



# REDD+ and Cooperative Approaches in Support of NDCs

UN-REDD SECOND EXECUTIVE BOARD MEETING  
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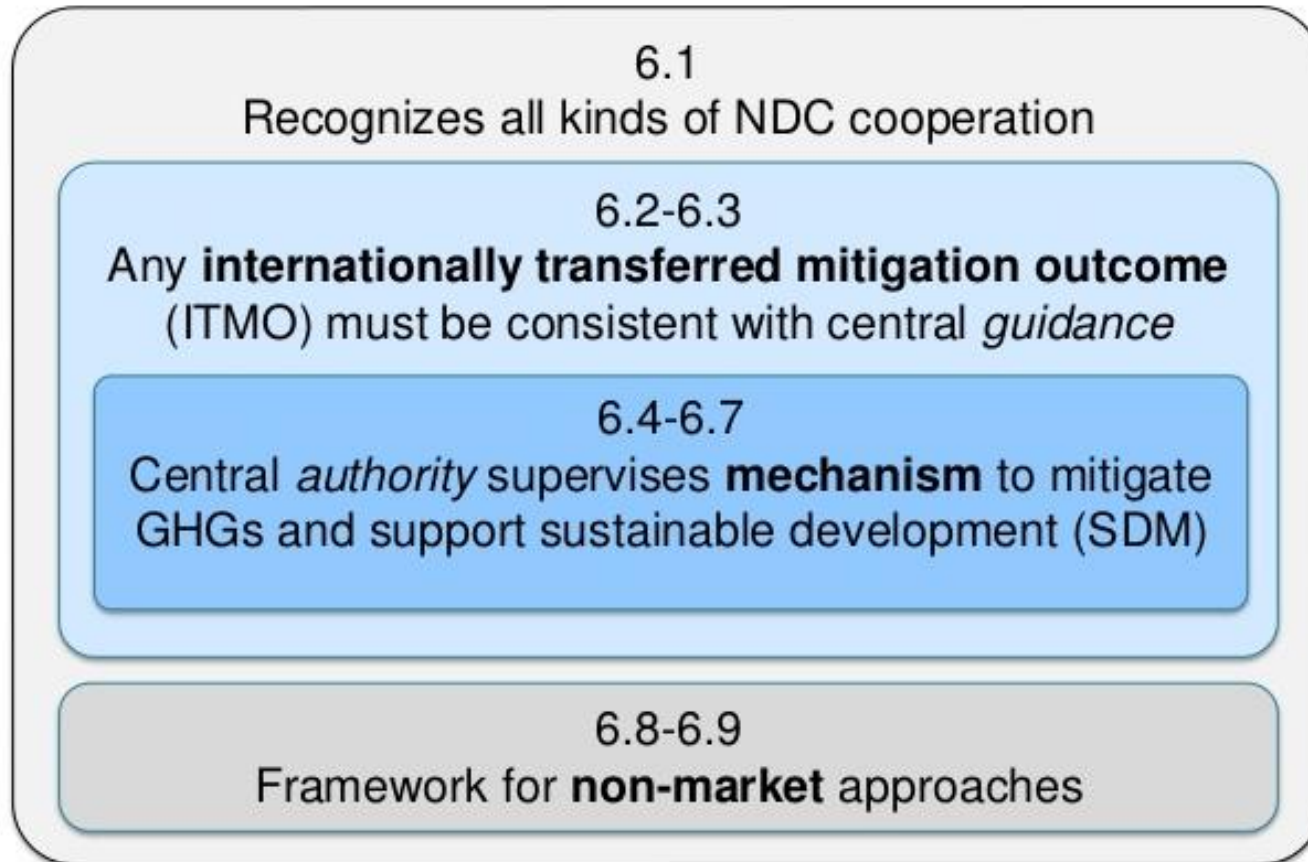
# LULUCF and REDD+ in NDCs

- LULUCF sector represents **25%** of planned emission reductions in current NDCs
- Role of LULUCF in the NDCs second only to the energy sector
- A number of REDD+ countries, in particular, highlight the key contribution to be made by forest-related activities to meet their NDC goals.
- Approaches range from inclusion of LULUCF in a multi-sectoral or economy-wide target, specific LULUCF targets, and/or specific indication of activities to be implemented (e.g., zero-deforestation agriculture, agroforestry, improved cook stoves)
- **8%** of all current NDCs explicitly refer to REDD+ implementation.

