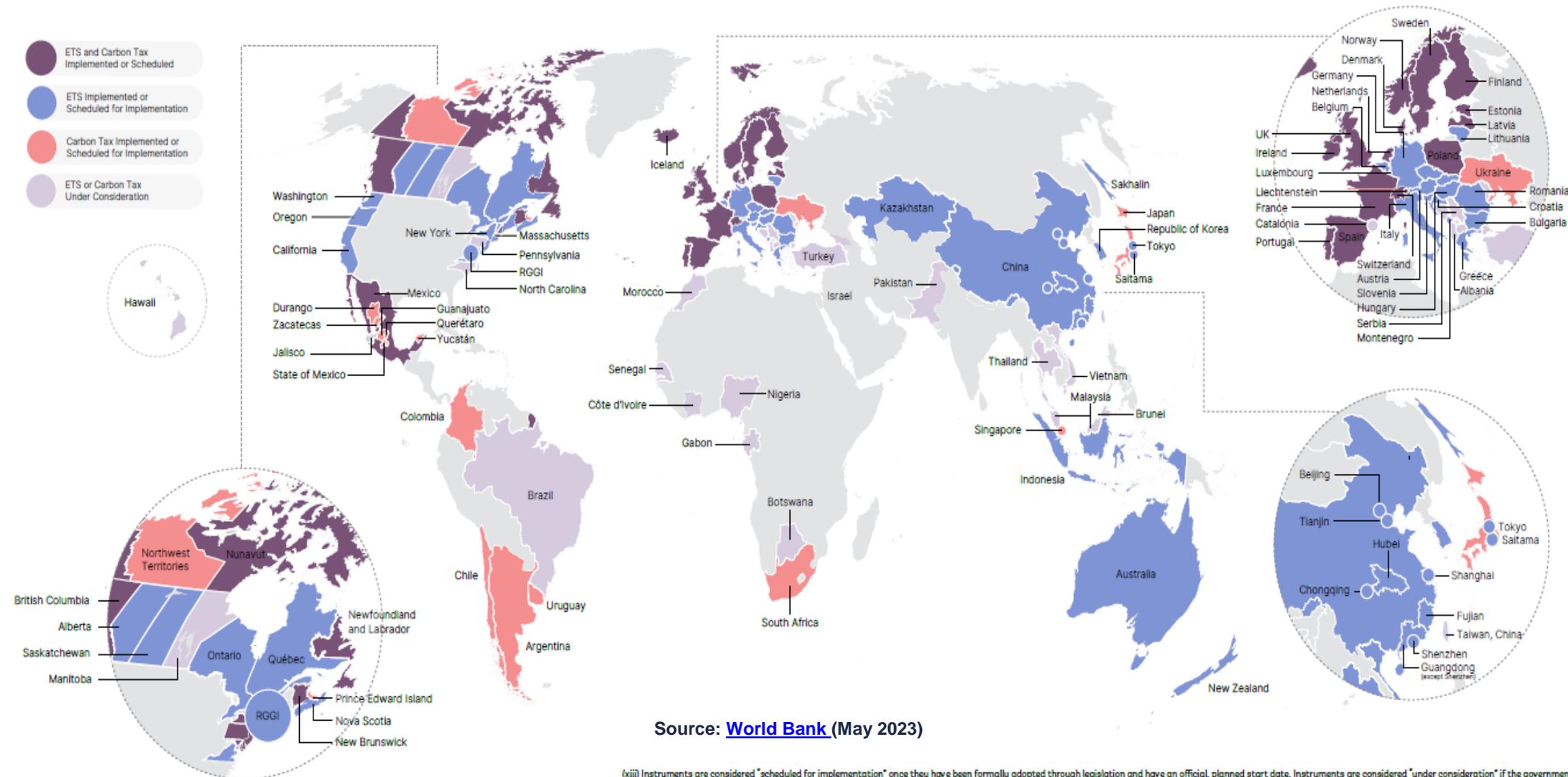


GLOBAL CARBON PRICING 2023

- ETS and Carbon Tax Implemented or Scheduled
- ETS Implemented or Scheduled for Implementation
- Carbon Tax Implemented or Scheduled for Implementation
- ETS or Carbon Tax Under Consideration

