IETA

MAKING NET ZERO POSSIBLE

COP28 SUMMARY REPORT

(*Photo: UN*)

INTRODUCTION: A great leap forward and a bump in the road

History will record COP28 as being the first UN climate summit at which the end of our consumption of fossil fuels was explicitly referenced in the proceedings, after a long battle that pitted more than 100 nations against the entrenched interests of those economies whose wealth or development relies on oil and gas.

But it will also be remembered as a disappointment for carbon markets. What we had anticipated would be largely technical and operational negotiations became politicised and entrenched, leading to a failure to advance the project-based mechanism of Article 6.4.

While the high-profile negotiations over the COP's political statement boiled down to an argument over exactly how our move away from fossil fuels should be characterised, the discussions over carbon markets became entangled in ideological differences that could not be overcome.

On the sidelines of the political talks, the voluntary markets reprised their successes from Sharm el-Sheikh and continued to show the ingenuity and ambition that the private sector is ready to bring to the challenge of climate change.

"Work faster, work smarter, work harder"

COP28 represented the first major waypoint in the life of the Paris Agreement – the Global Stocktake, at which nations would assess for the first time their progress towards the goal of achieving net zero emissions by the middle of this century.

Expectations for the high-level portion of the conference were tempered somewhat by the fractious geopolitical atmosphere and the ongoing conflicts in Ukraine and the Middle East, and the fact that the event was being hosted in a country whose economic development has been built largely on fossil fuels. Indeed, the drive from Dubai city to the COP venue passes one of the largest natural gas-fired power stations in the world.

COP28 President, Sultan Al-Jaber of UAE (Photo: UN)

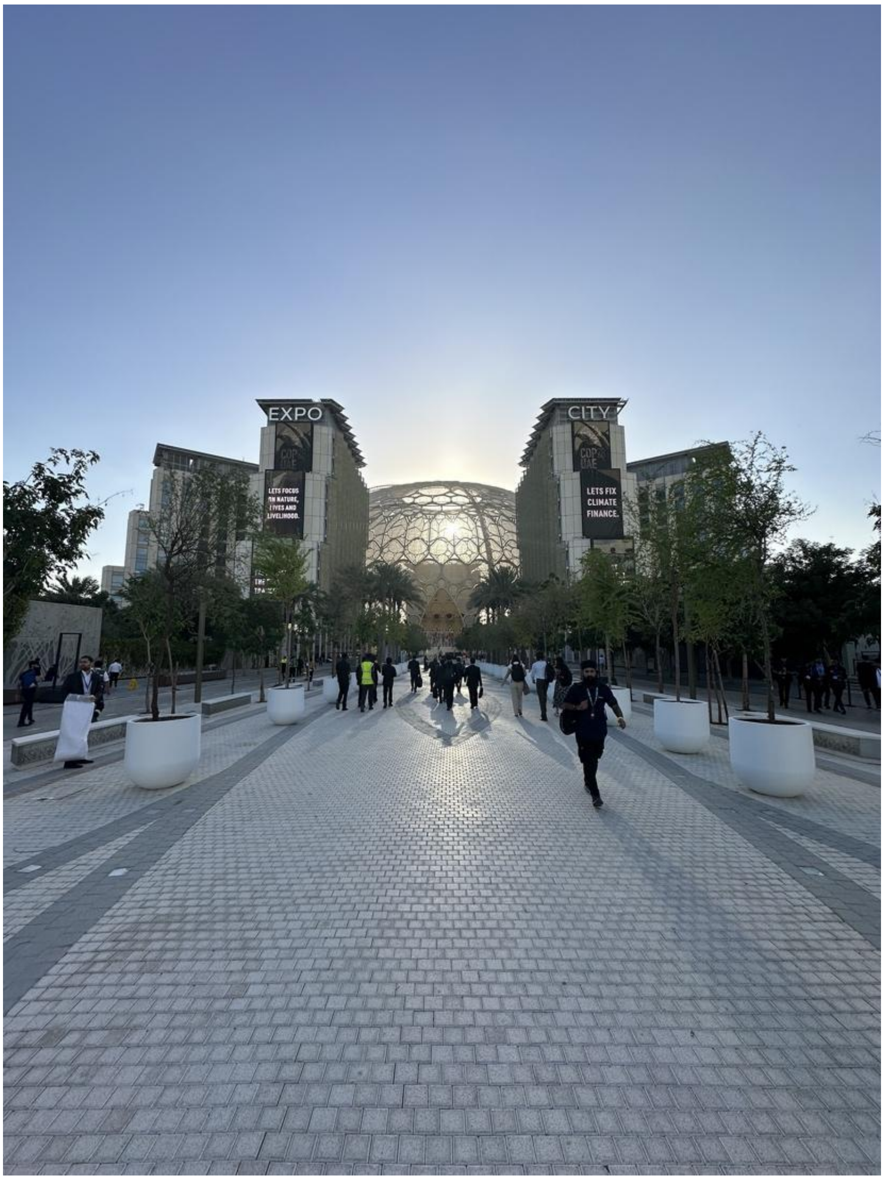
Sultan Al-Jaber, who was elected President of COP at the first plenary, is also the CEO of ADNOC and the minister of industry of the United Arab Emirates. Unsurprisingly, environmental groups were not inclined to trust that a representative of an oil company and a minister of an OPEC member state would send the right messages to negotiators or indeed to the watching world.

