



CARBON LIMITS



Federal Ministry
for the Environment, Nature Conservation
and Nuclear Safety



INTERNATIONAL
CLIMATE INITIATIVE (IKI)

Supporting Preparedness for Article 6 Cooperation (SPAR6C): For high ambition NDC implementation

Launch of capacity building program at COP26 UNFCCC side event
10 November 2021, Strangford Lough, Glasgow

Program

❖ **Opening remark:** *Dr. Silke Karcher*, Head of Division, German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU)

❖ **Introducing SPAR6C:** *Dr. Karen Holm Olsen*, Senior Researcher, UNEP DTU Partnership

❖ **Panel discussion:**

Ms. Fenella Aouane, Deputy Director and Head of Carbon Pricing Unit, GGGI (Moderator)

Mr. Alex Saer, Director, Directorate of Climate Change Colombia

Mr. Irfan Tariq, Director General, Ministry of Climate Change, Pakistan

Mr. Ephraim Mwepya Shitima, Director, Climate Change and Natural Resources, Ministry of Green Economy and Environment, Zambia

Mr. Kiatchai Maitriwong, Executive Director, Thailand Greenhouse Gas Management Organization (TGO), Thailand

Agenda



Introduction to the SPAR6C program



Program description



In-country implementation



Organisation of partners



Time plan

Introduction

- **Four countries selected** for their willingness to use cooperative approaches (Art 6) to enable ambition raising in their NDC implementation: Thailand, Colombia, Pakistan and Zambia



- **Target group:**
 - (a) governments of the four countries
 - (b) national research, development and environment institutions involved in climate change mitigation activities
 - (c) relevant private sector participants, including national finance institutions
 - (d) DFIs
- **Main focus: capacity building**

Objective of the SPAR6C program

Objective

Article 6 approaches engage private sector in NDC implementation for ambition raising through cost-efficient, flexible, high integrity carbon markets with positive sustainability impacts

Impacts

A6 cooperative approach pilots



Private sector + capacity + research



NDC compliance



Increased ambition



Positive sustainability impacts

Program description

Activities

Private sector actors are engaged in NDC implementation: NDC ambition raising through Article 6 cooperation

WP1
High Ambition Community of Practice (HA CoP)

- Convene HA CoP
- Embed national knowledge development
- Loop back to lessons learned

WP2
Centrally managed toolbox of technical support

- Develop a set of guidance and resources for consistency across countries for trading and efficiencies in delivery
- Develop A6-specific strategies, structures and approaches
- Create methods to integrate A6 with other carbon pricing mechanisms
- Develop efficient carbon finance disbursement approaches

WP3
In-country implementation

- Strengthen underlying infrastructure needed for cooperative approaches
- Long term planning: mitigation measures analysis, policy and finance requirements, alignment with SDGs (filling the gaps)
- Institutional readiness; governance frameworks, legal and contract structures, MRV and M&E; coordinating with current measures already in place
- Pilot projects prepared

Activities

Colombia

In-country implementation

Key project counterparts

- **Lead government partner:** Alex Saer at the Directorate of Climate Change (DCC) as program focal point. CICC will oversee, with Ministry of Environment as the lead on NDC delivery. CICC will be supported technically by the National Department of Planning and relevant line ministries for pilot projects.
- **Potential research partners and private sector partners:** To be confirmed - there are a number of potential partners with experience in initiatives such as the NDC update and PMR.

Synergies with relevant projects, initiatives and partnerships

- Colombia is member of **NACAG** (since 2020), the **NDC Partnership**, the **PMR/PMI**. Team is already in touch with PMR/PMI and government about future scope of this support.
- The National Planning Department and the Ministry of Environment are working with the Partnership for Market Readiness (PMR) on design of an emissions trading system.
- **IKI-funded NDC Policy Programme** has supported the NDC update process, GHG registry and the integrated climate change management plan (PIGCC).

