

Authorization Working Group

Paris Agreement Article 6 Implementation Partnership 26 September 2023



GGGI is a leading provider of A6 readiness support



Market Dynamics

(Awareness raising, capacity building)

Governance

(Policies, procedures and strategies)

Technical Assistance

to implement MRV, registries, etc.)

Mitigation Activities

(Origination & preparation)

Transaction

(Facilitation & Fund Management)

Objectives and GGGI's role

- Open international carbon trading markets under Article 6
- Support countries to put in place frameworks to enable them to trade

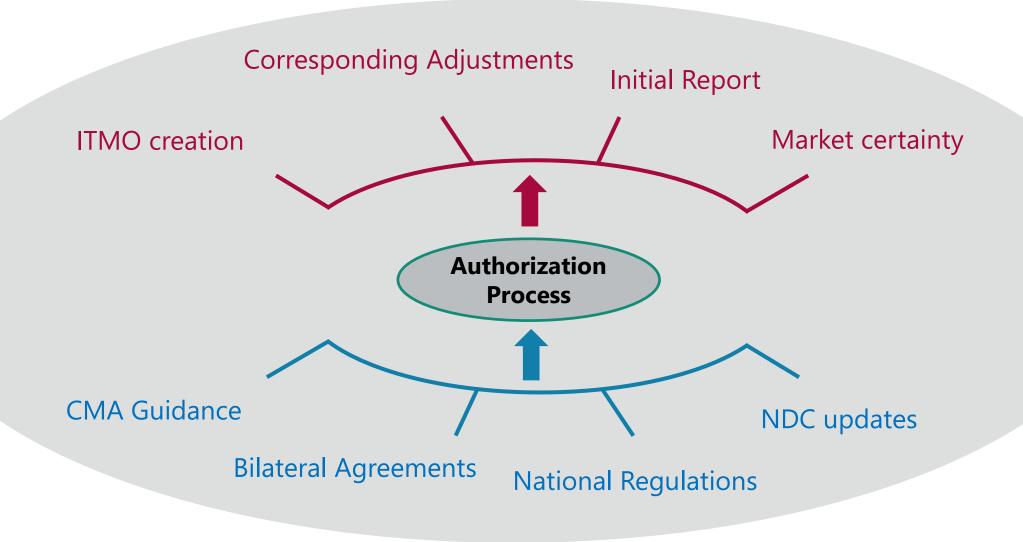
Resource partners:

Swedish Energy Agency Norwegian Ministry of Climate and Environment Germany's International Climate Initiative (IKI) Australian Department of Foreign Affairs and Trade



Authorization: Strategic Governance Component





Different options available: e.g., eligibility criteria



➤ Establishing eligibility criteria for identifying suitable activities for ITMO authorization is critical



Countries have used a strategic list of activities, an activity's place/coverage in the NDC, or a combination of both



➤ Utilizing both is likely to maximize the benefits of Article 6 participation and mitigate the risk of overselling (but clearer NDCs may be required)

Examples of approaches to Eligibility Criteria

Country	Strategic list of activities	Coverage in the NDC
Ghana	\	<u> </u>
India	<u> </u>	×
Jordan	×	<u> </u>
Vanuatu	×	<u> </u>
Zambia	<u> </u>	×
Zimbabwe	<u> </u>	X



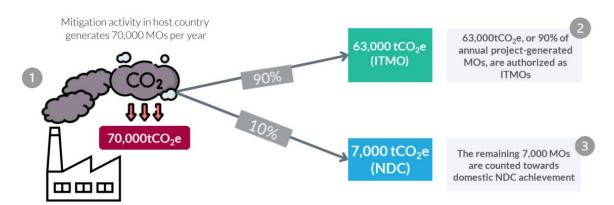
Different options available: e.g., ITMO sharing



Possible strategic parameters to authorizations

(I) Case by case

After the activity proponent requesting an authorization presents an analysis of the action's total emissions reductions, the host country would then authorize only a specified portion of the total MOs the activity generates, using the remainder to achieve its NDC or enhance its NDC's ambition (e.g., Jordan)



Indicative example

(II) Pre-determined amount

Few countries have specified an ITMO sharing amount. Determining the share of MOs to be retained presents significant challenges for host countries. Examples:





GGGI Insight Brief 07 - Implementing Article 6 of the Paris Agreement: Options for governance frameworks for host countries

Different options available: e.g., form and legal standing



Cambodia

Operations Manual for Article 6 Implementation

- Formalizes Cambodia's arrangements for authorization, ITMO generation and reporting,
- 2 Phases: (A) Pilot Article 6 engagement; (B) Scaled-up Article 6 engagement
- ➤ More flexible / Phased-approach

Zambia

Carbon Market Framework

- Draft carbon market framework for Zambia to operationalize participation in international carbon markets, including eligibility criteria
- 2 Phases: (A) Interim Guidelines; (B) Statutory Carbon Market Framework
- More flexible / Phased-approach

Colombia

Article 6 Decree

- Article 6 decree to clarify institutions, roles and responsibilities
- Authorization aspects crystalized directly in the regulation
- More formal and more prescriptive

SPAR6C Program and Tool-Box Guide(s)



Learn by doing approach

Act fast and quickly integrate lessons learned

Beyond capacity building: Decision

Outcon Supportarning, helping to understand and manage risk

Broad stakeholder engagement

All-hands-on-deck approach creates long-term impact

Catalyzing private sector investment

Unlock private sector investment and interest







Thank You

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