Stakeholders Consultation on Article 6 of the Paris Agreement Guidebook for Pilot Activities
An Event Hosted by the Asian Development Bank at the Asia-Pacific Climate Week
United Nations Conference Centre | Bangkok, Thailand
2 September 2019

SUMMARY
The Asian Development Bank (ADB), through its Article 6 Support Facility, is providing technical, capacity building and policy development support to its developing member countries (DMCs) in Asia and the Pacific to enhance their capacity and preparedness to access new carbon markets envisaged under the framework of Article 6 of the Paris Agreement. As part of this endeavor, ADB is supporting the development of Article 6 - Guidebook for Pilot Activities (“the Guidebook”), a practical guide for a broad set of stakeholders on the design and implementation of piloting activities under Article 6.

During this stakeholder consultation, ADB will present the structure of the Guidebook to continue its inclusive consultation process, and to help stakeholders learn about design elements, processes and procedures, and institutional arrangements needed for designing pilot activities under Article 6, including the practical implications of testing the design options currently being negotiated. The initial draft of the Guidebook was presented at COP24 in Katowice and extensively circulated for stakeholder comments. ADB has also engaged with other Multilateral Development Banks (MDBs) to obtain their inputs on the structure, flow and contents of the Guidebook. The stakeholder consultations at the Asia-Pacific Climate Week will contribute to the further development of the structure and contents of this Guidebook.

BACKGROUND
The Paris Agreement introduces a new generation of market instruments under Article 6 which could help countries access cost-effective mitigation opportunities and additional climate finance streams through cooperation and form the basis for raising their ambitions over time. The market-based approaches in Article 6 lay the foundation for post-2020 carbon markets under the Paris Agreement by allowing countries to use mitigation outcomes from other countries toward their Nationally Determined Contributions. Article 6.2 provides for international voluntary cooperation involving international transfers of mitigation outcomes with the possibility of bilateral or multilateral agreements suiting relevant circumstances. Article 6.4 offers a centralized mechanism with a clear emphasis on sustainable development.

Given the complexity and slow progress of the negotiations on Article 6 and the consequent challenges facing DMCs in incorporating market-based opportunities into their domestic climate policy framework, pilot activities will be critical to help in the development of cooperative approaches and new market mechanism(s), and their guidance and rules. In this context, ADB endeavors to support DMCs in enhancing their capacity to evaluate options for mitigation actions under Article 6 and their potential implications on their respective policy frameworks.

OBJECTIVE
The purpose of the Article 6 – Guidebook for Pilot Activities is to provide countries with a practical guide to enable them to build a roadmap for pilot activities including testing concepts and approaches, such as environmental integrity, accounting procedures to avoid double counting and Monitoring, Reporting and Verification (MRV) among others, on real life projects / programs that suits country circumstances and capacities such that the lessons learned can contribute to the development of the new mechanism(s). The Guidebook describes the key elements of pilot activities under Article 6.2 and Article 6.4, taking into account the main options currently subject to international negotiations and early lessons from ongoing pilot activities by different organizations. The Guidebook is expected to offer stakeholders clearly structured information to accelerate the learning-by-doing process of testing different design options for pilot activities. The objective of the session is to present the current draft of the Guidebook to key stakeholders in Asia Pacific and invite their feedback to finalize the Guidebook.

PROGRAM
- Welcome & Introduction to Article 6 of the Paris Agreement - Guidebook for Pilot Activities
  Virender Kumar Duggal
  Principal Climate Change Specialist
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  Asian Development Bank
- Presentation on Article 6 - Guidebook for Pilot Activities
  Carbon Market Expert, ADB
- Discussion moderated by Virender Kumar Duggal
  Discussants:
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