

Developing an Article 6 host party strategy

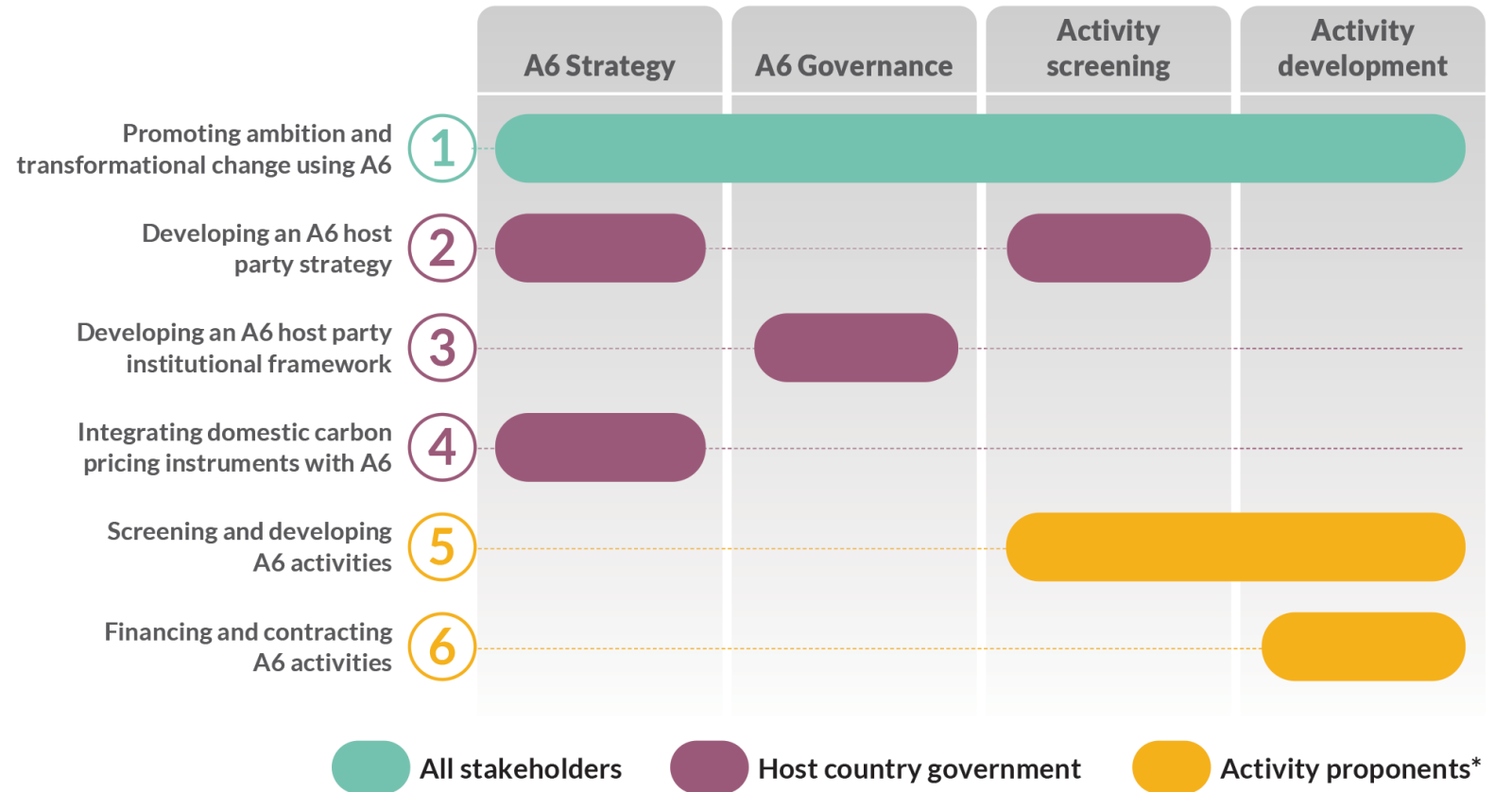
2024 WEBINAR SERIES

Presenter: Benjamin Heras

Carbon Limits

SPARC6C Toolbox

The first 6 guides

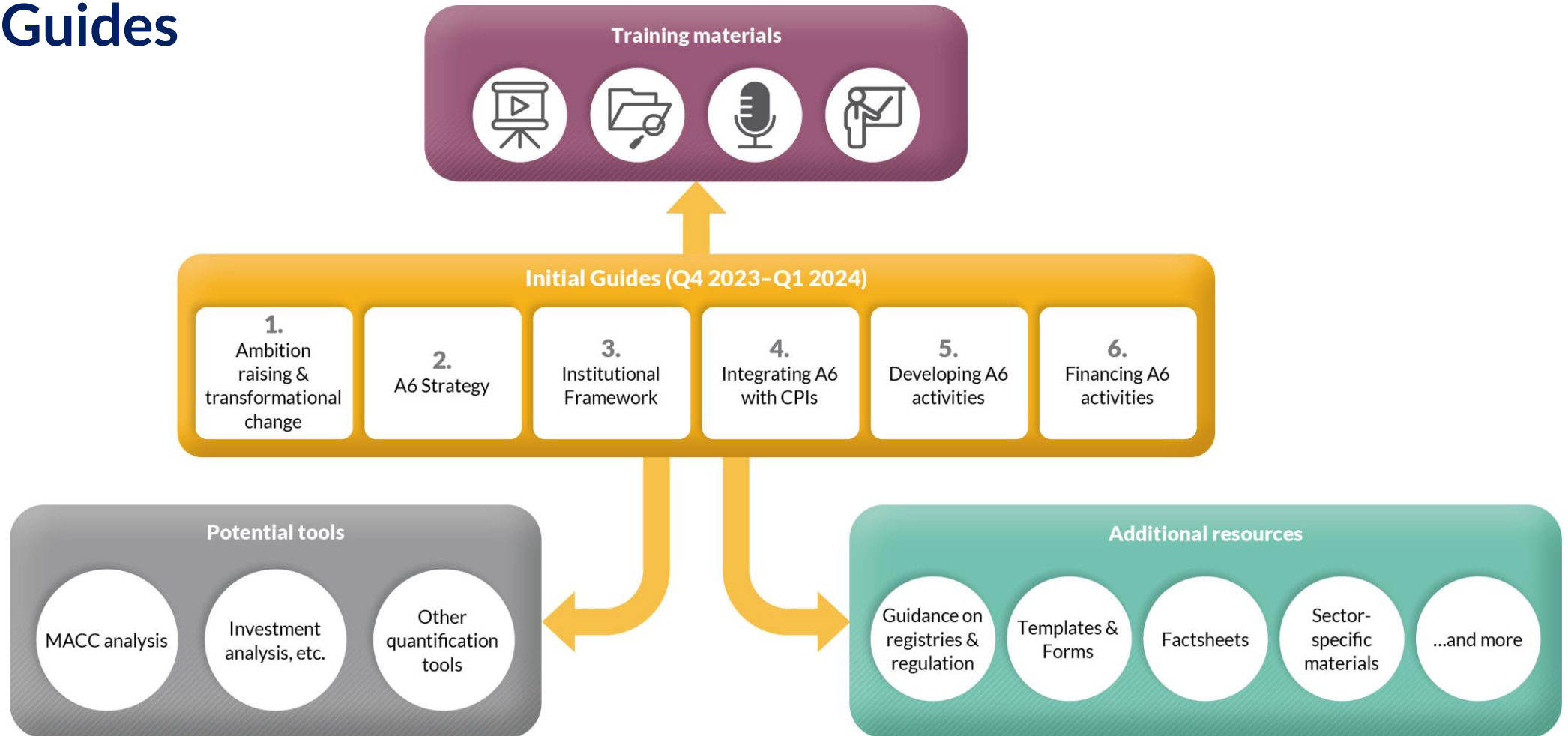


* Includes intermediaries and financiers.

Notes: A6 = Article 6. CPI = Carbon pricing instrument. The strategy box under "Activity Screening" is for how governments choose to prioritize funding for pilot activities funded by national or international public finance.

