





#### **Post COP29 Webinar**

**Article 6: What's Next after Baku** 

Webinaire post-COP29 : Article 6 - La suite après Bakou ?

West and Central Africa

Afrique de l'Ouest et du Centre

Date: Tuesday 6 February 2025

**Time**: 10:30 AM to 12:00 PM (GMT + 00)

Mode: Virtual

# Welcome Remarks & COP29 Overview

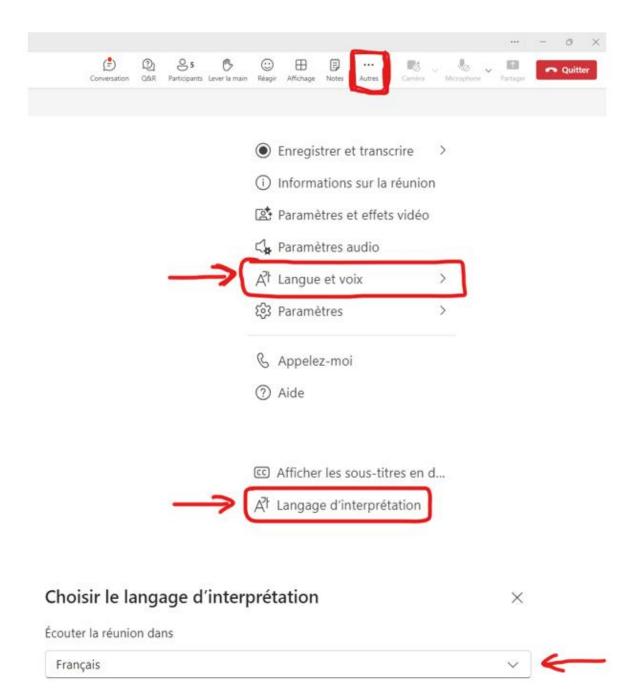


#### **Walters Tubua**

Regional Lead

UNFCCC- Regional Collaboration Centre for West and Central Africa





Interpretation

# Housekeeping

- MS Teams:
  - > Kindly mute your microphone and turn off your camera when not speaking;
  - ➤ Leave the "Chat" window open;
  - > Type your questions and comments in the Chat window;
  - ➤ Before taking the floor, raise your hand;
  - ➤ When given the floor, please unmute your microphone; and if your bandwidth allows, turn your camera on.



Slides will be shared after the webinar





### **United Nations** Climate Change



#### **Post COP29 Webinar**

**Article 6: What's Next after Baku** 

# Webinaire post-COP29 : Article 6 - La suite après Bakou ?

**West and Central Africa** 

Afrique de l'Ouest et du Centre

**Date**: Tuesday 6 February 2025

**Time**: 10:30 AM to 12:00 PM (GMT + 00)

**Mode**: Virtual

#### **Speakers & Panelists**



Walters Tubua
Regional Lead,
UNFCCC- Regional
Collaboration Centre for West
and Central Africa



Mr. Perumal Arumugam
Manager,
Markets and Non-Markets
Support and Stakeholders
Interaction Mitigation division,
UNFCCC Secretariat



Barbara Ratusznik
Programme Officer,
Markets and NonMarkets Support Unit,
UNFCCC secretariat



Art.6.4 DNA,
Ministry of the Environment
and Sustainable Development,
Madagascar.



El hadji Mbaye DIAGNE SBM member, Senegal



Bernard Ayittah Regional Expert on Art.6 and Carbon Pricing, RCC West and Central Africa