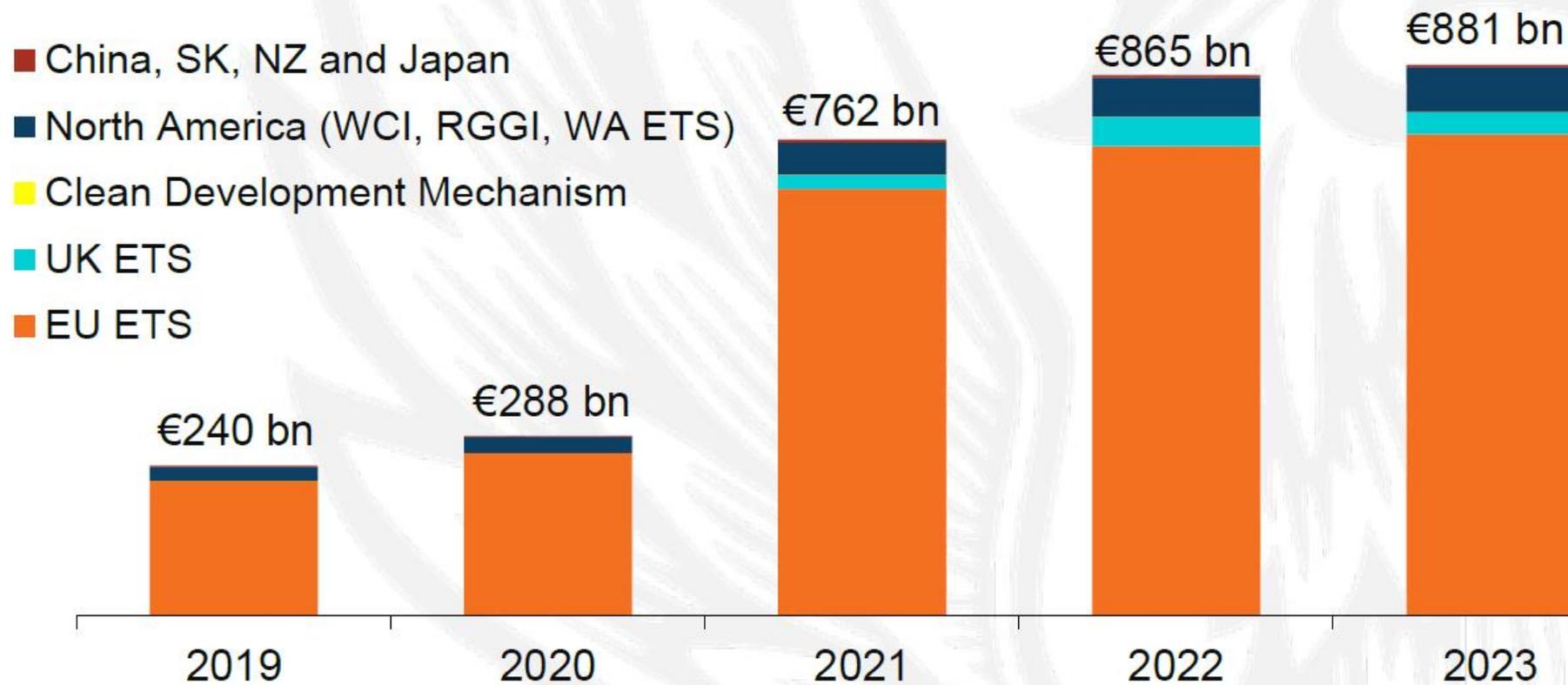


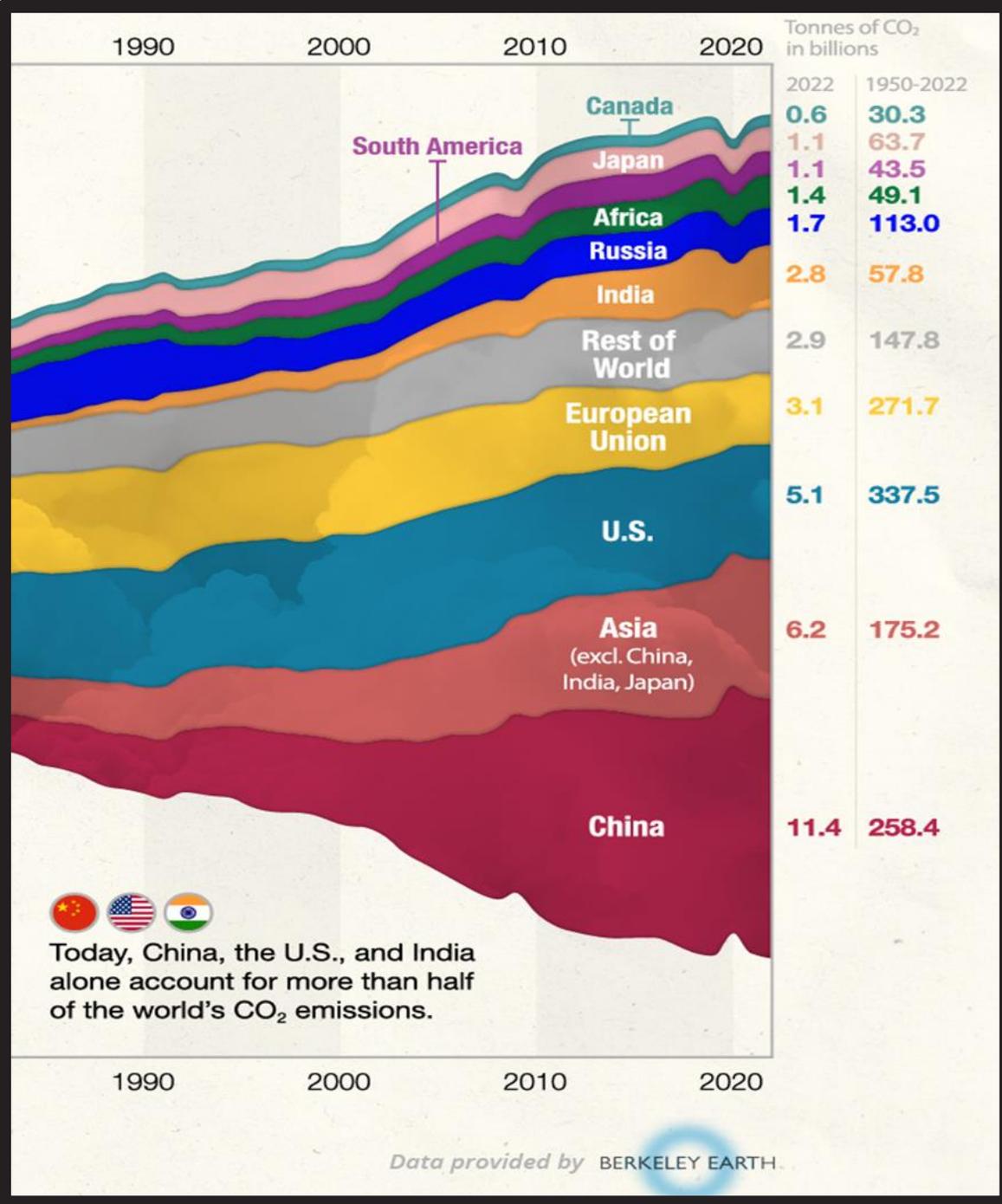
Source: [World Bank](#) (May 2023)

(xiii) Instruments are considered "scheduled for implementation" once they have been formally adopted through legislation and have an official, planned start date. Instruments are considered "under consideration" if the government has announced its intention to work toward the implementation of a carbon pricing initiative and this has been formally confirmed by official government sources. Some countries that have mechanisms implemented also have additional instruments under consideration. For subnational jurisdictions only the subnational instrument is reflected.

GLOBAL CARBON MARKETS – GROWTH IN VALUE (in billions of Euros)

World Carbon Markets - Total value by segment





2024 ELECTIONS

- USA
- EUROPE
- UK
- MEXICO
- INDIA
- INDONESIA
- SOUTH AFRICA
- CANADA PROVINCES
- OTHERS...