WP3 Colombia activities and outputs

- **At least two Article 6 pilot projects identified** and accepted by government of Colombia for cooperative approaches by 30.09.2026 (mid-project)
- Development of **at least one planning document** enabling medium- and long-term low emission planning for Colombia by 30.01.2027
- **At least one institutional arrangement** enhanced in **readiness** for trading under **Article 6** using guidance or tools adopted for Colombia by 30.01.2027

Pakistan

In-country implementation

Key political counterparts

- Lead government partner: Ministry of Climate Change (MoCC)
- National Committee on Establishment of Carbon Markets

Seeking synergies with relevant projects, initiatives and partnerships

- Pakistan updated NDC 2021 - conditional target of 50% reduction of projected emissions by 2030 (15% by own means) incl. use of Article 6 market and non-market approaches to encourage private sector engagement.
- Pakistan has signed the declaration of the Nitric Acid Climate Action Group (NACAG) and in 2019 the NACAG Secretariat jointly with the WB visited the country to discuss climate auction schemes.
- NDC Partnership support through the Climate Action Enhancement Package (CAEP, 2019-21)
- The Transformative Carbon Asset Facility (TCAF) is developing a 'policy approach' to Article 6 pilot transactions in Pakistan.
- UNFCCC RCC Bangkok (Collaborative Instruments for Ambitious Climate Action, Ci-ACA): Study on the Introduction of Carbon Pricing Instruments in Pakistan (2019). For support to NDC implementation.

WP4 Pakistan activities and outputs

- **At least three Article 6 pilot projects identified** and accepted by government of Pakistan for cooperative approaches by 30.04.2024 (mid-project)
- Development of **at least one planning document** enabling medium- and long-term low emission planning for Pakistan by 30.01.2027
- **At least one institutional arrangement** enhanced in **readiness** for trading under **Article 6** using guidance or tools adopted for Pakistan by 30.01.2027

Thailand

In-country implementation

Key political counterparts

- Lead government partner: ONEP - Min. of Natural Resources and Environment
- Other governmental partners TGO (market mechanisms and Art.6)

Seeking synergies with relevant projects, initiatives and partnerships

- Thailand is member of NACAG (since 2019), the NDC Partnership (1.2020), the PMI. Thai-German International Cooperation (GIZ-led): Climate Change Policy Programme, Climate Programmes (Energy, Waste, Agriculture, Transport etc.)
- IKI Ambition to Action Project (A2A): NDC analytical support, RE energy sector analysis
- ICAT Transparency and MRV (UNEP DTU/GGGI): MRV for building and industrial sectors as contribution to NDC roadmap (with ONEP).
- UNFCCC RCC Bangkok (Ci-ACA domestic carbon pricing; NDC Support; NDC Partnership, ASEAN regional collaboration).

WP5 Thailand activities and outputs

- At least **one pilot project identified** by 30.01.2027 - without the obligation to trade.
- At least **one planning documents** enabling medium- and long-term low emission planning for Thailand by 30.01.2027
- At least **3 processes**, institutional arrangements and infrastructure for **cooperation under Article 6** enhanced, incl. by using guidance or tools selected and applied from toolbox lasts by 30.01.2027

Zambia

In-country implementation of activities

Key political counterparts

- Lead government partner: Ministry of Green Economy & Environment (former Ministry of Lands and Natural Resources)

