Capacity building for developing cooperative approaches to implement Nationally Determined Contributions (NDCs)

Eighteenth Meeting of the Global CDM Designated National Authorities Forum
Bonn, 19-20 September 2017
Context of the Paris Agreement

Domestic context:
- Short term: Instrument needed for *achieving NDC*
- Long term: Instrument to *put the economy on a low-carbon path* …while considering *other national objectives/priorities*

International context:
- *Cooperative action* allowed & recognized in Article 6 of PA
  - More flexibility / mitigation options available to all
  - Substantial opportunities to all for increasing ambitious / saving costs

Countries are increasingly considering and adopting carbon pricing/markets as solution
Why Carbon Pricing?

NDC Implementation
Cost-effective manner to implement the NDC

Foundation for cooperative action
As foundation for participating in regional or global carbon markets (e.g. for attracting investments / selling mitigation units)

MRV: Integrated to MRV for covered sectors

Co-benefits:
Sustainable development and others

Contributing to domestic policy objectives
E.g.: poverty alleviation, raising revenues for investments, etc.
Collaborative Instruments for Ambitious Climate Action (CI-ACA)

Objective:

“To assist Parties in the development of carbon pricing approaches for implementing their NDC under the Paris Agreement and foster collaboration”

Types of instruments:

- Carbon tax
- Emission reduction funds
- Emission trading systems
- Hybrid systems

To be determined based on needs, potential and evolving capabilities of host jurisdiction
Steps for establishing instruments:

**Consideration**
- Capacity building & regional events
- Initial studies / evaluation of options
- National / regional consultations

**Elaboration**
- Development of proposals
- Further elaboration of proposal
- Further studies as needed (integration of offsets / linking)

**Adoption**
- Support to adoption (integration in national law; support to institutional arrangements)

**Implementation**
- Support to implementation
  - e.g.: MRV training
Questions

- Does your country see potential for cooperative mitigation action at the regional or international level? How could this be achieved?

- Which instrument does your country intend to use for domestic and/or cooperative mitigation action?

- Has your country started considering the possibility of putting in place carbon pricing/market?

- Are there specific sectors in your country that could benefit from adopting carbon pricing/market instruments?
Thank you!

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