

# Article 6, sinks and net zero

Stefano De Clara – International Policy Director, IETA  
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# Vision of Net-zero Towards 1.5 ° C

- \* NDCs should extend economy-wide and decline to net zero
- \* Some emissions will likely remain – so removals are key (natural + technological)
- \* Opportunities for removals are not equal around the world
- \* Article 6 transfer system needs to support large scale reductions and removals
- \* Article 6 is essential part of Paris Agreement for private sector
- \* Its importance will increase over time

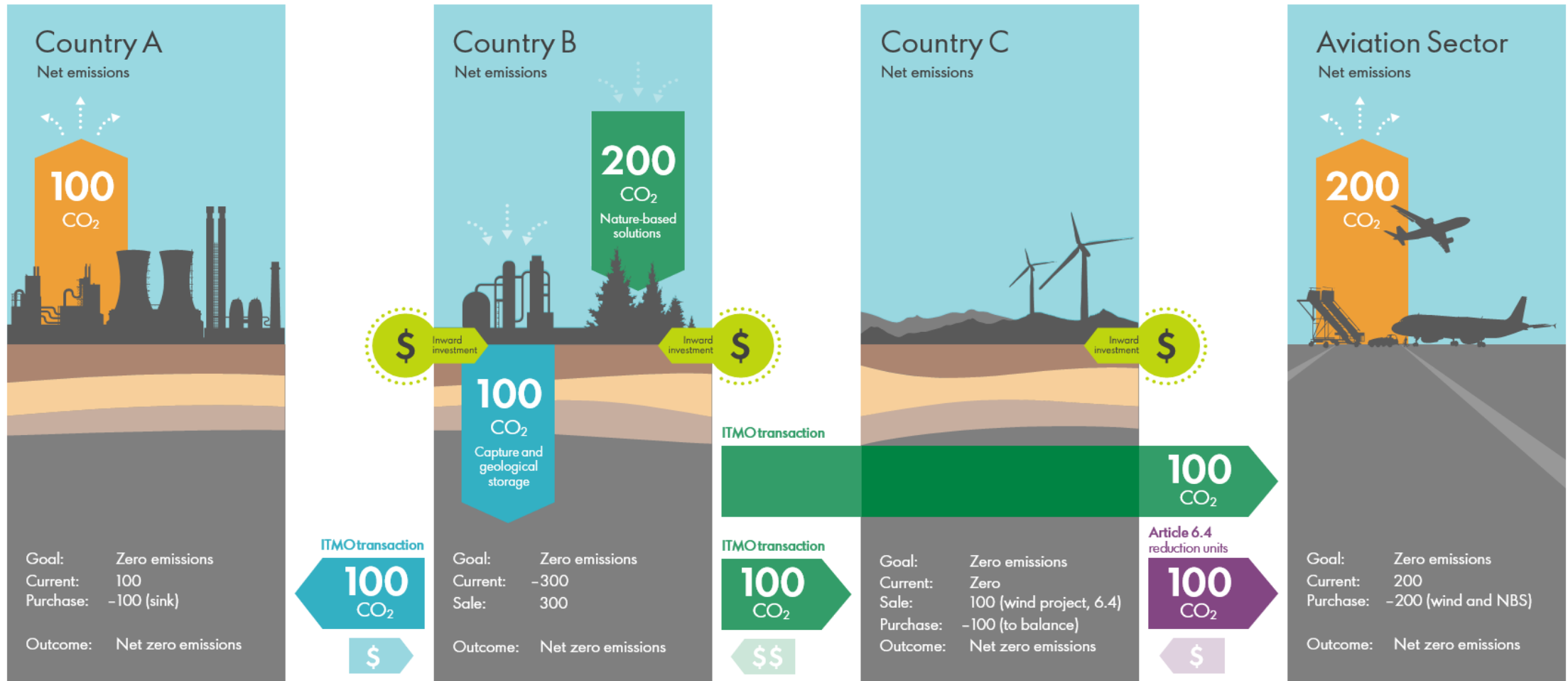


# Article 6, net zero and sinks



Figure 1 - With countries and sectors isolated, zero emissions is unlikely to be achieved.