# Agenda

Duration	Programme	Speaker
5′	Welcome Remarks and COP 29 Overview	<b>Mr. Walters Tubua</b> , Regional Lead, UNFCCC RCC WAC Africa
25'	<ul> <li>COP29 decision on Art.6.2, Art.6.4, Art.6.8 and CDM</li> <li>Main outcomes of COP29</li> <li>Where do we stand post COP29?</li> <li>Operationalizing A6 - Secretariat 2025 Work Plan</li> </ul>	Mr. Perumal Arumugam, Manager, Markets and Non- Markets Support and Stakeholders Interaction subdivision, UNFCCC secretariat
30'	<ul> <li>Panel Discussion: Implications of COP29 Decisions on Article 6 Operationalization</li> <li>Topics and Speakers</li> <li>Implications of COP29 Outcomes for Operationalizing Article 6: Madagascar Perspective         <ul> <li>Lantonirina Ratovonjanahary, Art.6.4 DNA, Ministry of the Environment and Sustainable                 Development, Madagascar.</li> </ul> </li> <li>Decisions on Art.6.4 and the transition of CDM projects in Africa         <ul> <li>El hadji Mbaye DIAGNE, SBM member, Senegal</li> </ul> </li> <li>Operationalizing Article 6.8 - Way Ahead         <ul> <li>Ms. Barbara Ratusznik, Programme Officer, Markets and Non-Markets Support Unit, UNFCCC</li> </ul> </li> </ul>	
10′	What's next - Operationalizing Article 6 in West and Central African Countries	Mr. Bernard Ayittah, Article 6 & Carbon Pricing Expert, RCC WAC Africa
20'	Q & A Session with the audience	
5′	Closing Remarks and Next Steps	Nadine Nimal, Team Lead, Art.6 Capacity Building Unit, UNFCCC secretariat

# COP29 Decision Art.6.2, 6.4, 6.8 & CDM



## Mr. Perumal Arumugam

Manager,

Markets and Non-Markets Support and Stakeholders Interaction Mitigation division,

**UN Climate Change Secretariat.** 



#### United Nations Framework Convention on Climate Change

# Key Outcomes from COP29: Article 6 of the Paris Agreement



#### 9-year journey for the full operationalization of Article 6









2015

Adoption of the Paris Agreement

A6.2

Cooperative approaches

A6.4

The mechanism

A6.8

Non-market approaches

2021

Completion of the Paris Rulebook

#### **Adopt the Guidance**:

ITMOs, Participation requirements, CA methods, Reporting, Review, Infra for recording and tracking ITMOs

#### Adopt the RMP:

Supervisory Body, Host Party requirements, Activity cycle, Registry, SOP & OMGE, CDM transition

#### **Adopt the Work Programme:**

Principles, Non-market approaches, Governance, Modalities, Activities, Reporting

2022

Adoption of further rules

#### Further guidance on:

Infra for recording and tracking ITMOs, Review guideline and rules and training programme for review team, Outline for reports incl. draft version of agreed electronic format

#### Further guidance on:

Procedure for transition of CDM activities and CERs, Reporting by Host Parties, Operation of the registry, Processes for SOP & OMGE, Rules of procedure of SB

#### Further decisions on:

Schedule for implementing activities, Non-market platform, Additional focus areas for the activities

2024

Completion of further guidance

#### Further guidance on:

Authorization, First transfer, Reporting format and additional elements, Inconsistencies of reported information and their consequences, Function of registries

#### Further guidance on:

Standards for methodologies and removals, SD tools, Appeals and grievance process, Procedures for SB's decision making, Interoperability of the registry, authorization

#### Completion of Work Programme Phase 1:

Assessment of phase 1, recommendations, NMA platform and capacity building for phase 2



## **Article 6: co-operation towards NDCs**

### **Cooperative approaches**



Articles 6.2 and 6.3 and decision 1/CP.21, paragraph 36

Bilateral/multilateral cooperation between interested countries, involving transfers of the mitigation outcomes produced through such cooperation

#### The mechanism

Articles 6.4 to 6.7 and decision 1/CP.21, paragraphs 37 and 38

To be operated centrally (UNFCCC secretariat), credits emission reductions by public and private sector actors, allows for international transfer of those credits

#### Framework for non-market approaches

Articles 6.8 and 6.9 and decision 1/CP.21, paragraphs 39 and 40

Facilitates climate action through international cooperation focused on sustainable development and poverty eradication (and does not involve trading)



#### Article 6.2: Key Outcomes – Authorization

☐ Scope: Clarifies it contains three components - cooperative approaches, ITMOs, and entities ☐ Content: what shall the Auth statement contain: Unique identifier (CARP), Name of entity, use covered by authorization, vintage, metrics including conversation, sectors, activities and its types. Date and duration including, final date for issuance, use and cancellation. Cross reference to regulations, frameworks, standards, methodologies Condition for change in authorization, including process to avoid DC. Tracking infrastructure identification, underlying framework, regulations, track participation and transaction of entities. ☐ Format - Voluntary standardized template by the Secretariat ☐ Changes – Shall not apply to first transferred ITMOs and consistent with the conditions elaborated in Authorization statement, including avoidance of the DC. ☐ Transparency - CARP provide publicly accessible copies of Auth, changes, statements, updates



