

“Enhancing NDCs through
the Article 6 Implementation Partnership (A6IP):
Launching of A6 Implementation Support Packages”

Summary of the Event

December 9, 2023, 15:45 - 17:00

@ Japan Pavilion of COP28, Dubai, UAE

Organized by:
Ministry of the Environment Japan (MOEJ)

Summary of the Side Event

In the presence of Minister Ito, the Minister of the Environment of Japan, and other high-level participants from various countries and organizations, the Article 6 Implementation Support Packages were introduced. This initiative aims to enhance the ambitions of NDCs, which are currently considered insufficient to meet the 1.5-degree target. Similar to the launch of the Paris Agreement Article 6 Implementation Partnership (A6IP) at COP 27 last year, high-level participants from partner countries and organizations expressed their support.

Since the level of preparedness to implement Article 6 of the Paris Agreement, including national legal systems and frameworks, varies significantly, tailored support for each country is essential. Creating tools for each stage of Article 6 implementation provides customized assistance aligned with their readiness.

As of 9 December 2023, 74 countries and over 100 organizations and companies have participated in A6IP. Looking ahead, the A6IP Center will take the lead in providing each participating country with an appropriate Support Package utilizing tools according to its support needs.

The packages will include:

- Article 6 Strategy: Support to enhance understanding of Article 6, including its objectives, benefits, and contribution to NDCs.
- Authorization: Support in establishing legal and institutional frameworks for the government authorization process.
- Reporting: Aid in preparing initial reports, annual information, and regular information on the implementation of Article 6.
- Tracking: Assistance for tracking emission reduction credits and the use of registries.
- Project initiation: Support in preparing an Article 6 pipeline for project development.
- Methodology development: Assistance with the development and application of a baseline.

Disclaimer

The organizers have made every effort to ensure objectivity and provide a comprehensive summary of the conference, However, it is important to acknowledge that errors may occur and the organizers assume no liability or responsibility for any errors in this report.

Opening Remarks

H.E. Mr. Shintaro Ito, Minister, MOEJ

- According to a recent NDC Synthesis Report, even if all countries meet their latest NDC goals, emissions in 2030 will only be about 5% lower than those in 2019. However, a 43% emission reduction by 2030 is necessary to meet the 1.5-degree target. Therefore, it is imperative to intensify the global effort to reduce emissions and Article 6 of the Paris Agreement plays a key role in achieving this.
- The 'Paris Agreement Article 6 Implementation Partnership (A6IP)', now comprising 74 countries and over 100 organizations, has been instrumental in organizing working groups to exchange best practices for implementing Article 6.
- The Article 6 Implementation Support Package was developed by the A6IP Center based on discussions and inputs from its activities. A key objective of this package is to promote implementation actions related to Article 6, including its initial report beginning in 2024, and to enhance the ambition of the next NDC to be submitted in 2025 upon its release.



H.E. Mr. Shintaro Ito

Photo Session



Launch of Article 6 Implementation Support Package

Mr. Kazuhisa Koakutsu, Director, Paris Agreement Article 6 Implementation Partnership (A6IP) Center

- The A6IP was launched by the Government of Japan at COP 27 and collaborates with organizations such as the UNFCCC Secretariat and the World Bank.
- The A6IP Center was established at the G7 Ministers' Meeting on Climate, Energy and Environment in Sapporo. It supports the "Principles of High Integrity Carbon Markets", comprised by i) Supply-side integrity, ii) Demand-side integrity, and iii) Market integrity and adopted at the G7 Ministers' Meeting.
- The A6IP Support Package includes Article 6 strategy, authorization, reporting, tracking, project initiation, and methodology development and will provide support to various countries. Partner countries interested in receiving support from the A6IP Support Package are encouraged to express their interest.



Mr. Kazuhisa Koakutsu

Messages from Partners on Support Package

Ms. Farhina Ahmed, Secretary, Ministry of Environment, Forest and Climate Change, Bangladesh

- Following the examples of China and India, Bangladesh successfully executed numerous Clean Development Mechanism (CDM) projects. These experiences have provided valuable experience, particularly in the area of institutional arrangements.
- There is a significant need to develop a national registry to maintain market integrity and ensure effective implementation of Article 6. There is also an essential requirement to cultivate an environment that enables the private sector to access climate finance effectively.
- Bangladesh expressed its appreciation for the A6IP's initiative. The country is eager to collaborate with the A6IP to enhance its Nationally Determined Contribution (NDC), demonstrating a commitment to advancing its climate action goals.



Ms. Farhina Ahmed

Mr. Stanley Loh, Permanent Secretary, Ministry of Sustainability and the Environment, Singapore

- During COP26, a set of rules for Article 6 was established to ensure high quality and environmental integrity, contributing to the further enhancement of NDCs. The A6IP Support Package will cater to the requirements of countries participating in this initiative, including the development of methodologies, authorization, reporting, and tracking.
- Singapore has initiated the Sustainability Action Package (SAP) under the Singapore Cooperative Programme (SCP). This program collaborates with 20 countries to implement Article 6 of the Paris Agreement. Additionally, Singapore is collaborating with the United Kingdom on blue carbon projects. The goal is to expand these partnerships to 47 countries, including island states, by 2050. This expansion is crucial in light of the estimated USD 4.3 trillion annual climate investment required by 2030.
- Singapore is collaborating with the World Bank to provide capacity-building support on transparency and reporting. Singapore will continue to collaborate with the A6IP to establish a high-integrity carbon market and appreciates the A6IP for its initiative in Japan.



