

3rd Plenary Meeting of the Paris Agreement Article 6 Implementation Partnership

March 19th, 2024

COP28 commitment –High integrity, High Impact Carbon Markets



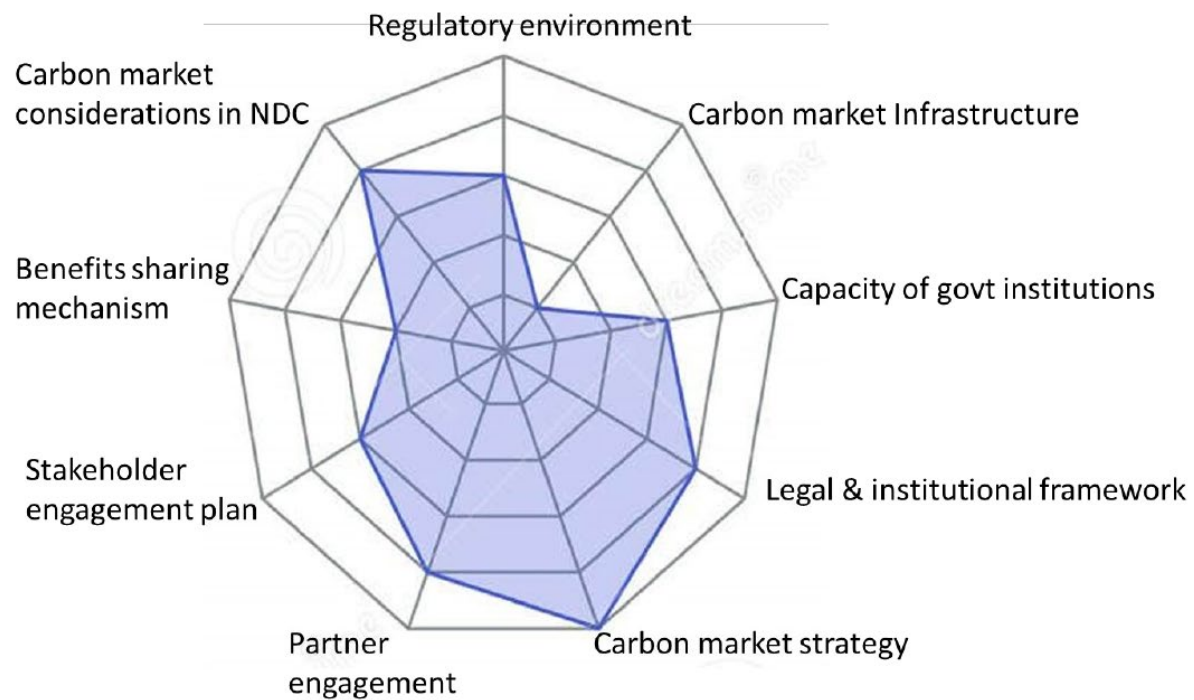
World Bank Group announced WBG Carbon Markets Engagement Roadmap centered around 3 pillars; key COP28 commitment was to deliver on FCPF monetization. Work is ongoing to develop work plan for pillars 2 and 3

1 Monetization - Support countries to monetize and place in carbon markets high integrity credits, starting with promising results across 15 countries to conserve and sustainably manage forests under FCPF.

2 Emission Reduction Program design - Design and implement carbon finance in large scale Bank programs, including financial innovation and product design, specifically MPA operations and as relevant, GCPs.

