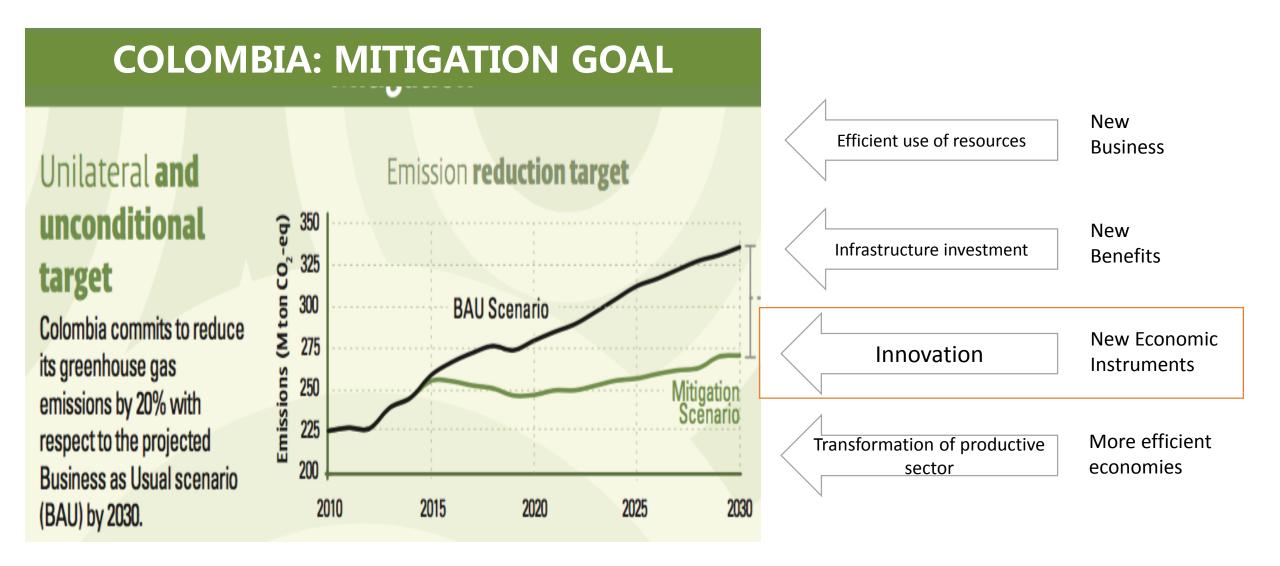




Implementing the Paris Agreement in Colombia



MRV: Scopes and advances

GHG emissions

GHG emissions reduction

Climate Finance

- Design of National System for Inventories of GEI RALI Project
- Voluntary Corporate Reporting Platform
- Corporate inventories ISO 14064-1 Guides
- Reporting Instruments (3 NCs 1 BUR)
- National Registry of Reduction of Emissions GEI-RENARE (Res. 1447 of 2018)
- Accounting Rules for National Mitigation Actions (Res. 1447 of 2018)
- Decree 926/2017 Carbon tax offsetting system
- Law 1931 First Milestone of National Emission Trading System
- REDD+ strategy
- MRV Finance Platform National Planing Department
- Information management processes for the monitoring and reporting of domestic, international, and private climate financing flows in Colombia.
- Tracking damage in investment and public spending to guide decision making.

Law 1819 of 2016 -Structural Tax Reform

Part 9
National Carbon Tax

- Article 221: General description of the tax.
- Article 222: Taxable base and fee.
 - Article 223: Specific destination of the national carbon tax.

Paragraph 3: The tax is not caused to taxpayers who certify being *carbon neutral*, in accordance with the regulations issued by the Ministry of Environment and Sustainable Development.

17 Parties 376 Articles 172 Pages

FOSSIL FUEL	UNIT	FEE/UNIT
Natural Gas *	Metro cúbico	\$ 29
Liquefied petroleum gas	Galón	\$ 95
Gasoline	Galón	\$ 135
Kerosene y jet fuel	Galón	\$ 148
ACPM - Diesel	Galón	\$ 152
Fuel oil	Galón	\$ 177

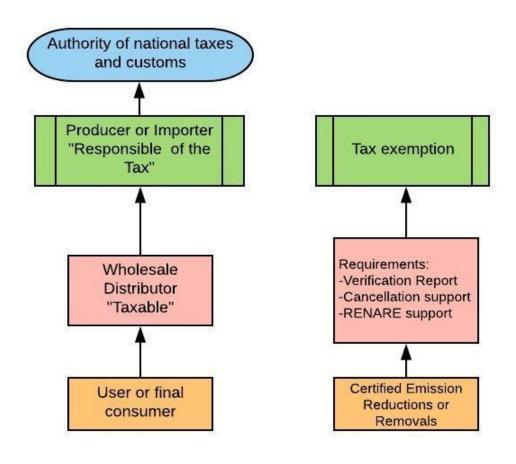
Financing and / or investment in environmental sustainability projects and / or rural development in areas with development gaps.