# Enhancing Ambition and Article 6

- The potential to be harnessed is even greater, given that “natural climate solutions,” including forests, can deliver **approximately 30% of cost-effective CO<sub>2</sub> mitigation** needed through 2030 to keep warming well below 2°C.
- Article 6 of the Paris Agreement presents **new opportunities** for cooperation between Parties to allow for higher ambition through the NDCs.

# Overview: Article 6



NDC = Nationally Determined Contribution. 'SDM' is one possible acronym for the 6.4 mechanism.

# Art. 6: Cooperative Approaches and ITMOs

## Art. 6.2.

- Parties **shall**, where engaging on a voluntary basis in cooperative approaches that involve the use of ITMOs towards NDC:
  - Promote sustainable development
  - Ensure environmental integrity and transparency, including in governance
  - Apply robust accounting → among other things to avoid double counting
- Consistent with CMA guidance
  - Decision 1/ CP. 21, Para 36 → requests SBSTA to develop and recommend this guidance

## Art. 6.3

→ Use of ITMOs **shall** be voluntary and authorized by Parties

## Art. 6.4:

# Sustainable Development Mechanism (SDM)

- **Establishes a mechanism** to contribute to the mitigation of greenhouse gases and support sustainable development
- CMA to adopt ***rules, modalities and procedures*** which must be observed when implementing activities under Article 6.4
  - Includes reference to scope of activities
- Not direct government to government cooperation like 6.2 → **aims to incentivize and facilitate authorized private or public entities** to engage in Article 6.4

# Article 6.8: Non-Market Approaches

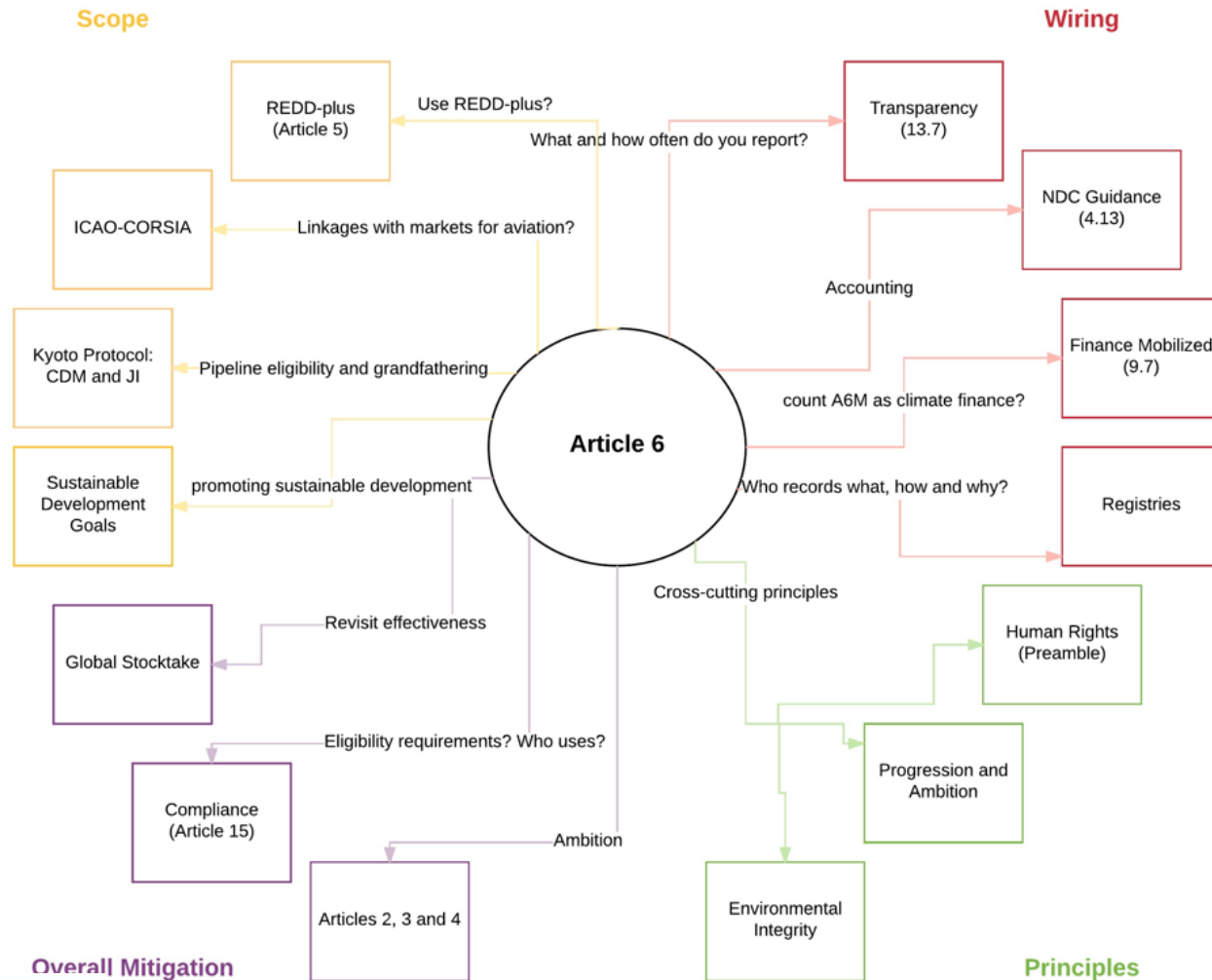
- Recognizes importance of non-market approaches to assist in NDC implementation
  - context of sustainable development and poverty eradication
  - Including mitigation, adaptation, finance, technology transfer and capacity building, as appropriate
- These approaches shall aim to:
  - Promote mitigation and adaptation ambition
  - Enhance public and private sector participation in NDC implementation
- Framework is defined for non-market approaches under 6.9