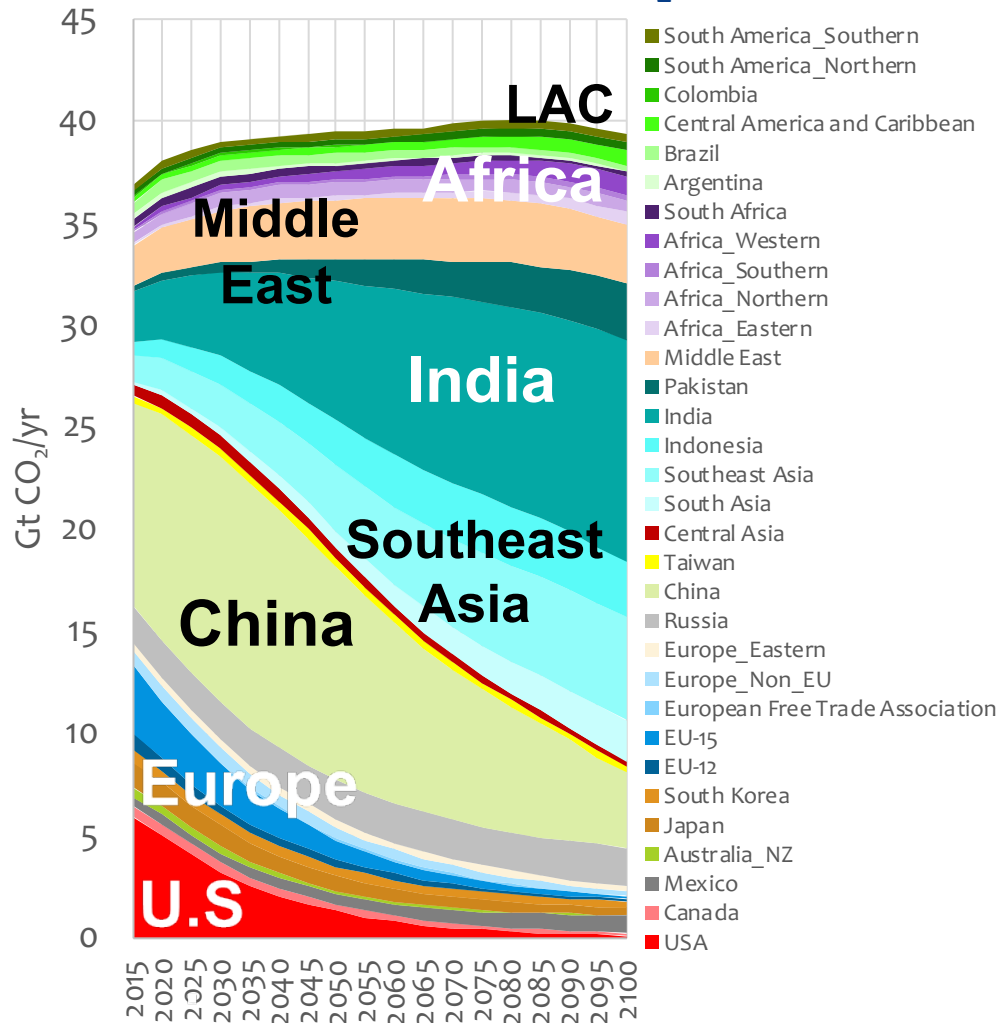
# Article 6, net zero and sinks



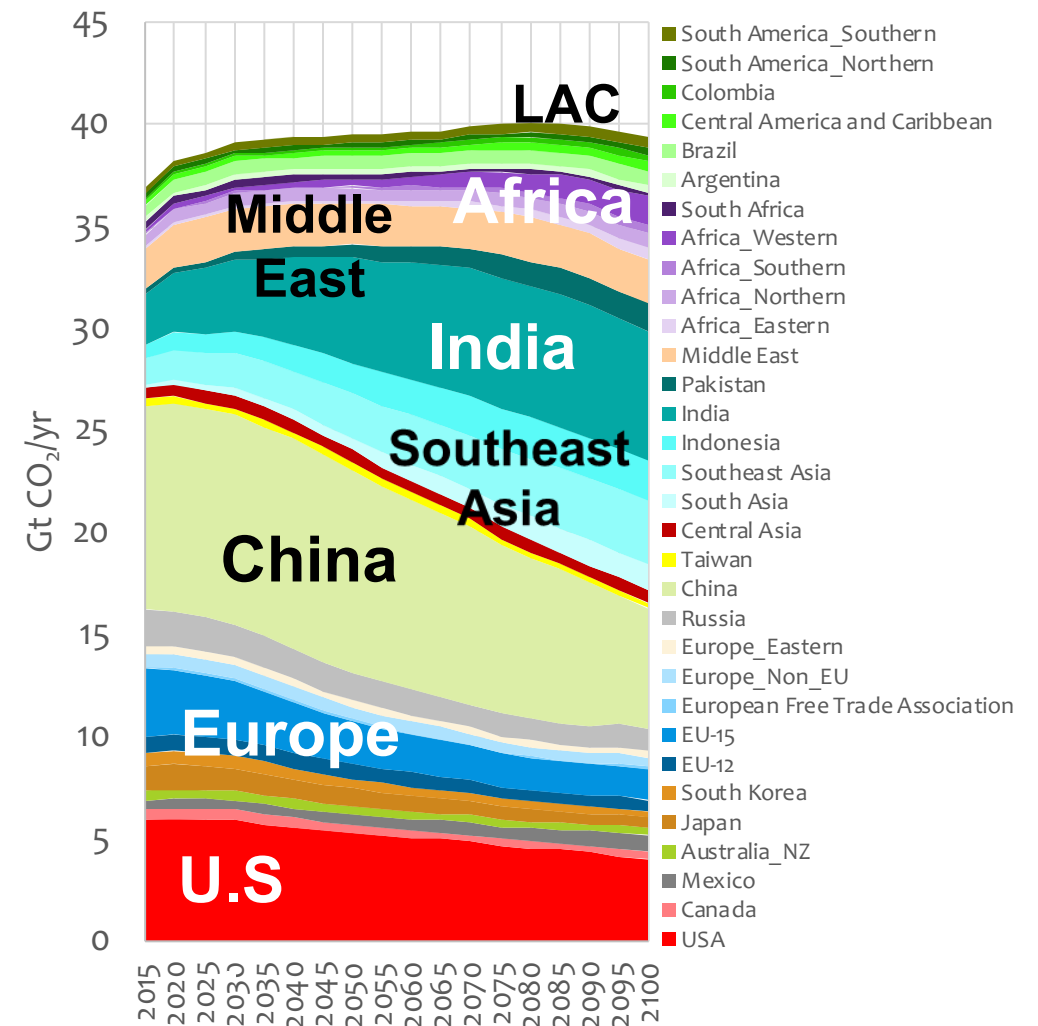
4 Figure 2 - Article 6 opens the possibility of trade in carbon units, drawing investment into areas where it would otherwise not occur and delivering a net-zero emissions outcome

