



## Governance for Strengthening SDG-Climate Synergies

**Date:** November 18, 2024

**Time:** 16:45 - 18:15 hrs

**Venue:** Side Event 1, Blue Zone, COP 29



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**Partners:** The Energy and Resources Institute (TERI), TERI School of Advanced Studies (T-SAS), German Advisory Council on Global Change (WBGU), German Institute of Development and Sustainability (IDOS), Bangladesh Environmental Lawyers Association (BELA), Asia Society Policy Institute (ASPI)

### BACKGROUND

In the face of accelerating climate change and pressing global challenges, integrated and holistic governance approaches are crucial for bridging the gaps between the Sustainable Development Goals (SDGs) and climate action. While the two agendas share many common objectives, governance systems (including those at the multilateral level) are often fragmented. Despite the adoption of the Paris Agreement and the 2030 Agenda for Sustainable Development, global progress remains insufficient, with only 13.6% of SDG targets on track. The interconnected nature of climate and SDG actions is evident, and aligning these efforts could significantly enhance global economic output and resilience. To realize the full potential of both SDGs and climate responses, governance structures need to be adaptive, inclusive, and cross-sectoral. The First Global Report on Climate and SDG Synergy suggests that mainstreaming climate adaptation and considering co-benefits could help achieve nearly 70% of the SDG targets by 2030.

The importance of international cooperation cannot be overstated in this context. Many of the most pressing climate challenges transcend borders and require collective action. Water is one of the most critical areas where climate and SDGs intersect: climate-induced shifts and

## CONCEPT NOTE

increasing variability in regional water cycles are challenging agricultural practices, industries, and growing cities that already overuse water resources, destroy natural buffers, and are ill-prepared for extreme events such as droughts and floods. According to UN-Water, 2.2 billion people still lack access to safely managed drinking water, and 3.5 billion lack access to sanitation services, jeopardizing SDG 6.

Enhancing international cooperation offers a pathway to overcoming these challenges and increasing climate resilience while promoting a just transition. Emerging multilateral institutions and activities in the water sector also offer opportunities for SDG- and climate-related alliances at large. The concept of a just transition emphasizes fairness and equity in shifting towards low-carbon and climate-resilient economies, ensuring that vulnerable populations are not left behind. Furthermore, systems transformation—from water management to energy systems—demands governance models that can address complex, interdependent challenges. Climate-induced water crises require robust, integrated responses.

A major opportunity to strengthen SDG-climate synergy is through greenhouse gas (GHG) emissions trading systems (ETSs), widely adopted globally to cost-effectively meet emission reduction targets, including Nationally Determined Contributions (NDCs) under the Paris Agreement. ETSs have the potential to generate substantial climate finance from auctioning allowances to suitable sectors, with over USD 300 billion generated so far. Jurisdictions use this revenue to reduce GHG emissions, strengthen economies, improve public health and the environment, and provide meaningful benefits to disadvantaged and low-income communities. India alone has the potential to generate USD 700 billion to USD 1,400 billion by 2050 from its new Carbon Credit Trading Scheme, presenting a valuable opportunity to support India's just energy transition from coal to renewable energy, positively impacting multiple SDGs, especially in states with significant development needs.

Over time, silos have developed within governance processes involving sustainable development goals and climate change. This session will seek to cover examples of multilateral processes, climate-related water emergencies, and finance that require adaptive and effective governance at all levels.

### QUESTIONS FOR DISCUSSION

**Question 1:** What are the implications of SDG-climate synergies for multilateralism and governance (water, food, and energy)?

**Question 2:** How can instruments such as emissions trading systems provide effective synergy between climate action and the SDGs? Taking the example of India's new Carbon Credit Trading Scheme, how can this happen in practice?

**Question 3:** How can financing be directed toward locally led adaptation?

**Question 4:** How will specific interventions act as accelerators of the SDGs and climate solutions?