

Exploring the adoption of carbon pricing instruments in selected countries: The Ci-ACA initiative

**ASEAN PROJECT UNDER THE UNFCCC COLLABORATIVE INSTRUMENTS FOR AMBITIOUS CLIMATE ACTION (CIACA) INITIATIVE**

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# Background

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- ASEAN Member States (AMS) are at different stages of readiness to implement carbon pricing mechanisms
- In spite of the different starting points and stage of development, AMS acknowledged the criticality of the development of MRV systems as the first step towards future regional collaboration on carbon pricing instruments
- Singapore collaborated with UNFCCC to develop a project under the AWGCC Action Plan to lay the foundation for future regional cooperation on carbon pricing instruments
- The aim of the project was to explore opportunities for collaboration on measuring, reporting and verification (MRV) systems towards a potential regional carbon markets among ASEAN countries.

# Developments

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Date	Singapore-UNFCCC Project Development
March - June 2017	<ul style="list-style-type: none"><li>• Discussions with UNFCCC to develop a concept note for endorsement by AWGCC</li></ul>
June 2017	<ul style="list-style-type: none"><li>• AWGCC endorsed the project:<ul style="list-style-type: none"><li>○ Phase 1: Training and capacity building for AMS on carbon pricing</li><li>○ Phase 2: Support AMS through a funded study for the initial consideration of carbon pricing</li><li>○ Phase 3: Implementation of study recommendations</li></ul></li></ul>
October 2017	<ul style="list-style-type: none"><li>• Phase 1<ul style="list-style-type: none"><li>○ Singapore and UNFCCC organized a capacity building workshop entitled “Understanding Carbon Pricing” for AMS</li><li>○ Funded by CIACA</li></ul></li></ul>
April 2018	<ul style="list-style-type: none"><li>• Phase 2<ul style="list-style-type: none"><li>○ AWGCC supported the project proposal for a scoping study on AMSs needs for enhancing and harmonizing MRV towards a potential regional carbon market</li></ul></li></ul>
June 2018	<ul style="list-style-type: none"><li>• AWGCC endorsed Phase 2 scoping study and nomination of focal points to work with UNFCCC consultant. Funded under CIACA</li></ul>
Aug 2018	<ul style="list-style-type: none"><li>• AMS nominated their focal points</li><li>• Phase 2 scoping study commenced</li></ul>

# Phase 1

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## Workshop on Understanding Carbon pricing for ASEAN Member States 16-17 Oct 2017, Singapore

- Provided participants with a better understanding on the implementation of carbon pricing, as well as the types of support available from UNFCCC
- AMS agreed that Phase 2 of the ASEAN-CIACA collaboration should focus on measurement, reporting and verification (MRV) systems which are building blocks for carbon pricing



## Phase 2 Scoping Study (Aug – Dec 2018)

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- AMS supported for Phase 2 of the ASEAN-CIACA collaboration to focus on MRV systems and welcomed the opportunity to contribute to Phase 2 scoping study
- **Phase 2 aims to :**
  - Outline a roadmap for harmonized and compatible MRV systems
  - Assess and review the status of MRV systems for carbon markets in each AMS;
  - Identify synergies, similarities and differences among MRV systems for carbon markets;
  - Assess the interest in harmonizing carbon pricing initiatives and MRV systems among ASEAN countries
  - For each country, assess current thinking and track progress on initiatives related to carbon pricing instruments

## Phase 2

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- Consultant appointed by UNFCCC Regional Collaboration Centre (Bangkok)
- Interested AMS nominated national focal / contact points to
  - facilitate in the collection of the data required for drafting the country reports,
  - provide national perspectives on the potential for collaborative initiatives among ASEAN countries on MRV systems and carbon pricing.
- In-country consultations conducted from Sep to Nov 2018, country reports prepared, validation workshop organized to share and discuss findings

# Phase 2 – Validation Workshop, 22-23 Nov 2018

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- Present the findings (from the in-country consultations) the state of MRV within each AMS, and their readiness in adopting carbon price as a mitigation option.
- AMS were invited to comment on the findings and provide their inputs to the report, AMS also shared their priorities for action with respect to MRV development
- Workshop was beneficial:
  - Learning from each other, understanding the progress of MRV development and implementation within each AMS
  - Recommendations on future activities and follow-up to be undertaken under Phase 3

# Subsequent Phase 3

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- Known as PaSTI-JAIF project
  - Planned to start from Jan 2019
  - Japan –Ministry of the Environment (MOEJ) developing a proposal for Phase 3 to be funded by JAIF
  - The proposal will build on the recommendations / roadmaps developed under Phase 2 of CI-ACA

*PaSTI - Partnership to Strengthen Transparency for co-Innovation  
JAIF – Japan-ASEAN Integrated Fund*

Thank You