SPARC6C Toolbox

Beyond Guides

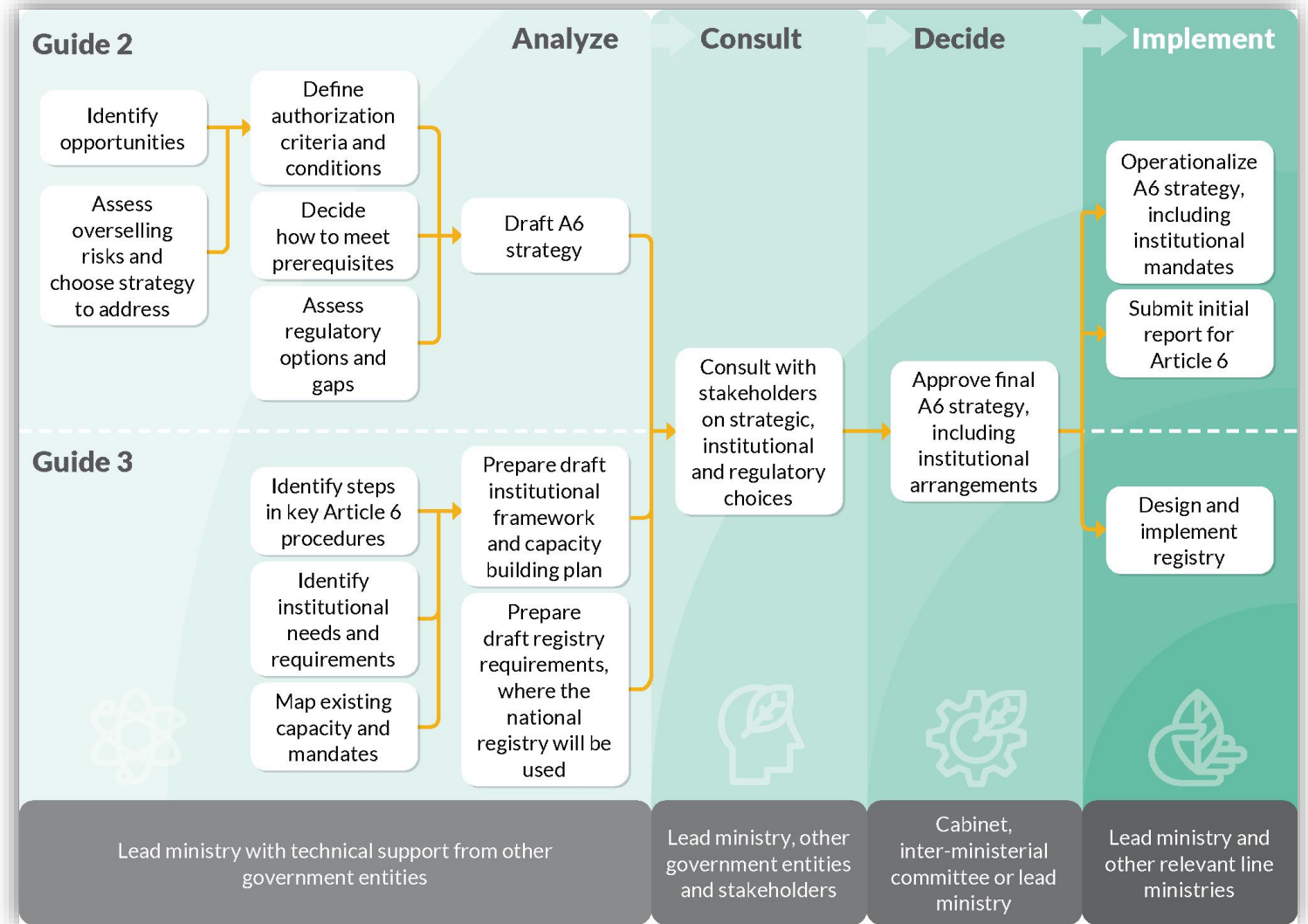


Coverage of Article 6 documents

	Ghana	Zambia	Rwanda	Tanzania	Zimbabwe	Cambodia	Argentina
Scope of carbon market participation	Yes	Yes	Yes	Yes	Yes	Yes	No
Participation Strategy	Yes	Yes	Yes	No	Yes	Yes	No
Guiding Principles	Yes	Yes	Yes	Yes	Yes	No	Yes
Authorization criteria and conditions	Yes	Yes	No	No	No	Yes	No
Institutional arrangements	Yes	Yes	Yes	Yes	Yes	Yes	No
Processes and Procedures	Yes	Yes	No	Yes	Yes	Yes	No
Eligible crediting mechanisms	Yes	No	Yes	No	No	Yes	No
Rules on fees and benefit sharing	Yes	No	No	Yes	Yes	No	No
Registry requirements and procedures	Yes	No	No	No	Yes	No	No

