

IAA6 | Integrated Assessment for Article 6

Call for Expressions of Interest

August 7, 2023

The [Integrated Assessment for Article 6](#) project (IAA6) is seeking Expressions of Interest from partner countries to join the Initiative and receive support to enhance domestic capacity for cooperative approaches under Article 6 of the Paris Agreement. Support will be provided in the form of resources for a project coordinated by a national focal point and implemented by national experts with additional support from leading Southern partners and international expert advisory services.

Background

The IAA6 project, launched at COP27, sets out to co-develop tools and build technical capacities enabling countries to utilize carbon markets to achieve both climate, sustainability, and transformational goals simultaneously. Funded by the European Commission, the project aims to facilitate South-South exchange to co-develop a toolbox that takes context into account and is adaptable to a country's needs and priorities. The participating countries will be involved in the development of these tools and will receive assistance with implementing them.

The project is implemented by UNEP the United Nations Environment Programme (UNEP) and its UNEP Copenhagen Climate Centre (UNEP-CCC). UNEP-CCC is a leading international advisory institution on energy, climate, and sustainable development. Its work focuses on assisting low- and middle-income countries to transition towards low-carbon development paths and supports the integration of climate resilience in national development.

The overall project objective lies in the collaborative development and application of qualitative and quantitative tools and guidance for the potential integration of carbon pricing and finance (including Article 6) into domestic mitigation strategies. These should be aligned with country priorities, the Sustainable Development Goals (SDGs), and the long-term goals of the Paris Agreement.

To achieve this, the IAA6 project concentrates its efforts in three areas:

- The co-developed IAA6 Toolbox for Article 6 readiness
- Facilitating country-driven approaches to adapting and applying selected tools
- Knowledge sharing regionally and globally.

To address the countries' needs IAA6 support builds on the following core features:

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- South-South Cooperation
 - Guided learning-by-doing approach
 - Science-based policies enabling transformational change
 - Policy focus, aimed at enabling alignment of NDCs with the Paris Agreement long-term temperature goal and national sustainable development goals
 - Agility in responding to country needs, anchored in sustainable development assessments
 - Flexibility to innovate and create replicable approaches
 - Peer-to-peer collaboration and knowledge sharing

IAA6's support offer to countries

Country support will be delivered through focused and time-bound (27 months) capacity building with resources provided for national experts or a national expert institution, stakeholder workshops, training, and related activities. In addition, international experts (from the Global South) will provide dedicated advice to support the national activities. IAA6 collaborates with partner countries to design a detailed workplan to carry out the development, application, and validation of the tool implementation. The **toolbox modules** can be combined and tailored to address countries needs and priorities:

1. Cost-benefit assessment of Article 6 options to support national decision-making
2. Conceptual and operational tools and strategies for use of Article 6 instruments to achieve NDC and a long-term strategy for net-zero GHG emissions and sustainable development
3. Modelling support to development of scenarios for sectoral decarbonisation pathways, baseline setting, additionality and transformational impact assessment securing net benefits to the host country
4. A decision-support framework that explains how each of the technical modules can support countries to assess carbon pricing and finance options, including participation in Article 6 based on a transformational change approach to achieve climate and sustainable development goals

IAA6 is open to engaging with countries at different levels of readiness for carbon pricing and Article 6. Depending on the country's needs and capacities, the implementation of the tools outlined above may involve the following **activities**:

1. Implementing open-source software, processes, and arrangements to enable GHG emissions and climate action related data transparency and analysis
2. Using internationally available data and opensource models to facilitate the initial development of local climate-action modelling capacities for continuous improvement
3. Carrying out iterative climate data validation and policy co-creation and consultation,

including different tools to appropriately collaborate with diverse stakeholders

Submission process

Interested countries are invited to submit a formal Expression of Interest issued by an official entity (ministry or agency) with competency in the matter, by email to jannick.leukers@un.org. The following information should be included:

- Status of any preparation or implementation activities in the field of carbon pricing; this shall include not only Article 6 but also voluntary carbon markets and domestic instruments, such as carbon taxation or cap-and-trade systems
- Potential areas of interest and priorities for Article 6 implementation support, such as defined by the toolbox modules (listed above), that the IAA6 project can support. Please indicate the 1-2 areas that are of highest priority
- Other ongoing initiatives in the country related to carbon markets and other support projects expected
- Contact information of the national focal point for the IAA6 project

Countries which intend to submit an Expression of Interest should be informed that joining the project will imply commitment from a designated focal point to ensure swift project preparation and coordination of the work at the national level for a successful project.