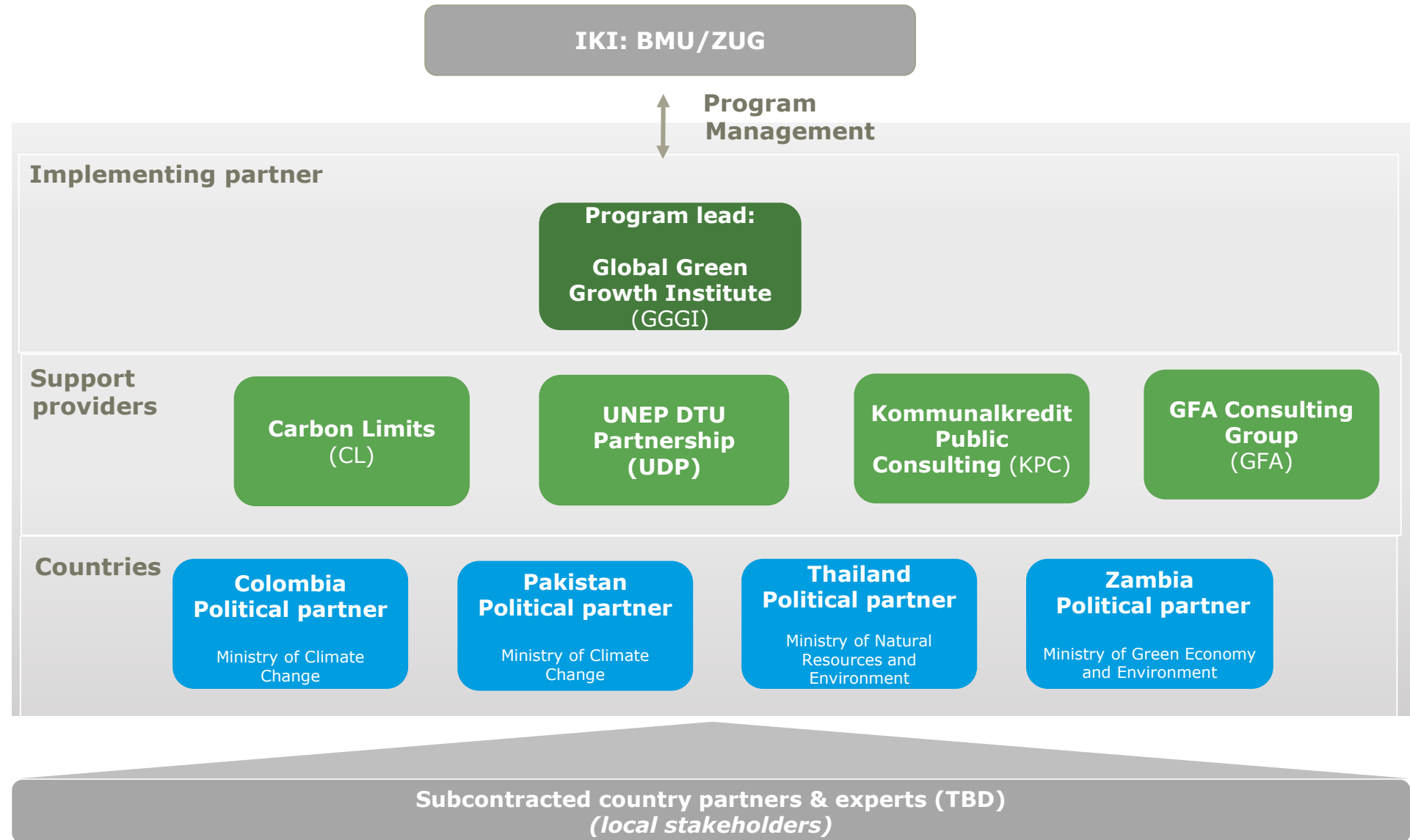
Seeking synergies with relevant projects, initiatives and partnerships

- Updated NDC 2021 - intends to use voluntary cooperation under Article 6 to fulfil its conditional target of 50% reduction (25% unconditional)
- NDC Partnership - Member since 2016
- UNDP NDC Support Programme and UNDP Climate Promise - support for NDC update and establishment of MRV system
- RCC Kampala - Eastern and Southern Africa
- Zambia has signed the declaration of the Nitric Acid Climate Action Group (NACAG)
- BMU-funded Article 6 Pilot Project - Reduction of technical losses in the electricity grid

WP6 Zambia activities and outputs

- **At least three Article 6 pilot projects identified** and evaluated by government of Zambia for cooperative approaches by 30.09.2026
- **At least two planning document** enabling medium- and long-term low emission planning implemented or strengthened for Zambia by 30.01.2027
- **At least one institutional arrangement** enhanced in **readiness** for trading **under Article 6** using guidance or tools adopted for Zambia by 30.01.2027

