

#SDG7 Stimulus: Focus on Green Recovery of Pakistan

Sustainable Development Goal (SDG) 7 calls for ensuring access to affordable, reliable, sustainable energy for all, with a substantial increase in the share of renewables in the energy mix and energy efficiency, essential to power economic development and demonstrate commitment towards fighting climate change.

A major energy transition has been observed in which many countries are opting for sustainable solutions in this area. While this transition involves moving away from fossil fuel and adoption of renewable energy resources, there are still some questions about its scale and timeline. For example, while the energy sector of Pakistan already suffered from major inefficiencies and financial debt, COVID-19 has also had an adverse impact, particularly reduction of demand, financial stress, and disruptions to the power supply chain. Analyzing the impact on the energy sector is just as critical as analyzing the economic sector. The pandemic exposed the vulnerability of the country to external shocks, which resulted in deep financial impacts that were faced by all key sectors (government, industries, citizens, businesses, etc.).

At the same time, a major reduction in carbon emissions was observed in the first phase of the energy transition that provided an opportunity to opt for green, inclusive recovery options and moving towards low carbon, resilient and inclusive economies. Governments made commitments to lead the economic recovery by catalyzing actions and spur innovation through incentives, stronger policy and fiscal responses to ‘build back better’. However, countries have fallen short in their commitments to ‘build back better’ after the COVID-19 pandemic, with just 18% of announced recovery spending going towards ‘green’ investment (UNEP 2021).

This panel aims to explore the potential of economic recovery stimulus and packages for green recovery in Pakistan. The broader objective is to identify measures to foster an accelerated transition towards clean energy, simultaneously spurring green economic recovery and growth, creating jobs, and putting emissions into structural decline. The specific objectives include:

1. Identifying potential opportunities for green recovery in Pakistan, unlocking the potential of human capacity and technology using fiscal and policy tools to accelerate transition towards clean energy pathways that lead towards sustainable development.
2. Devising policy recommendations for key sectors including energy, transport, and industry, highlighting the critical need for improving clean energy access in Pakistan.
3. Enhancing stakeholder coordination and engagement mechanisms to take forward collective efforts for a clean and green energy agenda in national discourse.

Reference

UNEP 2021, 'Are We Building Back Better? Evidence from 2020 and Pathways for Inclusive Green Recovery Spending,' <<https://www.unep.org/resources/publication/are-we-building-back-better-evidence-2020-and-pathways-inclusive-green>>.

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