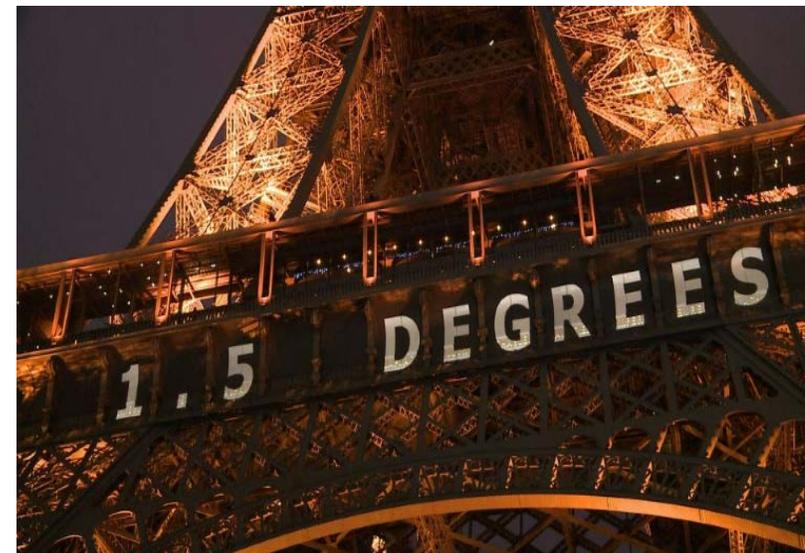


Readiness to Implementation

25 October, 2019

Rationale for PMI

- There is a growing momentum around carbon pricing -- 46 national and 28 subnational jurisdictions have a price on carbon to date (*S&T Report*).
- Carbon pricing initiatives implemented and scheduled for implementation would cover 11 gigatons of CO₂e or 20% of global GHG emissions.
- Countries under PMR account for over **42% of GHG emission**, and have substantial mitigation potential by moving towards implementation
- As countries translate their (enhanced) NDCs to actionable low-carbon and climate-resilient development plans, CPIs can be a **key economic policy instrument** to incentivize mitigation.
- PMI is designed to be CCG's principal umbrella TA program to support its mandate on scaling up carbon pricing under the *Climate Change Action Plan 2021-2025*.



Goals and Objectives

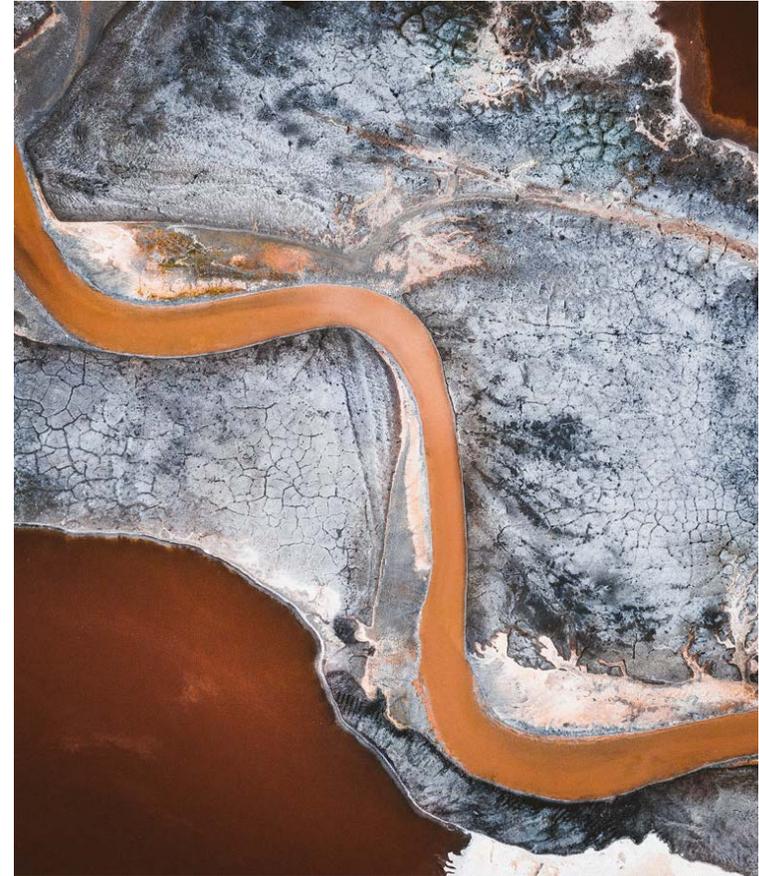
- **Support** participant countries/jurisdictions in the implementation of carbon pricing instruments needed for GHG mitigation and NDC implementation
- **Develop** the knowledge base on carbon pricing instruments and facilitate information exchange through technical discussions and dissemination of knowledge products
- **Assist** countries to identify and implement best practice approaches and, where relevant, achieve compatibility in design to support the development and linking of international carbon markets
- **Encourage** international and national cooperation, and inform the domestic and global policy discussions on GHG mitigation by sharing lessons learned and providing a platform for collective innovation on carbon pricing instruments



