Post-COP26: Private-Public Partnerships and Pakistan’s Climate Change Priorities

Post-pandemic recovery will depend on several factors such as plans for building back better as well as boosting community resilience in terms of health, food security, livelihood resilience, and Disaster Risk Management (DRM). These factors are impacted, indeed connected, by one cross-cutting issue - the climate crisis. As such, financing and budgeting for relief and recovery efforts, broad-based stakeholder engagement as well as fostering Public-Private Partnerships (PPPs) are integral for a sustainable post-pandemic recovery in an increasingly turbulent climate future.

According to UN Secretary General António Guterres, the main outcome of COP26 at Glasgow was nothing more and nothing less than a compromise. It is indicative of the interests, contradictions and global political will, rather its lack thereof, that continue to hamper an effective and sustainable response to the climate crisis.

However, be that as it may, the Glasgow Climate Pact, while not a radical game-changer in terms of the global climate change landscape, does offer important advances. It amplifies the call for greater action and climate change adaptation financing. It binds developed countries to at least double their collective climate finance¹ in comparison to the 2019 levels by 2025 for adaptation in developing countries to ‘ensure a balance between adaptation and mitigation.’ The Pact also calls on ‘multilateral development banks, other financial institutions, and the private sector to enhance finance mobilization to deliver the scale of resources needed to achieve climate plans.’

Pakistan continues to be at the forefront of the climate crisis. It regularly faces floods, heat waves, and droughts, and is impacted by the extreme weather events and the slow onset of climate change. As per the country’s latest commitments or its Nationally Determined Contributions (NDCs), Pakistan intends to produce 60% of its electricity from cleaner means including hydropower, solar and wind energy by 2030. Moreover, it has embarked on a plan to ensure implementation of a broad-based adaptation strategy to help the country come to terms with the impacts of the climate crisis. The NDCs allude to an important role for the corporate sector in terms of mitigation as well as adaptation particularly with regard to the government’s initiatives vis-à-vis nature-based solutions.

It is in this context that this panel will focus on the potential of PPPs to address climate-related challenges facing Pakistan. The investment choices of the private sector can steer the pathway for sustainable development. The panel will, in particular, highlight the potential for collaboration between the government and the private sector entities, identify potential hurdles and explore avenues for synergies for a climate resilient future. Accordingly, the speakers will attempt to address the following questions:

- What were the outcomes of the recent COP26 and what implications do they have for the public and private sector?
- Can PPPs positively impact the developmental pathways in Pakistan? And are Public-Private Partnerships (PPPs) a good substitute for public subsidies?

¹ Climate finance refers to local, national or transnational financing—drawn from public, private and alternative sources of financing—that seeks to support mitigation and adaptation actions that will address climate change.
• Do PPPs offer better outcomes/performance? At what balance of bargaining power are these partnerships most efficient?
• How can PPPs play a role in climate finance and support mitigation and adaptation initiatives and activities in Pakistan?
• How can communities and other stakeholders be engaged to effectively and adequately foster the PPP process?

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