

2<sup>nd</sup> Plenary Meeting of the Paris Agreement Article 6 Implementation  
Partnership

Summary of Meeting

September 1, 2023

Organized by:

Ministry of the Environment, Japan (MOEJ) and  
Paris Agreement Article 6 Implementation Partnership Center,  
Institute for Global Environmental Strategies (IGES)

## Summary of the Meeting

The 2<sup>nd</sup> Plenary Meeting of the Paris Agreement Article 6 Implementation Partnership (A6IP) commenced with an opening remark by Yutaka Matsuzawa, Vice-Minister for Global Environmental Affairs at the Ministry of the Environment, Japan (MOEJ).

Session 1 started with the progress of the Article 6 Implementation Partnership and its Center, with presentations by

- Sadamitsu Sakoguchi, MOEJ
- Kazuhisa Koakutsu, A6IP Center.

Session 2 focused on regional support for Article 6 implementation.

- Chatthep Chanyam from A6IP Center presented ongoing regional support activities and lessons learned. In the panel discussion
- Perumal Arumugam from UNFCCC secretariat shared UNFCCC's regional training programs undertaken by Regional Collaboration Centers.
- Hari Gadde from the World Bank outlined their engagement in supporting capacity-building efforts across regions.
- Ousmane Fall Sarr, representing the West African Alliance, shared their initiatives and challenges.
- Isaac Rubayiza from the Eastern African Alliance introduced their approaches to implementing Article 6 projects for NDC achievement.
- Cristina Figueroa Vargas of the Pacific Alliance underscored the importance of utilizing established institutional platforms for the development of Article 6 regional initiatives.
- Virender Kumar Duggal, from the Asian Development Bank, highlighted their role in bridging capacity and knowledge gaps and mobilizing carbon finance.
- Jan-Willem van de Ven, representing the European Bank for Reconstruction and Development, explained their extensive geographical reach and interest in carbon markets.
- Pedro Venzon, on behalf of the International Emissions Trading Association (IETA), introduced IETA's Business Partnership for Market Implementation (B-PMI) program.

Session 3 involved information sharing from partners.

- Akio Takemoto, from the United Nations University Institute for the Advanced Study of Sustainability (UNU-IAS), introduced their postgraduate degree program, which has a focus on climate actions including Article 6.
- Karen Holm Olsen, from UNEP Copenhagen Climate Centre (UNEP-CCC), shared their research-based support for Article 6 implementation.

The meeting concluded with closing remarks by Yasuo Takahashi, Executive Director of IGES.

### Disclaimer

The organizers have taken diligent measures to maintain objectivity and present a thorough conference summary. However, it is important to acknowledge the possibility of occasional errors. The organizers do not accept any liability or responsibility for inaccuracies in this report. We kindly recommend referring to the meeting webpage for additional materials pertaining to each speaker's presentation.

## 1. Opening Remark

- Yutaka Matsuzawa, Vice-Minister for Global Environmental Affairs, Ministry of Environment Japan
  - On behalf of Ministry of the Environment, Japan, Mr. Matsuzawa expressed gratitude for the participants in the 2<sup>nd</sup> Plenary Meeting of the Article 6 Implementation Partnership (A6IP), highlighting the partnership's growth since its establishment at COP27 and its expansion of membership to have included around 70 countries and 34 international organizations as partners. He introduced the Article 6 Implementation Partnership Center, managed by IGES, and its role in promoting capacity building activities. He also outlined the meeting's agenda, which included updates on partnership's activities, the center's introduction, progress on the capacity building support package, and panel discussions on regional support schemes for Article 6 implementation. He emphasized the importance of finding solutions for survival and a safer future through Article 6 Implementation.

