

Setting the scene: Key aspects of Article 6 leadership

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COP27 Side Event:
Exploring Article 6 cooperation opportunities in the Maghreb and African region,
November 15, 2022



perspectives
climate group



Key links between the Moroccan NDC and Article 6

- Morocco expresses **strong interest** to engage in market mechanisms as provided for in Article 6 of the Paris Agreement
 - “Morocco **considers**, moreover, **to be essential** the establishment of market mechanisms (...) in particular by reducing total costs to achieve the objective of limiting the rise in temperature (...)” (Morocco 2021 p. 6)
 - Likely to engage as a **seller**, raising funds to meet its NDC targets
- The NDC update also refers to **ongoing readiness** work for participation in the future international carbon markets.
 - Aims to **establish baselines** to participate in pilot projects on future mechanisms in the context of the World Bank Partnership for Market Implementation (PMI) and Transformative Carbon Asset Facility (TCAF)
 - Intends to **leverage** the experience gained through **CDM engagement** under the Kyoto Protocol
 - Swiss **KliK pilot activity in the waste sector**

Article 6 “groundwork” in Morocco in the last years

▪ Partnership for Market Readiness and Implementation

- MRV system and development of a sectoral baseline the electricity, cement and phosphate sectors
- Capacity building with sectors respective ministries and government agencies



▪ Transformative Carbon Asset Facility

- develop a policy-based carbon finance program that will cover energy pricing reform, energy efficiency, and renewable energy policies within the scope of Morocco’s National Energy Strategy.
- Development of PIN ongoing



Article 6 Piloting – Enabling Initiatives

- **“Designing Policy Approaches under Article 6” Programme**
 - led by GGGI, funded by SEA and Norwegian Ministry of Climate and Environment
 - develop policy approaches that could potentially generate ITMOs for acquisition by Norway and Sweden under Art. 6.2 cooperation
 - Capacity building for accounting procedures for CA
 - Morocco one of two selected countries for phase II

Groundwork and enabling initiatives create favourable framework conditions for the use of cooperative approaches in Morocco

What makes a frontrunner: Ghana

Lessons learnt

Arranging bilateral agreements **takes a lot of time and resources.**

Resource requirements for Article 6 readiness (for staff, capacity building, etc.) are a challenge

Managing different international and national stakeholders is challenging.

Ghana's achievements

Ghana's level of Article 6 readiness is outstanding-

High-level political commitment was crucial in convening all relevant ministries on the issue

Strong political buy-in is a main contributing factor.

Dedicated team across government and cross-institutional coordination

Strong legal basis and provision of sufficient resources is a key enabling factor.

Building on existing experiences and strengths, instead of 'reinventing the wheel', e.g., simplified registry system.

Key questions to be discussed in our event

- What ingredients does it need to **become a leader** in Article 6?
 - Institutional setting
 - Creation of “epistemic community of Art. 6 actors
 - Understanding of sales potential
- What are the requirements of the **currently active ITMO buyers**?
 - Volumes
 - Prices
 - Characteristics regarding environmental integrity and sustainable development co-benefits
- How can current leaders **preserve their advantage** as competition increases?
 - Africa vs other continents



Thank you!

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