
Country-level Article 6 policy frameworks

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UK intends to meet targets through domestic effort

- UK Government (UKG) takes advice from the independent **Climate Change Committee (CCC)**
- It advises that we achieve our targets through **domestic effort**
- Potential role for:
 - markets to **exceed** carbon budget and NDC ambition;
 - ‘sustainable, verified, permanent, CO2 **removal** in a clearly additional way’ subject to future CCC advice; and
 - UKG to **strengthen global carbon markets** and rules (recommended)
- UKG accepts advice to achieve targets without credits, but **reserves the right** to use Article 6 as a contingency



We strengthen markets as a global public good

- **Potential:** lower costs, raise ambition, mobilise finance, social and environmental benefits
- **Demand:** CORSIA, NDC use, as part of domestic pricing, voluntary markets
- **Lessons:** Unit quality, greenwashing, rights of local communities and indigenous people

Results will remain with host governments for NDC use (only)



Our portfolio comprises:

Carbon Initiative for Development (UK: £50m)

- CDM Energy access projects focused on African communities
- Build capacity, investor confidence, equitable participation

Transformative Carbon Asset Facility (UK: £60m)

- Scaled up Article 6 pilots in middle income countries
- First example of policy crediting in development

Partnership for Market Implementation (UK: £20m)

- Carbon pricing with support for domestic and international

Lowering Emissions by Accelerating Forest finance (\$1.5bn total)

- Results-based partnership to help halt and reverse deforestation

II-AMT: Perspectives' Article 6 Methodology Tools (UK: £100k)



We support policy frameworks through the SCF

- **The Standardised Crediting Framework, part of the UK's Ci-Dev support,** is an approach to crediting, built on CDM lessons, that will:
 - **Support more host country ownership,** building on existing structures: national governing board comprised of key Ministries, supported by Technical Committee and an Administrator;
 - **Standardize emission reductions:** including baseline and project emission parameters;
 - **Streamline approaches:** positive lists supported by transparent eligibility criteria; combined verification and validation;
 - **Enhance private sector engagement:** through policy framework including more simple, transparent, inclusive processes;
 - **Be replicable:** with lessons shared transparently.



Early evidence (Senegal, Rwanda) is encouraging

- **Time saving:** months/years compared to CDM
- **Cost savings** c.\$180k up to registration phase
- **Efficiency savings** through: aligning MRV with project entity business model; a calculation tool; using checklist templates
- **Engaging and supporting local experts and stakeholders** could reduce costs further
- **Developing new rules and templates** requires deep, sustained interaction
- **More pilots planned** among Ci-Dev's ten projects

Figure 12. Process time for CDM and SCF to date