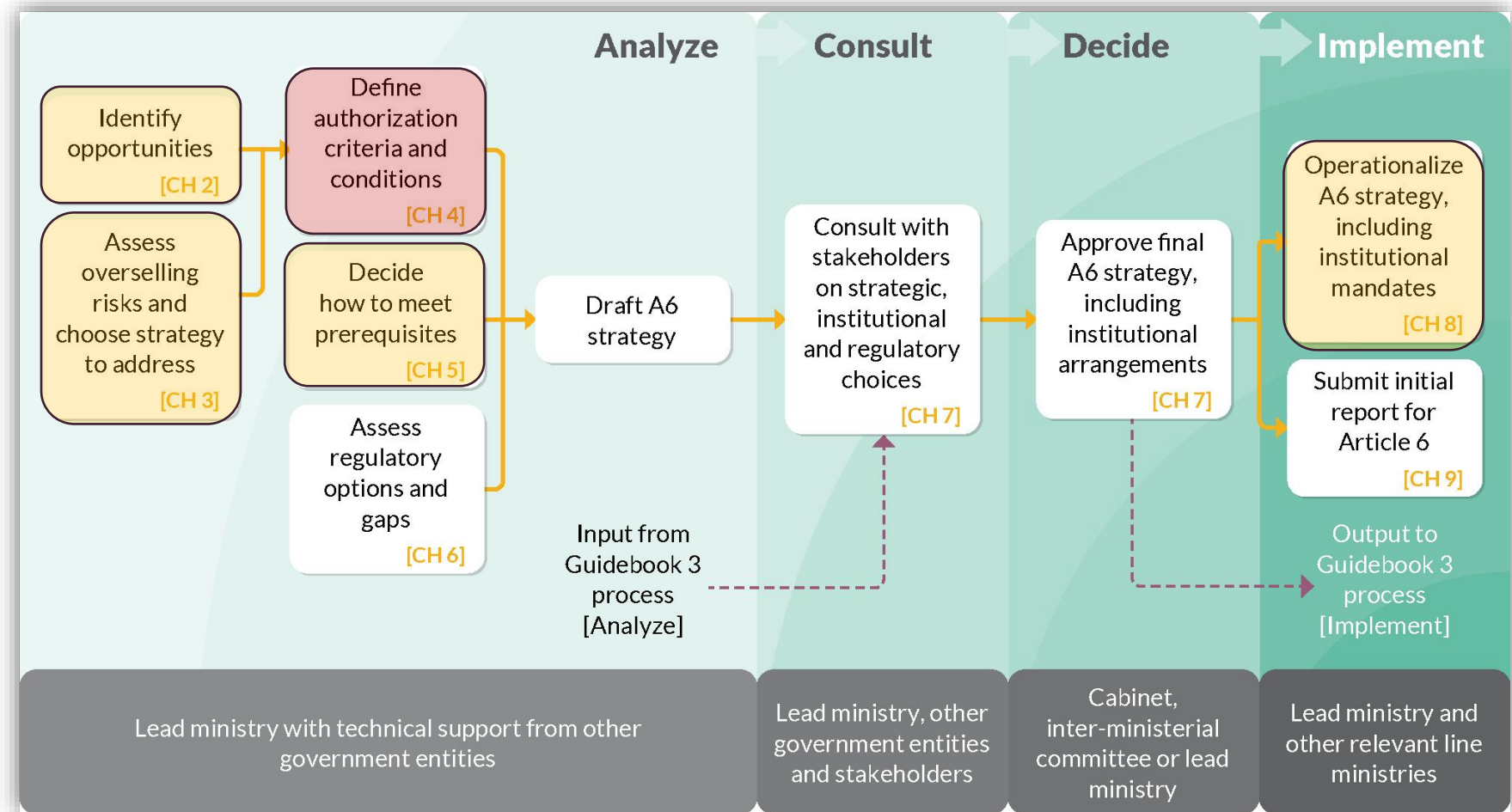
Source: Carbon Limits Analysis, 2024.