Opinion | David Fickling, Columnist

Democracy and Climate Politics Are Set to Collide Next Year

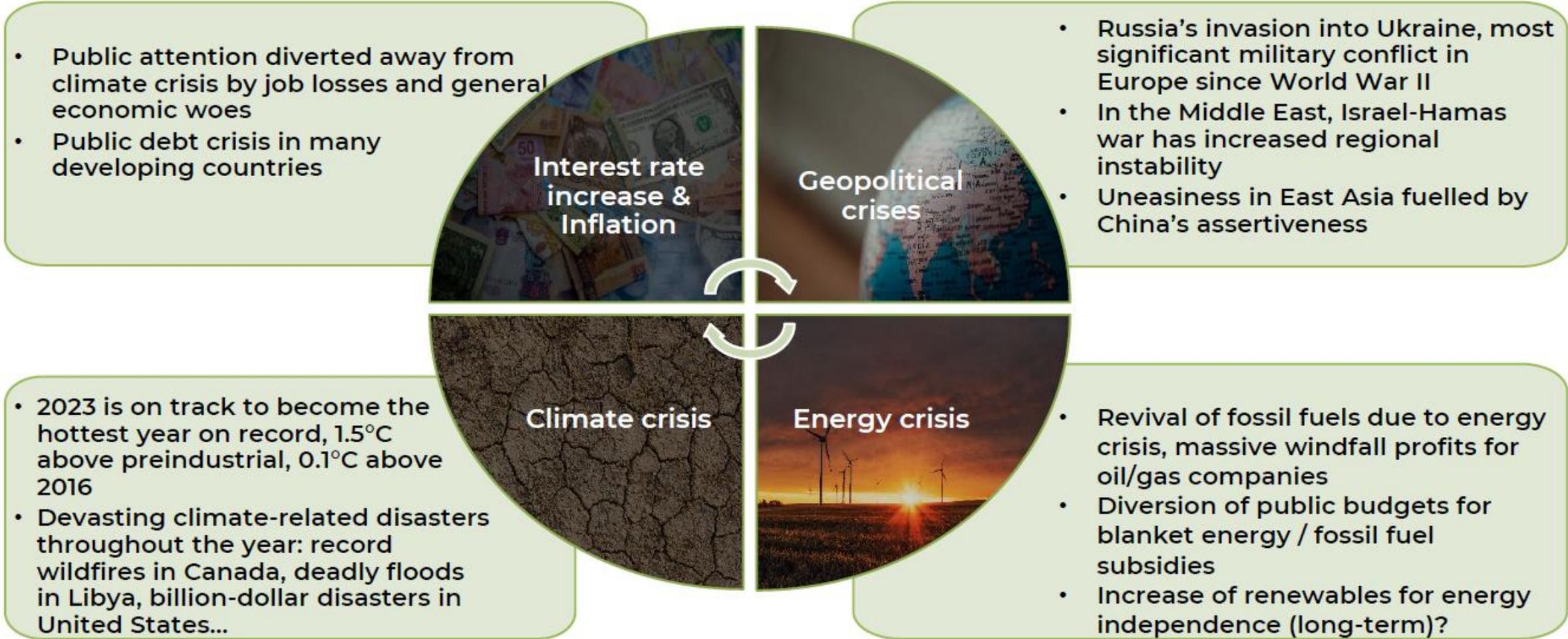
The bonanza of elections due in 2024 is unlikely to build on the global greening progress.

December 17, 2023 at 3:00 PM EST

By **David Fickling**

David Fickling is a Bloomberg Opinion columnist covering energy and commodities. Previously, he worked for Bloomberg News, the Wall Street Journal and the Financial Times.

COP28: ERA OF POLYCRISES



COP28 GLOBAL STOCKTAKE: HISTORIC FIRST



- First time fossil fuels are directly referenced in a COP decision
- Recognizes need for “**deep, rapid and sustained**” GHG reductions
- “Calls upon” Parties “to contribute to the following global efforts”:
 - “**transitioning away from fossil fuels in energy systems** [...] so as to achieve net zero by 2050 [...]”
 - **3x renewable** energy capacity and **2x energy efficiency** by 2030
 - phase-down **unabated coal power**
 - accelerating zero- and low-emission technologies including “renewables”, “abatement and **removal** technologies [such as CCUS]”
 - Non-CO2 emissions, including **methane**
- “Recognizes that **transitional fuels** [e.g., gas] can play a role in facilitating the energy transition while ensuring energy security”

