Regional Dialogue on Carbon Pricing (REDiCAP): Carbon Pricing and Carbon Markets for Cooperative Implementation of NDCs

10 September 2026, 11:00-13:00
Room A1, Baku Convention Center, Baku, Azerbaijan

1. Introduction

As part of Climate Week 4, to be held in Baku, Azerbaijan, from 7 to 11 September 2026, the United Nations Framework Convention on Climate Change (UNFCCC) Secretariat will convene the next edition of the Regional Dialogue on Carbon Pricing (REDiCAP) on 10 September 2026, focusing on the role of carbon pricing and carbon markets in supporting the cooperative implementation of nationally determined contributions (NDCs).

REDiCAP is convened under the Collaborative Instruments for Ambitious Climate Action (CiACA) initiative, supported by the German Government through the Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (BMUKN). This edition, entitled “Carbon Pricing and Carbon Markets for Cooperative Implementation of NDCs”, will also be organized in collaboration with the Ministry of Finance and Economy of the Republic of Korea (MOFE), a new partner of the UN Climate Change secretariat in supporting high-integrity carbon markets through the Global Voluntary Carbon Market Aligned with the Paris Agreement (GVCM) project.

Carbon pricing is increasingly being adopted by governments as a cost-effective policy instrument to reduce greenhouse gas emissions by creating economic incentives for emitters to shift towards lower- or net-zero-emission technologies and practices. Carbon markets can further facilitate cooperative implementation by enabling market participants to pursue mitigation opportunities where emissions reductions can be achieved most efficiently, while mobilizing finance and supporting the deployment of technologies and the sharing of expertise.

Against this backdrop, the dialogue will provide a platform for governments, international organizations and other relevant stakeholders in the carbon market ecosystem to exchange experiences and perspectives on the design and implementation of carbon pricing instruments and carbon market approaches. It will highlight practical experiences with domestic carbon pricing policies, as well as recent developments in international cooperation under Article 6 of the Paris Agreement.

The event will also explore how domestic policy framework and international carbon market cooperation can complement each other in mobilizing finance, supporting higher ambition and facilitating NDC implementation. Through presentations and interactive discussions, participants will have an opportunity to identify common challenges, share emerging practices and consider opportunities for further cooperation across countries and regions.

2. Objectives

The objective of this dialogue is to facilitate the exchange of learnings, experiences on the role of carbon pricing and carbon markets in supporting the implementation of NDCs. The session will bring together perspectives from different jurisdictions on the design and implementation of domestic carbon pricing instruments and explore how international cooperation under Article 6 of the Paris Agreement can complement these domestic mitigation efforts.

Specifically, the session aims to:

- Share experiences and recent developments in the design and implementation of domestic carbon pricing instruments.
- Present emerging approaches and practical examples of international cooperation through carbon markets, including under Article 6 of the Paris Agreement.
- Facilitate an interactive exchange among participants on opportunities and challenges in using carbon pricing and carbon markets to mobilize finance, support technology deployment and strengthen NDC implementation.

3. Agenda

The session will be organized around two main parts. The first part will focus on experiences and recent developments in the design and implementation of domestic carbon pricing instruments. The second part will explore emerging approaches and practical examples of international cooperation and cooperative implementation through carbon markets, including under Article 6 of the Paris Agreement.

The envisaged session flow is as follows:

Time	Session Description	Speaker
11:00 – 11:10 (10 min.)	**Opening Session** Representative of the Ministry of Finance and Economy of the Republic of Korea will welcome participants and provide opening remarks.	**Do-ik Kim,** Director of Green Climate Policy Division, Ministry of Finance and Economy of the Republic of Korea

Time	Session Description	Speaker
11:10 – 11:20 (10 min.)	**Scene-setting presentation: Carbon pricing and carbon markets for cooperative implementation of NDCs** The presentation will provide an overview of how domestic carbon pricing instruments and international carbon market cooperation can support cost-effective mitigation and NDC implementation, while highlighting key considerations for effective and environmentally sound implementation.	**Seoyoung Lim**, Programme Officer, UN Climate Change
11:20 – 12:00 (40 min.)	**Session 1. Experiences in the design and implementation of domestic carbon pricing instruments** **Format:** Country snapshots followed by a moderated panel discussion **Moderator: Umamaheswaran Krishnan**, Article 6 and Carbon Pricing Expert, UNFCCC Regional Collaboration Centre MENA and SA Representatives from selected jurisdictions will present brief snapshots of their domestic carbon pricing instruments. The presentations will highlight the policy context and objectives underpinning their introduction, recent developments and achievements, and practical experiences in the design and implementation of emissions trading systems, carbon taxes and domestic crediting mechanisms. Panelists will also reflect on key implementation challenges, lessons learned and areas for further strengthening domestic carbon pricing frameworks. The discussion will be guided by the following questions: o How are current domestic carbon pricing instruments designed and implemented to effectively support the achievement and enhancement of countries' NDCs and long-term low-emission development strategies? o What key institutional, regulatory and market design considerations are needed to ensure the effectiveness, environmental integrity and durability of domestic carbon pricing instruments? o How can international carbon markets and high-integrity carbon credits complement and interplay with domestic carbon pricing instruments while preserving strong incentives for domestic mitigation?	• **Uğur Gürel**, Expert, Directorate of Climate Change, **Türkiye** • **Leel Randeni**, Director, Climate Change, Ministry of Environment, **Sri Lanka** • **Liz Silva**, Development Management Officer IV, Department of Environment and Natural Resources, **Philippines** • **Krittaya Chunhaviriyakul,** Director, Ministry of Natural Resources and Environment, **Thailand**

Time	Session Description	Speaker
12:00-12:10 (10 min.)	**From Ambition to Implementation: Germany's Support for Country-Driven Carbon Pricing and Carbon Markets** This bridging session will connect the discussion on domestic carbon pricing in Session 1 with the focus on carbon markets and international cooperation in Session 2. This session will highlight Germany's support for country-driven approaches across both areas. It will showcase how international cooperation can help countries translate climate ambition into practical implementation, tailored to national priorities and circumstances.	**Moritz Harzbecher,** Advisor, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH *On behalf of Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (BMUKN)*
12:10 – 12:55 (45 min.)	**Session 2. Emerging approaches to cooperative implementation through carbon markets** **Format:** Presentations followed by a moderated panel discussion **Moderator: Seoyoung Lim**, Programme Officer, UN Climate Change Secretariat The session will feature the following presentations: • Update on the status of the Paris Agreement Crediting Mechanism (PACM) • Introduction to the UNFCCC-MOFE collaboration project • Introduction to the Global Voluntary Carbon Market (GVCM) and its implementation plan Following the presentations, a moderated panel discussion will explore how emerging carbon market approaches, such as the PACM and the GVCM, could support cooperative implementation of mitigation activities and contribute to NDC implementation. Panelists will also reflect on key conditions for effective cooperation, including alignment with national priorities, environmental integrity, transparency and institutional readiness. The discussion will be guided by the following questions: o What institutional and governance arrangements are needed to enable effective cooperation among participating governments, entities and partner organizations? o What safeguards and implementation arrangements are needed to ensure environmental integrity and transparency in these approaches?	• **Perumal Arumugam,** Manager, UN Climate Change • **Suho Lee,** Deputy Director, Ministry of Finance and Economy of the Republic of Korea
12:55 – 13:00 (5 min.)	**Closing Session** The session will conclude the event with key takeaways and closing remarks.	**Perumal Arumugam,** Manager, UN Climate Change