Submission timeline and next steps

The submission deadline is 18 September 2023.

The submitted Expressions of Interest will be reviewed based on approved selection criteria:

- Diversity of countries (e.g., geography, size, economic development, significance of GHG emissions and main GHG emitting sectors)
- Ongoing efforts in the field of carbon pricing
- Support needs (in particular, clarity in terms of work to be covered in the IAA6 project based on selected priority areas from the list above)
- Maximum project impact (countries where the IAA6 project can best apply its tools and methodologies)
- Workability (e.g., political stability, existing in-country partnerships and connections with the implementing entities, existence of functioning institutions/procedures)

A list of selected countries will be finalized within three weeks after the submission deadline by the Project Coordination Committee (PCC). UNEP-CCC will then send out invitations to the selected countries and will lead the initial discussions with country focal points on country priorities, gaps in capacity and the interest in the IAA6 methodologies and tools. A period of four weeks will be given to countries to formally confirm the invitation to join the IAA6 project. A country scoping phase will then follow. Based on this, a work plan and budget will be developed by a country with support from UNEP-CCC. The engagement will then be formalized

by concluding a Project Cooperation Agreement (PCA) between the responsible government entity and the United Nations Office for Project Services (UNOPS)¹. A summary outlining the steps to prepare for an IAA6 project can be found in annex I.

Implementation of the work plan is envisaged to start at the end of 2023 / beginning of 2024.

The country engagement timeline:

1. Selection process (2-3 months)
 - a. IAA6 opens Call for EOIs for partner countries to join the project (6 weeks)
 - b. Submission of EOIs by countries
 - c. Selection Panel reviews EOIs
 - d. PCC invites selected countries to join the project
2. Preparation (2-3 months)
 - a. Initial discussions
 - b. Work plan development
 - c. Project Cooperation Agreement formalization
 - d. Hiring of national consultants/expert institution
3. Implementation (18-24 months)
 - a. Inception workshop
 - b. Implementation of activities according to work plan
 - c. Closing workshop
 - d. Development of final report

Note

UNEP-CCC will be present at COP28 from 30 November to 12 December. Country focal points can contact Carbon Market Coordinator, Karen Olsen (karen.olsen@un.org) to arrange for a meeting. UNEP-CCC will also be available to hold virtual discussions with interested countries before the deadline for submission.

¹ In certain cases, it may be required that, instead of a PCA, individual experts or other entities are hired directly. This will be discussed at the introductory calls with UNEP-CCC.

Annex I: Steps to prepare for an IAA6 project

I. Introduction

To set up an IAA6 project, two elements must be coordinated, and should proceed ideally in parallel: the Project Cooperation Agreement (PCA) and the work plan/budget. The PCA will formalize the collaboration with a country and allow UNEP-CCC to make resources available for implementation. Since UNEP-CCC is administratively supported by UNOPS, a standard UN template is used. The PCA includes a work plan (annex A) and a budget (annex B). The work plan and budget must be developed by the country in collaboration with UNEP-CCC and UNEP's Regional Offices. Support for proposal development is available from the NDC Partnership. The responsible ministry or national agency must review the PCA template from a legal point of view and flag any questions, any special provisions that need to be included or other matters to be addressed. Once the legal review is completed and both annexes are finalized, the PCA can be signed, resources can be provided, and the project can begin.

In terms of the project team, IAA6 projects are implemented by national consultants/experts hired by the ministry (or the national agency in charge) using resources provided by UNEP-CCC/UNOPS. The consultants can be individual contractors or part of an institutional consultancy hired. In certain cases, it may be required that, instead of a PCA, individual experts or other entities are hired directly. This will be discussed at the introductory calls with UNEP-CCC.