28. *Further recognizes* the need for deep, rapid and sustained reductions in greenhouse gas emissions in line with 1.5 °C pathways and *calls on* Parties to contribute to the following global efforts, in a nationally determined manner, taking into account the Paris Agreement and their different national circumstances, pathways and approaches:

- (a) Tripling renewable energy capacity globally and doubling the global average annual rate of energy efficiency improvements by 2030;
- (b) Accelerating efforts towards the phase-down of unabated coal power;
- (c) Accelerating efforts globally towards net zero emission energy systems, utilizing zero- and low-carbon fuels well before or by around mid-century;
- (d) Transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner, accelerating action in this critical decade, so as to achieve net zero by 2050 in keeping with the science;
- (e) Accelerating zero- and low-emission technologies, including, inter alia, renewables, nuclear, abatement and removal technologies such as carbon capture and utilization and storage, particularly in hard-to-abate sectors, and low-carbon hydrogen production;
- (f) Accelerating and substantially reducing non-carbon-dioxide emissions globally, including in particular methane emissions by 2030;
- (g) Accelerating the reduction of emissions from road transport on a range of pathways, including through development of infrastructure and rapid deployment of zero- and low-emission vehicles;
- (h) Phasing out inefficient fossil fuel subsidies that do not address energy poverty or just transitions, as soon as possible;

29. *Recognizes* that transitional fuels can play a role in facilitating the energy transition while ensuring energy security;

• Article 6.2 Text (Rejected)

Key elements for discussion

Definition of cooperative approach
Common nomenclatures and AEF for reporting
Application of first transfer
Sequencing of review of initial report and ITMO authorisation
Treatment of inconsistency and process to review confidential information
Authorisation (process and templates for three types of authorisation, revisions and revocation)
Interoperability of registries (6.4 mechanism, national, international)

Main disagreements

EU, AILAC and AOSIS tried to introduce more oversight over Party-to-Party cooperative approaches; Umbrella Group and LMDC strongly against
US (only supported by Australia) strongly against developing a transactional international registry

Article 6.4 Text (Rejected)

• Key elements for discussion

- Adoption of Supervisory Body recommendations
- Additional requirements for removals
- Emission avoidance and enhanced conservation
- Authorisation (timing, revisions and revocation)
- Interoperability of registries (6.4 mech, national, intl)