Al-Jaber's stewardship of the talks was not helped by controversies that erupted during the first week. As the conference began, he was accused of using COP preparations to lobby for oil and gas deals, and a few days later a recording of a meeting with Mary Robinson, a former UN Special Envoy on Climate, appeared to show Al-Jaber saying there was "no science" supporting a call to phase out fossil fuels.

But he shrugged these aside, and throughout the two weeks repeated his calls to Parties to show the greatest ambition. "Be flexible, find common ground, come forward with solutions, and achieve consensus," he told delegates. "And never lose sight of our North Star of 1.5°C."

COP28 and the First Global Stocktake

This year’s summit was the largest COP ever held. More than 80,000 participants were registered, more than twice as many as at Glasgow two years before. Yet, Expo City, the immense futuristic venue 30 kilometres south of Dubai city, absorbed this number effortlessly.



COP28 (*Photo: IETA*)

COP28 had one big task: to carry out the Global Stocktake (GST), a five-yearly mandated review of countries’ Nationally Determined Contributions to ensure that they were in line with the Paris goals.

As delegates arrived in Dubai, they already knew that our efforts are not yet sufficient, and that COP would need to encourage even greater ambition to speed up the energy transition.

The UNFCCC's own synthesis report from the technical dialogue over the GST had found that "much more ambition in action and support is needed in implementing domestic mitigation measures and setting more ambitious targets in NDCs … in order to reduce global GHG emissions by 43% by 2030 and further by 60% by 2035 compared with 2019 levels and reach net zero CO2 emissions by 2050 globally."

UNFCCC Executive Secretary Simon Stiell warned that the Earth was headed for temperature increases of more than 3 degrees Celsius, rather than the 1.5 degrees set out in the Paris text.

The fortnight began with a major success. After the opening plenary had taken a moment to mark the passing of UK negotiator Pete Betts and Bangladeshi scientist Saleemul Huq, President Al-Jaber proposed that the Loss & Damage Fund, which had been established only a year previously, should be operationalised.

Amid widespread acclaim, the Fund was formally operationalised and countries pledged upward of $750 million to the Fund. As a result, proceedings got underway amid a noticeably more positive mood.

The COP would treat its political declaration on the Global Stocktake as its overarching political text – the "chapeau" of this meeting – which would lay out the agreed pathway for the next five years.

And it was very clear from the first moments that COP28 was going to tackle the issue of fossil fuels.

This was new ground: while the Glasgow COP ended with specific calls to phase down "unabated coal", no COP has ever tackled fossil fuels in general, nor had the words themselves ever figured in a decision text. With mitigation so high on the agenda, it was perhaps time that the COP dealt with the source of 89% of the world's anthropogenic emissions.

There was robust resistance from oil and gas producing countries, as well as some emerging economies. Saudi Arabia insisted at the start that there should be no reference to fossil fuels in the text, as did other oil-producing countries, and a few emerging nations argued that they needed continued access to oil and gas in order to further grow their economies.

Yet over the course of the two weeks, a revitalised version of Paris' High Ambition Coalition converged around a call for strong language on fossil fuels in the final GST text.

Indeed, much of the speculation around the COP centred around whether the final GST would reflect this growing consensus, but as the conference entered its final days, the stand-off remained.

At an impressively-staged "Changemakers' Majlis" (Council) on the final Monday, leaders and heads of delegation spoke personally of their goals for COP, which was described by the COP President as the "turning point".

