

#IFADiNnovationTalk No. 11

Please join IFAD's Change, Delivery and Innovation Unit (CDI) and the Environment, Climate, Gender and Social Inclusion Division (ECG)

For the eleventh IFAD Innovation Talk

On the topic:

INNOVATIVE CLIMATE FINANCE:

Developing national frameworks for Article 6 and Voluntary Carbon Market: lessons from Ecuador, Ghana, Indonesia and VERRA

Date: Thursday 13 October 2022

Time: 14.00-15.00 CEST

Register here:

https://ifad.zoom.us/webinar/register/WN_WmPP-yZHSba9MPPZsA51ag

Background to IFAD Innovation Talk no. 11

Globally, countries have committed to reducing their emissions as detailed in their Nationally Determined Contributions (NDCs) under the UNFCCC, and to reporting against these targets through Biennial Update Reports (BURs). A year ago, at COP26, the negotiation of Article 6 of the Paris Agreement was finalized.

Two key sub-articles agreed at Glasgow are: Article 6.2 covers bilateral actions to reduce or remove GHG emissions, by setting out guidelines covering internationally transferred mitigation outcomes (ITMOs)¹ between two governments that are Parties to the Paris Agreement, with the use of an accounting mechanism known as “Corresponding Adjustment,” to ensure proper accounting of ITMOs between countries; Article 6.4 creates a new multilateral mechanism to replace the old UNFCCC Kyoto Protocol’s Clean Development Mechanism (CDM), under the oversight of a UN supervisory body. These new rules cover both government-to-government and government-to-private sector transfer of emission reductions. Some early signals suggest these new rules will guide the practices of fully private sector or voluntary carbon market activities.

Since Glasgow, countries started to adjust their national framework to be able to exchange ITMOs under article 6.2, and trade emission reductions under the article 6.4. At the same time, the main Carbon Standards, involved in Voluntary Carbon Market, have adjusted their approaches to these new options offered to countries to value their GHG Emission Reductions.

About the session

This webinar will be an opportunity to take stock of the progress of countries and private sector actors in this context since COP26, as well as the challenges they are facing. Panellists will provide insights on how countries are handling emission reductions, to report against their own targets as defined in their NDCs, or to be channelled through article 6.2. or 6.4. Given the mandate of IFAD, a specific focus will be on the emissions reductions generated from Agriculture, Forestry and Other Land Use (AFOLU) sector.

The event will aim to answer the following questions:

- What progress have countries made in regulating the use of GHG emission reductions, since the approval of Articles 6.2 and 6.4, and what challenges are they facing?
- How Carbon Standards have adjusted their methodologies and approaches since the approval of Articles 6.2 and 6.4, and for the voluntary carbon market?
- What are the specific challenges and opportunities for GHG emission reductions generated from the agricultural sector in this new context?

¹ The term ITMOs has been used since the 1997 Kyoto Protocol to refer to internationally traded carbon credits between two governments

Hosting organization

IFAD is an international financial institution and specialized United Nations agency based in Rome, the UN's food and agriculture hub. Since 1978, the Fund has provided US\$23.2 billion in grants and low-interest loans to projects that have reached an estimated 518 million people. At the International Fund for Agricultural Development (IFAD) we invest in rural people, empowering them to increase their food security, improve the nutrition of their families and increase their incomes. We help them build resilience, expand their businesses and take charge of their own development.

Learn more about IFAD [here](#)

About the IFAD INNOVATION TALKS

IFAD Innovation Talks are a series of learning and knowledge sharing sessions, lasting one hour. They feature innovative approaches, tools, products and services developed by IFAD, its partners and the members of the IFAD Innovation Network in order to further the aims of the network. The Talks follow various formats: from interviews and panel discussions to TEDx talks and demonstrations of new technological tools.

If you would like to watch the Innovation Talks series, please click [here](#)

About the IFAD INNOVATION NETWORK

The IFAD Innovation Network is an informal, democratic, non-hierarchical space to share ideas, good practices, tools and lessons learned on how members can use innovation to improve performance and better address the needs and challenges of our target groups and beneficiaries.

This group is open to IFAD staff, representatives of IFAD's members, fellow United Nations and Development Finance Institutions colleagues, representatives of academia, research centres, think tanks and the private sector, and those who wish to contribute to advancing innovation for the achievement of the Sustainable Development Goals.

Don't hesitate to get involved and share your ideas with us!

If you're not a member yet, apply to join us here: <https://ifad.dgroups.io/g/IFADInnovation>