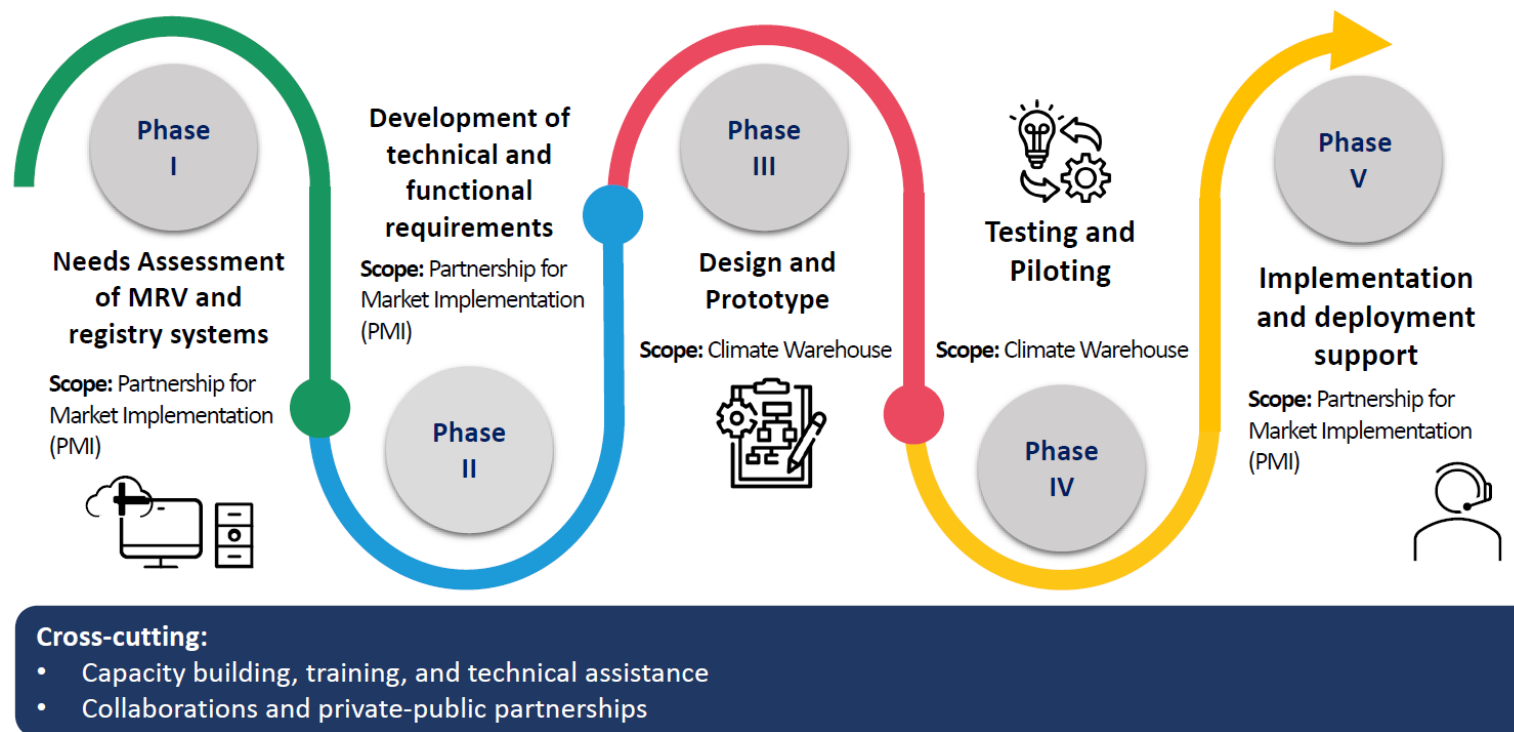
3 Global Architecture & In-country Capacity Building – Work with partners unlock the most critical bottlenecks in global architecture, and support development countries to build market infra, institutions, policies.

Country capacity assessment for participating in international carbon markets



Can we **standardize** the way we assess the country readiness to participate in international carbon markets?

Country support on infrastructure needed for carbon markets



Can we **customize** the infra needs depending on the country context and capacities?

PMI country considers different aspects of readiness & capacity building on international carbon markets

Country	Strategic Assessment	Policy framework / Governance	Market Infrastructure: MRV & Registries	Capacity building, advocacy
Readiness Window				
Bangladesh				
Guinea				
Malaysia				
Pakistan				
Panama				
Senegal				
Implementation				
Chile				
Colombia				
Mexico				
Indonesia				
Vietnam				
Türkiye				
Kazakhstan				
Ukraine				
Just-in-time grants				
Belize				
India				
Namibia				
Tanzania				



Capacity bldg. on carbon markets/ expected key results

Policy & enabling environment		Supply	Demand	Market architecture
1	Technical assistance to support the implementation of carbon market readiness and capacity development programs, through Partnership for Market Implementation Facility	Project level support	Emission reduction linked bond	Climate Action Data Trust
2	Approach papers, through Carbon Markets Club , outlining options for countries to establish domestic policies and procedures to address different elements of participation in carbon markets	MPAs	Country climate fund	Carbon Market registries
3	Internal knowledge: carbon markets 101, Carbon Pricing Hub	Methodology development	Portfolio level integration	Monitoring, Reporting and Verification Systems
4			Carbon Action Forum	



Carbon Pricing / Carbon Markets Academy (proposed)

To avoid the fragmentation of delivery models, standardize the messaging across the board and optimize the resources, it is proposed to **establish the Carbon Pricing Academy, a user-centered, online knowledge and learning platform on carbon pricing/markets.**

I.

Develop different capacity building modules, covering different stages of the carbon pricing / carbon markets ecosystem and any supporting tools needed (like MAAP-CPI, MAAP-ITR), including simplified versions of existing tools

II.

Build on the knowledge generated already under different initiatives, both within the bank and outside the bank



Carbon Pricing / Carbon Markets Academy (proposed)

III.

Deliver these through PMI country programs and contribute to the similar support envisioned under other initiatives of the Bank (e.g., SCALE, TCAF)

IV.

Coordinate and deliver these services with relevant partners (e.g., Japan A6IP, UNFCCC, IETA) and encourage others to adopt the capacity building modules developed

V.

Develop the assessment tool to understand the impact the capacity building support provided to countries (e.g., spider diagram) and to capture the lessons learned



Thank you

Hari Gadde

Sr Climate Change Specialist, World Bank

hgadde@worldbank.org