#### Article 6.2: Key Outcomes

#### Reporting

- Provide supplementary information to be included in the Initial Report (IR)
- Request the parties to use the Updated the Agreed Electronic Format for reporting annual information
- Clarify the sequence and timing between the IR/UIR and annual and regular information

#### Application of first transfer

- Clarify the timing and sequencing between authorization and first transfer ( NDC or OIMP, only OIMP);
- Specify the application of first transfer of ITMOs for OIMP with robust arrangements by the first transferring Party including a recording deadline ( no later than 31 December of the year prior to the submission of the BTR)
- Specify the voluntary contribution to the AF and OMGE as first transfer (CA will apply)



#### **Article 6.2: Key Outcomes**

#### Addressing the inconsistencies

- Adopt the tagging approach\* for ITMOs under the review process and transparent disclosure for stakeholders
  - \* e.g., "no inconsistencies identified", "inconsistencies identified", "not available"
- Specify the Parties' responsibility to address the inconsistencies and their consequences, requesting that ITMOs identified as inconsistent 'not be used.'
- Decide on 'significant' or 'persistent' inconsistency to be identified and addressed by A6 technical expert review team

#### Registries to track ITMOs

- Clarify the connection between the A6.4 mechanism registry and party registry Auth A6.4 ITMOs to IR
- A6.2 participating Parties' registries with 'pull and view' function on holding and action history of the for interoperability
- Add new registry services, including issue of MOs on-demand basis



#### **Article 6.2: Implications and future work plans**

#### Need to swift transition for the full-implementation phase

- The Baku decision on A6.2 will provide a clear signal to Parties and non-Party stakeholders to participate in A6.2 with enhanced environmental integrity and transparency
- The Secretariat will provide capacity building programmes, especially on reporting and infrastructure, for participating Parties, with a particular focus on developing Parties.
- Starting from SB 62 (June 2025), a dialogue to exchange information and experiences on Article 6.2 will convene in conjunction with each SBI session (twice a year), ensuring the participation of non-Party stakeholders.
- No further negotiations for the guidance until 2028. The review process for the existing guidance, including unresolved issues, will resume in 2028.
- A6 should be leveraged for new NDCs 3.0 to raise ambition levels and facilitate their full implementation



## **Article 6: co-operation towards NDCs**

#### **Cooperative approaches**

Articles 6.2 and 6.3 and decision 1/CP.21, paragraph 36

Bilateral/multilateral cooperation between interested countries, involving transfers of the mitigation outcomes produced through such cooperation

#### The mechanism



Articles 6.4 to 6.7 and decision 1/CP.21, paragraphs 37 and 38

To be operated centrally (UNFCCC secretariat), credits emission reductions by public and private sector actors, allows for international transfer of those credits

#### Framework for non-market approaches

Articles 6.8 and 6.9 and decision 1/CP.21, paragraphs 39 and 40

Facilitates climate action through international cooperation focused on sustainable development and poverty eradication (and does not involve trading)



#### **Article 6.4: Key Outcomes**

 CMA took note of the methodological and removal standards of the PACM – SBM, ask to implement and seek guidance as necessary from CMA

#### "Methodologies and removal" Standard

- Downwards adjustment in baseline approaches:
  - Applies to 36 (iii) existing actual or historical emissions;
  - Applies to 36 (i) and (ii) BAT and ambitious benchmark (unless decided otherwise by the SBM);
- Default approach for additionality: financial additionality (barrier analysis and performance-based approach as alternatives); Regulatory analysis, prior consideration and avoidance of lock-in are always required;
- Article 5 para.2 activities of the PA are allowed under 6.4; also link to CP 19 decisions
- Other principles: NDC, LT-LEDS, temperature goal of PA: simple demonstration of alignment; encouraging ambition over time; real, transparent, conservative and credible; below BAU; contributing to equitable sharing; etc.
- **Defines removals** avoidable reversals, and unavoidable reversals; how removals are calculated; MRV requirements, Addressing reversals, post crediting monitoring with principle of monitoring unless risk of future reversals negligible and/or remediated);