# Emissions trajectory based on current NDC

## Global I-NDC Scenario CO<sub>2</sub> Emissions

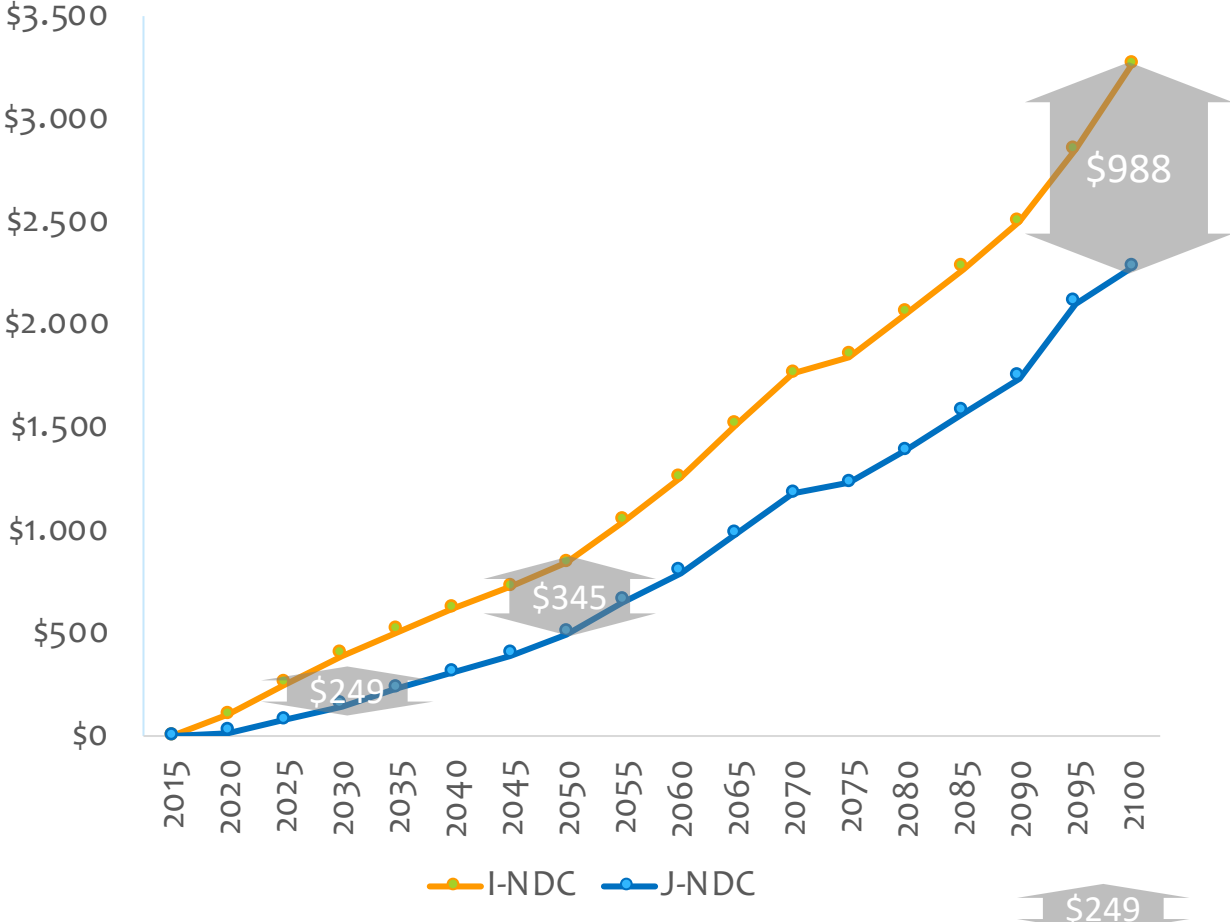


## Global J-NDC Scenario CO<sub>2</sub> Emissions



# Potential of Article 6

Emissions Mitigation Cost  
(billion 2015\$/yr)