# Current Status of Article 6 Talks

- Divergent views and uncertainty around the **eligibility criteria, guidance, rules, procedures and institutional arrangements** to be put into place
- Overall, progress was made in Bangkok toward clarifying options
  - Identifying essential elements for operationalizing the Paris Agreement to be agreed at COP24
- 6.2:
  - Rules needed, including eligibility requirements?
  - **Vintages of ITMOs** and alignment with the NDC period
  - Metrics – CO<sub>2</sub>eq or broader
- 6.4 –
  - Embedding within Article 6.2 guidance?
  - CDM as a model?
- 6.8
  - focused on elaborating the work programme



# The Tangle of Article 6



## Acronyms

A6M: Article 6 Mechanism (6.4)  
 CDM: Clean Development Mechanism  
 ICAO: International Civil Aviation Organization  
 JI: Joint Implementation  
 NDC: Nationally Determined Contribution  
 REDD-plus: Reducing emissions for deforestation and forest degradation and enhancing carbon stocks

# REDD+ in the context of Article 6

- Examples of non-mutually exclusive options that could be considered:
  1. *Countries continue to rely on results-based finance on the basis of the Warsaw Framework for REDD+ (WFR).*
  2. *Countries transfer emission reductions under the modalities of Article 6.2 of the Paris Agreement in return for transfer-based payment.*
  3. *Countries use Article 6 to involve private and public entities in REDD+ implementation.*
  4. *Countries generate emission reductions under Article 6.4 for specific activities.*