#### **Article 6.4: Key Outcomes**

- A6.4 PACM registry: Participating party registry may voluntarily connect to MR; connection enable transfer of AUTHORIZED A.6.4 ER; Ability to also pull and view data and information on holdings, and action history of Authorized A.6.4 ERs.
- **Transition:** A/R project activities and PoA may transition from the CDM to the A6.4 mechanism. Request for transition with approval from A6.4 DNA needs to be received by 31.12.2025
- LDC and SIDS: exempt from SOP for adaptation, but they may choose not to....
- Operation of the A6.4:
  - Consideration of international environment agreements in A6.4
  - Balance between continuous improvement to reflect best available science and regulatory stability for standards/tools/procedures
- **Methodological work:** Expedite the work additionality, baseline, leakages, standardized baselines, suppressed demand, non permanence and reversals, and revision of CDM methodologies



#### **Article 6.4: Key Outcomes**

- Authorization: Clarification that statement, the A6.4 mechanism can:
  - (i) Authorize in full or part or (correspondingly adjusted) A6.4ER
  - (ii) Does not Authorize
  - (iii) Allow Mitigation Contribution Units (MCUs) ...while authorization may be done at a later stage (before being transferred in or out of the mechanism registry (first transfer).
  - (iv) UNFCCC sec to develop template for Authorization.
  - (v) PACM SBM to determine need for a timeline based on experience and report to CMA.



#### **Updates on Article 6**

 78% of the Parties to the Paris Agreement indicate that they plan to, or may, use at least one type of Article 6 cooperation in their NDCs<sup>[1]</sup>

#### A6.2

- 7 Parties submitted A6.2 Initial Report<sup>[2]</sup> (as of 10 Dec. 2024)
- 6 Parties underwent A6 Technical Expert Review (TER) in Oct. 2024
- 2 Parties have already submitted authorization statements

#### A6.4<sup>[3]</sup>

- 95+ Parties submitted a designated national authority (DNA) for the PACM
- **20+** designated operational entity (**DOE**) submitted application
- 1000+ prior notification for new activities submitted
- 10 approval transition activities
- 10 Parties submitted the host Party fulfillment forms
- 1500+ transition activities completed global stakeholder consultation process under 6.4



https://unfccc,int/process-and-meetings/the-paris-agreement/the-paris-agreement/cooperative-implementation/carp/submitted-reports#Initial-and-updated-reports

<sup>[3]</sup> https://unfccc.int/process-and-meetings/the-paris-agreement/article-64-mechanism

#### A6 and the UNFCCC Secretariat's role for Global Climate Action

- Need for a swift transition to the full-implementation phase:
- Clear signal to Parties and non-Party stakeholders to participate in A6 with enhanced environmental integrity and transparency provisions
- The Secretariat will provide capacity building programmes:
  - Institutional Arrangements
  - Participation requirements (Recording, Reporting and tracking Infrastructure)
  - Baseline approaches for 6.4 methodologies
  - Participation in Article 6 increase Ambition (dialogue with each SBI)
- Infrastructure CARP, A6 Database, and International registry in 2025
- Review of existing guidance, RMP only by 2028
- A6 as an enabler for leveraging new NDCs 3.0 to raise ambition levels and facilitate full implementation
  - ❖ The year 2025 marks the 10th anniversary of the adoption of the Paris Agreement, the 30th session of the UNFCCC COP, and the due date for submission of new NDCs 3.0 aimed at 2035
  - International carbon markets under Article 6 will play a pivotal role in raising the ambition of NDCs 3.0 and accelerating their implementation across nations



## **Article 6: co-operation towards NDCs**

#### **Cooperative approaches**

Articles 6.2 and 6.3 and decision 1/CP.21, paragraph 36

Bilateral/multilateral cooperation between interested countries, involving transfers of the mitigation outcomes produced through such cooperation

#### The mechanism

Articles 6.4 to 6.7 and decision 1/CP.21, paragraphs 37 and 38

To be operated centrally (UNFCCC secretariat), credits emission reductions by public and private sector actors, allows for international transfer of those credits

#### Framework for non-market approaches

Articles 6.8 and 6.9 and decision 1/CP.21, paragraphs 39 and 40

Facilitates climate action through international cooperation focused on sustainable development and poverty eradication (and does not involve trading)



#### Article 6.8: Key Outcomes

Expedited and simple assessment of Phase 1 of work programme activities completed and recommendations made for Phase 2