Linkages between strategy & institutional arrangements



Guide 2: Creating an Article 6 strategy

Overview of Guide



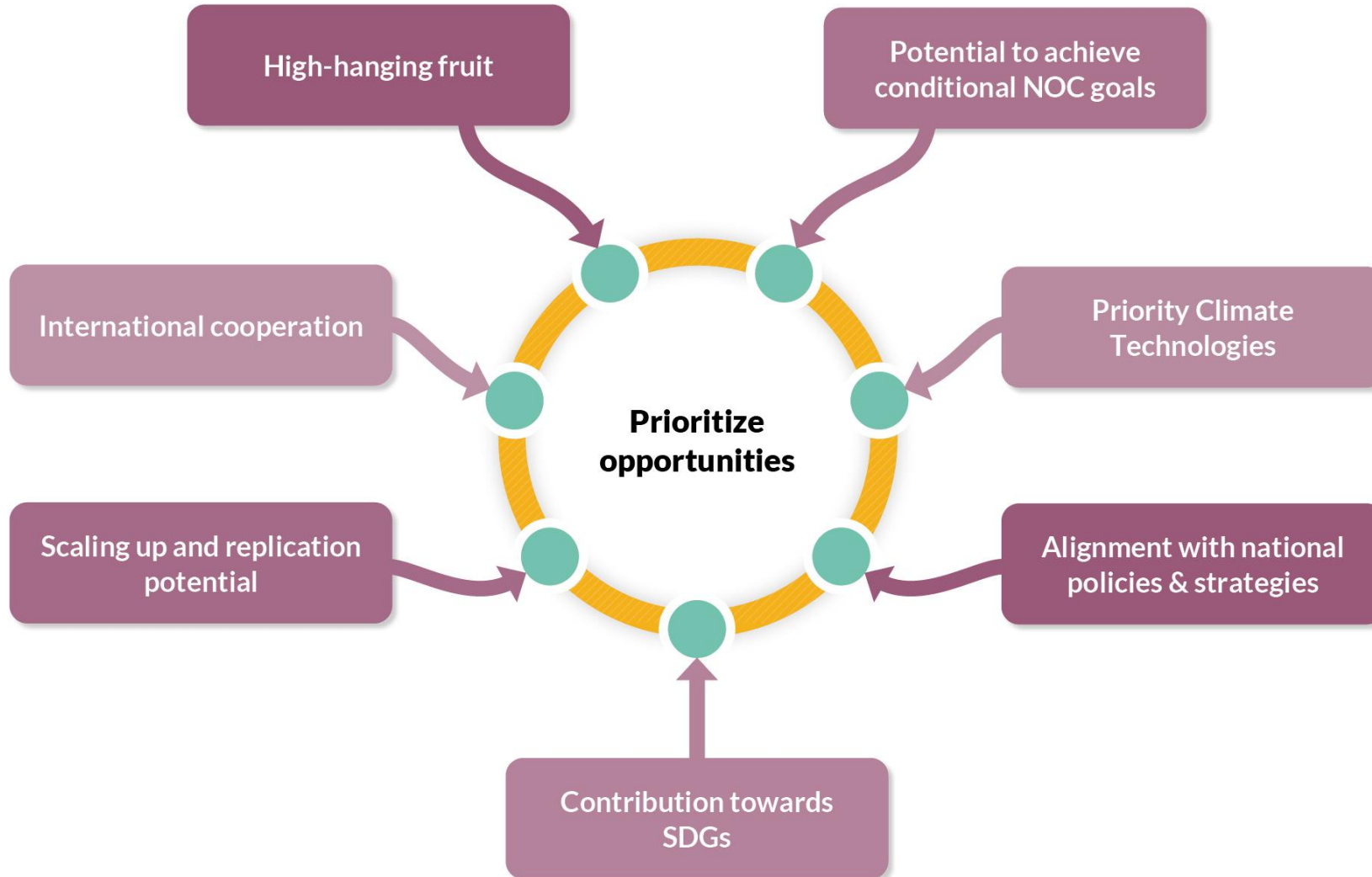
Chapter

02

Identify opportunities



Prioritize opportunities



How to better identify and assess opportunities?

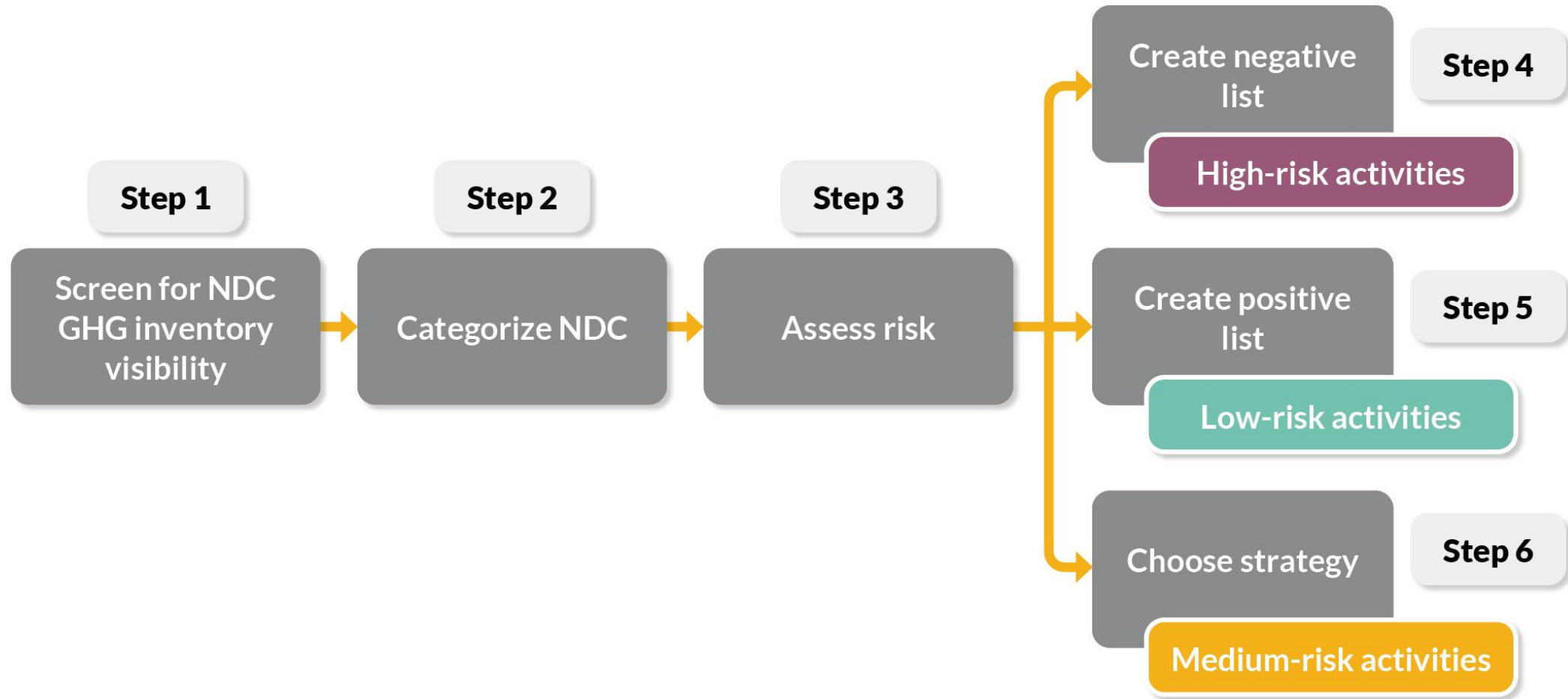
Chapter

03

**Assess overselling
risks and choose
strategy to address**



Strategy for different risk levels



* Negative list in the context of ITMO authorization. Do not necessarily apply to voluntary markets (VCM)