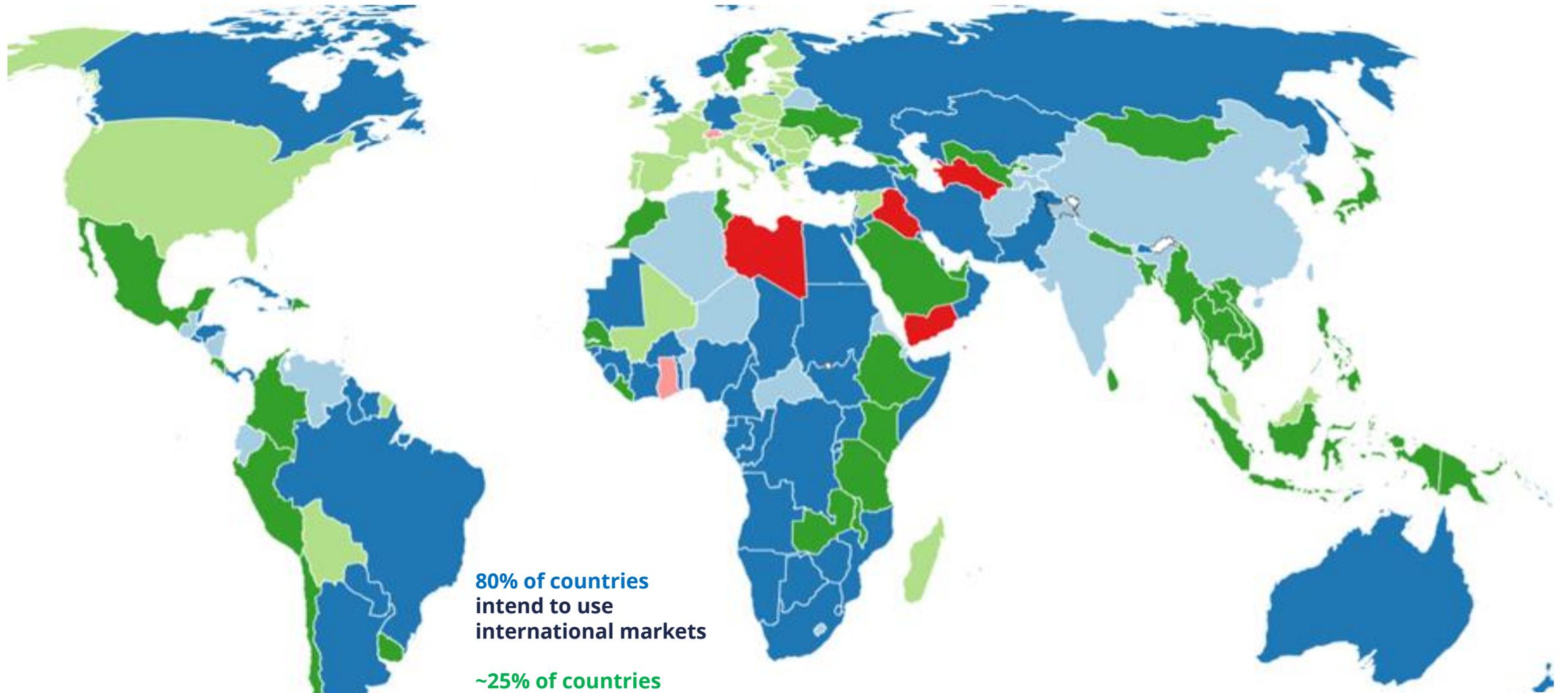
• Main disagreements

- EU and CfRN against adoption of removals recommendation
- Saudi Arabia refused to separate the fate of the two recommendations

• “No agreement” outcome creates uncertainty

- Discussions on the same mandate will continue at SB60 Bonn
- Article 6.4: SB asked by CMA to continue its work to operationalise, but unclear what it will prioritise
- **Article 6.2 will continue to be implemented – early movers may set the standards, stakeholders learning by doing**

