PMR’s Technical Work Program: Update on FY17 Activities and Proposed Work Plan for FY18

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Outline

- Recap on objectives & scope
- Technical Workshops and Training
- Status Report on FY17 Activities and proposed work plan FY18
  - Carbon tax
  - ETS
  - Offsets and crediting
  - MRV
  - Data management and preparedness
  - Baselines
  - Benchmarks
  - Stakeholder engagement and preparedness
  - State and Trends
  - Other activities

- Budget report FY17 and proposed FY18
Objectives & scope

◆ Objectives:
  ▪ Facilitate experience and knowledge sharing
  ▪ Develop practical guidance on common issues
  ▪ Identify good practice and common standards
  ▪ Build capacity

◆ Audience
  ▪ Policy makers and technical staff in PMR countries
  ▪ But also a broader audience beyond the PMR
Type of activities

Knowledge Products
- Provide guidance, lessons learned, just-in time knowledge
- Technical notes, country case studies, technical briefs

County-to-Country Exchange
- Enable technical exchange among PMR Participants
- Multilateral, regional or bilateral meetings

Technical Workshops
- Engage PMR Participants in specific technical discussions with experts

Technical Trainings
- Develop country expertise
- Hands-on practical learning (case studies, exercise)

Web-based
- E-Learning to disseminate knowledge to a wider audience
- Webinars
- PMR website
Technical workshops and trainings

- TWP will also support regional or in-country training that leverages knowledge products and helps Participants apply guidance
  - Interested ICPs encouraged to inform Secretariat
Working groups

◆ Continue to use working groups in FY18:
  ▪ ETS working group
  ▪ Carbon tax working group
  ▪ Offsets and Crediting working group
  ▪ MRV working group
  ▪ Ad hoc for other aspects of program

◆ Engage via email and meet virtually

◆ Representatives can be nominated to participate in the working groups at any time
# Emissions Trading Systems – Outcomes and Milestones

<table>
<thead>
<tr>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>TW: ETS in operation, Australia</td>
<td>TW: International experiences and lessons to inform the development of Mexico’s ETS</td>
<td>TW: Carbon markets from current practice to their role in new climate regime</td>
<td>TN: ETS handbook</td>
<td>TN: ETS handbook (translations)</td>
<td>E-learning: Update E-learning course on ETS</td>
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<tr>
<td>TW: Emissions trading in North America</td>
<td>E-learning</td>
<td>E-learning</td>
<td>TW: Emission trading: leveraging a decade of experience</td>
<td>TT: In-country training on ETS design and operation (Ukraine)</td>
<td>TT: In-country training on ETS design and operation (Mexico, others)</td>
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Emissions trading Systems (ETS) work stream

◆ Status Update
  ▪ ETS Handbook translated to Spanish, Chinese, Turkey, with other languages planned (e.g. Ukrainian)
  ▪ “Bite Sized learning” near completion
  ▪ In-country training planned for Ukraine (April) and Mexico. Undertaken in collaboration with ICAP.
  ▪ Workshop “Understanding China’s NDC Ambition and the Role of the National ETS in Achieving It” (October 2016)
  ▪ E-learning facilitated course in November 2016, next in May/June 2017

◆ Activities for FY18
  ▪ Continue dissemination and application of the Handbook
  ▪ In-country training on demand
  ▪ Update the E-learning course
## Carbon Tax – Outcomes and Milestones

<table>
<thead>
<tr>
<th>Year</th>
<th>Outcomes and Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14</td>
<td>TW: Carbon tax, Cologne</td>
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<tr>
<td>FY15</td>
<td>TW: Carbon pricing: Latest development of Carbon taxes</td>
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</tbody>
</table>
| FY16 | TW: Carbon taxes: design and implementation in practice  
      | TT: In-country training on carbon tax design  
      | Development of E-learning |
| FY17 | TN: Carbon Tax Guide  
      | E-learning |
| FY18 | TN: Translation of Carbon Tax Guide  
      | TT: In-country training on carbon tax design |
Carbon tax work stream

◆ Status update:
  ▪ Carbon Tax Guide – launched on 22 March
  ▪ Technical workshop
  ▪ Webinars planned for April
  ▪ Scoping of E-learning underway

◆ Activities for FY18
  ▪ Dissemination of the Guide, including translating to languages other than English
  ▪ In-country training as demanded
  ▪ Finalize E-learning
## MRV outcomes and milestones

