

# Media Update

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## UNHABITAT

PRESS RELEASE

### CAPACITY BUILDING WORKSHOP ON CARBON MARKET MECHANISM DEVELOPMENT UNDER THE PARIS AGREEMENT IN PAKISTAN

Islamabad, May 2-4, 2023: The UN-Habitat in collaboration with Korea Land and Housing Corporation, Project Team ATR Inc. and Ministry of Climate Change organized a three-day Capacity Building Workshop on Carbon Market Mechanism Development under the Paris Agreement in Pakistan. The workshop aimed to assist Government of Pakistan for achieving Nationally Determined Contributions; building capacity for new carbon market and innovative projects with carbon emission reduction in urban sector; and discuss the direction of new carbon credit mechanism and its development in Pakistan.

The Capacity Building Workshop on CDM is a first significant step towards achieving Pakistan's sustainable development. UN-Habitat in collaboration with Ministry of Climate Change and partners is committed to organize more such initiatives to build capacity on carbon market mechanism and mitigation reduction strategies.

Mr. M. Farooq Senior Joint Secretary, Ministry of Climate Change gave the opening remarks and highlighted that Pakistan GHG emissions were 405MtCO<sub>2</sub> 2016 and 1,603 MtCO<sub>2</sub> expected to be emitted in 2030. The emissions are very less as compared to other countries but still Pakistan is facing impacts of climate change. There is a dire need for building capacity at

institutional level for development of carbon market mechanism and its implementation in Pakistan. Dr. M. Ashraf, Chairman, PCRWR emphasized on the need for carbon reduction strategies in achieving sustainable development and NDCs. Mr. Asif Sahibzada, Director General, Ministry of Climate Change explained initiatives of Government of Pakistan for GHG emission reduction through the Billion Tree Afforestation Program (BTAP) and TBTP that will sequester CO<sub>2</sub> of around 500 MtCO<sub>2</sub> by 2040.

The workshop covered Interactive discussions on the Global Climate Change Agreements, Pakistan Strategy for carbon reduction, CDM Projects in Pakistan and international climate related ODA Projects, Article 6.2 and 6.4, Carbon Market, Global examples on GHG Inventory and Emission Trading System. Interactive discussions. Factors that needs to be built in upcoming framework for CDM in Pakistan were also discussed. The sessions were conducted by experts from UN-Habitat, Project Team ATR Inc. and GCISC.

Mr. Jawed Ali Khan, HPM, UN Habitat explained that Pakistan intends to set a cumulative ambitious aim of conditional and voluntary contributions of overall 50% reduction of its projected emissions by 2020, with a drop below business as usual (BAU) from the country's own resources, and an additional 35% drop below BAU subject to international financial support. UN-Habitat is working on the project for Carbon Emission reduction in slum areas and communities would be beneficiaries with the improved infrastructures and living conditions.

The Chief Technical Advisor on Climate Change at UN-Habitat Regional Office for Asia and Pacific, Mr. Jay Nam, provided insight into global trends of climate change agreements and explained that due to 'double counting problems' the SDM mechanism system introduced for corresponding adjustments between countries. Article 6 cooperative approach of the Paris Agreement (Article 6.2), Sustainable development Mechanism (SDM, Article 6.4), and Non-Market Approach (Article 6.8) were introduced as new market mechanisms.

Ms. YeonWoo Park, Manager Global Business at ATR, shared Pakistan's NDC and strategy for carbon reduction. She explained Pakistan sectoral goals for climate change by Mitigation Policy in Pakistan and in terms of emissions , with 21%increase since 2015, policy actions for six sectors including energy,

transportation, agriculture, industrial processes, LULUCF, and Waste are described. Priority actions will result in an estimated saving of around 1.7 MtCO<sub>2</sub> on account of two shelved coal power plant, 24 MtCO<sub>2</sub> on account of the introduction of EVs, and 22 MtCO<sub>2</sub> on account of stabilizing energy mix 40-60 in favor of renewable energy.

Ms. Nawon Kim and Mr. SoulChan Won and Mr. YoungJoon Suh from ATR Inc. discussed in detail Article 6.2 and 6.4 and explained participants on compliance carbon market, voluntary carbon market and international status of carbon market and GHG Inventory and Emission Trading System. Participants actively participated in the interactive sessions and discussed the framework development for carbon market development based on the Paris Agreement in Pakistan.