Streck et al, Meridian, 2017

# UNFCCC Context:

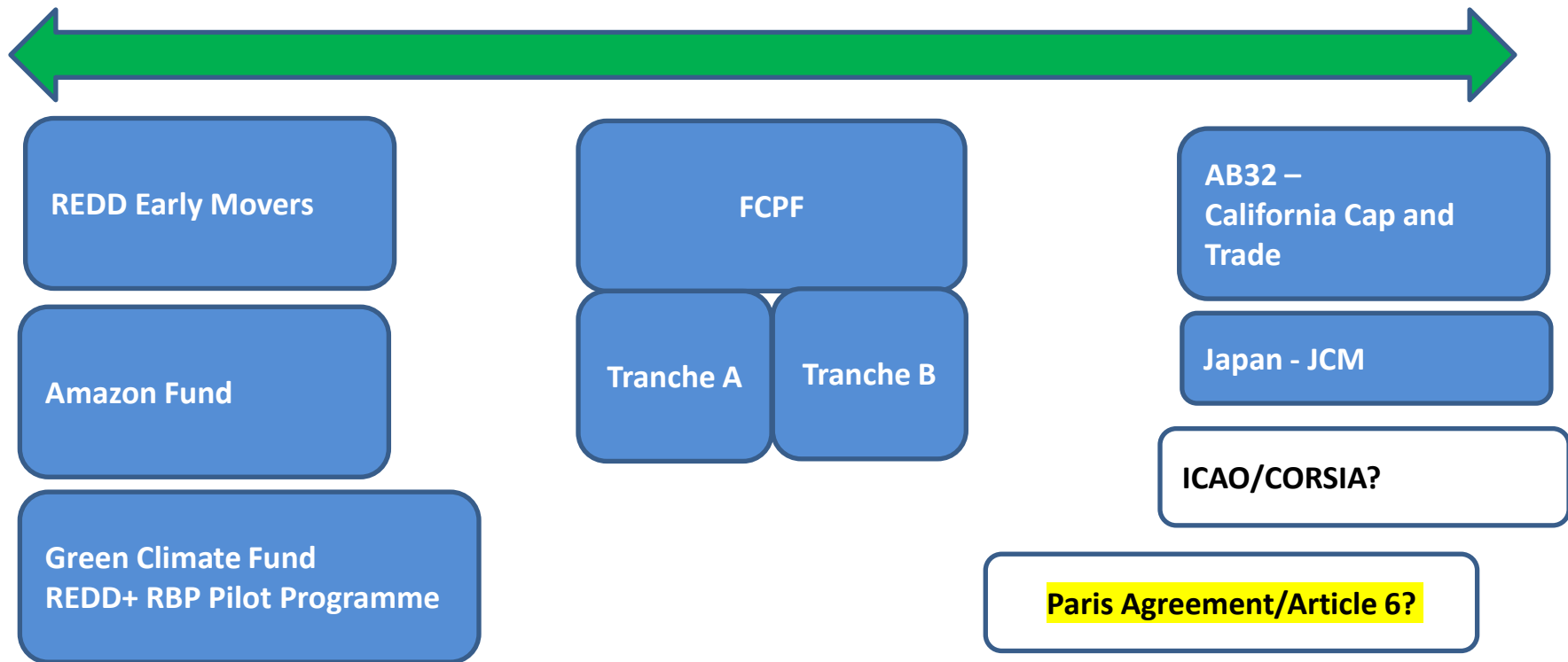
## REDD+ and Market-based Approaches

- The Warsaw Framework for REDD+ (WFR) leaves the door open to:
  - “*results-based actions that **may be eligible to appropriate market-based approaches** that could be developed by the Conference of the Parties to the UNFCCC.*”
- Recognizes that such actions “*may be subject to any **further specific modalities for verification** consistent with any relevant decision of the Conference of the Parties*”.
- The WFR does not include all the necessary rules and guidance that would be needed to enable the transfer of REDD+ emission reduction units in the context of UNFCCC.

# REDD+ Results-Based Finance: A Continuum

Pay for performance, not for compliance

Market-based, for compliance



Adapted from Lee and Streck, 2016

# Considerations at Country Level for REDD+ in Context of NDCs and Article 6

- Unlike results-based payments in the context of UNFCCC, **engaging in Article 6 is expected to have an impact on countries' abilities to achieve their NDC targets/goals.**
  - Will there be tonnes resulting from REDD+ that are available for international transfer?
- **Relationship between unconditional and conditional components of an NDC and ITMOs**, as well as how this potentially relates to REDD+ under Article 6
- Avoidance of double-counting
- Coordination -REDD+ and NDC/Article 6 issues often **handled by different institutions** – within UNFCCC negotiations and country level

# Discussion Questions

- *Are there specific recommendations for knowledge products and/or technical assistance on REDD+ in the context of NDCs and Article 6 that UN-REDD could deliver? What type of support might be needed?*
- *Are there experiences, concerns, issues related to Article 6 that EB members would like to share?*



# Thank you

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