ARTICLE 6.2 FULL STEAM AHEAD

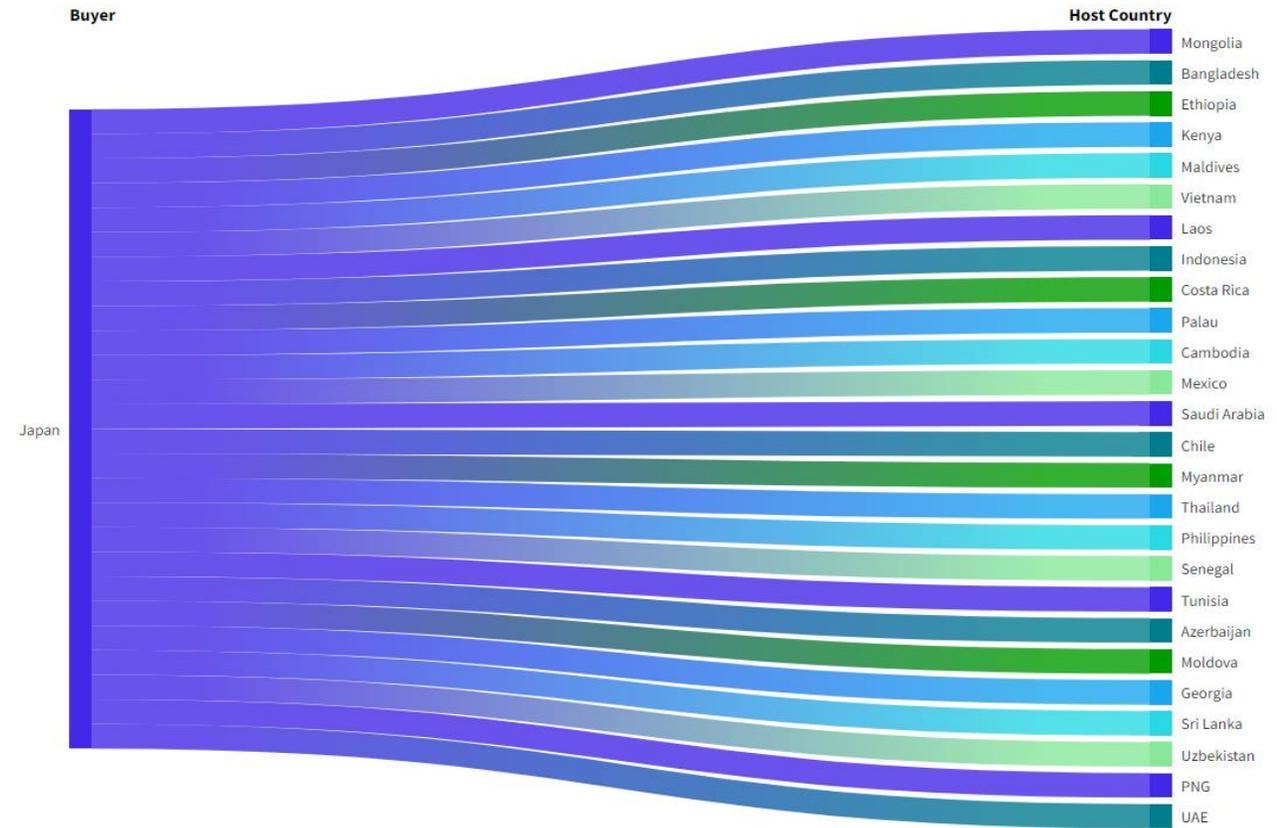
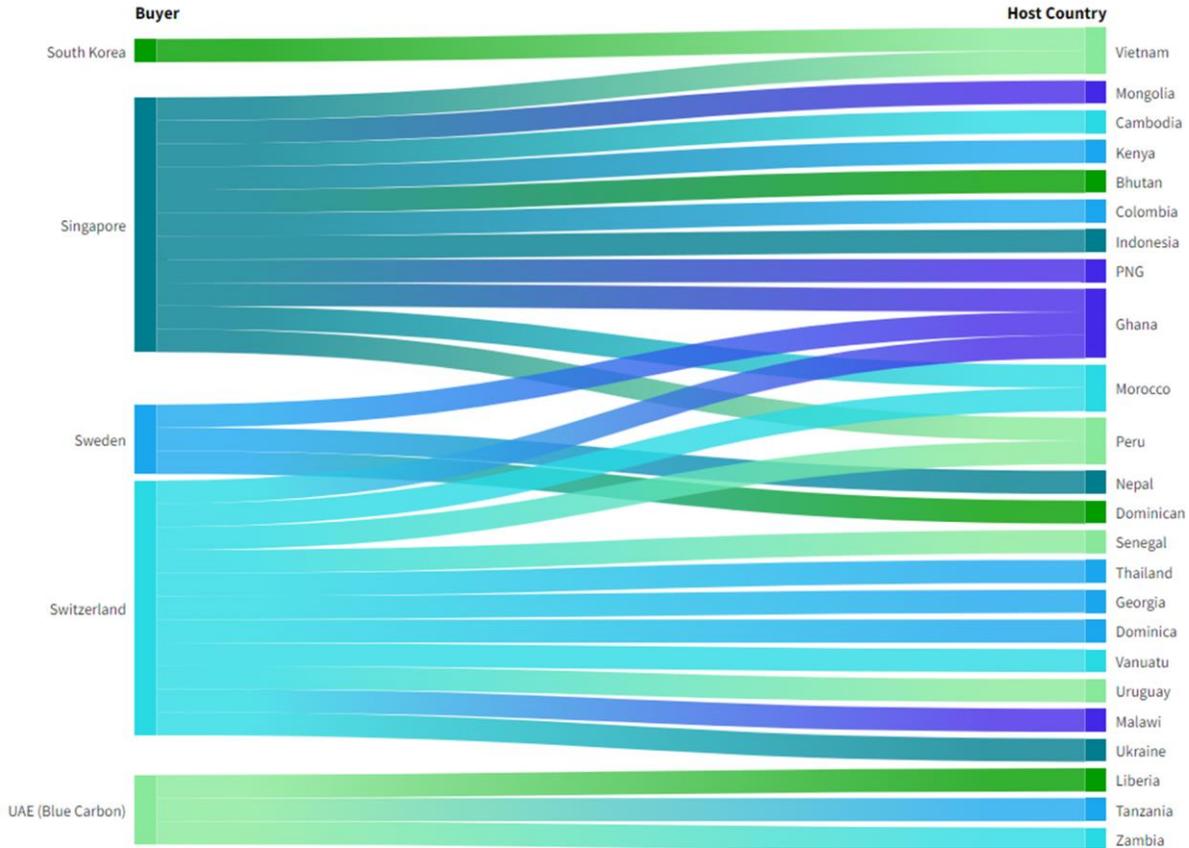


