

15 December 2023

IETA Post-COP28 Briefing

IETA

IETA Post-COP28 Briefing



Session 1: 0800 GMT/0900 CET/1600 Singapore



Andrea Bonzanni
International Policy Director
IETA



Malek Al-Chalabi
IWG Co-Chair
Shell



Perumal Arumugam
Manager
UNFCCC Secretariat



Olga Gassan-Zade
Chair
**Article 6.4 Supervisory
Body**



Rui Yun Gan
Senior Manager
(Global Partnerships)
**National Climate Change
Secretariat, Singapore**



Björn Fondén
International Policy Advisor
IETA
Moderator

IETA Post-COP28 Briefing



Session 2: 1500 GMT/1600 CET/1000 New York



David Newell
Article 6 negotiator
Swedish Energy Agency



Audrey Goldstein
IWG Co-chair
Standard Chartered



Dirk Forrister
President & CEO
IETA



Pedro Venzon
International Policy Advisor
IETA
moderator



Olga Gassan-Zade
Chair
Article 6.4 Supervisory Body



Lisa DeMarco
Senior Partner & CEO
Resilient LLP



Andrea Bonzanni
International Policy Director
IETA

Overview from COP28



- **Largest COP ever**
 - 80,000+ participants
 - Full agenda, thousands of scheduled meetings and events
- **First Global Stocktake ([HERE](#))**
 - The “UAE Consensus”
 - Calls Parties to a “Transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner, accelerating action in this critical decade, so as to achieve net zero by 2050 in keeping with the science”
- **The Loss and Damage Fund**
 - Approved for operationalization the first day of COP28
 - Commitments to the fund totalling \$ 750m USD
- **Oil & Gas Decarbonization Charter**
 - 50 oil and gas companies (representing 40% of global production, with 60% of signatories being National Oil Companies) agreed to reach near-zero methane emissions and end flaring in operations by 2030
- **The CAD Trust Data Dashboard** was launched on December 15 ([HERE](#))
 - Featuring four independent registries including Verra, and one national registry, Bhutan
- **Mitigation Work Programme, Just Transition WP, Response Measures**
 - CBAM featuring prominently in the discussions, unilateral trade measures
- **Global Renewables and Energy Efficiency Pledge ([HERE](#))**
 - 123 countries have committed to tripling renewable energy generation to reach 11,000 GW of installed renewable energy generation by 2030
 - The pledge includes an agreement to double the rate of energy efficiency improvements by 2030, from 2% to 4% annually
 - China and India missing from the list
- **Energy Transition Accelerator (ETA) ([HERE](#))**
 - The core framework was presented by UNFCCC, US, Bezos Earth Fund, and Rockefeller Foundation
- **Global Carbon Pricing Challenge (GCPC) ([HERE](#))**
 - Launch of new website and signatories to the challenged announced
 - IETA is co-secretariat with Adelphi



IETA COP28 Business Hub

- 100 side-events, private briefings, networking events
- 58 side-events live-streamed (available [HERE](#))
 - CDR-CCUS; nature-based climate solutions; transparency; equity; standards; integrity; Article 6; VCM; linking carbon markets; net-zero and carbon pricing; digital infrastructures; reporting and implementation, etc.
- Thousands of participants
- Numerous informal meetings on Hub Terrace and Lounge



Key Announcements on Carbon Markets

Article 6.2 MoUs and bilateral & implementing agreements

- 9 new agreements during COP28
 - MoUs
 - ✓ **Morocco with Norway**
 - ✓ **Rwanda with Kuwait and Singapore**
 - ✓ **Fiji, Senegal and Costa Rica with Singapore**
 - Implementation Agreement
 - ✓ **Papua New Guinea and Singapore**
 - Bilateral agreement
 - ✓ **Chile and Tunisia with Switzerland**
 - Sweden and Switzerland cooperation on NETs
 - Sweden \$28M to UNDP (CARTA) and \$27M to ADB Climate Action Catalyst Fund



