sunni militant 'Jundullah' group  
which was mainly weakened after  
Iran arrested most of its members

The group wants independence for  
Iran's eastern Sistan and  
Pakistan's southwestern Baluchistan  
province

They live on both sides of the  
border and are from the ethnic  
Baloch community.

## Reasons behind Iran-Pakistan Tension

Jaish al Adl enjoying a haven  
in Pakistan with purported  
help from external actors has  
been a long standing Iranian  
complaint.

### ① Iran's intention to broaden the regional conflict

With the on going regional conflict mainly revolving around the Israel - Hamas War, Iran may well be seeking to broaden this conflict and drawing Pakistan into the mix.

Iran is already said to be supporting Hamas in Palestine and Hezbollah in Lebanon.

### ②. Iran threatening Pre-existing alignments with US

Iran maybe attempting to force regional countries, including Pakistan, to rethink their pre existing alignment with the US and to not offer further help that might allow the US to counter Iran or its proxies in the region.

### ③ Pakistan's Strategic Dilemmas

Iran's attack risked setting a dangerous precedent after a major violation of Pakistan's sovereignty.

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if Pakistan let it pass,  
the Pakistani leaders felt that  
this may embolden not just  
India but also Afghanistan  
where the Taliban have  
been protecting the anti-Pakistan  
Tehrik-e-Taliban Pakistan

#### ④ Pakistan establishing deterrence

Pakistan leadership hit back  
to signal resolve and  
establish deterrence  
by making it clear that they can manage  
and alleviate the risk of  
a three-front dilemma.

#### 5 Iran willing to ride escalation ladder

Iran willing and working towards  
becoming a nuclear power  
signalling that it is willing  
to ride that will possibly  
add to the strategic stress  
Iran is under

# Beneficiaries of this Tension

## Reinforce US' perception of Iran

While US policy makers and the broader policy community are accustomed to Iranian aggression - mostly through proxies - across the Middle East, direct Iranian military strikes in Pakistan are a novel development for them. The strikes will only reinforce US leaders' perception of Iran as a reckless actor. In line with that, the State Department issued a statement condemning Iran's actions against Pakistan and disputed the Iranian charge against Pakistan by calling the 'leading funder' of terrorism and instability in the region.

## US Synergy with Pakistan

Beyond the immediate standoff, some policy makers and US Central Command which maintains strong ties with Pakistan may see synergies with a Pakistani feeling threatened by Iran.

to balance Iranian military and proxy power in the region. But Iran-Pakistan tensions are not endemic, with incentives on both sides to maintain a functional relationship. The basic diagnosis of Iran-Pakistan relations, combined with the United States Indo-Pacific priorities and uncertainty in Pakistan about working with the US on Middle East issues, will put a ceiling on any cooperative agenda around nefarious Iranian activities in the region.

## De-escalation of Tension

### Mediation of China

Pakistan may hope that China which has a strong relationship with ~~Iran~~ Iran can counsel Iran out of more escalatory behavior. Even before Pakistan retaliated, there were reports the Chinese were trying to mediate and talk Pakistan out of a retaliation against Iran.

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Pakistan will hope for a proactive Chinese role to contain tensions

## Bilateral Talks & Reconciliation

By 20<sup>th</sup> January, Pakistan and Iran have agreed to de-escalate tensions after the fit-for-tat military.

Pakistan's Foreign Minister Talil Abbas Jilani spoke to his Iranian counterpart Hossain Amirabdollahian to level cooperation and coordination

The envoys were asked to return to their posts

## Question 3

## ORGANIZATION OF ISLAMIC COOPERATION

The OIC's mission statement bills it as a "collective voice of the Muslim World" that works to "protect the interests of the Muslim World". It was established by 24 member states in 1969.

Today, with 57 member states from four continents, the OIC is the second largest intergovernmental organization in the world after UN, with a collective population reaching over 1.8 billion.

The majority of its member states are Muslim majority countries while others have significant Muslim populations, including several African and South American countries.



## Reasons behind OIC's failure

From geopolitical rivalries to differences in religious stances, there are many reasons behind the failure of OIC which predominantly revolves around the Saudi - Iran conflict.

### Saudi - Iran Conflict

Saudi Arabia and Iran are oil rich countries and consider themselves leaders of the Muslim World.

However these countries have been at a rift since the Iranian revolution in 1979. Saudi Arabia was felt threatened that Iran would cause a revolution in their country as well.

### (a) the Shia - Sunni divide

Saudi Arabia has predominantly Sunni Islam with barely 10-15% of Shia population while Iran has predominantly Shia Islam. Many of these resulted in clashes between Sunni and Shia - Hajj Incident 1987 - where Saudi forces

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clashing with Shia protesters.  
It resulted in the death of  
around 400 pilgrims mostly  
Iranian nationals.  
The two countries since then  
have been cutting ties and  
reconciliating.

## (b) Proxy Wars in the Middle East

Crippled by decades of sanctions  
and Western interference in  
its affairs and without the  
oil money Saudi Arabia  
benefits from, Iran's foreign  
policy has been to develop  
proxies by equipping armed  
groups elsewhere and backing  
sympathetic regimes like that of  
Bashar Al-Assad in Syria.

Iran is being said to  
back Houthis in Yemen,  
 Hamas in Palestine and  
 Hezbollah in Lebanon.