Phase 1 (2	2023-24)	Phase 2 (2025-26)
<b>yet</b> on the Platform,	of work me have tified form and ual have eloped recorded NMA	Need to continue work on NMAs within all relevant work programme activities Recognize importance of linking climate action with biodiversity conservation and sustainable development Broaden spin-off group participation by engaging public and private stakeholders, focusing on knowledge sharing on NMAs Continue inviting representatives of Indigenous Peoples and local communities to in-session workshops Continue to improve workshop quality by trialing new dynamic discussion formats Interested Parties and stakeholders invited to conduct outreach on NMAs to engage a broad range of non-Party stakeholders



#### **Article 6.8: Key Outcomes**

#### Recommendations on the NMA Platform

- Interested Parties continue to be invited to notify the secretariat of their national focal points for Article 6.8 to enable the recording of their NMAs on the NMA Platform
- Parties and observers invited to submit by 31 March 2025 views on:
  - a) Barriers and solutions for utilizing the NMA Platform
  - b) Engagement with the NMA Platform
  - c) How NMAs can support the implementation of NDCs

#### **Capacity-building**

Capacity-building for all interested stakeholders to continue in Phase 2 of the work programme, prioritizing national focal points



# Panel Discussion Implications of COP29 Outcomes on Article 6 Operationalization



Implications of COP29 Outcomes for Operationalizing Article 6: Madagascar's Perspective

Lantonirina Ratovonjanahary,
An. 6.4 DNA, Ministry of the Environment
and Sustainable Development,
Madagascar



Decisions on Art.6.4 and Transition of CDM projects

El hadji Mbaye DIAGNE, SBM member, Senegal



Operationalizing Article 6.8 - Way Ahead

Barbara Ratusznik
Programme Officer, Markets and NonMarkets Support Unit, UNFCCC
secretariat

# UNFCCC - RCC Lomé

COP 29 Outcomes

Article 6 of the Paris Agreement

# Further guidance on Article 6.2

- Authorization
- Reporting
- First transfer
- Inconsistencies of reported information and their consequences
- Function of registries

## **Authorization**

- **Scope**: Clarifies it contains three components cooperative approaches, ITMOs, and entities single or sequential process
- Content: the Auth statement shall contain:
  - ➤ Unique identifier (CARP), Name of entity, use covered by authorization, vintage, metrics including conversion, sectors, activities and its types.
  - ➤ Date and duration including, final date for issuance, use and cancellation.
  - Cross reference to regulations, frameworks, standards, methodologies
  - Condition for change in authorization, including process to avoid DC.
  - Changes to authorization shall not apply or affect already first transferred outcomes **unless** specified in "terms and conditions of the authorization" by cooperating Parties to avoid double counting.
  - Tracking infrastructure identification, underlying framework, regulations, track participation and transaction of entities.
- Format Voluntary standardized template by the Secretariat
- **Changes** Shall not apply to first transferred ITMOs and consistent with the conditions elaborated in Authorization statement, including avoidance of the DC.
- Transparency CARP provide publicly accessible copies of Auth, changes, statements, updates

# Reporting

- Provide supplementary information to be included in the Initial Report (IR);
- Requests each participating Party to incorporate the elements contained in annex I
- Request the Parties to use the Updated the Agreed Electronic Format for reporting annual information
- Clarify the sequence and timing between the IR/UIR and annual and regular information
- No provisions on the sequencing between reports and review

# Application of first transfer

- Clarifies that mitigation outcomes can only be first transferred if they have been authorized by the first transferring Party;
- Clarify the timing and sequencing between authorization and first transfer (NDC or OIMP, only OIMP);
- Specify the application of first transfer of ITMOs for OIMP with robust arrangements by the first transferring Party including a recording deadline (no later than 31 December of the year prior to the submission of the BTR)
- Specify the voluntary contribution to the AF and OMGE as first transfer (CA will apply)

# Addressing the inconsistencies

- Adopt the tagging approach for ITMOs under the review process and transparent disclosure for stakeholders:
  - "no inconsistencies identified",
  - "inconsistencies identified",
  - "not available"
- Specify the Parties' responsibility to address the inconsistencies and their consequences, requesting that ITMOs identified as inconsistent 'not be used.'
- Not stop the process/use of transferring the ITMOs
- Decide on 'significant' or 'persistent' inconsistency to be identified and addressed by A6 technical expert review team

# **Function of registries**

- Compromise regarding functionalities of Art6.2 international registry
- Clarify the connection between the A6.4 mechanism registry and party registry Auth A6.4 ITMOs to IR
- A6.2 participating Parties' registries with 'pull and view' function on holding and action history of the for interoperability
- Add new registry services, including issue of MOs on-demand basis (issuance of mitigation outcomes as units + transfer to international registry)
- Clarifies that the registry services do not constitute an endorsement by the secretariat or by Parties to the Paris Agreement of the quality of any mitigation outcomes involved, including with respect to the environmental integrity of those mitigation outcomes;
- Capacity-building on registry infrastructure.