National and Regional Frameworks Developments

- **Rwanda carbon market framework** was launched with a focus on engagement with Article 6 of the Paris Agreement
- **Vietnam** domestic compliance market: pilot mandatory carbon credit market planned for 2025; expected to be operational in 2028
- **Pan African Voluntary Carbon Market** was launched by Egypt
- **ECOWAS** announced the launch of a “standardised carbon market”
- **Turkey’s ETS**: 1st pilot phase planned to start in 2025, initially not open to non-compliance and trading players
- **Nigeria** appointed «special committee» to draft the **national carbon market strategy**, including an ETS, a carbon registry and a framework for high-integrity carbon credits
- **UAE** is developing a **carbon registry** (with the objective to support compliance and voluntary markets in the future)
- **ASEAN Alliance on Carbon Markets (AACM)**: Private-sector led body, to push for a strong and robust ASEAN carbon market and carbon removal industry



VCM Developments

Standards joint efforts

- **Independent Crediting Programmes (ICPs) Joint Statement** ([HERE](#))
 - ACR, Architecture for REDD+ Transactions (ART), Climate Action Reserve (CAR), Global Carbon Council (GCC), Gold Standard (GS) and Verra are “**joining forces**”
 - To amplify the impact of carbon markets in achieving real mitigation and supporting countries in implementing Art.6 and their NDCs
 - IETA facilitated this process and will continue to play a role as facilitator through 2024 work program
- **End-to-End high Integrity Framework** ([HERE](#))
 - SBTi, GHG Protocol, ICVCM, VCMi, WMB and CDP published an animation to demonstrate how each of them play complementary roles in supporting ambitious climate action
- **New REDD+ Standard to support IPLCs**
 - Equitable Earth Coalition (Forest Trends, Wildlife Works and Everland) launched a new REDD+ standard aimed at supporting IPLCs by generating carbon credits; Probable pilot projects in Brazil and DRC

New methodologies and standards

- **VCMi Claims Code of Practice** was launched just before COP28 ([HERE](#))
- **VERRA consolidated REDD+ methodology** was also launched three days before COP28 ([HERE](#))
- **Framework to “prevent greenwashing” and restore integrity in voluntary carbon markets** proposed in a joint statement by Netherlands, Germany, France, Spain, Finland, Belgium and Austria ([HERE](#))
 - Supporting SBTi approach; Requiring corresponding adjustments for all credits
- **President Von Der Leyen** (European Commission) called for common standards to be created for VCM to play a role in delivering carbon projects
- The **Monetary Authority of Singapore (MAS)** launched the Transition Credits Coalition (TRACTION) to scale the early retirement of CFPPs in Asia through high-integrity carbon credits



Summary of Article 6 negotiations

❖ Rejected 6.2 text

- Key elements for discussion
 - Definition of cooperative approach
 - Common nomenclatures and Agreed Electronic Format for reporting
 - Application of first transfer
 - Sequencing of review of initial report and ITMO authorisation
 - Treatment of inconsistency and process to review confidential information
 - Authorisation (process and templates for three types of authorisation, revisions and revocation)
 - Interoperability of registries (6.4 mechanism, national, international)
- Main disagreements
 - EU, AILAC and AOSIS tried to introduce more oversight over Party-to-Party cooperative approaches; Umbrella Group and LMDC strongly against
 - US (only supported by Australia) strongly against developing a transactional international registry

❖ Rejected 6.4 text

- Key elements for discussion
 - Adoption of Supervisory Body recommendations:
 - Requirements for methodologies
 - Additional requirements for removals
 - Emission avoidance and enhanced conservation
 - Authorisation (timing, revisions and revocation)
 - Interoperability of registries (6.4 mechanism, national, international)
- Main disagreements
 - EU and CfRN against adoption of removals recommendation
 - Saudi Arabia refused to separate the fate of the two recommendations
- **The “no agreement” outcome creates uncertainty about next steps for Article 6**
 - Discussions on the same mandate will continue at SB60 in Bonn next year
 - Article 6.2 will continue to be implemented – early movers may set the standards, stakeholders learning by doing
 - Article 6.4: SB asked by CMA to continue its work to operationalise, but unclear what it will prioritise



IETA Post-COP28 Briefing



Session 1: 0800 GMT/0900 CET/1600 Singapore



Andrea Bonzanni
International Policy Director
IETA



Malek Al-Chalabi
IWG Co-Chair
Shell



Perumal Arumugam
Manager
UNFCCC Secretariat



Olga Gassan-Zade
Chair
**Article 6.4 Supervisory
Body**



Rui Yun Gan
Senior Manager
(Global Partnerships)
**National Climate Change
Secretariat, Singapore**



