



**Press Release**

***Pakistan Urges Enhanced Concessional Financing for Sustainable Infrastructure***

**New York – July 10, 2024**

\*\*\*

Pakistan has termed the current investments in sustainable infrastructure as insufficient to meet global challenges. It called for mobilizing larger quantities of concessional finance to mitigate risks, enhance credit quality, and improve financing terms.

Ambassador Usman Jadoon, Deputy Permanent Representative of Pakistan to the UN, delivered these remarks at the side event on ‘Global Energy Interconnectivity and Transition for SDGs,’ acknowledging the importance of sustainable infrastructure in achieving the 17 Sustainable Development Goals (SDGs) by 2030 and meeting climate objectives.

The Pakistan Deputy UN envoy said that UNCTAD reports a \$2.5 trillion annual funding gap in infrastructure, with two-thirds needed in developing countries. He said clean energy financing needs are estimated at USD 4.3 trillion per year until 2030, increasing to USD 5 trillion per year until 2050.

“Despite the need, international public financial flows to developing countries for clean energy have been decreasing since 2020. In 2022, investment in renewable energy reached only USD 0.5 trillion, mainly in developed countries or major emerging economies,” he added.

Ambassador Usman Jadoon said that most developing countries have set ambitious energy transition targets in their nationally determined contributions (NDCs). He said Pakistan aims to achieve 60% renewable energy by 2030, with the energy transition estimated to cost over USD 100 billion by 2030 and an additional USD 65 billion by 2040.

He pointed out that developing countries struggle to mobilize sufficient investment for their NDC targets due to limited public resources and challenges in securing private investment.

He highlighted the need for developing innovative mechanisms to aid developing countries in creating viable infrastructure projects, fostering an enabling policy environment, and attracting private capital.

Ambassador Jadoon said that a major transition to sustainable infrastructure is essential in energy, transport, housing, communications, and industrial and agricultural production and consumption. He said COP-28 emphasized the necessity of a ‘Just Energy Transition.’

He said that China has been a key partner for developing countries in achieving SDG 7. He recalled that under the China-Pakistan Economic Corridor, several energy projects have been undertaken, including the Karot Hydropower Project, Quaid-e-Azam Solar Park, and various Wind Power Projects.

Ambassador Jadoon said the Global Energy Interconnection project proposed by the Global Energy Interconnection Development and Cooperation Organisation represents an innovative initiative that will significantly contribute to achieving SDG 7 and a just energy transition.

The side event was organized by the Permanent Mission of China, the Global Energy Interconnection Development and Cooperation Organisation, and other co-organisers.