## 2. Session 1: Progress of the A6IP and establishment of the Centre

- **Sadamitsu Sakoguchi, Ministry of the Environment, Japan (MOEJ)**
  - Mr. Sakoguchi presented an overview of the accomplishments and future endeavors concerning the A6IP, underscoring the pivotal role of Article 6 in mitigating global greenhouse gas emissions and fostering decarbonization markets. Launched in 2022, the partnership has attracted the participation from 69 countries and 34 international organizations. Key activities of A6IP encompass the arrangement for thematic working groups, the provision of technical support, and the dissemination of research findings and best practices through A6IP's online platform. He further elaborated on the progress made with regard to the authorization, reporting and tracking working groups, and explained that the three working groups have an emphasis on institutional arrangements, project authorization procedures, reporting processes, and other topics. He stressed that the expansion of capacity-building efforts with active involvement from participants remains as a central theme in 2023. Additionally, he introduced the A6IP Center, which is dedicated to formulating customized capacity-building support packages.
- **Kazuhisa Koakutsu, Director of A6IP Center**
  - Mr. Koakutsu announced that he has taken the new position as Director of the A6IP Center. This center is situated at IGES Headquarters, nestled within a mountainous region. Currently, the A6IP center operates with a team of six dedicated staff members, and is in the process of expanding its workforce to better support Article 6 implementation.
  - Furthermore, A6IP is developing capacity-building materials, built upon inputs from the Authorization, Reporting, and Tracking Working Groups. These materials are designed to serve as a common resource accessible to everyone interested in the topics. While these materials are being developed, A6IP is organizing the next Authorization Working Group meeting on September 26th. Following COP28, A6IP anticipates finalizing these materials through discussions and contributions from its partners, making them readily available for capacity-building purposes.
  - In addition, it is crucial to emphasize the involvement of the private sector in A6IP's initiatives. A6IP will collaborate closely with IETA to deliver two webinars by the end of FY2023. Furthermore, online courses will be developed to provide government officials, private sector professionals, NGOs, and all stakeholders with a better understanding of Article 6 and its implications.

### 3. Session 2: Regional Support for Article 6 Implementation

- **Chatthep Chanyam, A6IP Center**
  - A6IP presented the ongoing regional and in-country level support activities around the world. Although some of the support initiatives may have been missing out in this presentation, A6IP aims to improve and update our database so to present up-to-date and accurate information . In addition, A6IP shared the lesson learned from the implementation of Article 6 based on partners' views and feedback from several meetings in the past. These lessons included the limited understanding of Article 6 guidance, the importance to peer-learning, the need for tailored support package, the lack of knowledge from the private sector, and the urgency to promote inter-ministerial coordination. Lastly, A6IP also presented how A6IP aims to facilitate Article 6 capacity building activities such as enriching the understanding of Article 6, promoting joint efforts and mutual learning, avoiding duplication of efforts, and encouraging cooperation between regional bodies and partner institutions.
- **Perumal Arumugam, UNFCCC Secretariat**
  - Mr. Arumugam expressed support for UNFCCC secretariat (UNFCCC) contribution to the A6IP. UNFCCC highlighted ongoing regional activities, including a recent series webinar that served as the precursors to the upcoming regional training programs at Regional Climate Weeks in Africa, MENA, Latin America, and Asia-Pacific. The regional training programs will cover various aspects related to Article 6, NDC achievements, carbon markets, voluntary carbon markets and CDM transition. Mr. Arumugam also emphasized the need for sensitizing stakeholders about the transition of activities under Article 6.4 and potential risks involved. He also mentioned that UNFCCC's webinars discussed the overlap between voluntary and compliance carbon markets. Lastly, he shared that UNFCCC has recruited six regional carbon pricing and Article 6 experts stationed at the RCCs in different regions to help UNFCCC provide capacity building programmes and deliver direct country support. UNFCCC will continue to provide capacity-building activities across the regions in the coming years and improve them through feedback from audiences and stakeholders.
- **Hari Gadde, World Bank**
  - Mr. Gadde outlined the World Bank's engagement with Article 6, emphasizing its support across diverse channels and regions. The Partnership for Market Implementation (PMI) is the World Bank's main facility, and is providing aids to 17 countries in Africa, Asia, Latin America, and the Pacific. PMI encompasses regional, national, and stakeholder capacity-building efforts. Mr. Gadde shared examples of capacity-building activities in West Africa, Southern Africa, and the Pacific and highlighted World Bank's collaboration with regional partners. He stressed the importance of understanding the interaction of international markets with domestic carbon pricing, and introduced World Bank's regional lending programs and carbon market potential, along with its partnerships and participation in climate events. The Bank's priorities include enhancing regional capacity, formulating policy frameworks, establishing required infrastructure, and developing voluntary carbon markets in the PMI countries, with continued initiatives in Southern Africa, the Pacific, and Latin America.
- **Ousmane Fall Sarr, West African Alliance.**
  - Mr. Sarr introduced that the West African Alliance, established in 2016, aims to facilitate active participation of West African countries in carbon markets and mobilize additional funding for NDC implementation. The Alliance has conducted various activities, including technical preparations for negotiations on carbon markets, piloting activities related to Article 6, facilitating peer-to-peer learning, raising

awareness among policymakers, enhancing private sector engagement, and developing policy briefs. The Alliance provides in-country support for Article 6 implementation and is developing a web-based platform for member countries, aiming to create a dynamic blueprint for Article 6. While recognizing the advantages of regional approaches, such as creating larger markets, mainstreaming climate change in regional integration frameworks, and increasing negotiation power, Mr. Sarr acknowledged several challenges. These include the difficulty in integrating different regulatory frameworks, the existence of capacity disparities, the lack of access to finance, the urgency to build political awareness, and the need for coordination of activities funded by partners. He suggested to focus on sub-regions for capacity-building efforts, enhance peer learning, address fairness in carbon pricing, improve governance, and assist countries in project origination.