In addition to the resources for the in-country support, UNEP-CCC will also fund leading Southern experts to support project implementation by advising the national team and providing training. UNEP-CCC and its Southern expert partners have extensive expertise in implementing carbon markets, MRV/Transparency, GHG management, climate change policies, sustainable development, and peer to peer collaboration with developing countries in building capacities to implement Article 6 of the Paris Agreement. Southern and implementing partners have also contributed to the development of IAA6's tools and methodologies, and countries are encouraged to apply these tools and methodologies in IAA6 projects according to defined priorities.

II. Development of work plan and budget

The Expression of Interest (EOI) submitted by the country outlines some priority areas or the project module(s) to be covered by an IAA6 project. This serves as the basis for UNEP-CCC to initiate a first discussion with the country for it to share its needs and priorities for a work plan. Aspects to consider include:

- Existing activities in the field of carbon pricing
- Other ongoing initiatives in the country related to carbon markets and other support projects

Based on these first exchanges and the priorities defined by the country, UNEP-CCC summarizes the draft work plan elements discussed, which are then reviewed and discussed internally by the country. Considering comments and feedback from the country, this draft work plan will then be further developed in collaboration with project partners according to national priorities and will focus on IAA6 support offers that best meet the country's needs. It is important that other ongoing activities related to carbon markets in the country are considered to make sure IAA6 activities fit well and are complementary.

Below is more information regarding the development of the work plan.

Work Plan

What is it?

The work plan outlines the activities and desired outputs and results/impacts of an IAA6 project in a partner country and guides the implementation. It has key information about the project and includes an implementation plan with time-bound activities. As such it serves both as a planning and a monitoring tool.

How is it prepared?

The work plan is prepared by the partner country before the start of activities, with assistance from UNEP-CCC and the international experts from the Global South. Initial discussions between the UNEP-CCC and the country seek to identify which activities offered by IAA6 are best suited for the country's priorities. Once there is clarity on the general priorities of the project, initial draft work plan elements are drawn up or the work plan modules are selected for further discussion.

Next, project partners from the Global South join the discussion to provide expert advice and support, helping to scope out activities in detail as a basis for the preparation of a timeline and budget. Once the work plan and budget have been finalized, they are included as annexes in the PCA.

What information does it contain?

The work plan usually includes the following elements:

1. Overview of IAA6
2. Background, Justification, and Expected Outcomes
 - 2.1. Background and Justification for the Project
 - 2.2. Expected outcomes
3. Objectives and scope of work
4. Country coordination
 - 4.1. Project team
 - 4.2. Key stakeholders
5. Coordination with other Initiatives
6. Expected activities and outputs
7. Project risks
8. Timeline

III. Administrative and legal preparations

Parallel to the development of the work plan, the ministry or national entity in charge will review the standard PCA template with its legal team. The UNEP-CCC and UNOPS are available to provide clarifications on the template in writing or through a meeting. The PCA is defining the legal terms of collaboration and enables the transfer of funds from IAA6 to the partner country. The work plan with deliverables, a budget, and timeline will be annexed to the PCA. Once the PCA has been signed, the partner country can proceed with hiring the national consultant or expert institution that will implement the work.

Resources are usually made available to the ministry in charge (or a designated national entity), and it is expected that the ministry (through a designated IAA6 focal point) coordinates work plan implementation and supervises and pays consultants according to the work plan and budget. IAA6 resources cannot be used to fund ministry staff or purchase equipment. In case a ministry cannot receive funds, other modalities can be discussed on a case-by-case basis. The funds will be released to the ministry in tranches conditional on performance, progress, and delivery of work plan deliverables.

The country (ministry or national entity) may budget activities up to USD 250,000 based on the work plan activities defined in consultation with the UNEP-CCC. The budget may cover the following activities:

- National consultant(s) or an expert institution (e.g., consultancy, research institute) to implement the work
- In-country workshops
- Trainings and capacity building activities
- Stakeholder meetings, and other activities as defined in the work plan

The budget will be screened for reasonableness of costs to ensure a cost-effective implementation of the project.