At the Changemakers’ Majlis on Sunday December 10, COP President Al-Jaber exhorted leaders and heads of delegation to bridge the divides on the Stocktake text (Photo: UN)

More than 100 countries including the U.S. had joined the Coalition pressing for phase-out language, but the Arab Group repeated the controversial claim from the first week that “science does not predict or project any phase-out of fossil fuels, or zero fossil fuels in 2050, in a world where global temperature rise is kept to within 1.5 degrees.”

In the end, the final text of the Global Stocktake – dubbed the “UAE Consensus” – was a wide-ranging and far-reaching document that addressed all the main touch-points of climate policy:

Regarding energy, the GST text pledged Parties to:

- Tripling renewable energy capacity globally and doubling the global average annual rate of energy efficiency improvements by 2030;
- Accelerating efforts towards the phase-down of unabated coal power;
- Accelerating efforts globally towards net zero emission energy systems, utilising zero- and low-carbon fuels well before or by around mid-century;
- 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;
- Accelerating zero- and low-emission technologies, including, inter alia, renewables, nuclear, abatement and removal technologies such as carbon capture and utilisation and storage, particularly in hard-to-abate sectors, and low-carbon hydrogen production;

- Accelerating and substantially reducing non-carbon-dioxide emissions globally, including in particular methane emissions by 2030;
- 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, and
- Phasing out inefficient fossil fuel subsidies that do not address energy poverty or just transitions, as soon as possible.

There was some disappointment that the language on fossil fuels had indeed been toned down, and some concern at the reference to "energy systems" only, but the pledges to treble renewable energy capacity and doubling energy efficiency represented a considerable advance, other participants pointed out.

This Global Renewables and Energy Efficiency Pledge targeted 11,000 GW of renewables capacity by 2030 and a doubling of the energy efficiency improvement rate from 2% to 4%, but the list of countries signing up to the pledge was noticeable for the absence of China and India.

The Stocktake also called on countries to submit their updated Nationally Determined Commitments for the period to 2035 no later than 2025.

Developed nations were estimated to have reached their original 2020 goal of mobilising $100 billion a year in climate finance only in 2022, and the COP decisions began the process of negotiating a New Collective Quantified Goal by 2025.

The U.S. pledged $3 billion in support to the Green Climate Fund, while an alliance of the GCF, Allied Climate Partners and Allianz Global Investors pledged to mobilise $5 billion in philanthropic, public and private funding to unlock long-term capital of $20 billion to advance climate and nature action.

Beyond the Loss & Damage Fund and the Stocktake itself, COP outcomes included an Oil and Gas Decarbonisation Charter, a commitment by 50 oil and gas companies (representing 40% of global production) to reach near-zero methane emissions and end flaring by 2030.

The UAE Consensus also included a goal of halting and reversing deforestation by 2030.

Outside the scope of the GST, a group of more than 20 countries also pledged to treble nuclear generation capacity, while more countries joined the Powering Past Coal alliance, taking the total number of members to 57.

A helpful compilation of the many reports and documents published for COP28 was produced by Policy Commons.

In his closing address to the COP, executive secretary of the UNFCCC Secretariat, Simon Stiell, called the collected decisions "a climate action lifeline, not a finish line".

"We need to turn these pledges into real economy outcomes," he said. "We need to signal a hard stop to fossil fuels. While we didn't turn the page [in Dubai], this outcome is the beginning of the end."

“The Global Stocktake shows us progress is not fast enough, but undeniably it is gathering pace. The political and economic logic is increasingly insurmountable,” he concluded.

“Progress is not fast enough, but undeniably is it gathering pace”: Simon Stiell (Photo: UN)

Article 6 negotiations

Former UN Secretary General Ban Ki-Moon told COP15 in Copenhagen not to let “the perfect be the enemy of the good”. Those words could equally apply to the outcome (or non-outcome) of the Article 6 discussions at COP28 in Dubai.

IETA’s policy team had anticipated the Article 6 negotiations would be largely technical and operational in nature. The Article 6.4 Supervisory Body had spent the year developing and agreeing on the methodological guidance which was ready for adoption at COP, and had also prepared guidance on removals in a second recommendation. However, ultimately negotiations broke down and Parties could not agree to either the Article 6.2 or 6.4 draft decisions, even after several long nights of deliberations.