- **Isaac Rubayiza, Eastern African Alliance**

- Mr. Rubayiza shared that the Eastern African Alliance aims to support members in transitioning from the Clean Development Mechanism (CDM) to Article 6 and implementing Article 6 to achieve their NDCs. The Alliance has conducted activities such as developing country profiles, assessing sectors, formulating an Article 6 blueprint for Uganda, and providing capacity building. The Alliance seeks to address the challenges resulting from the discrepancies in national priorities, sector-specific focus, policy frameworks, and governance capabilities. In the Eastern African region, the countries have identified their thematic priorities including the AFOLU sector, energy, transport, waste, private sector involvement, technology transfer, and capacity building. The Alliance believes regional collaboration through the A6IP can facilitate peer learning, knowledge sharing, capacity building, and technical assistance. Regional collaboration will also create platforms for benchmarking and ultimately enhancing the effectiveness of Article 6 implementation in the region.

- **Cristina Figueroa Vargas, Pacific Alliance, Ministry of Environment, Chile**

- Ms. Vargas mentioned that the Pacific Alliance has devoted its efforts to carbon pricing instruments and regional cooperation. The Pacific Alliance, established in 2011, aims to enhance MRV systems for GHG emissions, explore carbon pricing instruments, and potentially implement carbon market mechanisms. Ms. Vargas emphasized the advantages of regional alliances as these alliances were established institutional platforms for cooperation. Challenges include the costs and benefits of Article 6 implementation, ensuring safeguards, addressing capacity limitations, and improving institutional infrastructure. The Alliance focuses on diverse working areas, including mitigation activities, climate finance, and carbon pricing instruments. The Alliance seeks collaboration and capacity building opportunities through workshops and knowledge sharing with experts, highlighting the need for online resources to support training, especially due to professional rotations within their institutions. Additionally, Ms. Vargas highlighted opportunities within the Pacific Alliance, with the potential addition of Costa Rica and Ecuador as new members and suggested further collaborations through the Alliance's MRV technical subgroup to leverage experiences and expertise in carbon pricing and related areas.

- **Virender Kumar Duggal, Asian Development Bank**

- Mr. Duggal outlined two primary roles for regional banks. First, regional banks help countries bridge capacity and knowledge gaps by offering support in policy development, infrastructure, and project preparation to assist the countries in the transition to the Paris Agreement and in exploring carbon market opportunities. Second, regional banks mobilize carbon finance to catalyze investments in low-carbon technologies. Additionally, Mr. Duggal mentioned ADB's active engagement in

capacity-building efforts through the Article 6 Support Facility, and role of ADB in facilitating discussions on international carbon market opportunities. He stressed the need for countries to integrate carbon markets into broader carbon pricing strategies and climate policies, and emphasized the importance of proper frameworks and guidelines. Finally, he shared that ADB aims to support capacity building, project development, and carbon market navigation while fostering a project pipeline for carbon finance and private sector investments.

- **Jan-Willem van de Ven, European Bank for Reconstruction and Development (EBRD)**
  - Mr. Van de Ven shared that the EBRD has an extensive geographical reach, spanning from Eastern Europe to Mongolia, Turkey, the Mediterranean, and North Africa, and is in discussion of expanding the geographic scope into sub-Saharan Africa. The EBRD gives its primary focus on the private sector, which constitutes over 70% of EBRD's activities. The EBRD emphasizes the importance of contextualizing Article 6 within a broader landscape of carbon market instruments, including domestic emissions trading schemes, VCM, CORSIA, and potential market mechanisms. The EBRD envisages a growing role for MDBs in supporting long-term climate strategies and NDC updates while considering the impact of export credits on NDCs. Mr. Van de Ven stressed the significance of risk management and political discussions in carbon management. Furthermore, the EBRD expresses a keen interest in collaborating with international partnerships like A6IP and in exploring connections with finance ministers through initiatives such as the Coalition of Finance Ministers for Climate Action. He also proposed to organize joint events to engage finance ministers in discussions on carbon pricing and trading within climate finance strategies.
- **Pedro Venzon, International Emissions Trading Association (IETA)**
  - Mr. Venzon, representing IETA, introduced IETA's engagement with over 300 private sector nonprofit associations which focusing on promoting high-integrity market-based climate solutions. He highlighted the private sector's potential in supporting the operationalization of Article 6 by offering products and solutions to address bottlenecks faced by countries, such as registries, MRV tools, insurance products, and rating agencies to increase financial flows, ambition, and environmental integrity. He stressed the importance of considering B2B funding to help governments achieve their NDCs, potentially through carbon pricing instruments. Mr. Venzon introduced IETA's Business Partnership for Market Implementation (B-PMI) program, which aims to build capacity through guidance materials, webinars, and workshops while coordinating with existing local initiatives. He emphasized the need for international-local actor connections and regional collaboration, exemplified by IETA's engagement with West African countries. IETA's key takeaways from regional collaboration include the importance of coordination across different scales, identifying key partners, recognizing the evolving nature of carbon markets, and maintaining an ongoing dialogue adapted to changing circumstances.