Chapter

05

Decide how to meet prerequisites






Decision: How to meet basic requirements

Participation requirements*

-  Participate in the Paris Agreement and maintain NOC
-  Provide the most recent national inventory report
-  Establish institutional arrangements for authorization, transfer, and reporting
-  Tracking approach

Other basic decisions (Tactical)

-  Choose units & accounting approaches
-  Choose the timing of authorizations
-  Define which uses of ITMOs to authorize
-  Define an approach to adaptation and OMGE

* Specified in Article 6.2 rules

Chapter

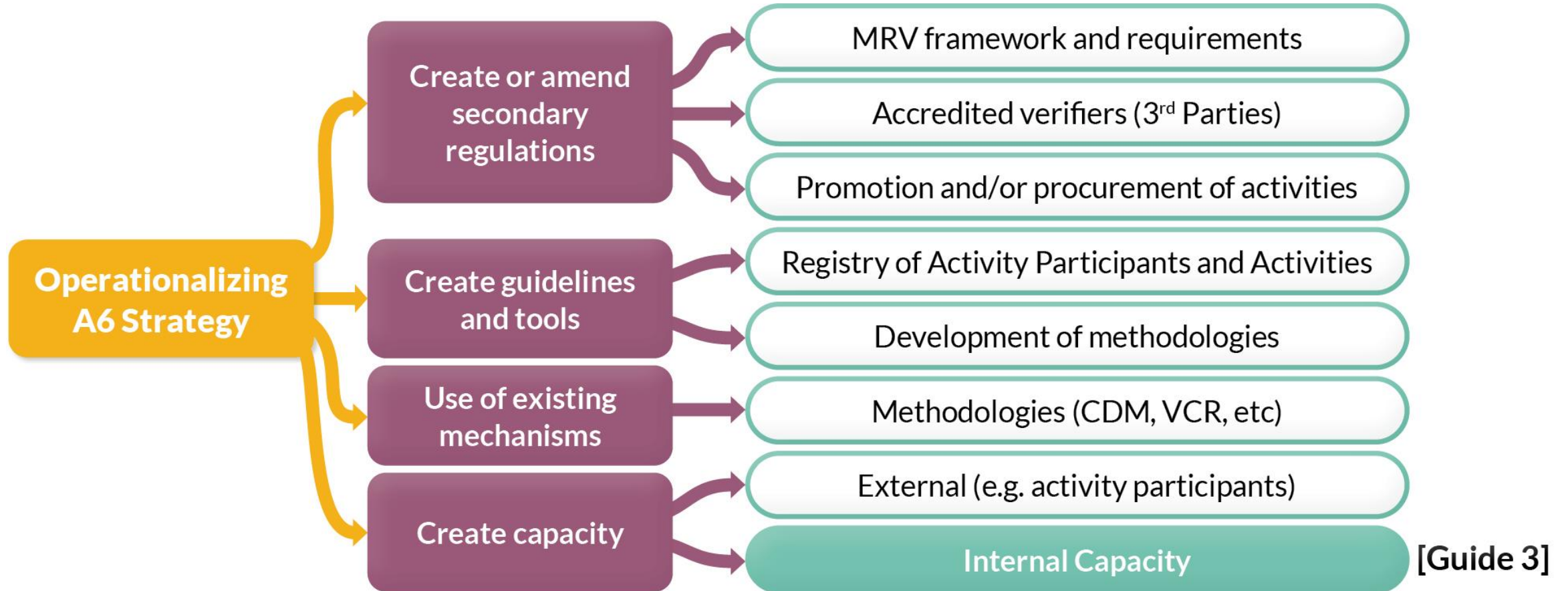
08

Operationalize Article 6 Strategy



Operationalize your Article 6 strategy

It is not only about one policy document...



AUDIENCE POLL

- Did you hear anything new?
- What was it?

