

>> NewClimate Institute contributions to [Innovate4Climate - 22-24 May 2018 - Frankfurt](#)

Events

Meet the NewClimate team from Tuesday to Thursday at the German Pavilion



Full report:
bit.ly/2rB6bi3

Costs and Climate Impact of Offsetting Emissions under CORSIA

ICAO is currently in the process of establishing emission unit criteria for the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). In this context, this workshop will discuss new research on the mitigation impact of CORSIA's demand for offset credits under different eligibility restrictions and the cost implications based on a supply curve analysis for the CDM. This will be complemented by recent analysis of the potential supply of offset credits from voluntary programmes – such as the Gold Standard, Verified Carbon Standard and Climate Action Reserve – which, like the CDM, may be eligible sources of credits under CORSIA. Results are presented and discussed with relevant stakeholders such as airline operators and policy-makers.

Tuesday, 22 May

13h20 – 14h20

Room Sirius



Results Based NDC Implementation - Turning Climate Ambitions into Successful Actions

Hanna Fekete from NewClimate Institute presents current work on the development of Paris compatible investment criteria to enable finance institutions to align their investments with the long-term goals of the Paris Agreement. The current work builds on previous research which developed 2°C investment criteria for physical assets in the energy supply, buildings and transport sectors and is carried out in partnership with the World Resources Institute (WRI) and Germanwatch. The presentation will be part of a workshop event hosted by KfW and GIZ.

Tuesday, 22 May

15h40 – 16h40

Room Plateau 2



Full report:
bit.ly/2ItTJesf

Ambition Raising through Article 6 – Opportunities and Challenges

Facilitated by BMU, NewClimate Institute experts will join with colleagues from Wuppertal Institute to present the findings from a new discussion paper on “Opportunities and safeguards for ambition raising through Article 6”. NewClimate authors take the perspective of countries potentially transferring mitigation outcomes internationally, so called ITMOs. The paper shows why Article 6 should focus on driving mitigation in otherwise inaccessible abatement options and why it is critical that support should only last for a limited time period, after which own action must kick-in. Whilst participation in mechanisms can help deliver benefits, the realisation of these opportunities is entirely dependent on the effective design and implementation of measures to safeguard against potential risks that can create conditions for ambition disincentives. The event will discuss safeguards to ensure that instruments developed under Article 6 can deliver effectively on the needs of those who transfer mitigation outcomes, whilst providing positive incentives for ambition raising.

Tuesday, 22 May

16h00 – 17h00

German Pavilion



Aligning development finance with the Paris Agreement

Big challenges lie ahead for the international community to implement measures to achieve the temperature goals of the Paris Agreement and reach the Sustainable Development Goals. This requires action by a range of actors including Multilateral Development Banks (MDBs), which play a key role in financing global development and specifically energy and transport infrastructure. Aki Kachi from NewClimate Institute will present a preliminary approach to inform future decision making to address investment needs while aligning financial flows with these global objectives.

Thursday, 24 May

10h00 – 11h00

German Pavilion

Related publications



Opportunities and safeguards for ambition raising through Article 6 - The perspective of countries transferring mitigation outcomes

The *paper* shows why Article 6 should focus on driving mitigation in otherwise inaccessible abatement options and why it is critical that support should only last for a limited time period, after which own action must kick-in. Whilst participation in mechanisms may potentially deliver benefits, the realisation of these opportunities is entirely dependent on the effective design and implementation of measures to safeguard against potential risks that can create conditions for ambition disincentives.

bit.ly/2ItTJes



Robust eligibility restrictions for offset credits are needed for CORSIA to truly compensate for the growth in aviation's carbon emissions

This *blog post* is an opinion piece and shows that airlines with unrestricted supply of offset credits will not truly compensate the sector's growing CO₂ emissions. To achieve the aviation scheme's objective of carbon neutral growth, policy-makers must adopt robust criteria on the types of offset credits that are accepted. The rules should be designed to ensure that the scheme supports the development of new emission reduction projects or targets existing projects that would stop reducing emissions without further financial support

bit.ly/2GFV4hm



Marginal cost of CER supply and implications of demand sources

This *discussion paper* estimates the marginal cost of supplying CERs from projects that are currently registered under the CDM. We develop a supply curve using data on the individual ability of projects to potentially supply CERs over the period up to 2020. We analyse changes to the supply curve based on a number of scenarios which restrict the eligibility of CERs based on the timing of emission reductions, the timing of project investment decisions and registration under the CDM, as well as an assessment of the extent to which projects are vulnerable to the risk of discontinuing abatement activities without CER revenues

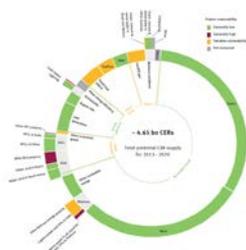
bit.ly/2rB6bi3



International cooperation on carbon markets: Status and prospects in select partner countries

This *suite of four publications* try to unpack the black box of where countries stand on their readiness to engage in Article 6 of the Paris Agreement. The three standalone case studies on Ethiopia, Vietnam and Ukraine discuss country-contexts on Article 6 readiness in an objective manner, looking at the enabling conditions in these countries, the feasibility to maintain robust accounting and MRV, and compatibility of their NDCs. Potential entry-points for international support to facilitate readiness are also discussed.

bit.ly/2jMHWJT



CDM Supply Potential up to 2020

This *discussion paper* estimates the potential supply of CERs from projects registered under the CDM for the period 2013 to 2020. The actual current demand for CERs is still low but could increase if CERs were used beyond the Kyoto Protocol (e.g. under CORSIA). When considering options for using CERs from registered projects, a key question for policy makers is whether the projects are likely to continue GHG abatement even in the absence of CDM revenues or whether they are vulnerable of discontinuing abatement.

bit.ly/2hMVTcH



Vulnerability of CDM projects for discontinuation of mitigation activities

This *research report* defines a vulnerability concept and applies this to the CDM to assess the vulnerability of projects to discontinue mitigation activities if after the implementation of project activities support from offset schemes disappears. This identifies project types and conditions under which mitigation activities are discontinued and emit GHGs again. This is relevant to programmes and funders that are willing to provide new support to existing projects, incl. new demand e.g. from CORSIA. Since in these situations the question arises under which conditions new demand or support leads to emission levels that deviate from BAU scenarios.

bit.ly/2pBwbaQ



Analysing the status quo of CDM projects

This *fundamental research*, conducted by NewClimate Institute on behalf of the German Federal Ministry for Environment (BMU), addressed major gaps in the current understanding regarding the status of individual CDM projects worldwide, as well as the barriers and means for supporting the continuation of these projects. The database created in this research forms the basis for a series of quantitative research activities on project based crediting activities.

bit.ly/2lqniql