80% of countries intend to use international markets

~25% of countries actively engaged in A6 arrangements (MOUs, bilats, pilots)

- Light blue: Considers broad international support for achieving its NDC or increasing its climate ambition
- Dark blue: Considers or intends to use international market mechanisms to achieve its NDC or increase its climate ambition
- Light green: Does not mention or consider using international carbon market mechanisms
- Dark green: Already engaged with some sort of cooperation to implement cooperative approaches (MOUs, bilateral agreements, etc.)
- Pink: Already Authorizing and Transacting ITMOs
- Red: Has not delivered the NDC or without information

IETA ARTICLE 6 (6.2) VISUALIZATIONS – DIGITAL LIBRARY



COP28 – OTHER CARBON MARKET ANNOUNCEMENTS

Promoting scale and integrity in carbon markets to help operationalize Article 6 and Nationally Determined Contributions under the Paris Agreement

4 December 2023, COP 28, Dubai

An integrity collaboration of independent carbon crediting programmes

Independent crediting programmes are joining forces to amplify the impact of carbon markets in mitigating climate change and supporting countries in implementing Article 6 and their Nationally Determined Contributions. Our programmes have long proven the ability of robust monitoring, reporting and verification to channel finance and promote mitigation across a vast range of opportunities. We share the urgency of scaling up the flow of finance over this decade and beyond.

Carbon markets have been a critical driver of private sector investment in tangible climate action in developing countries for over 20 years. Markets have led efforts to discover mitigation opportunities, propel innovation, and rally resources and know-how to step up the momentum of change. This is only increasing. Around US\$36 billion has been invested via carbon crediting projects over the past decade, with almost half of this invested since 2021 when Nationally Determined Contributions (NDCs) took effect under the Paris Agreement.¹ This is vital in an environment in which finance for developing countries' mitigation efforts remains scarce. The private sector is ready and willing to grow its provision of finance and needs concrete, credible frameworks to underpin its quality and public acceptance.

Independent carbon crediting programmes ensure high integrity in mitigation activities and the emission reductions and removals they generate. Many of us bring decades of experience in enabling the private sector to mobilize finance. The credits we issue are from real, additional, durable and verified mitigation outcomes. We strive to reinforce the quality of our crediting programmes where new scientific or technological advances offer opportunities for elevating rigour. For this, we have learned much over these decades and we now leverage this experience to continuously improve our standards, methodologies, systems and processes.

The way credits are used is undergoing a transformation. Businesses are increasingly retiring credits to compensate for their emissions alongside their work to decarbonize their operations and make net zero a reality, by 2050 at the latest but for many companies much earlier. In fact, a growing body of research shows

A new, high-integrity chapter for using carbon credits has begun.

HIGH INTEGRITY CARBON CREDITS

VCMI THE VERIFICATION CENTER FOR MITIGATION INTENSITY | IC THE INTEGRITY COUNCIL | CDP | WE MEAN BUSINESS COOPERATION | GREENHOUSE GAS PROTOCOL | SCIENCE-BASED TARGETS

WORLD BANK GROUP Climate Change

High Integrity, High Impact: The World Bank Engagement Roadmap for Carbon Markets



GCP GLOBAL CARBON PRICING CHALLENGE



CAD Trust Data Dashboard

Commission President advances global cooperation on carbon pricing in high-level event at COP28



COP28 UAE @COP28_UAE

At the World Governments Summit, Dr. Sultan Al Jaber, COP28 President, met with Hon. Gen. Odongo Jeje Abubakhar, Foreign Minister of Uganda. They discussed the next steps required for the implementation of the UAE Consensus in areas of finance reform, just energy transition & the Loss and Damage fund.