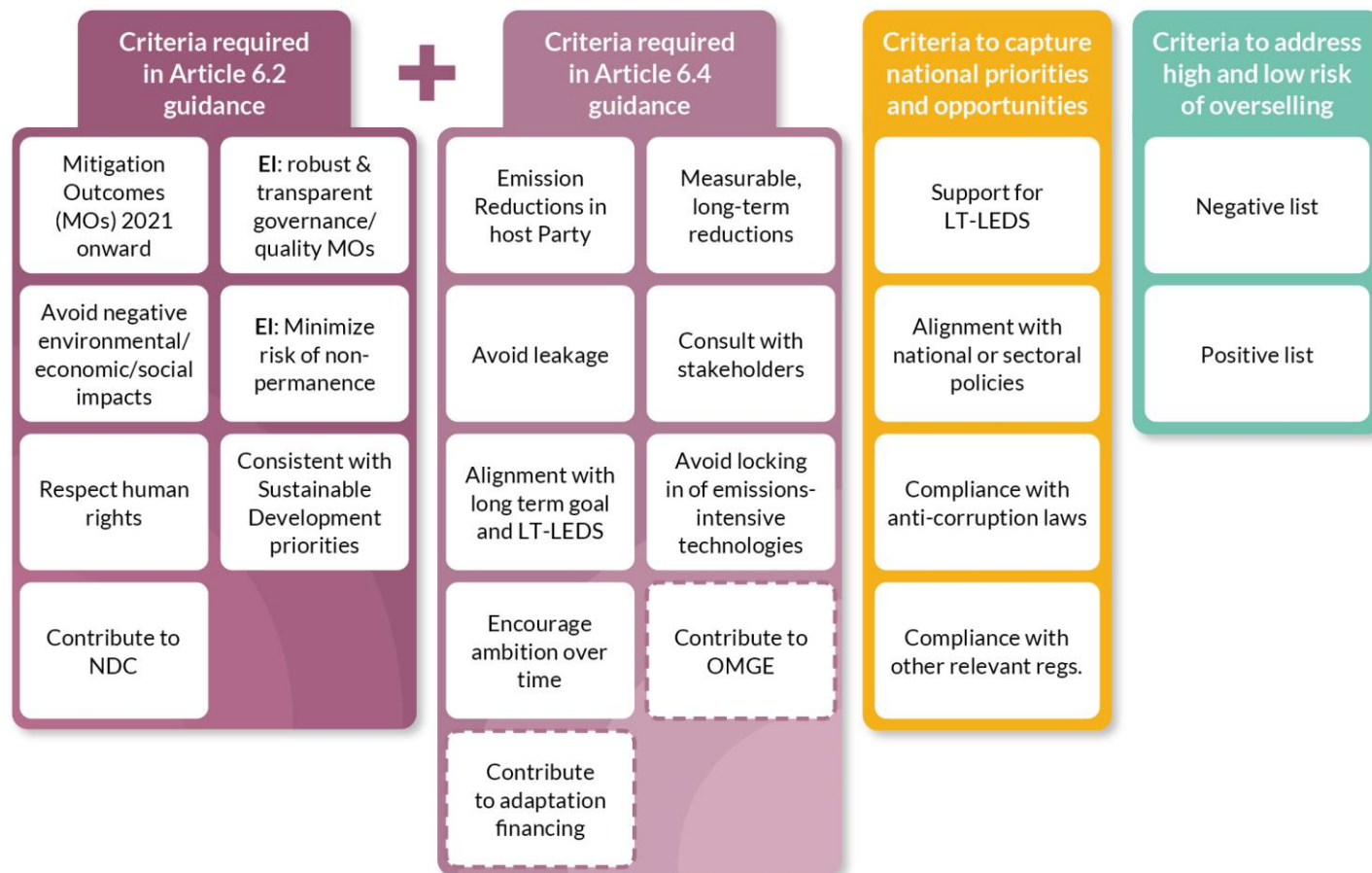


In focus...



How to choose your
authorization criteria and
conditions?