Article 6.4

The agenda for the 6.4 discussions covered:

- The Article 6.4 SB’s recommendations on requirements for methodologies and additional requirements for removals;
- The eligibility of emission avoidance and conservation enhancement as new activity types, in addition to emission reductions and emission removals;
- Rules on timing and revision of authorisation statements (including potential revocation); and
- Interoperability of registries (6.4 mechanism, national, international).

The EU and the Coalition for Rainforest Nations expressed strong opposition to the recommendation on removals, while they were content to accept the methodologies paper. However, the Like-Minded Developing Countries (led by Saudi Arabia and including China and India) refused to separate the fate of the two SB recommendations.

The interaction between the 6.4 mechanism registry and the international registry was also the source of a deep divide. The U.S. (supported by Australia) came out adamantly against developing a transactional international registry where A6.4 ERs would be hosted and traded, while the African Group and the Least Developed Countries felt strongly about having a UN-run international registry performing all functions of a fully-fledged registry.

Despite talks continuing until the final night of COP, Parties could not bridge the gaps in their positions, with the EU reported as being particularly intransigent.

While a compromise on the other two agenda items appeared to have been found (including convincing the Philippines to give up its solitary battle on emission avoidance after over two years), the disagreement over the SB recommendations generated discord and allowed Parties to raise objections that might not have surfaced had there been accord over the main topics.

For example, the UK raised concerns with language that could allow Parties to unilaterally revoke authorisation of International Transferred Mitigation Outcomes (ITMOs) after first transfer, albeit only in “exceptional circumstances”, pointing out that this would impact investor confidence and threaten environmental integrity.

Mexico, not an active Party in the negotiation for several years, surprised many by taking the floor and rejecting both the 6.2 and 6.4 decisions on the grounds of insufficient human rights safeguards.

Article 6 negotiations (Photo IETA)

Article 6.2

The mandate for the Article 6.2 talks in Dubai was to agree on a set of rules for reporting, review, registry interoperability and authorization timing for cooperative approaches. With several countries already engaging in bilateral agreements, this guidance would be useful to provide transparency on ongoing cooperation and confidence to potential newcomers.

It quickly became clear that certain Parties wanted to discuss more fundamental elements at the core of international carbon markets, dubbed by some as "renegotiating" previous compromises reached in Glasgow and Sharm-el-Sheikh.

The 6.2 negotiations dealt with:

- Definition of cooperative approaches;
- Common nomenclatures and an Agreed Electronic Format for reporting;
- Application of first transfer;
- Sequencing of the review of initial report and ITMO authorisation;
- Treatment of inconsistency and the process to review confidential information;

- Authorisation (process and templates for three types of authorisation, revisions and revocation), and
- Interoperability of registries (6.4 mechanism, national, international).

The EU, the Latin American and Caribbean Alliance (AILAC) and the Alliance of Small Island States (AOSIS) tried to introduce more centralised oversight over Party-to-Party cooperative approaches, including a restriction of what would be considered a cooperative approaches, an ex-ante review and approve of each cooperative approaches before ITMOs could be authorised, and a convergence in methodologies and processes between 6.2 cooperative approaches and the 6.4 mechanism.

This was strongly opposed by the Umbrella Group (including the U.S., U.K, Australia, Canada and New Zealand) and the Like-Minded Developing Countries group (including China, India and Saudi Arabia), who took the view that Article 6.2's decentralised nature means that it should only be subject to the requirements of cooperating parties, rather than any outside authority.

This ideological tug-of-war could not be resolved in Dubai, meaning that the "status quo ante" remains in force.

As with Article 6.4, talks continued up to the final night of the COP before Parties acknowledged that there was no agreement possible.

Analysis of the outcomes

For IETA, the lack of outcome from COP28 is a matter of deep regret. Parties missed an opportunity to expedite the operationalisation of a crediting mechanism that would have set a high bar on environmental integrity, safeguards, and human rights.

The failure to provide clarity on authorisation, the interoperability between registries and the adoption of the recommendations on methodologies under Article 6.4 implies another significant delay to the mechanism which ideally should have been up and running already years ago.

More worrying still, it appeared as though there was an emerging "anti-markets" agenda that in our view threatens the achievement of the net zero goal.

This politicisation of the Article 6.4 talks threatens to set a precedent whereby the work of the Supervisory Body could be subject to excessive outside interference, undermining the confidence and stability the private sector needs to invest and register projects with the mechanism.