# Further guidance on Article 6.4

- Standards
- Authorization
- Reporting
- CDM Transition

# SBM of the PACM standards

- First day of the COP decisions on the PACM standards
  - Standard: "Application of the requirements of Chapter V.B (Methodologies) for the development and assessment of Article 6.4 mechanism methodologies"
  - Standard: "Requirements for activities involving removals under the Article 6.4 mechanism"

# Authorization of Article 6.4 emission reductions (A6.4ERs)

- Host Parties only "encouraged" to provide the authorization statement as early as possible (latest at issuance with assignment of status through registry administrator)
- Authorization statement to contain information: specification of full or partial authorization of A6.4ERs for NDC and/or OIMP; no authorization of A6.4ERs; allowing issuance as MCUs that can be authorized at later stage
- Post-issuance auth: Corresponding adjustments to forwarded adaptation fee, OMGE share

# Article 6.4 mechanism registry

- Voluntary connection between Party registries and mechanism registry that allows for transfer of authorized A6.4ERs (while avoiding double counting) + pulling & viewing data
- No transfer of MCUs out of mechanism registry

# Transition of CDM activities

• CDM Afforestation and reforestation projects and programme of activities can request transition as per the defined deadlines

# Key implications for African host countries

- Article 6.2
- Article 6.4
- Article 6.8

#### Article 6.2: Key implications for African host countries

#### > Ensuring compliance with adopted Article 6.2 decisions

- **All authorizations**, including those granted before COP29, comply with the finalized Article 6.2 Baku decision  $\Rightarrow$  This includes a comprehensive review and, if necessary, revisions to previous authorizations (e.g. unilateral authorizations).
- Existing bilateral agreements related to ITMOs may need to be **updated** to align with the new requirements outlined at COP29.
- Host countries are strongly encouraged to be familiar with the updated draft version of the
  agreed electronic format (AEF) which provides a template for annual authorization reporting, for
  provisional use.
- Include the new guidance and additional information to be provided in the current regulation in the countries (update template).

#### > Understanding the provisions and implications that apply for first transfers

- Host countries **must clearly specify** whether the mitigation outcome qualifies for a first transfer.
- With the decisions taken in Baku, first transfer specification for OIMP (authorization vs. issuance vs. use and cancellation) becomes a critical and strategic element for host countries.

#### **Article 6.2: Key implications for African host countries**

- The first transfer must occur no later than December 31 of the year preceding the submission of a Party's Biennial Transparency Report (BTR) for the relevant NDC period.
- ➤International Registry should soon be made available for Parties' use
- West African host countries can consider using the international registry (if they do not opt to set up a national registry), which is likely to be made available by the Secretariat at the beginning of 2025.
- Request support from the secretariat to develop their own registry
- > Dropped and postponed negotiation items
- The matter on the special circumstances of LDCs and SIDs will be considered in 2028 (or earlier if necessary), and the Secretariat was reminded to implement capacity-building programme to meet Article 6.2 participation requirements.
- No work programme for Article 6.2 until 2028, which may create challenges for issues such as implementing the appropriate accounting approach for corresponding adjustments.

#### Article 6.4: Key implications for WAA host countries

- Host countries have a key role to fast-track handling transition requests for activities to move from the CDM to PACM
- Host countries must first ensure the submission of the <u>Host Party</u> <u>Participation Requirement form</u> for the Article 6.4 Mechanism (A6.4M).
- Host countries must complete and submit the CDM activity transition approval form to the UNFCCC secretariat by 31 December 2025.
- Submission of requests for transition of Afforestation/Reforestation projects and PoAs
- >LDCs and SIDS are exempted from share of proceeds to adaptation
- While the text recognizes that these countries may choose not to make use of this exemption

#### Article 6.4: Key implications for WAA host countries

- > Participating Party registries may voluntarily connect to the mechanism registry
- This connection shall **enable transfers of authorized A6.4ERs** and pulling and viewing of data and information on authorized A6.4ERs.
- The direct connection between the Party and mechanism registry allows Parties to hold authorized A6.4ERs in their own registries or **to re-sell them** through their own registry.
- > Keep track of the revision of the A6.4 methodologies that the SBM will process throughout the year
- Submission and eventual registration of new PACM activities are expected in 2025.
- Full implementation of new 6.4 activities is expected by end of 2025.
- >Authorization statement of A6.4 units at the approval of the project
- Need to amend regulation to include new provisions adopted in Baku

