



United Nations
Economic Commission for Africa

Article 6 and operationalization of carbon markets to build resilience and contribute to the just transition



Africa Climate Talks, Maputo

July 2022

COP27: Next steps for Article 6 (Cooperative Approaches)

Article 6.2 – Carbon credit trading

- ✓ guidance still to be elaborated in 2022

• **Article 6.4 – Carbon market**

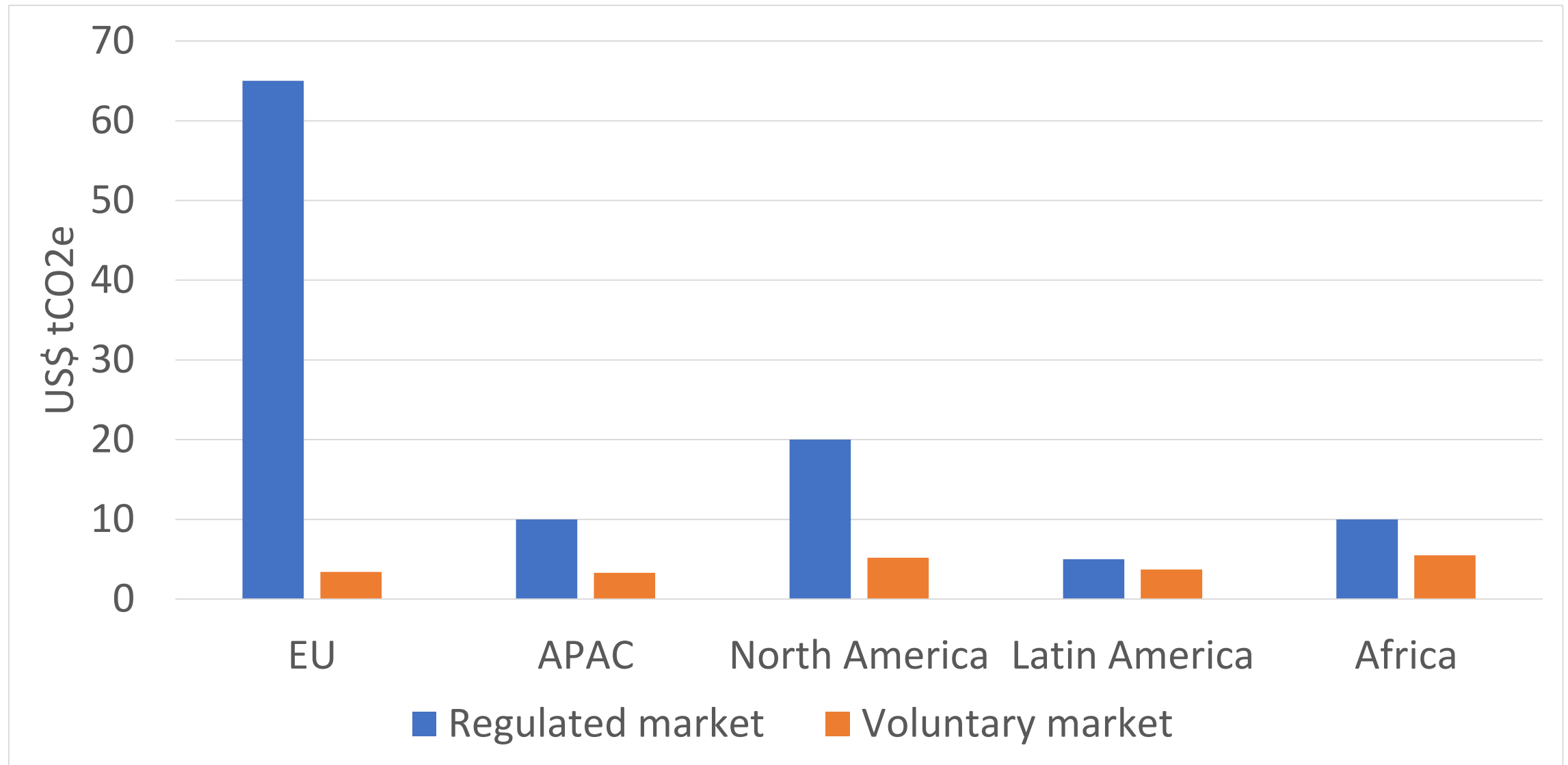
- ✓ Supervisory Body to be established
- ✓ This SB has important work to undertake, i.e., establishment of requirements and processes for the application of robust social and environmental safeguards
- ✓ work on processes for implementation of the 6.4 mechanism
- ✓ design and implement a capacity building programme to assist Parties wishing to voluntarily participate in the 6.4 mechanism

• **Article 6.8 - A framework for non-market-based approaches**

- ✓ The Committee for non-market approaches established in Glasgow will take work forward in 2022