<table>
<thead>
<tr>
<th>Year</th>
<th>Activity</th>
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<tbody>
<tr>
<td>FY13</td>
<td>TN: Supporting GHG Mitigation Actions with Effective Data Management Systems</td>
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<td>TT: first regional training on MRV, Beijing</td>
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<td>TT: second regional training on MRV, Mexico City</td>
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<td></td>
<td>TN: A Survey of the MRV Systems for China’s ETS Pilots</td>
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<td>TW: MRV-ing GHG Emissions Under Existing and Developing Pricing Mechanisms, Bonn</td>
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<tr>
<td>FY14</td>
<td>TT: Third regional training on MRV, Izmir</td>
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<td></td>
<td>TT: Design guide for mandatory GHG reporting programs</td>
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<tr>
<td>FY15</td>
<td>E-learning development</td>
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<tr>
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<td>Case study: South Africa’s MRV program</td>
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<tr>
<td>FY16</td>
<td>TT: MRV and GHG reporting programs</td>
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<td></td>
<td>E-learning</td>
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<tr>
<td>FY17</td>
<td>TN: guidance on guidance on verification and accreditation systems</td>
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<td>TN: guidance on establishing GHG measurement protocols</td>
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<tr>
<td>FY18</td>
<td>TN: template for comparing MRV systems</td>
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<tr>
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<td>TW: Verification &amp; Accreditation; and measurement protocols</td>
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<td>TT: MRV and GHG reporting programs</td>
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<td>E-learning</td>
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MRV work stream

◆ Status update
  ▪ Guide for designing mandatory GHG reporting programs translated into Spanish, other languages as demanded
  ▪ E-learning course finalized. First facilitated course held in October 2016, with second course to be held in May 2017
  ▪ TOR developed for new technical note on Verification and Accreditation, procurement process to start shortly
  ▪ TOR being developed for new technical note on developing measurement protocols

◆ Activities for FY18
  ▪ Finalize new technical notes
  ▪ Template for comparing different MRV systems
  ▪ Technical workshop on Verification and Accreditation; and measurement protocols
  ▪ E-learning
  ▪ In-country training on MRV as demanded
## Data management and registries outcomes and milestones

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Data management and registries work stream

◆ Status update
  ▪ Technical note “Emissions Trading Registries: Guidance on Regulation, Development, and Administration” launched in October 2016. Developed jointly with FCPF.
  ▪ Consultation and support to ICAO on registry design
  ▪ Webinar on reporting platforms
  ▪ Technical workshop on Accounting and registries October 2016

◆ Activities for FY18
  ▪ Dissemination and application of the technical notes
  ▪ Focus on data management and registry needs for post-2020 carbon markets
### Stakeholder engagement and preparedness outcomes and milestones

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**World Bank Group**

Climate Change
Stakeholder engagement and preparedness work stream

◆ Status update
   ▪ Training material for corporate preparedness for carbon pricing, developed in collaboration with BPMR to be available by May 2017, including:
     - Training guide for corporate preparedness
     - Instructors guide for persons instructing within corporations
     - Multimedia videos
   ▪ TOR developed for new guidance on communicating around carbon pricing, procurement process to commence shortly to engage a consultant.

◆ Activities for FY18
   ▪ Training workshops for corporate preparedness and public-private dialogues, in collaboration with BPMR
   ▪ Finalization of the new guidance on communicating carbon pricing
   ▪ Technical workshop on communicating carbon pricing
In FY17 agreed to partner with the ‘State and Trends of carbon pricing’ report

- To more fully report and disseminate
  - information on carbon pricing developments in PMR Implementing Countries
  - And PMR’s technical work, e.g. carbon leakage work was synthesized in a chapter of State and Trends 2015.

- 2016 report released in October 2016
  - Carbon pricing developments, policy interactions and benefits of cooperation

FY18 propose to continue partnership

- 2017 report to be released in October
  - Carbon pricing developments, aligning carbon pricing and fiscal policy, carbon markets and climate finance
Other Activities

◆ Post-2020 Carbon Markets
  ▪ Conclusions and recommendations from the analytical work and workshop to assess the implications of Paris Agreement for the PMR, finalized and circulated to PA
  ▪ Technical workshop of Accounting and Registries, October 2017
  ▪ Next technical workshop on Operationalizing the Art 6 to be held in May

◆ China Carbon Market Monitor continued to be released during FY17, and will continue in FY18.