#### Article 6.8: Key implications for African host countries

- **➤ Nomination of 6.8 Focal Point**
- >Submit NMA
- >Set up national process for submission NMA
- > Awareness
- >Submit requests from national stakeholders

### Thank you

El Hadji Mbaye DIAGNE emdiagne@hotmail.com +221776387792

## Panel Discussion Implications of COP29 Outcomes on Article 6 Operationalization



Implications of COP29 Outcomes for Operationalizing Article 6: Madagascar's Perspective

Lantonirina Ratovonjanahary,
An. 6.4 DNA, Ministry of the Environment
and Sustainable Development,
Madagascar



Decisions on Art.6.4 and Transition of CDM projects

El hadji Mbaye DIAGNE, SBM member, Senegal



Operationalizing Article 6.8 - Way Ahead

Barbara Ratusznik
Programme Officer, Markets and NonMarkets Support Unit, UNFCCC
secretariat



# Implications des résultats de la COP29 pour l'Opérationnalisation de l'Article 6 : Perspectives de Madagascar

RATOVONJANAHARY LANTONIRINA

ARTICLE 6.4 DNA

BUREAU NATIONAL DES CHANGEMENTS CLIMATIQUE ET DE LA REDD+

MINISTÈRE DE L'ENVIRONNEMENT ET DU DÉVELOPPEMENT DURABLE



#### Perspectives de Madagascar

- 1. Règles, modalités et procédures sur l'articles 6.4 finalisés:
  - → Madagascar exprime son intention d'utiliser les marchés visés par 6.4
  - → Accélérer le traitement des demandes de transition, projette de:
  - > Remplir et soumettre les conditions de participations
  - >Soumettre l'approbation de la transition avant décembre 2025
- → Soumission de demande de transition de 8 projets :
  - ➤ Programme international de Purification de l' eau
  - ► POA cuisson propre
  - Programme de foyers améliorés
  - Centrale hydroélectrique
  - Programme de vulgarisation de cuisson propre
  - Projet de centrale solaire (Solar PV)



#### Perspectives de Madagascar

#### Types d'activités que Madagascar prévoit d'approuver conformément aux normes:

- Foyers améliorés à biomasse et à gaz de pétrole liquéfié
- Centrale solaire photovoltaïques
- Procédé de traitement et recyclage des gaz fluorés, hydrogène vert
- •Foresterie et utilisation des terres (restauration, reboisement), conservation des forets
- Gestion des terres cultivés
- capture et stockage de carbone
- Agriculture durable, gestion de l'élevage, gestion des émissions de méthane provenant de la fermentation entérique
- Valorisation des déchets
- Mobilité électrique



#### Perspectives de Madagascar

- → MCU autorisés à une stade ultérieure, PMA et PIED exemptés de la part de recette pour l'adaptation: incite les investisseurs à participer à l'article 6.4
- → Mise en place d' un registre national à connecter au registre du Mécanisme pour tenir des A6.4ER et pouvoir revendre
- renforcement des capacités : normes , outils, lignes directrices pour la mise en œuvre du 6.4

#### 2. Directives, orientations sur les approches coopératives visées sur l'article 6.2

- Mise en place des dispositions nationales pour autoriser, suivre l'utilisation des ITMOs
- Prévoit d'utiliser le registre de la CCNUCC ou à être appuyer par la CCNUCC dans l'établissement d'un registre national

#### **What's Next**

# Operationalizing Article 6 in West and Central Africa



Bernard Ayittah
Regional Expert on Art.6 and Carbon
Pricing
RCC West and Central Africa

## Next Steps Governments, Private Sector and Non-Party Stakeholders

#### GOVERNMENT

- · Establish National Frameworks
- MRV Systems
- Engage the Private Sector
- Monitor Global Trends
- · Strengthen Institutional Readiness
- Operationalize Article 6 Mechanisms

#### PRIVATE SECTOR

- Develop High-Quality Carbon Projects
- Build Partnerships
- Risk Management

#### NON-PARTY STAKEHOLDER

- Financial Sector Innovative Products
- NGO/ IGO, etc, Advocacy and Policy Alignment
- Capacity Building