Defining authorization criteria



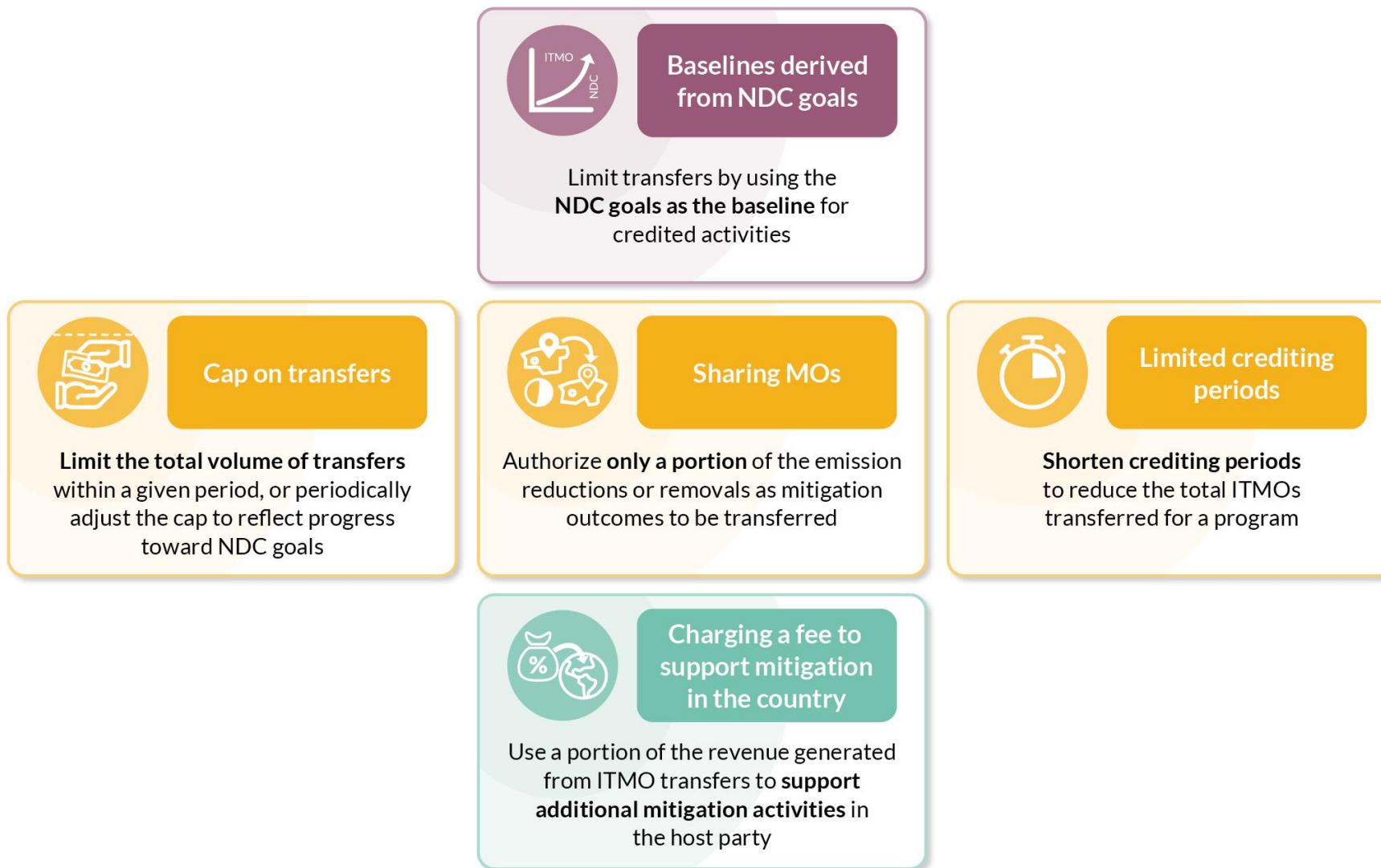
Notes: EI = Environmental Integrity; NDC = Nationally Determined Contributions; MO = Mitigation Outcome; OMGE = Overall Mitigation in Global Emissions; LT-LEDS = Long Term – Low Emission Development Strategy

Positive and Negative List

Overview of lists countries have established to indicate eligibility for authorization

Type of list	Ghana	Zambia	Cambodia	Rwanda	Tanzania	Zimbabwe
Positive list						
Negative list						
	Both in Ghana and Cambodia mitigation activities on the positive list confer 'automatic additionality'		Both in Ghana and Zambia mitigation activities on the negative list are ineligible for authorization		Rwanda, Tanzania and Zimbabwe have not yet specified their authorization procedure	

Defining authorization conditions



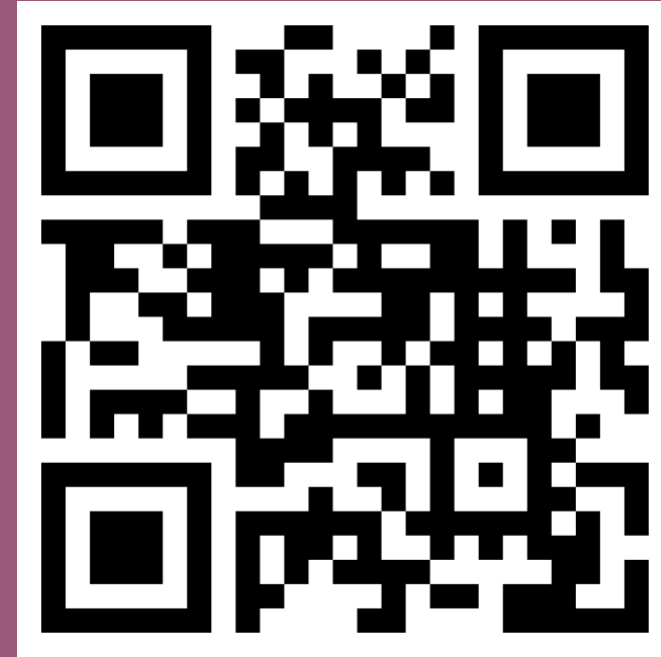
SPAR6C

Supporting Preparedness for
Article 6 Cooperation

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