Carbon tax vs Carbon tax offsetting system

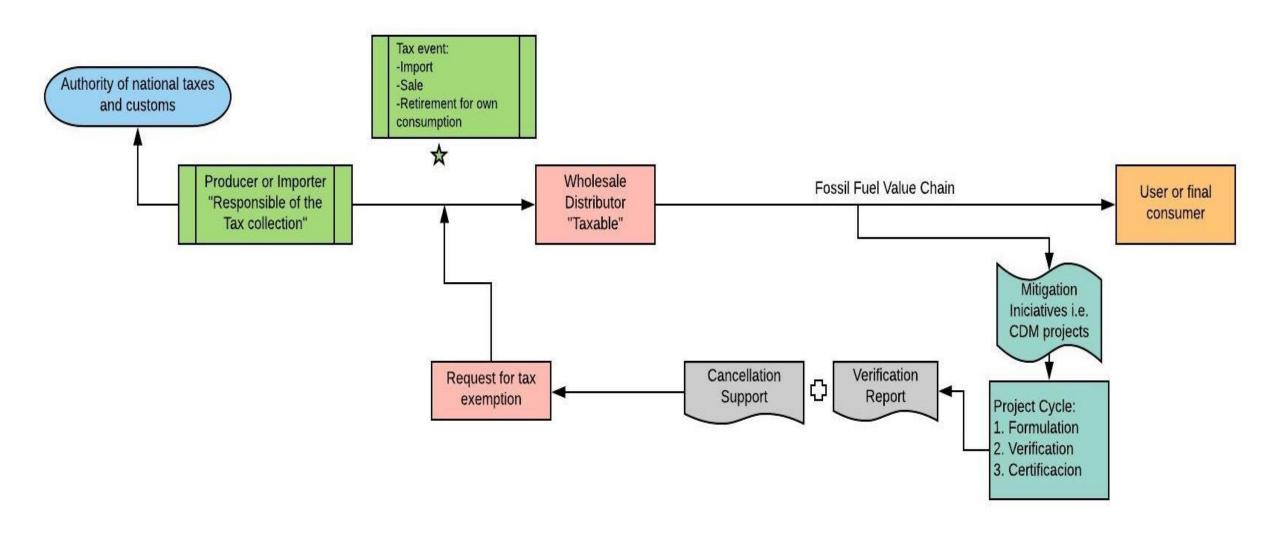
Carbon Tax

Authority of national taxes and customs Tax event: Producer or Importer -Import "Responsible of the -Sale -Retirement for own Tax collection" consumption Wholesale Payment of the Distributor Tax "Taxable" Transfer by fare User or final \$\$ consumer

Carbon Tax offsetting system

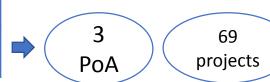


Carbon Tax Offsetting System



CDM Projects and PoAs in Colombia

CDM Status	# of projects
CERs	15
Registered with monitoring	
report	3
Registered	35
Register in process	2
Retired	1
Rejected	1
End of crediting period	15
Total	72



	CERs	
SECTOR	# of	CERs issued
	projects	
ENERGY	8	1.832.053
FORESTRY	4	4.833.564
INDUSTRY	5	816.367
WASTE	6	6.143.450
TRANSPORT	3	550.409
TOTAL	26	14.175.843

CERs used Decree 926 de 2017 (TonCO2e)2018-I657.4962017-II14.149Total671.645

Mitigation potential CO2e/year: 1.200.000

Regulation of Accounting Rules for National Mitigation Actions (Res. 1447 of 2018)

Regulates the operation of RENARE for the registration of GHG mitigation initiatives that:

- Intend to apply for payment based on results and similar compensations
- Intend to demonstrate mitigation results within the framework of national climate change goals

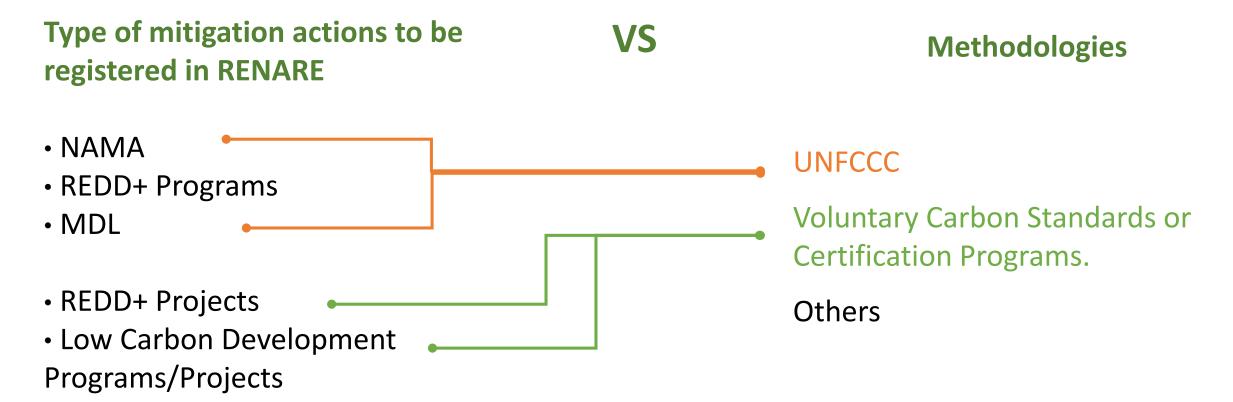
Creates the Accounting System of emission reduction and GHG removal:

• First carbon accounting antecedent in Colombia

Creates the Monitoring, Reporting and Verification System (MRV) of mitigation actions at the national level:

• To implement transparency mechanisms and measure progress in the NDC.

Type of mitigation actions and methodologies



Effects of the regulation

Coexistence of projects in different scales under a single accounting

- National accounting systems are strengthened according with the Paris Agreement
- The projects that already exist enter into a transition towards accounting consistency, which allows their viability and coexistence.
- New projects are accounted for according to the national reference level and the articulation between programs and projects is promoted.

Enables new sources of funding

- Payment agreements for results (international cooperation)
- Domestic demand Mechanism of Decree 926/17
- Access to possible future mechanisms
- Demand from the Voluntary Market

Establishes guidelines and articulates efforts on climate change

- Projects are recognized as mechanisms for implementing the National Strategy for Control of Deforestation and NDC
- Processes related to formulation and implementation are standardized
- Strengthens mechanisms for transparency



