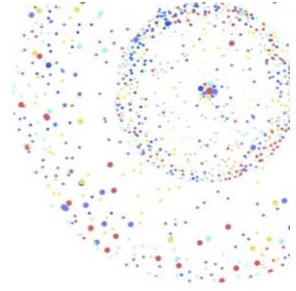




RCC Caribbean

Collaboration for Climate Action



Concept Note

Demystifying Carbon Pricing: A key instrument for tackling climate change

August 22nd 2024, 11:00 – 12:30 (Eastern Caribbean Time)

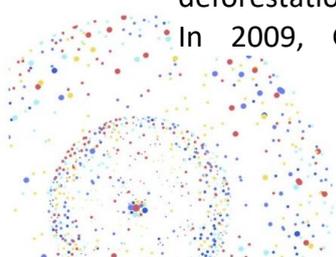
1. Background

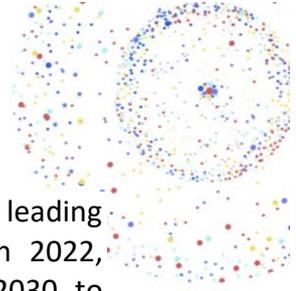
As countries prepare for a new submission cycle of their Nationally Determined Contributions (NDCs 3.0), essential to meet the temperature targets agreed upon under the Paris Climate Change Agreement, momentum is growing to put a price on carbon pollution as a means of bringing down emissions and driving investment into cleaner options.

Economists, businesses, governments, NGOs, and international bodies like the World Bank, International Monetary Fund (IMF), and the Organization for Economic Cooperation and Development (OECD) are advocating carbon pricing as a key instrument in transitioning to a low-carbon economy. UN Secretary-General António Guterres has also added his voice, saying, “We need to see much more progress on carbon pricing.”

A price on carbon sends a financial signal to investors that low-carbon investments are valuable today and will be even more valuable in the future and let polluters decide for themselves whether to discontinue their polluting activity and reduce emissions or continue polluting and pay for it. By pricing carbon, governments capture the costs that the public pays for in other ways, such as health care costs from heatwaves and droughts or damage to property from flooding and sea level rise.

Guyana has an estimated 18.4 million ha of forest, the equivalent of 85% of the country’s total land area. As a jurisdiction with high forest cover and low deforestation, Guyana has been a pioneer in monetizing its forest climate services. In 2009, Guyana became a pioneer by signing a groundbreaking result-based





agreement with Norway. This agreement incentivized forest preservation, leading to well over U\$S 200 million earned by Guyana between 2009 and 2015. In 2022, Guyana announced an agreement to sell U\$S 750 million REDD+ credits by 2030 to Hess Corporation. Most recently, Guyana made history by offering the first-ever credits eligible for use by airlines under the 1st phase of Corsia. In addition, the Low Carbon Development Strategy 2030 indicates the country's plan to monetize its forest assets. One of the strategy's key objectives is to capitalize on the value of ecosystem services, including further integrating the country's forest climate services in international carbon markets, particularly those aligned with Article 6 of the Paris Agreement. Therefore, putting a price on the carbon value of standing forests is a priority for Guyana.

With this background, the RCO Guyana has requested the IBC on Climate Change and Resilience to seek support from IBC members to conduct and facilitate a virtual session on universal carbon pricing.

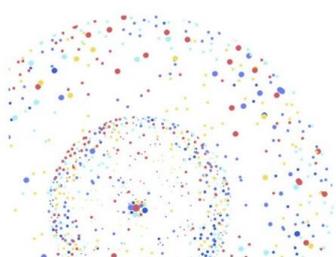
2. Main Objectives

1. Deepen the comprehension of Carbon Pricing.
2. Provide a platform to openly discuss the potential role of Article 6 in integrating various carbon markets

3. Participant Profile

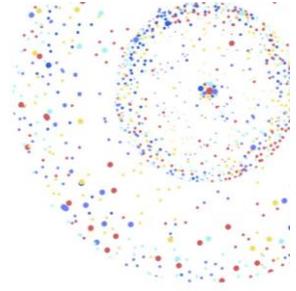
The workshop envisages the participation of:

18 participants from RCO Guyana



4. Preliminary Agenda

Time (90 min)	Topic	Responsible
11:00 11:15	Welcome Remarks & Introductions	Mr. Nicolas Pron Resident Coordinator ad interim, UNCT Guyana Ms. Mayra Santaella RCC Caribbean Regional Lead
	Scene Setting	Mr. Nicolas Pron – Resident Coordinator ad interim, UNCT Guyana
11:15 11:30	Session 01: Putting a price on carbon: a quick introduction <ul style="list-style-type: none"> • The polluter must pay principle. • Carbon Pricing: a powerful tool among other tools. NDC implementation • Carbon Pricing around the world. • CiA-CA DR support: Implementing an ETS in the DR • Q&A 	Mr. Patrick Munyanza RCC Caribbean
11:30 11:50	Session 02 (a): Global (growing) interest in carbon markets <ul style="list-style-type: none"> • Prices and current trends • Global carbon Price: What are the experts saying? Session 02 (b): Monetization of environmental services: <ul style="list-style-type: none"> • The case of Guyana (To be presented by Guyana UNCT based on the paper shared by IBC). 	Mr. Patrick Munyanza RCC Caribbean Mr. William Evans Office of the United Nations Resident Coordinator. Guyana
11:50 12:25	Session 03: Harmonization of Carbon Pricing Instruments. A myth or a reality? <ul style="list-style-type: none"> ○ Leveraging Article 6. ○ Beyond ecosystem services: Diversifying carbon credits projects. The Role of the Paris Agreement Crediting Mechanism 	Mr. Patrick Munyanza RCC Caribbean
12:25 12:30	Closing and Final Remarks	Ms. Saskia Carusi Deputy Chief UNDRR Regional Office for the Americas and the Caribbean



5. Workshop Format and Design

The workshop is designed as a webinar. It will include substantive sessions where technical experts will present on carbon pricing, including information on global trends and an overview of the Caribbean subregion. The webinar will include an interactive session with participants divided into two breakout groups for guided discussions about carbon pricing in Guyana. Throughout the webinar, the Chatham House Rule will be applied, ensuring open and honest discussions while maintaining participant confidentiality.

