

Collaborative Instruments for Ambitious Climate Action (CI-ACA)

PMR PA21 Meeting

Berlin, 23 October 2019



Objectives

*“To **assist Parties** in the development of **carbon pricing** approaches for **implementing their NDC** under the Paris Agreement and to **foster collaboration**”*

Phase I: 2017-2019; Phase II: mid-2019 to end of 2021

Funding: Quebec, Germany, Norway, Sweden, Switzerland

Implementation: Through the UNFCCC Regional Collaboration Centres (RCCs):
Panama, StGeorges, Lomé, Kampala, Dubai, Bangkok



Selected activities

Jurisdiction	Activity	Outcomes (e.g. most feasible instrument)
Senegal	<p><i>Political dimension</i></p> <p>Consultations</p> <p>+</p> <p>Study on opportunity for domestic carbon pricing</p> <p><i>Technical dimension</i></p>	Carbon tax on large scale emitters
Dominican Republic		Carbon pricing on large scale emitters – potentially ETS
Pakistan		<ul style="list-style-type: none"> - Reform of petroleum development levy - ETS feasibility
Panama	Registry for mitigation action	Study/concept
ASEAN (for 9 member States)	Exploring MRV harmonization for a potential regional carbon market	Study on status quo of MRV (focus on facility-level)

Overall approach

Global

National

Theory

General principles of carbon pricing

- The instruments
- Features which can be customized

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Domestic context

- Social & economic
- Institutional and legal framework
- Energy and GHG
- Relevant policies

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Practice

International experience on carbon pricing

- Examples and results
- Lessons learned

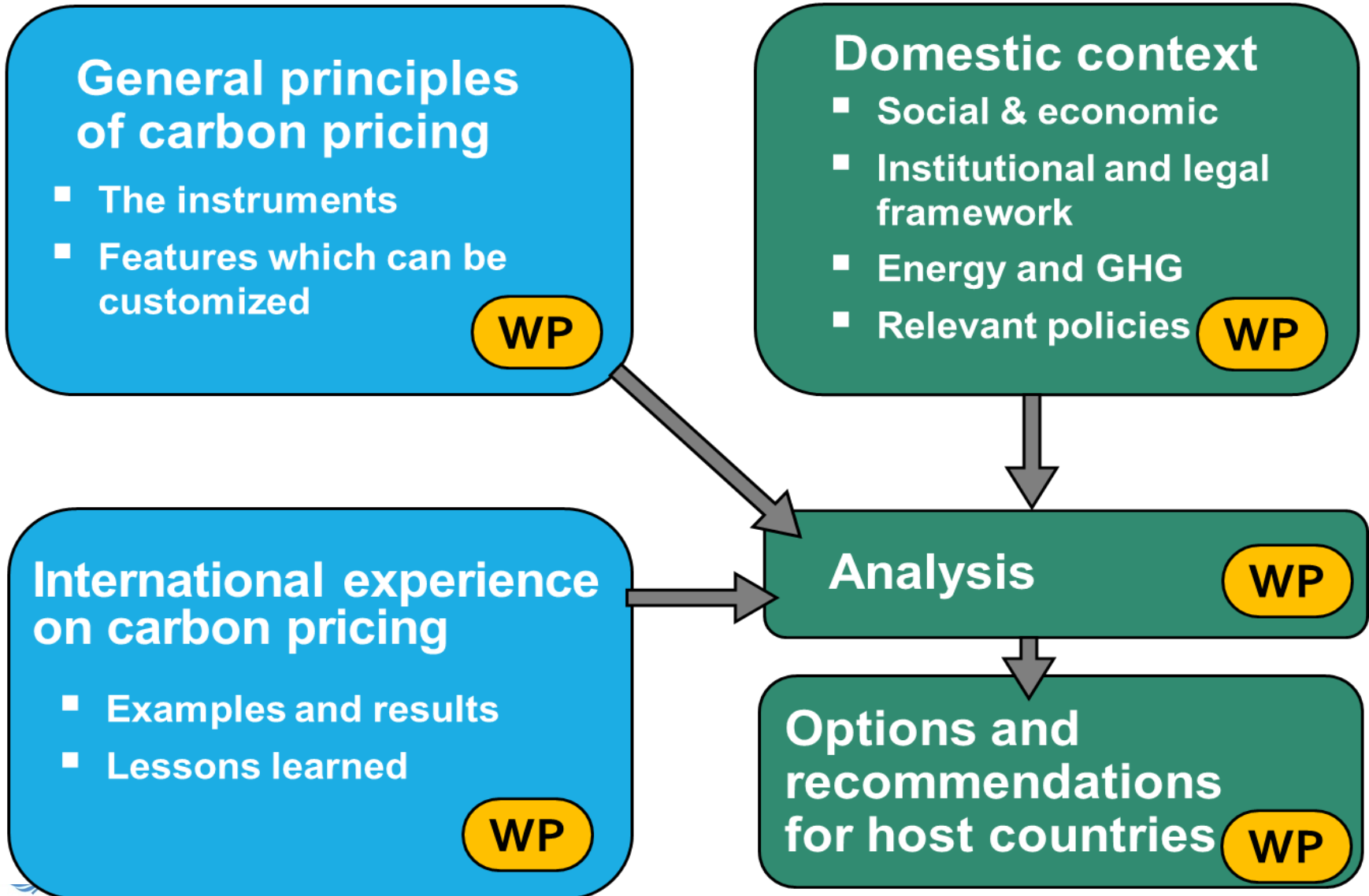
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Analysis