It is telling that all existing "users" of Article 6 (Japan, Switzerland, Singapore, and the African Group) considered the final draft texts an acceptable compromise and supported their adoption.

Yet at the same time, Article 6.2 has already been operational since COP26, and the lack of agreement at COP28 does not stall its progress, as was evidenced by the large number of agreements unveiled in Dubai. And the progress already being made by the voluntary carbon markets will help to inform and encourage those discussing the development of 6.4, with IETA continuing to play an important and constructive role in its operationalisation.

In the closing plenary, COP President Al-Jaber said that discussions under the existing SBSTA mandate will continue at the 60th meeting of the Subsidiary Bodies in Bonn next June, and that the Supervisory Body should continue its work on operationalising Article 6.4.

The Voluntary Markets and Non-Negotiated Outcomes

Last year, our Summary Report from COP27 was entitled “Cinderella Comes to the Ball”, referring to the rapid emergence of the VCM as a major area of interest and activity in Sharm el-Sheikh. It was no different in Dubai.

The sheer number of side-events across the entire COP venue was challenging for anyone trying to attend them all. The U.S., EU, China, Indonesia, India, Japan, Canada, Italy, Malaysia, Brazil, Chile, the African and development banks’ joint pavilions and even the COP Presidency’s own private roundtable room all hosted VCM-themed sessions, while IETA played its part by hosting eleven VCM events at the Business Hub.

One of the highest-profile events at COP gathered six (6) of the world’s leading independent crediting programmes to announce formation of a first-of-its-kind “integrity collaboration”. The programmes include ACR, Architecture for REDD+ Transactions, Climate Action Reserve, Global Carbon Council, Gold Standard and Verra. IETA facilitated this process and will continue to support the collaboration’s work and expansion through 2024.

Leaders of the biggest independent crediting programmes spoke at an event to announce their new “integrity collaboration” (Photo: IETA)

And stakeholders made a raft of high-profile announcements and agreements to underpin the VCM’s continued and even increased relevance.

Just before the start of COP the VCMI published its Claims Code of Practice, while Verra released its consolidated REDD+ methodology.

The CAD Trust Data Dashboard was launched on December 15, with four independent registries and one national registry already linked.

A group of six stakeholders including ICVCM and VCMI produced an infographic to outline their roles in supporting ambitious climate action.

A new REDD+ standard supported by Forest Trends, Wildlife Works and Everland was launched, with pilot projects expected to be implemented in Brazil and the Democratic Republic of Congo.

A group of seven EU member states issued recommendations on corporate claims related to voluntary credit purchases. IETA sees this as a positive announcement, with EU countries acknowledging the use of voluntary carbon markets for corporate climate action.

The recommendations are fair and generally aligned with IETA's views, except where they state voluntary carbon credits must be correspondingly adjusted and may not count towards a company's interim targets. IETA appreciates that the recommendations recognise the need for both contribution and offsetting claims.

The Article 6 Implementation Partnership Center, hosted by IGES, announced its official collaboration with IETA to scale up capacity building and implementation of Article 6 with a focus on private sector participation.

In Sharm el-Sheikh last year, the U.S. unveiled its Energy Transition Accelerator, a markets-based finance platform to accelerate the shift away from fossil-based power. In Dubai, the lead partners behind the ETA published details of how the ETA will work, and what standards the reductions will need to meet.

During the first week of the conference, the Financial Times published a strongly pro-markets article co-authored by IMF managing director Kristalina Georgieva, Ursula von der Leyen and WTO director general Ngozi Okonjo-Iweala. "Carbon pricing's growing appeal boils down to three factors," the co-authors wrote. "First, it works... Second, it is the most cost-efficient solution... Third, with the right design, it's fair."

Singapore's GenZero published a paper on the VCM, identifying "pain points" and offering solutions. In particular, the report highlighted that:

- The industry needs to shift away from discussing quality in general to specific quality considerations;
- Having quality controls is important, but it must be balanced with pragmatism, and
- Technology is a critical lever to scale the market.

The Monetary Authority of Singapore (MAS) also launched the Transition Credits Coalition (TRACTION), to scale the early retirement of coal-fired power plants in Asia through high-integrity carbon credits. IETA is an official knowledge partner to the initiative.

In addition to the above, PwC Singapore launched a new report on "Enabling a Net Zero world", exploring the role of carbon credits and RECs in Southeast Asia, with substantial contributions from IETA's Singapore team.