#### **Next Steps - Governments**

#### Article 6.2

- Develop legal and regulatory frameworks to support activities Article 6.2 and market mechanisms Article 6.4 / PACM. These must comply with adopted rules in terms of regulatory framework in our member countries.
- Identify institutions, assess capacity gaps and deliver dedicated capacity-building programs
  - Map eligible sectors and align them with NDC priorities, (conditional vs. unconditional NDC targets) Establish project pipelines, including Positive / White / Green Lists.
- Establishment of MRV infrastructure (digital platforms) necessary for tracking and accounting and reporting transactions
- **Develop bilateral/unilateral** agreements with partner countries/private organisations - terms of engagement & establish baselines for cooperation
- Nomination of Article 6.4 DNAs and submission of the Host Party Participation Requirement form for the Article 6.4 Mechanism (A6.4M)
- Host countries must complete and submit the CDM activity transition approval form to the UNFCCC secretariat by 31 December 2025
- Submission of requests and approval from Article 6.4 DNA for transition of Afforestation/Reforestation projects and PoAs needs to be received by 31.12.2025
- Identification of Article 5.2 activities that can participate under Article 6.4
- Leverage Article 6 as a tool for achieving net-zero goals by 2050 or earlier, focusing on the role of MCUs (Mitigation Outcome Units)

- Article 6.8
- Notify the secretariat of national focal points for Article 6.8 to enable the recording of their NMAs on the NMA Platform
- Focus on non-market climate action like capacity-building and NDC support

Develop policies to integrate Article 6 pathways into national climate strategies and LT-LEDS

#### **Next Steps – Non-Party Stakeholders**

#### **Financial Sector Innovation**

- Innovative Finance Models: Combine public and private funding to scale climate initiatives considering carbon revenues.
- Carbon Revenue Streams: Utilize Article 6-compliant mechanisms to generate and reinvest carbon revenues
- Partnerships with Multilateral Banks: Engage MDBs and climate funds to prioritize Article 6 projects

#### **Capacity Building**

- Collaboration between governments, NGOs, and communities to ensure projects deliver co-benefits like sustainable development and social inclusion
- Training and Tools build capacity for project developers, financial experts, and local institutions to meet operational requirements
- Partner with governments to identify priority sectors for Article 6 contributions aligned with NDC targets

#### **Advocacy & Policy Alignment – Civil Societies / Project Developers**

- Advocate for supportive national policies & frameworks maximize Article 6 benefits
- Standardization: Promote regional engagement and cooperation across markets
- Scalability: Develop replicable, scalable solutions
- Focus on initiatives that deliver measurable SDG outcomes with social, economic, and environmental benefits

>>> Civil Society, Financial Institutions, etc - Capitalize on Article 6 Opportunities <<<

#### **Next Steps - Private Sector**

#### **Develop High-Quality Carbon Projects**

- Familiarizing with Article 6.4 mechanism processes Forms & Tools, as available on the UNFCCC website<sup>1</sup>
- Understand sectoral priorities and baselines for eligible activities (countries must communicate this)
- Continue submitting <u>Article 6.4 Prior consideration notifications</u> of their project ideas.
- Invest projects, generate high-integrity carbon credits, ensuring adherence to methodologies approved under Article 6
- Identify and develop mitigation projects that align with host countries' NDCs

#### **Build Partnerships**

- Collaborating with Governments and MDBs host countries in developing operational frameworks for Article 6 transactions (Co-Develop Capacity Building Programs)
- Accessing Climate Finance: Secure funding for eligible projects through blended finance models (green bonds, sustainability-linked loans)

#### **Risk Management**

- Addressing Double Counting Risks. (Work closely with governments to develop and align with Article 6 rules)
- Maintaining Integrity in Carbon Markets. Avoid reputational risks by prioritizing high-integrity projects and adhering to emerging guidelines from organizations like ICVCM.

>>> Significant Opportunities & Responsibilities for Private Sector <<<



## Government Non-Party Stakeholders and Private Sector

Consider to submit Article 6.4 methodologies as per the Procedure:
 <u>Development, revision and clarification of methodologies and methodological tools</u>







# Closing Remarks and Next Steps



Ms. Nadine Nimal

Team Lead

Art.6 Capacity Building Unit,
UNFCCC secretariat







rccwacafrica@unfccc.int