



Federal Ministry for the
Environment, Nature Conservation,
Building and Nuclear Safety

Carbon Market Platform

Strategic Dialogue on Carbon Markets and the Regulatory Environment

14th Partnership Assembly
Partnership for Market Readiness (PMR)
Tuesday, April 26, Lima, Peru

Toshiaki Nagata (Mr.)
METI, Japan

Malin Ahlberg (Ms.)
BMUB, Germany

Background

- ◆ In June 2015, Schloss Elmau in Germany, **G7 leaders decided to establish a platform** for a strategic dialogue on effective policies and actions throughout the global economy, including carbon market-based and regulatory instruments.
- ◆ The rationale behind the establishment of the Platform:
 - Over 80 INDCs imply the use of carbon markets.
 - Article 6 of the PA provides countries with opportunities to use ITMOs and UN-backed credits to achieve their NDCs.
 - A broad variety of approaches including domestic carbon pricing and market approaches are implemented steadily but in a fragmented manner.
 - There's a need for new cooperative and common approaches for the commitment to the long-term objective of applying effective policies and actions, including carbon market-based and regulatory instruments.

Objectives and function of the Platform

Strategic Dialogue:

- ◆ Main forum of the Platform, engaged by **Director-General level policy makers**
- ◆ To identify political and institutional gaps at the national and international level and allow for new cooperative and common approaches to be developed.
- ◆ **Working together** with relevant partners (ICAP, World Bank, OECD, UNFCCC)
- ◆ Membership **open to countries other than G7, balanced dialogue** representing a range of different perspectives

What will the Platform focus on?

- ◆ Key issues likely to be discussed at the 1st Dialogue (June 16-17, Tokyo)
 - Development of carbon markets and carbon pricing in the light of the Paris Agreement (country info sharing)
 - Discovering options for cooperative approaches and ITMOs (addressing Article 6.2 of the Paris Agreement)
 - Potentials of a mechanism to be established under the authority and guidance of the CMA (addressing Article 6.4 of the Paris Agreement)
 - The role of a framework for international cooperation on the use of carbon markets
 - Wrap-up and conclusions of the Dialogue

What are the next steps?

- ◆ **Annual strategic dialogue** at Director-General level, supported by preparatory work at expert level
- ◆ For an **initial three-year** phase: Germany as Co-chair, accompanied by a rotating Co-chair from the actual G7 presidency (2016: Japan)
- ◆ 1st strategic dialogue **hosted by Japan in 16/17 June 2016** in Tokyo
- ◆ **Preparatory meeting at expert level at the margin of the SB session** in Bonn (**22 May**)
- ◆ **Up to 10 further countries** to be invited to join in 2016
- ◆ Activities to be reported at a **side event during COP22 in Morocco**

Contacts

Japan

Yuji Mizuno (Mr.)
Ministry of the Environment
yuji_mizuno@env.go.jp

Toshiaki Nagata (Mr.)
Ministry of Economy, Trade and Industry
nagata-toshiaki@meti.go.jp

Mihoko Kawamura (Ms.)
Ministry of Foreign Affairs
mihoko.kawamura@mofa.go.jp

Germany

Malin Ahlberg (Ms.)
Federal Ministry of the Environment,
Nature Conservation, Building and Nuclear
Safety
malin.ahlberg@bmub.bund.de

Julia Kleinschmidt (Ms.)
Federal Ministry of the Environment,
Nature Conservation, Building and Nuclear
Safety
julia.kleinschmidt.extern@bmub.bund.de