2025 CCAP Target: 10-20 new countries achieve readiness; 5-10 countries begin implementation

Operating Principles

- To be country-led and to build on nationally prioritized mitigation policies, according to each implementing country's national circumstances and fully aligned with its NDC;
- To coordinate with other carbon pricing development efforts to ensure effective use of resources; and
- To cooperate with other actors and processes that are undertaking similar initiatives, such as UN agencies and other multilateral development banks and bilateral agencies



Program Scope

Support Category 1



Carbon Pricing Implementation Support

Target: Countries with a demonstrated political commitment or an existing carbon pricing system in place

Support package: Strengthening domestic implementation capacity, strengthening legislative and policy review functions, scaling and expanding to new sectors

Support Category 2



Carbon Pricing Readiness Roadmaps

Target: Countries ready for the decision to implement a carbon pricing instrument

Support Package: Early stage activities to determine which instrument to adopt, build stakeholder support for policy infrastructure, e.g. MRV

Support Category 3



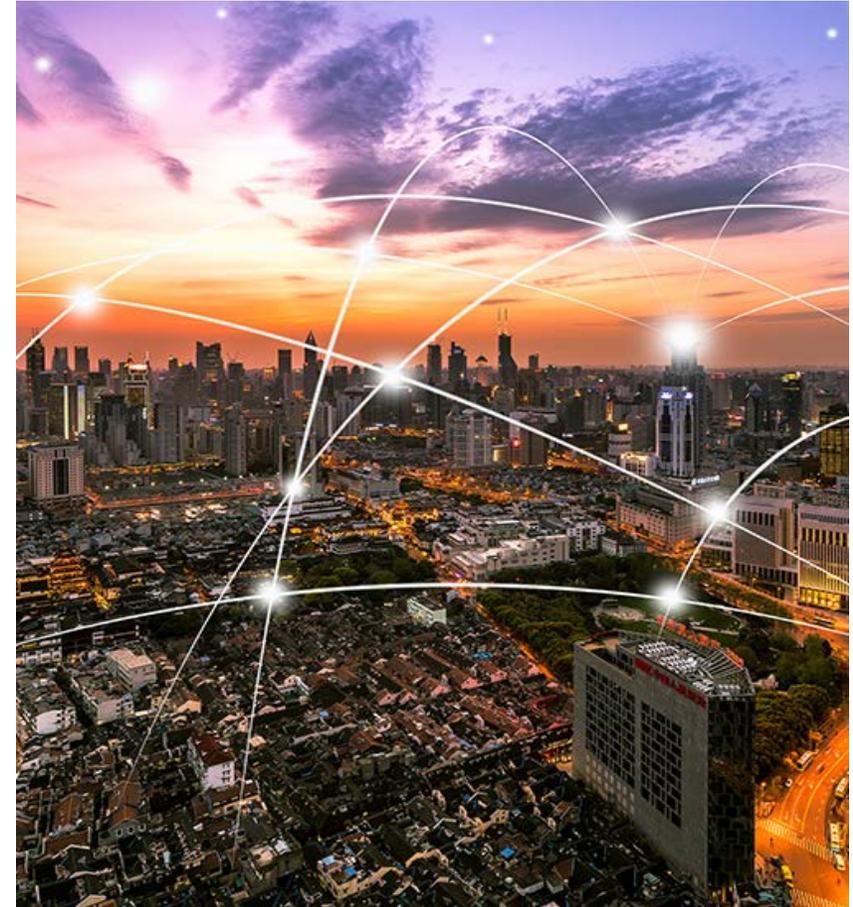
Targeted Support

Target: Regional, subnational jurisdictions

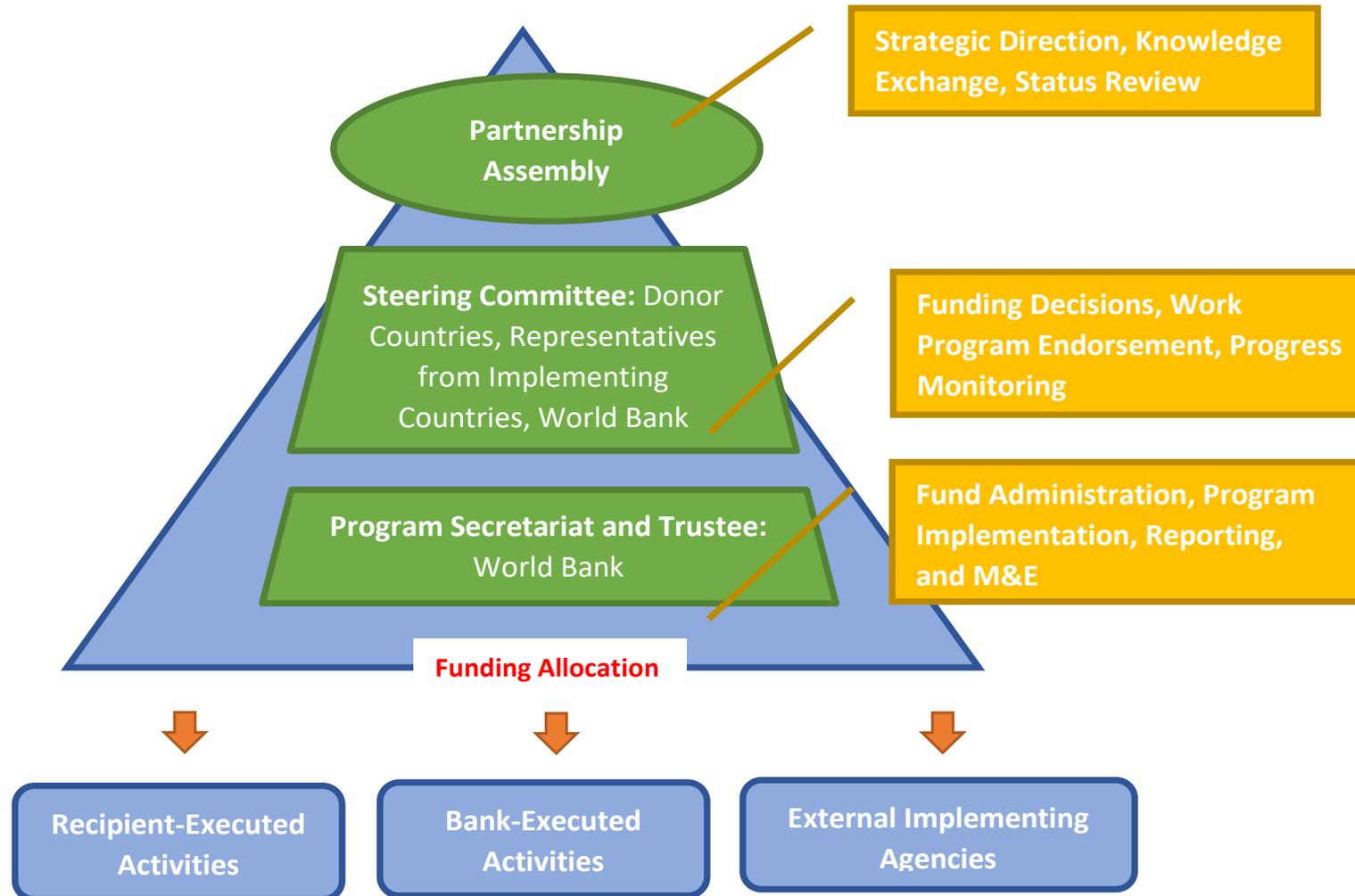
Support Package: Harmonization of carbon pricing infrastructure, development of transparent accounting procedures, etc.

Potential Support Activities

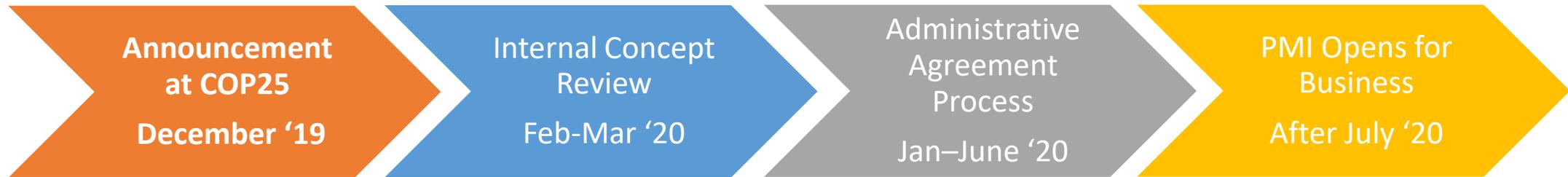
- Analytical support to policy formulation
- Political economy analysis
- GHG Data Management
- Measurement, Reporting and Verification (MRV)
- Institutional capacity
- Knowledge generation and management
- Policy and legal frameworks
- Institutional design and enhancement
- Piloting, testing and implementation



Governance Model



Timeline and Approach



Influencing Factors

- Securing donor commitments
- Completing the grant agreement process
- Securing internal management approvals
- Ensuring systematic completion of PMR activities



Thank you