

Capacity-building work programme towards implementation of Article 6.2 and 6.4

Article 6 Implementation partnership –Japan

20 Feb 2022



CAPACITY BUILDING MANDATE

Article 6.2 Capacity-building programme including through RCCs in consultation with parties

- a) Support the development of institutional arrangements, including reporting
- b) Help Parties ensure that co- op approaches support ambition;
- c) Assist the LDC and SIDs in meeting the participation requirements.

Article 6.4 – Capacity building programme including RCC in consultation with 6.4 SB and parties

- a) Establish the necessary institutional arrangements to implement the requirements;
- b) Develop the technical capacity to design and set baselines for application in host Parties;
- c) Capacity-building in developing countries to apply the Article 6.4 mechanism, and support for the transition – CMP mandate



Steps undertaken so far....

To support the needs assessment, the secretariat completed four initiatives:

- a) Conducted three virtual regional dialogues** on Article 6 organized by UNFCCC secretariat through RCCs;
- (b) Launched a survey on capacity-building needs** on cooperative approaches referred to in Article 6 of the Paris Agreement that was rolled out to diverse stakeholders by the UNFCCC secretariat, including through RCCs;
- (c) Presented the survey results and validated the status of the work plan with the Parties** (e.g., SB 56 side event, designated national authorities (DNA) forum meeting at the margins of the Climate weeks in Latin America and Africa.
- (d) Presented the workplan** to the Article 6.4 SB and to the parties for their inputs.
- (e) Launched formally** at COP 27



Outcomes from Regional Dialogues on Art. 6 CB Needs

- ❖ **Aligning A.6 with the NDC implementation** including crediting, standards with environmental integrity and sustainable development requirements of Article 6.
- ❖ Support related to **linkages between Article 6 and Carbon pricing instruments.**
- ❖ **Assessing required improvement to legal institutional arrangements, national registry for tracking ITMOs** in accordance with the guidance for registries (to be adopted by CMA 4) and for providing necessary information for annual reporting.
- ❖ **Specific aspects related to identification of sectors and activities** eligible for Article 6 , Authorization and managing corresponding adjustments



Outcomes from Regional Dialogues on Art. 6 CB Needs

- ❖ **Developing baseline approaches** and other methodological requirements to be applied for Article 6.4 activities.
 - ❖ **Developing national arrangements for accreditation of operational entities (DOEs)** for Article 6.4 (not only for government agencies, but also of the entities of each country).
 - ❖ **Transition from CDM to Article 6.4**, private sector would like to know how to register with UNFCCC and earn credits.
 - ❖ **The parties were requesting additional support in communicating to the Private Sector** the potential of carbon markets under Article 6 and with help to re-build trust.
 - ❖ **A request for UNFCCC to develop a blueprint document** or a framework document detailing the steps of the implementation process for Article 6.2, Article 6.4, and Article 6.8.
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Priorities for the capacity-building work programme

Row Labels	Ranking
General outcomes of the COP26 decisions [and SB56 outcomes] in relation to Article 6.	24
ARTICLE 6.2: Supporting Parties on the development of institutional arrangements, including in relation to reporting.	19
ARTICLE 6.2: Supporting Parties ensure that its participation in the cooperative approach and the authorization, transfer and use of ITMOs is consistent with the guidance on cooperative approaches and relevant decisions.	13
ARTICLE 6.4: Develop the technical capacity to design and set baselines for application in host Parties.	12
ARTICLE 6.4: Assisting the LDCs and SIDSs in meeting the participation requirements.	9
ARTICLE 6.4: Supporting Parties on the development of institutional arrangements, including in relation to participation and authorization.	7
ARTICLE 6.4: Supporting Parties on the development of institutional arrangements, including in relation to reporting.	5
ARTICLE 6.2: Assisting the LDCs and SIDSs in meeting the participation requirements.	5
ARTICLE 6.2: Helping Parties ensure that cooperative approaches in which they participate support ambition.	4
ARTICLE 6.4: Helping Parties ensure that the mechanism in which they participate support ambition.	3

Approach to the capacity-building work programme

- The capacity building work programme is being developed with the aim to:
 - (a) Identify the institutional aspects** such as strengthening the infrastructure and knowledge base;
 - (b) Ensure the availability of well-structured information**, which is easily understandable by all stakeholders,
 - (c) Enhancement of technical capacity for determining baseline**, monitoring and reporting, etc.
 - (d) Identify appropriate types and formats of capacity-building** (e.g. workshops, knowledge products, knowledge-sharing platforms, frequently asked questions (FAQs), peer-to-peer learning).
- **It will include a wide array of tools** such as courses, training workshops, help desks, on-the-job trainings and direct technical assistance. It should also include resource materials such as guidance documents, videos and other materials. Avoid duplication of efforts and achieve efficiency gains.



