

Company - key information



Management

Annette Gruß
Thomas Mühlpointner, Felix Nickel

Owner

FutureCamp Holding GmbH

History

Founded 2001 as FutureCamp GmbH,
FutureCamp Climate GmbH since 2009

Team

18 consultants

Expertise

Engineering, Economics, Natural sciences, Law,
Social sciences

Competencies

Climate, Energy, Environment

Services

Management & strategic consulting



sustainability & climate strategy
committee work | innovation processes
Global Climate Governance

Climate & environment



EU emissions trading | emissions
reduction projects | CDP | CSR reporting
carbon footprint | Life Cycle Assessment
water footprint | emissions compensation

Energy efficiency



ISO 50001 energy management systems
DIN EN 16247-1 energy audits
evaluation & monitoring

CO₂ trading



trading services | marketing of
certificates | market analysis
project & offer assessment

Analysis & knowledge transfer

Workshops, training & seminars
moderations | capacity building
research, studies and expertises



FutureCamp Akademie

Practice-oriented seminars about
climate, energy & environment



The structure of Article 6 of the Paris Agreement

| | |
|------------------------|--|
| Overarching principles | 6.1 – provides a broad framework for cooperation activities |
| Cooperative approaches | 6.2 – cooperative approaches and ITMOs 6.3 – use of ITMOs |
| Market mechanism | 6.4 – establishes a centralized market mechanism and defines its goals 6.5 – double counting 6.6 – use of a share of proceeds 6.7 – rules, modalities, and procedures |
| Non-market approaches | 6.8 – non-market approaches 6.9 – defines a framework for non-market approaches |

What do we mean when we talk about “potential”?

= Potential towards the purposes defined in Article 6

- Allow for higher ambition in mitigation and adaptation actions (6.1)
- Promote SD and EI (6.1)
- Incentivize public and private entity participation (6.4 and 6.8)
- Deliver overall mitigation in global emissions (6.4)

= Market-related aspects

- As with the CDM and JI, UNFCCC can not provide for demand
- Both, demand- and supply-side are thus outside the PA

= Design-related aspects

- UNFCCC: EI, administrative burden (cost, processing time)
- Host countries: can help reduce risks, ensure EI, promote SD

= Key elements thus: supply, demand, and design



Article 6.2

Parties shall,
where engaging on a voluntary basis in cooperative approaches
that involve the use of ITMOs towards NDCs,

promote SD
and ensure EI
and transparency, including in governance,

and shall apply robust accounting to
ensure, inter alia, the avoidance of double counting,
consistent with guidance adopted by the "CMPA".

Article 6.4

A mechanism

*to contribute to the mitigation of GHG emissions and support SD is hereby **established***

under the** authority and guidance of the **CMPA

*for use by Parties on a **voluntary basis**.*

*It shall be **supervised by a body** designated by the CMPA, and shall aim:*

- (a) To **promote** the **mitigation** of GHG emissions while fostering SD;*
- (b) To incentivize and facilitate participation in the mitigation of GHG emissions by **public and private entities** authorized by a Party;*
- (c) To **contribute** to the reduction of emission levels in the host Party, which will benefit from mitigation activities resulting in emission reductions that can also be used by another Party to fulfil its NDC;*
- (d) To deliver an **overall mitigation** in global emissions.*

Article 6.8

Parties recognize

*the importance of integrated, holistic and balanced **non-market approaches** being available to Parties*

to assist in the implementation of their NDCs, in the context of SD and poverty eradication,

in a coordinated and effective manner, including through, inter alia, mitigation, adaptation, finance, technology transfer and capacity-building, as appropriate.

These approaches shall aim to:

- (a) **Promote mitigation and adaptation ambition;***
- (b) Enhance **public and private sector** participation in the implementation of NDCs; and*
- (c) **Enable opportunities** for coordination across instruments and relevant institutional arrangements.*

Decision 1/CP.21 Para. 36

Requests the SBSTA

*to develop and recommend the **guidance** referred to under **Article 6.2** of the Agreement for consideration and adoption by the CMPA at its first session,*

*including guidance to ensure that **double counting** is avoided on the basis of a corresponding adjustment by Parties for both anthropogenic **emissions by sources and removals by sinks** covered by their NDCs under the Agreement;*

Decision 1/CP.21 Para. 37

Recommends that the CMPA adopt *rules, modalities and procedures* for the mechanism established by **Article 6.4** of the Agreement *on the basis of:*

- (a) *Voluntary participation* authorized by each Party involved;
- (b) *Real, measurable, and long-term benefits* related to the mitigation of climate change;
- (c) *Specific scopes* of activities;
- (d) *Reductions in emissions that are additional* to any that would otherwise occur;
- (e) *Verification and certification of emission reductions resulting from mitigation activities by DOEs*;
- (f) *Experience gained with and lessons learned from existing mechanisms and approaches adopted under the Convention and its related legal instruments*;



Supply, demand, and technology

= Supply

- In the long run, carbon markets are self-abolishing
- With sinks added, this picture changes
- Ca. 90 INDCs mention the use of markets. CDM has shown the big supply potential

= Demand

- Demand side remains unclear and weak, EU and its Member States are no active buyers any more
- Rising ambition would strengthen demand side
- ICAO decision can become a source of demand

= Technology

- CDM, and even JI, have proven the technological capacity building effect.



Conclusion

- = Market mechanisms have the potential to promote mitigation, sustainable development, and environmental integrity.
- = Stringent common rules and ambitious individual targets are keys.
- = Supply is not problem in the beginning – but, naturally, will be in the long run.
- = The demand side requires attention to get markets started.

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