The International Organisation of Securities Commissions (IOSCO) published a consultation report on the VCM, seeking stakeholder views on what it calls "potential vulnerabilities" around market integrity. IOSCO's report highlights:

- Concerns at the project level, regarding the environmental integrity of the carbon credits and the manner in which carbon credits are issued to a registry;
- Issues relating to the characteristics of the trading environment in which credits are transferred from one party to another, and the behaviour of market participants in doing so, and
- Issues regarding the use and disclosure of use of carbon credits by buyers.

The document proposes a set of 21 good practices that should guide market practitioners, and issued an invitation for comments.

Numerous other initiatives also referenced the VCM, or sought to build on its achievements.

At the IETA Business Hub

The activity around the IETA Business Hub this year mirrored how high-integrity delivery and convergence are already underway for the carbon markets.

The discussions underscored substantial progress, emphasising that while adoption in the negotiation rooms was important for building momentum, Article 6 implementation and markets are nevertheless moving forward, with stakeholders consistently elevating ambition.

Several discussions detailed the integrity of delivery in the voluntary carbon market. The “Joint Statement and Crediting Standards Collaboration Showcase” connected the dots, with signatories stating their rationale: as countries gear up to work with Article 6 and fulfill their NDCs, the programmes established by independent crediting mechanisms for decades is a reference.

The linking of markets was the core theme to the session “Synergies Unleashed: Bridging Article 6, VCM, and Exchange Dynamics for a Sustainable Future” organised by ACX. Speakers highlighted how integrity initiatives, such as ICVCM or VCMI give certainty to economics actors – countries and their compliance markets included - on both what they’re selling and buying.

This brings us to the elephant in the room, this year's IETA session on Article 6, themed “The State of Article 6 Negotiations: Unlocking Engagement in 2024”.

A packed side event room and an eager on-line audience for our traditional update on the progress of Article 6 negotiations. (Photo: IETA)

The session reflected the collaborative effort, bringing together negotiators and private sector representatives. If the CMA (non)-outcome for Article 6.2 and 6.4 failed at securing a rulebook, the session notably served as a reminder that the current implementation of Article 6.2 was already establishing ground rules for buyers and sellers, just as the VCM is.

At the launch of IETA's GHG Market Report our CEO recalled how, when he started working in carbon markets, almost every trade received a press release. Today, everyone is anticipating the announcement of the first ITMO transaction(s) and looking forward to this next step.

In parallel, and as highlighted during the Global Carbon Pricing Challenge (GCPC) Exchange session, 10 years ago only 7% of global emissions were covered by a carbon tax or ETS. Today, approximately one-quarter of all global emissions are covered by an emission trading scheme.

Article 6 implementation and carbon markets are advancing, built on VCM experience and ever-increasing integrity, and this is for the best. As Dirk reminded us during the CEO roundtable, the most crucial stocktake is on how we're doing on cooperation, and that is what markets are about.

Echoing this sentiment, former ICROA chair Jonathan Shopley underscored at the GHG report launch that an effective international cooperation and carbon market bring cost efficiency, allowing higher ambition.

This thread would not have been complete without the hundred side-events covering all crucial topics, from CDR-CCUS to nature-based climate solutions, transparency and fairness, standards and integrity, Article 6, VCM and linking carbon markets, net-zero and carbon pricing or the role of new digital infrastructures in reporting and implementation (The CAD Trust Data Dashboard was launched on December 12!).

The importance of diversity in our world was not forgotten. Some events focused on regions or countries, such as the one on lessons from the launch of the West Africa Carbon Market Hub, reflecting how this conference, co-organised by the B-PMI initiative, supported the scaling up of public and private capacity to deliver the goals of the Paris Agreement.

All events hosted by IETA and ICROA, as well as our members, partners and sponsors are available on IETA's YouTube Channel HERE. The full programme of all events hosted by IETA, ICROA, our members, partners and sponsors can be found HERE.

In addition to the social lounge and the side event room, IETA's Business Hub terrace also became the venue for important meetings, such as this Article 6 discussion group. (Photo: IETA)

Outside the IETA Business Hub and the negotiating rooms

Beyond hosting, attending, and speaking at events at the IETA Business Hub, and following the negotiations, our team made sure to stay busy by getting involved with other delegations and pavilions. IETA was represented through speaking opportunities in over 35 side-events.