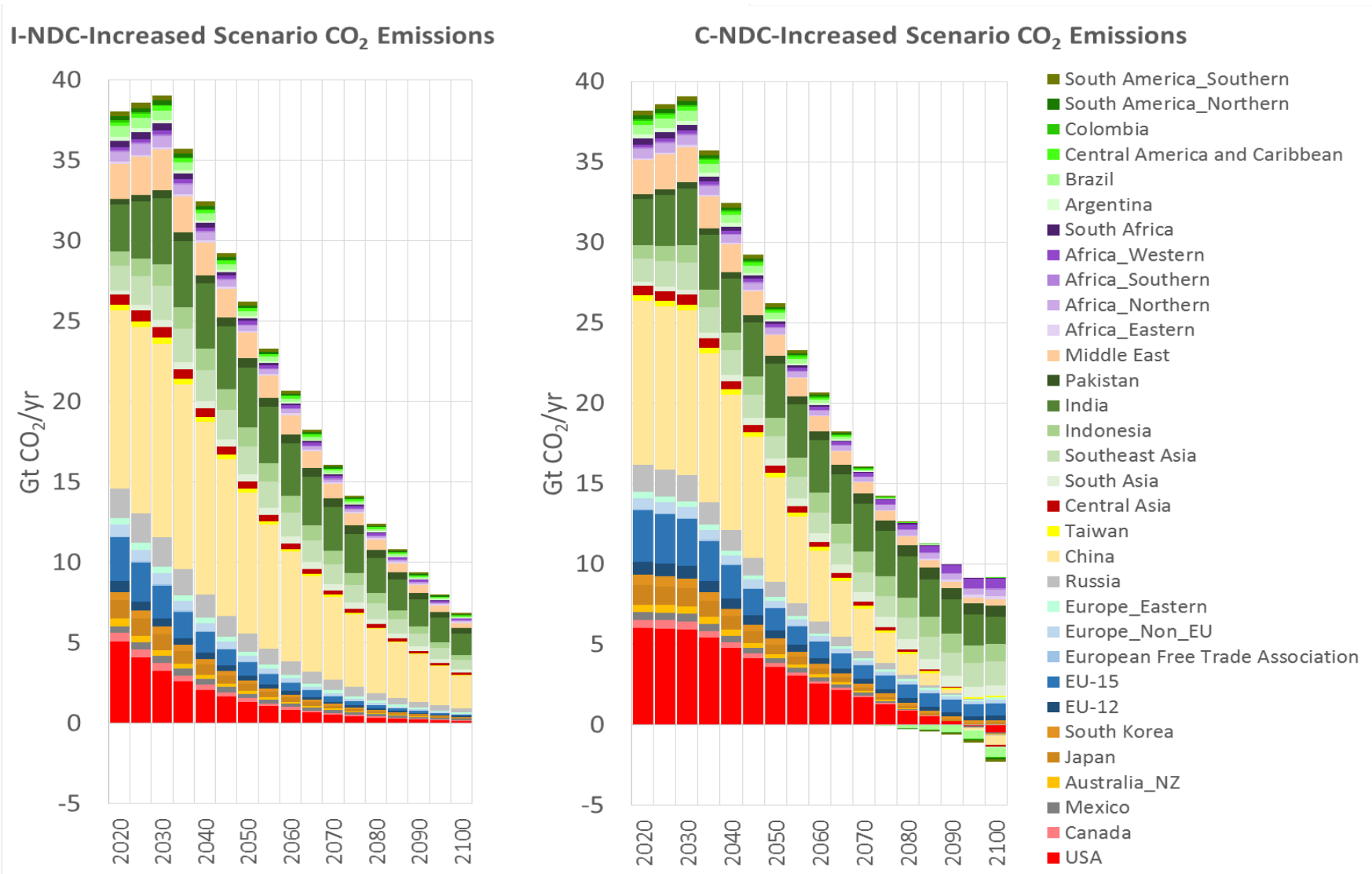


## 2030 Potential Article 6 Reduction in Cost (Billions 2015 USD/year)

	Reduction in Cost	Increased Ambition
Fossil Fuels Only	~\$250 billion	5 GtCO <sub>2</sub> per year
Land Use Only	~\$70 billion	4 GtCO <sub>2</sub> per year
<b>Combined</b>	<b>~\$320 billion</b>	<b>9 GtCO<sub>2</sub> per year</b>



# Emissions trajectory based on increased ambition



# Article 6, net zero and sinks

- \* Article 6 crucial to reach net zero as:
  - \* Lowers the cost of NDC targets
  - \* Allows enhance ambition
  - \* Provides incentives to compensate remaining emissions with sinks
- \* If implemented correctly (tech- and sector-neutral, no barriers) Article 6 can facilitate the deployment of carbon sinks around the world



# How do we get these benefits?

**This is just the theoretical potential...**

**... but there are always real-world challenges.**

- \* **Clearly the rules matter—need to develop sound rules at COP25**
  - \* Key to environmental integrity is avoiding double counting
  - \* Need to avoid restrictions or loopholes that could limit this potential
- \* **Next, Parties need to establish plans for using Article 6**
  - \* Translate heterogeneous NDCs into Article 6 approaches
  - \* Future calls for ‘Article 6 ready’ NDCs
- \* **What incentives would increase ambition in future NDCs?**

# Thank you!

The full report is available at:

[https://www.ieta.org/resources/International\\_WG/Article6/CLPC\\_A6%20report\\_no%20crops.pdf](https://www.ieta.org/resources/International_WG/Article6/CLPC_A6%20report_no%20crops.pdf)