◆ Scoping of a new technical note on Governance underway (institutional and legal arrangements)
  ▪ Some guidance already available in existing knowledge products (e.g. ETS Handbook, MRV guide, Carbon Tax Guide, etc.)
  ▪ New technical note could build on this
    - draw on governance experts, as well as, international experience
    - provide general guidance and good practice that would be relevant in different national contexts
  ▪ A technical workshop held later in FY18
Explore a new technical note on Use of Revenue

- Use of revenue an important policy question for different carbon pricing instruments
- Carbon Tax Guide has a dedicated chapter that would be relevant to other instruments
- Chapter in 2017 State and trends also relevant
- And some ICPs also doing some analysis and related work as part of the country programs
- But will explore if additional work is warranted that goes into more detail.
### Offsets and Crediting: outcomes and milestones

<table>
<thead>
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<th>FY12</th>
<th>FY13</th>
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<th>FY15</th>
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<th>FY17</th>
<th>FY18</th>
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<tbody>
<tr>
<td>TN: crediting mechanisms overview</td>
<td>Webinar to clarify scope of work for offset component of TWP</td>
<td>TB: Using CERs in domestic offset program</td>
<td>TN: Options to use existing international offset programs in a domestic context</td>
<td>TN: Assessment and creation of demand</td>
<td>TN: Baseline setting at the aggregate level</td>
<td>TN: Crediting Guide</td>
</tr>
<tr>
<td>TW: Mitigation Programs for scaled-up crediting mechanisms, Istanbul</td>
<td>CE: Developing Domestic Offset Schemes, Mexico</td>
<td>TN: Update of Similarities and differences of offset standards</td>
<td>TN: Crediting-related activities under the PMR:</td>
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<td></td>
<td>TN: Similarities and differences offset standards</td>
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<td>TN: Additionality</td>
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<td></td>
<td>Webinar: Introduction to California’s offset program</td>
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<td>TW: Crediting and RBCF workshop.</td>
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Offsets and crediting work stream

◆ Status update:
  ▪ Advanced draft of technical note “Assessing and mobilizing international and domestic sources of demand for scaled-up crediting-related programs” to be shared with working group shortly and finalized by May.
  ▪ Advanced draft of technical note “Baseline setting at the aggregate level in the context of broader policy development, including INDCs” to be shared with working group shortly and finalized by May.
  ▪ Technical workshop on Article 6 and implications for new generation of international crediting mechanisms will be held in May.

◆ Activities for FY18
  ▪ Crediting Guide
  ▪ Cross fertilization with TCAF
  ▪ Joint workshops with other World Bank Initiatives on operationalizing Article 6
Baselines outcomes and milestones

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<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>TW: Baseline setting and registry set up, Cologne</td>
<td>TN: Nuts and bolts of baseline setting</td>
<td>TN: Options and guidance for the development of baselines</td>
<td>TN: Compendium of Baselines in collaboration with other agencies (completion of chapter on manufacturing)</td>
<td>TN: Compendium of Baselines in collaboration with other agencies (completion of chapter on cross cutting baselines)</td>
<td>Webinar: Compendium of baselines.</td>
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Baselines work stream

◆ Status update
  ▪ Compendium of Baselines – drafting of chapter on Manufacturing industry, to be completed by June
  ▪ Interlinkages with the Offsets and Crediting baselines work

◆ Activities for FY18
  ▪ Finalization of the Compendium of Baselines
Benchmarking outcomes and milestones

FY13

FY14

FY15

FY16

FY17

FY18

TN: Similarities and differences of benchmarking approaches

TT: Benchmarks (as demanded)

TW: Benchmarking

Webinars: Benchmarking
Benchmarks work stream

◆ Status update
  ▪ Technical note advanced draft to be circulated to Working Group shortly and finalized by May 2017
  ▪ Technical workshop in collaboration with workshop on implementing Article 6 and crediting, May 2017

◆ Activities for FY18
  ▪ Dissemination of the technical note
  ▪ In-country training on demand
Budget for FY17

- **Budget allocated for FY17 was $1.3 million**
  - Actual expenses for FY17 $1.1 million
- **Proposed budget for FY18 $1.1 million**

### Budget for FY17

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget FY17 USD</th>
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<tbody>
<tr>
<td>Knowledge products</td>
<td>600,000</td>
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<tr>
<td>Technical workshops</td>
<td>260,000</td>
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<tr>
<td>Technical training and country to country exchange (based on demand)</td>
<td>160,000</td>
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<tr>
<td>Electronic modes</td>
<td>80,000</td>
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<tr>
<td>TOTAL</td>
<td>1,100,000</td>
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Action by PA

- Provide feedback on status report for FY17
- Provide feedback on proposed activities for FY18 and budget
- Endorse technical work program for FY18
FOR MORE INFORMATION ON THE PARTNERSHIP FOR MARKET READINESS (PMR), PLEASE CONTACT:

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