Björn Fondén
International Policy Advisor
IETA
Moderator

IETA Post-COP28 Briefing



Session 2: 1500 GMT/1600 CET/1000 New York



David Newell
Article 6 negotiator
Swedish Energy Agency



Audrey Goldstein
IWG Co-chair
Standard Chartered



Dirk Forrister
President & CEO
IETA



Pedro Venzon
International Policy Advisor
IETA
moderator



Olga Gassan-Zade
Chair
Article 6.4 Supervisory Body

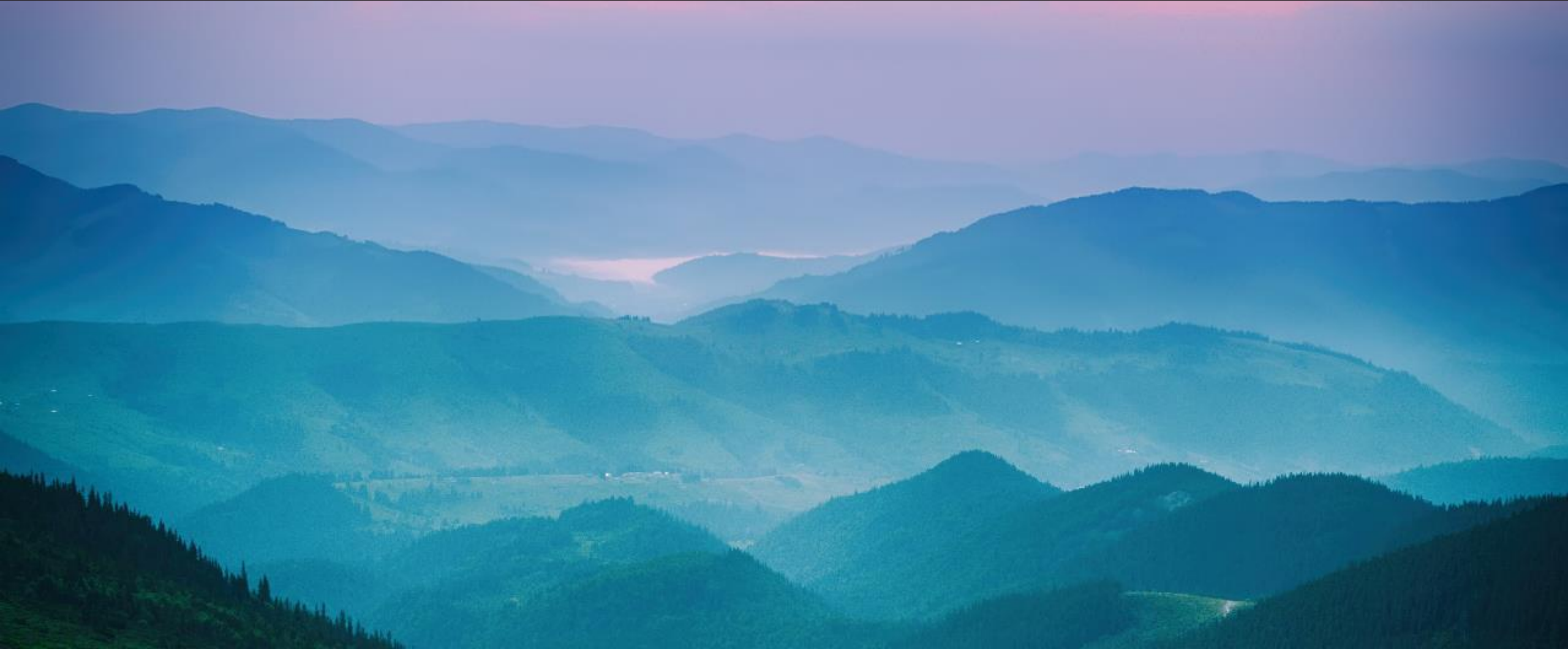


Lisa DeMarco
Senior Partner & CEO
Resilient LLP



Andrea Bonzanni
International Policy Director
IETA

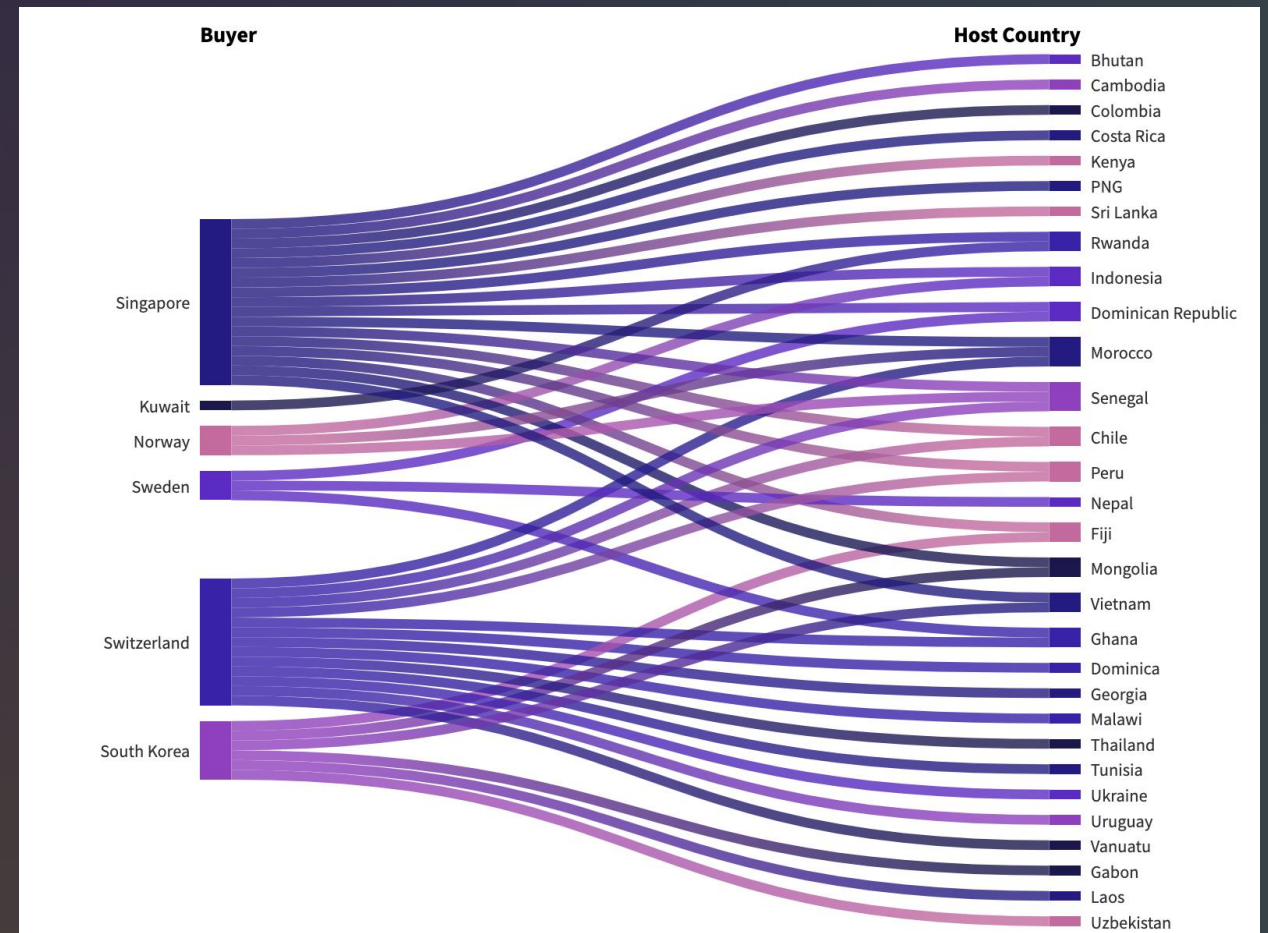
Q&A



Moving Forward: Article 6 of the Paris Agreement and IETA in

2024 continue to support effective operationalisation of 6.4

- Input to further elaboration of recommendations on methodologies and removals?
- Input to development of tools for sustainable development, additionality, baseline, leakage, buffer pool design, reversal risk assessment, etc.
- **Continue to support Parties and market participants who wants to engage in cooperative approaches under 6.2**
 - Through high-integrity crediting programmes
 - Article 6.2 will continue to be implemented, with stakeholders learning from practical experience
 - Work on a LoA template?



IETA's Article 6.2 MoUs, bilateral & implementation agreements tracker [\(HERE\)](#)



Thank you!



International Working Group Contacts:

- Andrea Bonzanni - bonzanni@ieta.org
- Pedro Venzon - venzon@ieta.org
- Björn Fondén - fonden@ieta.org
- Morgane Kundert – kundert@ieta.org