Organisation of partners

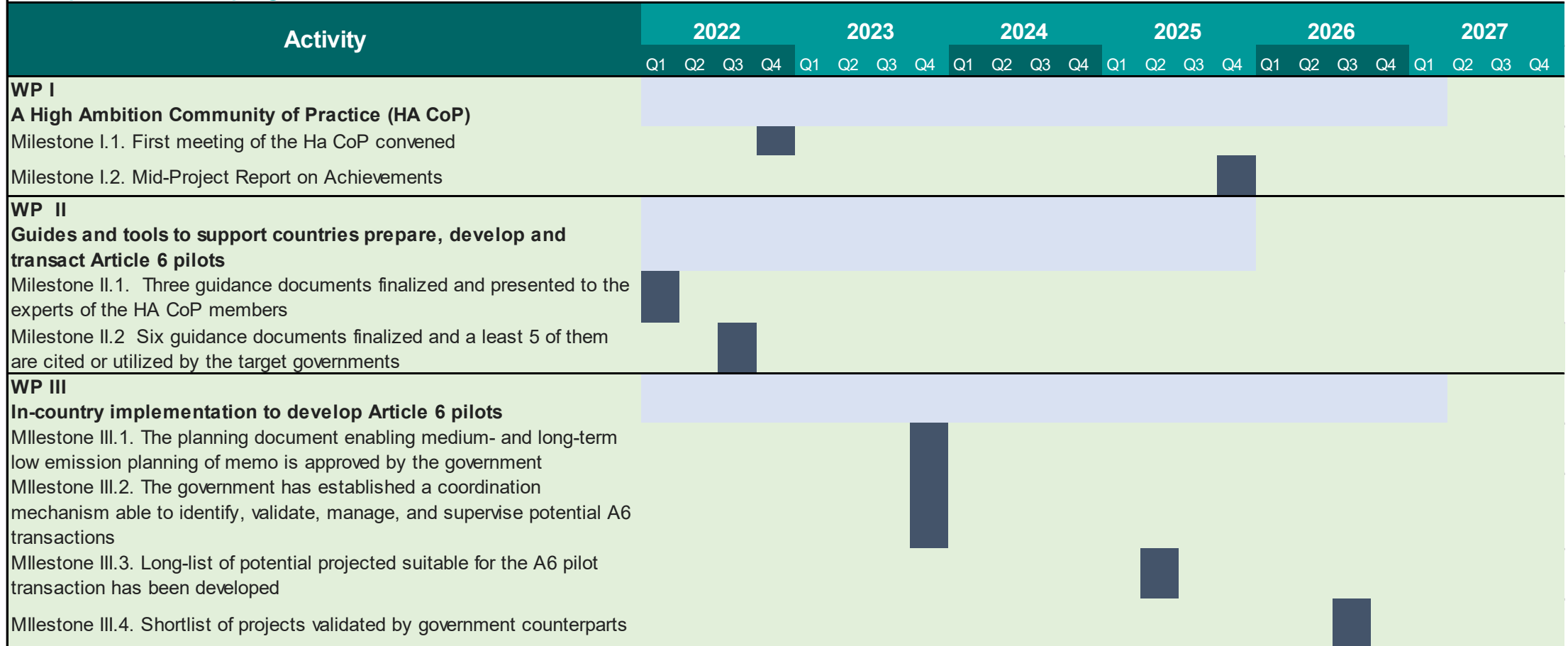


Time plan

Five years from 2022 - 2027

Inception phase during the first three months for in-country stakeholder engagement with partner organisations/sub-contracting and development of a country specific work plan.

Time plan - SPAR6C program



Thank you!

Fenella Aouane, GGGI: fenella.aouane@gggi.org
Karen Olsen, UNEP DTU Partnership: kaol@dtu.dk