

# 16 In my view: Development co-operation and climate action are fundamentally linked

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Development co-operation and climate action are fundamentally linked. They present us with both an urgent need that we cannot ignore and an extraordinary opportunity we cannot miss.

More climate action is crucial to curb the growing frequency and intensity of climate disasters, which decimate progress right across the Sustainable Development Goals. It is essential for better prepared communities and faster recovery. And more development co-operation increases resilience, underpinning the social and economic transitions already underway towards clean and accessible energy and climate resilience for all.

Acting together, climate action and development power each other up, and if we get the intersections right, we have the chance to leave no community behind, making sure that the new economic and social opportunities that spring from both are truly inclusive.

This is backed by science. As the Intergovernmental Panel on Climate Change *Synthesis Report 2023* put it, “Accelerated and equitable action in mitigating and adapting to climate change impacts is critical to sustainable development.” Reports like the OECD *Development Co-operation Report* help us build a stronger case for sustainable development and specific climate actions to work hand-in-hand. They help us understand and address knowledge gaps on the interactions between development co-operation and climate action. And they help build a stronger, wider evidence base on which policy makers and leaders from the real economy and civil society can draw.

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Take energy access. Developing nations need more energy, both to power the modernisation of their economies and to improve living standards, for example by fully electrifying rural areas. Energy access dramatically increases opportunities for people, communities and economies – today and in the future. It means more children have adequate lighting to do homework, or microenterprises and small businesses have potential access to digital forms of finance, or digital means of reaching more customers, and receiving more secure and efficient digital payment, which benefits women in particular.

The type of energy available is key. Renewable energy – notably wind and solar – are now cheaper to build than fossil fuel plants in 85% of the world. Yet, the remaining 15% face profound structural barriers, especially regarding access to the necessary finance for this transition, and other major fiscal headwinds, such as spiralling debt crises, combined with urgent development needs, such as nutrition, clean water and sanitation, shelter, and healthcare. This is why it's so crucial for nations – together with other key institutions, particularly multilateral development banks, and the private sector – to work more closely together to deliver the finance breakthroughs needed. Doing so will give us an opportunity to both bridge the energy access gap for almost 1 billion people who still lack access to electricity while also making deeper inroads into the carbon pollution causing the climate crisis.

Which brings us to this moment, this critical decade. In 2023, my organisation – United Nations Framework Convention on Climate Change – conducted a stocktake of climate action. The results were clear: we are well off-track. We need whole-of-society and whole-of-economy action to fill the gap. Emissions must fall by 43% by 2030. At the same time we must dramatically boost climate resilience for 8 billion people, especially the most vulnerable.

At global climate negotiations in December 2023 in Dubai, all countries committed to transitioning away from all fossil fuels – and once again recommitted to keeping the 1.5°C temperature goal within reach. At negotiations in Baku in 2024, we will need to go one step further, and further delivery on the means for implementation: fit-for-purpose finance.

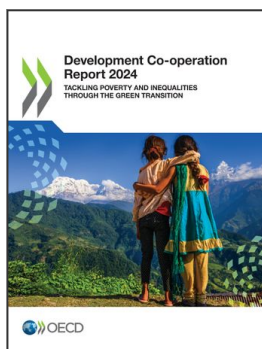
This means agreeing on a new global climate finance goal – a New Collective Quantified Goal as we call it – and working towards a global finance system aligned with climate action and sustainable development. Transparency is equally essential, and biennial transparency reports – due by the end of this year – will enable much better assessments of global climate progress and where more action, capacity building or funding is needed to enable stronger national climate policies.

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Now, we need all countries to put forward investable and implementable climate plans – the new generation of nationally determined contributions – that cover every sector and all greenhouse gases, and that unlock more finance.

In all aspects of climate policy making, government leadership is crucial. But we won't succeed with a purely top-down process. The voices of those impacted by climate action and the energy transition – as well as those in the real economy, on the ground, developing solutions – all must be heard, including workers, women and indigenous communities.

In practice, this means going far beyond giving people a voice. We need to give them a real role, putting in place the policies, regulatory framework and resources they need to take climate actions at every level. So that the transition, and indeed all our work in both climate action and development co-operation, amounts to more than words on paper, so that it amounts to real impact in real people's lives and in the economies we all depend on to survive and to thrive.



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