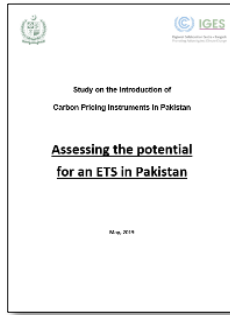
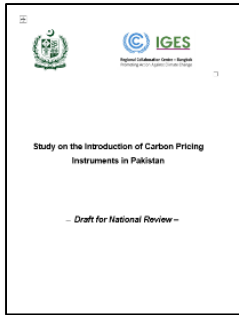
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Options and recommendations for host countries

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Pakistan study: opportunity for domestic carbon pricing



Activities:

- ▶ Capacity-building workshop;
- ▶ National consultations;
- ▶ Country-specific study on the introduction of carbon pricing;
- ▶ Focused study on the feasibility of a domestic ETS

Results: **Identified** the most **promising option** as a combination of (i) a domestic ETS (mid to long-term) on the power sector and industry (>121 participants \approx 168 MtCO₂e) and (ii) an adjustment of the existing petroleum levy; establishment of a national committee to establish a domestic carbon market.

Potential next steps:

- ▶ consultations with national stakeholders and industries;
- ▶ Readiness activities for a domestic ETS.

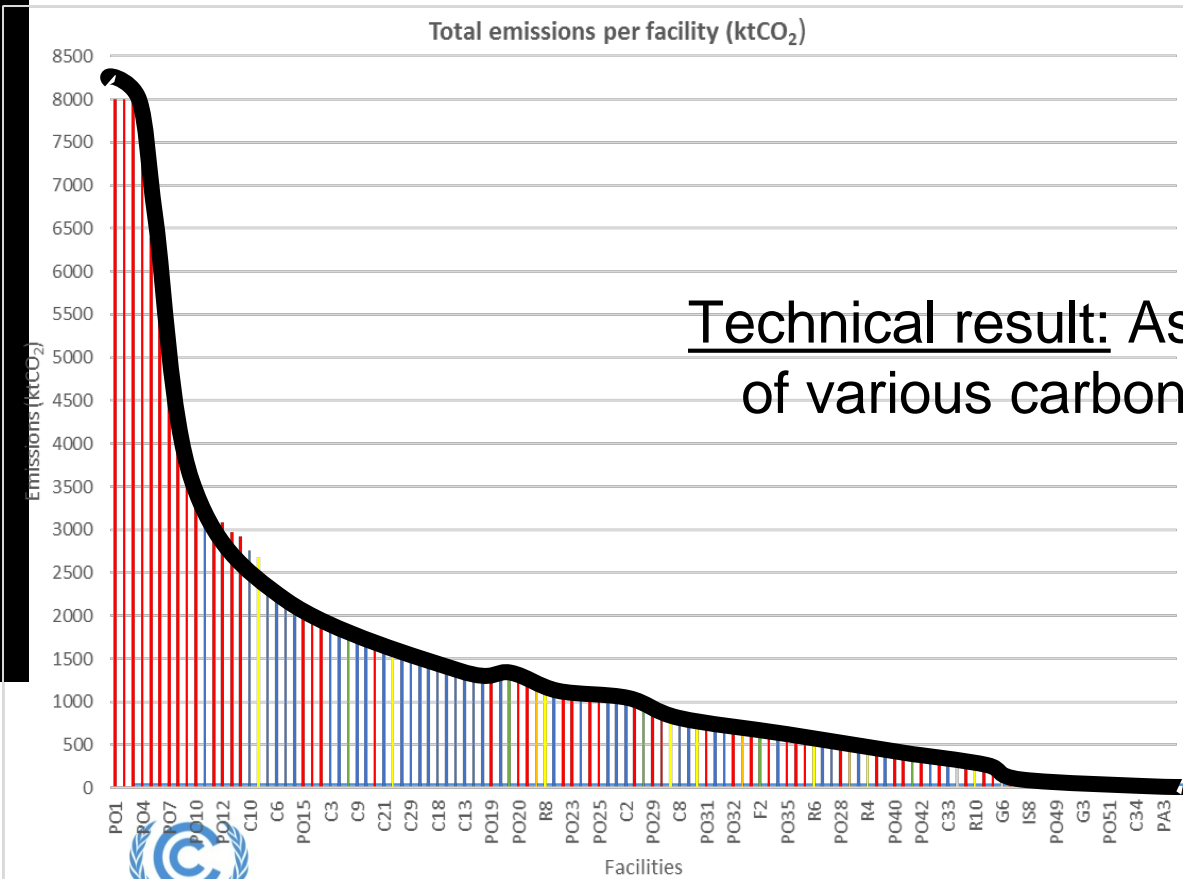


What results look like

Policy result: Study findings endorsed;
Establishment of a national committee on
climate change



Technical result: Assessing the feasibility
of various carbon pricing instruments



The future: Phase II

- Broader: More jurisdictions engaged
- Deeper: Continued support for current partner countries
- More collaboration: Continued support to ASEAN, work with existing/new regional alliances
- Delivery: more regional; more integrated with related topics
 - Increased use of “regional coordinators” (coordination and availability of knowledge and know-how in supported regions)



United Nations Framework Convention on Climate Change



Thank you!

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