Mr. Stanley Loh

H.E. Mr. Simon Watts, Minister for Climate Change, New Zealand

- Despite the recent establishment of a new government, New Zealand remains committed to achieving an enhanced NDC. The country is eager to collaborate with other nations in implementing Article 6 of the Paris Agreement.
- As a part of the Pacific Islands, New Zealand is on the frontline of those impacted by climate change, particularly facing significant challenges from rising sea levels.
- New Zealand is prepared to work in partnership with countries such as Japan and Singapore to lead the implementation of Article 6. This collaboration aims to enhance high integrity within the carbon market, demonstrating New Zealand's proactive role in advancing Article 6 of the Paris Agreement.



H.E. Mr. Simon Watts

Mr. Trigg Talley, Senior Advisor to the Special Presidential Envoy for Climate and Director, Climate Negotiations and Programs at the U.S. Department of State

- The United States expresses support for the establishment of a high-quality carbon market, aimed at enhancing social protection and achieving the Paris Agreement's goals.
- Appreciation is conveyed to Japan for its significant role and leadership in both the A6IP initiatives and the Article 6 negotiations. The United States commits to ongoing collaboration with the A6IP.



Mr. Trigg Talley

Messages from A6IP Support package implementation partners

Mr. James Grabert, Director, Mitigation, United Nations Framework Convention on Climate Change (UNFCCC)

- Since the adoption of the Paris Agreement, progresses were made which includes the installation of renewable energy and global climate financing. Unfortunately, the achievement of the 1.5-degree target is off track which requires dedication and strong efforts. This implies a need for more climate-related investment.
- Carbon markets serve as a tool to ramp up climate actions by enhancing flexibility. If managed correctly, it is possible to reduce several gigatons per year.
- Cooperation through Article 6 of the Paris Agreement can unlock financial sources. Many countries have expressed their interests in utilizing carbon markets with a growing number already using Article 6. The A6IP has commitments from over 70 countries. This is not just an indicator of its success but shows the increasing interest in Article 6.
- The task ahead is not easy. Article 6 entails a certain level of complexity which requires technology, a robust system, safeguards, transparency, and the involvement of all stakeholders. Mitigation activities must be developed despite the corresponding adjustments being applied.
- Initiatives like this Partnership can accelerate capacity building and facilitate mutual learning. The more extensive and diverse collective knowledge pool, the more effective capacity-building activities will be.
- It is important that Article 6 information be accessible to all. Capacity Building can address the knowledge gap.
- It is essential to develop Article 6 activities with the highest level of integrity and safeguards.
- Collaboration through the A6IP will continue, leveraging the Support Package announced today, which allows to learn from each other.



Mr. James Grabert

Ms. Jennifer Sara, Global Director, Climate Change Group, World Bank Group

- Financial partnerships spanned decades, starting with the Partnership for Market Readiness and continuing with the Partnership for Market Implementation.
- Article 6 is currently under negotiation. This partnership aims to build the capacity and the infrastructure at the domestic level of many countries as this is the key building block to

operationalize what the negotiators agree upon. Given the accumulated experience in carbon markets, they are valuable lessons to learn, and the learning process needs to be expedited.

- Engagement in developing innovative methods, processes, and tools has been ongoing to help operationalize the concepts. Singapore developed carbon markets under the climate warehouse program. It is important to have global registries with common standards and to use digital solutions that connect fragmented markets.
- WB president Ajay Banga mentioned 3 elements of engagement. Firstly, continued support will be provided to countries in generating robust supply with high-integrity. Secondly, bank operations will be expanded to design and build large-scale programs that include result-based payments. Finally, it is important to wrap up efforts in shaping a globally well-functioning and trusted carbon marketplace.
- The A6IP Center is important to standardize approaches to accelerate learning through collaboration with the World Bank, UNFCCC, and other partners.



Ms. Jennifer Sara

Mr. Federico Di Credico, Vice-Chairs, the International Emissions Trading Association (IETA)

- In the business sector, the focus needs to shift from negotiation to implementation, with the A6IP Support Package playing an important role in the implementation of Article 6.
- The goal is to facilitate private sector engagement and ensure the delivery of its full potential.
- Research from IETA and the University of Maryland shows that up to 250 billion USD could be saved in achieving NDCs in an idealistic scenario where Article 6 is implemented worldwide.
- As a business association with hundreds of corporates, there are resources available for actual project implementation.



Mr. Federico Di Credico

Closing Remarks

Prof. Kazuhiko Takeuchi, President, Institute for Global Environmental Strategies (IGES)

- The Institute for Global Environmental Strategies (IGES) serves as the secretariat for the A6IP Center. The goal is to maximize the effectiveness of Article 6, aiming to develop a decarbonized market that not only reduces global greenhouse gas emissions but also fosters economic growth. This mission requires immediate and consistent efforts to establish high-integrity carbon markets. IGES plays a key role in fostering collaboration among governments, international organizations, and private sector organizations, enhancing national implementation frameworks and capacity building, and turning discussions into real-world actions.
- IGES leads in addressing climate change challenges by promoting collaborations and conducting policy research across various fields. IGES's approach is designed to create synergies between climate change, biodiversity, the Sustainable Development Goals (SDGs), and resource recycling, among others. IGES is enthusiastic to incorporate this all-encompassing approach within the framework of the Article 6 Implementation Partnership.
- As an international research organization, IGES is in a unique position to make an important contribution in this critical decade leading to 2030, a period calling for transformative change toward a sustainable world.



Prof. Kazuhiko Takeuchi