All regions and topics were covered. Dirk was invited to speak at the opening session of the Chinese Carbon Market at China's pavilion on December 4 and two days later he and Professor Zhang Xiliang, the Chief Commissioner of the China Emissions Trading Association (CETA) signed a memorandum of understanding between IETA and CETA.

Both sides agreed to enhance cooperation in communication, knowledge sharing, capacity building and networking in the area of climate change and carbon markets.

IETA CEO Dirk Forrister and CETA chief commissioner Professor Zhang Xiliang signing an MOU on December 6 (Photo IETA).

This opportunity will enable both organisations to enhance and learn from each other's experiences, consistently supporting carbon markets that are also continually improving and learning from their own journey.

Going to another region of the world, Dirk made a strong intervention on the importance of nature-based climate solutions and international carbon credits while speaking at the EU Pavilion at an event on “Realising the full potential of carbon pricing and markets: Opportunities for Europe, Africa and the World”.

He emphasised the need for businesses to access abatement opportunities globally to achieve net-zero goals, notably in Africa, where significant opportunities exist and should be unlocked with proper financial and regulatory signals.

After launching the Article 6 Implementation Partnership in Glasgow, IETA was pleased to participate in the launch of the first implementation support packages in Dubai. (Photo IETA)

Katie Sullivan participated in a leaders' dialogue on Carbon Pricing in the Americas at Panama’s pavilion, before moderating the high-level technical exchange on the [Global Carbon Pricing Challenge] (GCPC) at IETA’s pavilion on the same day. From now through COP30, IETA will be co-secretariat of the GCPC and we played a key role in developing GCPC’s new [website].

Björn Fondén participated in a high-level panel discussion on “Mobilising Climate Finance for Low Carbon Development in India”. The event at the India Pavilion highlighted the opportunity of carbon markets in driving the low-carbon transition in India, contributing with up to $12.5bn annually, and the importance of getting the rules right for India’s upcoming compliance market mechanism.

Simon Henry was invited to speak at an event in the Turkish pavilion about the country's ETS, which will launch next year, while Ellen Lourie joined a panel on "promoting carbon markets with high integrity and environmental quality credits: the importance of developing protocols that respond to national circumstances" at Panama's pavilion.

Antoine Diemert moderated a panel at the South Africa Pavilion on "Putting a price on carbon: how market-based mechanisms can unlock climate action".

IETA was also present at the pavilions of B-PMI target countries, highlighting the success of the initiative in engaging with local stakeholders. For instance, Pedro Venzon spoke on a panel organised by Petrobras, discussing the role of carbon markets in financing systemic environmental services and NCS in Brazil's decarbonization trajectory.

The Indonesian chamber of commerce KADIN invited Dirk Forrister and Andrea Bonzanni to speak at an event taking stock of carbon market developments and opportunities in the Southeast Asian country. Dirk and Andrea also spoke at Africa-focused events hosted by the Economic Community of West African States (ECOWAS) and the Africa Carbon Market Initiative (ACMI).

On a more thematic focus, IETA was invited to speak at the UNFCCC side event "What's next for the Article 6.4 mechanism?". Andrea Bonzanni delivered key messages that resonate strongly today. IETA's International Policy Director emphasised the need to adopt the SB recommendations at COP28 and continue the work next year, highlighting that the mechanism is setting a desirable high bar.

However, his remarks also served as a reminder of the importance of being cognisant that if the mechanism is perceived as too slow, costly, politicised, or unreliable, project developers and investors have alternative—high-integrity—options. A recording of the session is available here.

This aligns with Katie Sullivan's remarks at the event "Unleashing the potential of the Voluntary Carbon Market in ASEAN" at the Malaysia pavilion. She emphasised the significance of well-designed compliance markets and the evolving and critical role of voluntary units who are expected to be more and more accepted under compliance markets.

Finally, IETA also held its Council Meeting and Annual General Meeting during COP, at which Enric Arderiu of Mercuria was elected Chair of the Council, while Mary Grady of Environmental Resources Trust and Federico Di Credico of ACT Commodities Group were elected as Vice-Chairs.

The meeting was also delighted to honour Angela Churie Kallhauge and Nick Campbell as IETA Fellows in recognition of the outstanding contributions to the carbon market and its professional community.


IETA's annual general meeting (Photo IETA)

Thank you to all our Sponsors and Partners

Our COP28 programme would not have been possible without the support of our Hub sponsors and partners – thank you all very much!