Article 6 readiness

- Integration of Article 6 into NDC implementation plans;
 - a) Case studies/best practices for detailing the mitigation measures included in the NDCs
 - b) Approaches for modelling of marginal abatement costs of mitigation measures where feasible with a view to strengthen the technical capacity i.e. supporting the host country in developing a carbon market
 - c) Strategy to identify sectors and mitigation measures suitable for international transfer vs use for domestic target, considering any availability of climate finance (i.e., climate finance instruments, conditions, pre-requisites) .
 - d) Co-benefits of the activities for sustainable development priorities need to be identified and accounted for.

Components of CB

Article 6 CB library

- UNFCCC website including published papers, policy briefs, guidebooks, tool kits and excel or word templates, include a flow chart for easy access based on activity cycle or target group.

Article 6 Guidance to facilitate Parties' Institutional Arrangements for Article 6 Participation

- National governance of Article 6,
- Practical procedures for Article 6 governance:
- Governance structure to steer processes,
- Assign responsibilities for strategic decision-making; technical steering
- Oversight (e.g., a designated national authority; inter-ministerial body)



Components of CB

- ❑ **Article 6 CB for private sector and financial institutions**
 - a) Hand on training related to participation.
 - b) Templates of Project identification notes etc..
- ❑ **Awareness raising on A.6 benefits**
 - a. Create awareness-raising knowledge products on the opportunities for and benefits of engaging in carbon market mechanisms in the context of NDC implementation, including supporting greater ambition for climate action.
- ❑ **Article 6 dialogues**
- ❑ **Article 6 registration process, registry functionalities, Transparency and CA**
- ❑ **Article 6 SD benefit Assessment and reporting tools (voluntary)**
- ❑ **Article 6 carbon Bazar**



Components of capacity building – Outputs

- **Development of Knowledge development tools** – this is aimed at improving global knowledge, supporting reflection and ownership, and preparing for implementation of A.6. This could possibly include toolkits and webinars on selected topics.
- **Training** – To be designed to raise awareness or build skills and expertise, as appropriate, on key issues in the implementation of the A.6 guidance and modalities and procedures requirement and their effective use.
- **Technical assistance** – A customized technical assistance that encompasses for instance support in drafting relevant authorization, tracking, establishment of infrastructure, development of baseline etc.



Timeline

The period of implementation for the capacity-building work programme is envisaged to be **three to five years**:

Phase 1: focus on creation of **awareness and readiness of the host Parties for Article 6 implementation**; it is proposed that Phase 1 of implementation be undertaken within the first year.

Phase 2: would consist of **continuous capacity-building** activities and would run for two to four years after successful implementation of Phase 1.



Plan of the CB activities year 2023 - 2025

- Providing access to repositories of information and resources and publication materials (for example, databases, libraries and web sites, creating FAQs) – ***Preparation of technical handbook on the rules and processes***
- **Webinars and reading material on specific topics as modules on Article 6 implementation.** [reporting/ review etc] – In conversation with academic , UN agencies and partier countries.
- **Separate work programme on transition** – 6.4 SB workplan to be approved in March 2023.
- **Consultation with parties through RCCs** (for example facilitating, expert advice and arranging for conducting research) – **Regional experts have started the work 3/6 have assumed role.**
- **IN country support [atleast three 2023 - 2025]** – In conversation with donors – direct technical assistance in building the institutional arrangements,



Plan of the CB activities year 2023 - 2025

- **Trainings and workshops** (public, customized or on-line)
 - a) **Global/ Regional five to seven planned for year 2023 – starting April/May 2023**
 - Capitalize the regional climate weeks / partner country / organization/ Alliance events, GIF etc..
 - b) **Country specific trainings [five planned for year 2023]**
 - Capitalize with the transparency and finance related events
 - c) **Participation as knowledge partners in partners workshops**
 - d) **Global dialogue on NDC implementation and Markets – Yearly event**
- **Preparation of training materials on Review (mandated)**
 - Roster
 - Training materials
 - Online/hybrid training
 - Examination
 - Qualifying reviewers
- Preparation of an **interactive toolbox on institutional arrangements** to participate in the Article 6 instruments



Thank You

