



Federal Ministry
for the Environment, Climate Action,
Nature Conservation and Nuclear Safety

Paris- aligned carbon market: Enhancing supply side integrity

Key focus areas of capacity building support for Art. 6 cooperation

➤ *Paris- aligned carbon market: Enhancing supply side integrity*

- Article 6 demands a **robust technical foundation** to demonstrate the additionality of measures and ensure environmental integrity
- In many cases the establishment of **new governance frameworks**, including institutional structures and regulations is needed

➤ **Development of Art. 6 strategies:**

- Provide technical assistance for medium and long-term emissions planning
- Examining opportunities to raise mitigation ambition through Art. 6 engagement and managing overselling risk

Capacity Building needs related to Art. 6.2

➤ Policy level:

- Determining the scope of Art. 6 in relation to national climate goals (and CP scheme), while ensuring consistency with the overall pathways to net zero
- What to go for: Pro and cons for Art. 6.2 or Art. 6.4 from host country perspective

➤ Technical level:

- Development of Authorization process for the first transfer
- Infrastructure: Registry, tracking of ITMO, ensuring inter-operability
- Transparency and reporting requirements, robust MRV
- Complexity of removal activities: assessment of non-permanence risk, integration of new emission sources in NDC accounting (e.g. blue carbon)

Synergies of capacity building programm

Recommendation: Mapping capacity building needs – evaluating which program offers what kind of support

➤ Examples for GER support programs:

- SPAR6C: Support for international cooperation- Art. 6
- CI-ACA: Collaborative Instruments for Ambitious Climate Action
- Regional project: GCM Project (giz)
- Support for regional exchange and collaboration: WAA, EAA
- IKI thematic call 2024: Removals & Private Capital Mobilisation (new)

Thank you

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Division KC3 International financing of the transformation,
international market mechanisms

BMUKN