#### 4. Session 3: Information sharing from partners

- **Akio Takemoto, United Nations University Institute for Advanced Study of Sustainability**
  - Mr. Takemoto introduced the United Nations University Institute for the Advanced Study of Sustainability (UNU-IAS)'s programme on research and capacity building for sustainability and environmental agreements such as the Paris Agreement. The UNU-IAS introduced a new specialization in the Paris Agreement as part of its postgraduate degree program, aimed at training future leaders and practitioners equipped with the knowledge and skills to implement climate actions, including Article 6, under the Paris Agreement. This program includes practical training, coursework, and internships to

prepare students, particularly from developing countries, for climate-related challenges and reporting, fostering international cooperation and capacity building. The program also highlights the potential for collaboration with partner organizations in implementing practicum training on carbon markets and other key topics to support Article 6 implementation.

- **Karen Holm Olsen, UNEP Copenhagen Climate Centre (UNEP-CCC)**
  - Ms. Olsen explained UNEP Copenhagen Climate Center's organization's role in supporting Article 6 implementation through a research-based approach. The UNEP-CCC is carrying out an integrated Article 6 assessment with funding support from the European Commission. Additionally, the UNEP-CCC is implementing a Sustainable Development Initiative for Article 6 and is developing a toolbox of support modules for developing countries. The UNEP-CCC has a focus on data analysis, the interlinkage between Article 6 and voluntary carbon markets, and the importance of cooperative approaches for emissions reduction. Ms. Olsen also mentioned that the UNEP-CCC provides support on governance frameworks, emissions planning, and a community of practice for capacity building. Finally, Ms. Olsen shared UNEP-CCC's policy dialogue efforts, as her team supports the development of the SDG tools, and undertakes knowledge-sharing initiatives like webinars and podcasts.

## 5. Closing remark

- **Yasuo Takahashi, Executive Director, IGES**
  - Mr. Takahashi, on behalf of IGES, expressed gratitude to the panelists and the audience for their contributions and participation in the Article 6 Implementation Partnership (A6IP) Plenary Meeting. Mr. Takahashi underscored that A6IP aims to enhance countries' Nationally Determined Contributions (NDCs) through the effective use of Article 6. He mentioned that the focus on Article 6 has been transitioning from political discussions to more technical deliberations at COP28. He iterated that the A6IP will contribute to the discussions on the ways in which countries can leverage Article 6 to expedite their climate efforts and improve their NDCs. Additionally, to the A6IP will develop user-friendly capacity-building programs with clear rules and examples for Article 6 practitioners, and will develop a support package in collaboration with partners tailored to the needs of in utilizing Article 6 effectively. The A6IP is keen on collaborating synergistically with all stakeholders.

## 6. Summary of Key takeaways

The key takeaways from panelists can be captured as follows:

1. **Significance of Article 6:** The 2<sup>nd</sup> Plenary Meeting underscored the critical role of Article 6 in mitigating global greenhouse gas emissions, stimulating decarbonization markets, and enhancing climate efforts worldwide.
2. **Focus on Capacity Building:** Capacity building emerged as a central theme, with an emphasis on developing technical materials, offering training, and facilitating understanding of Article 6 for government officials, private sector professionals, NGOs, and stakeholders.
3. **International and Regional Support:** Various regional alliances and international organizations are actively engaged in supporting Article 6 implementation, with an emphasis on capacity building, peer learning, and collaboration as well as supporting mobilization of carbon finance.
4. **Private Sector Engagement:** The private sector, represented by organizations like IETA, is viewed as a key partner in facilitating Article 6 implementation, as such organizations offer products and solutions to address challenges.

5. **Collaboration and Synergy:** Collaboration among stakeholders, including regional alliances, international organizations, and the private sector, was emphasized as vital for successful Article 6 implementation.