Regulated versus voluntary carbon market pricing



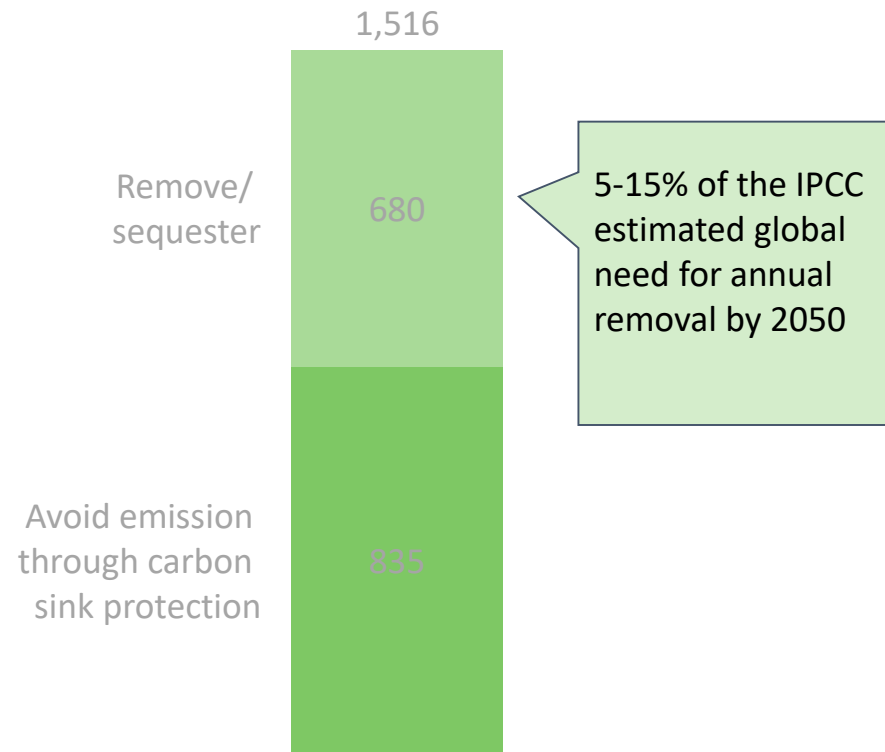
Global carbon pricing activities

Parts of the World and countries	Projects	Percent, %
Africa	98	2,9
Asia	209	6,3
Europe	137	4,1
Latin America and Caribbean	187	5,6
North America	2417	72,7
Oceania	280	8,4
World Total	3328	100

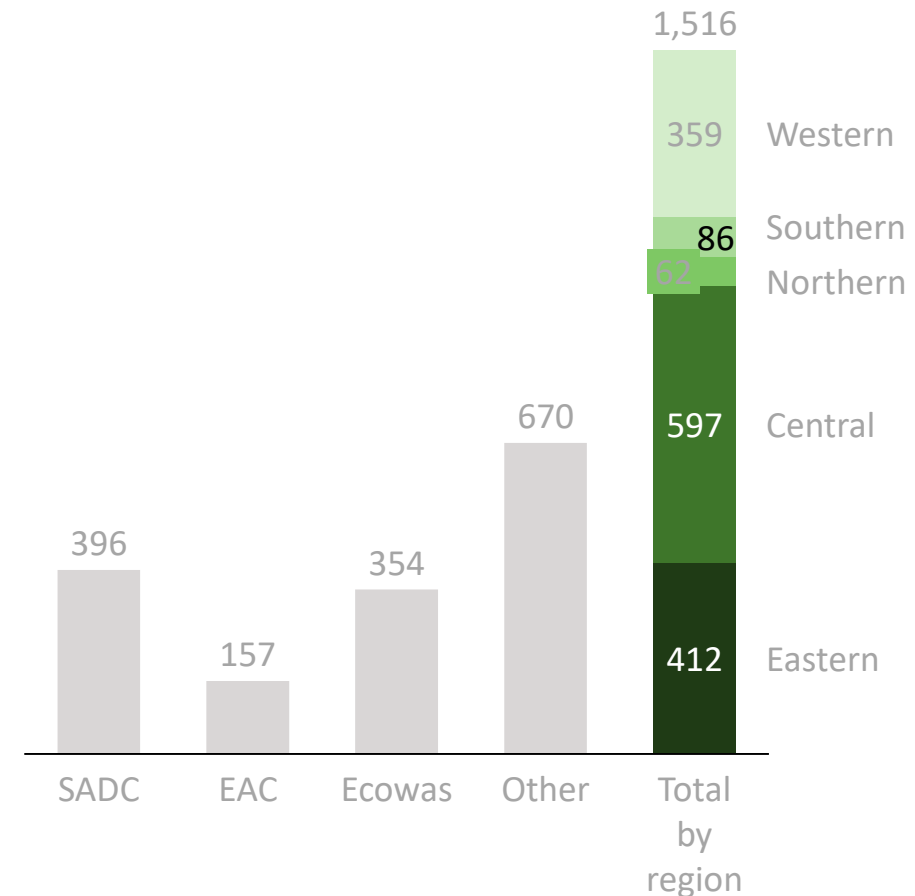


Developing an African Carbon Market facility (UNECA/UNDP): with nature-based removal alone Africa can meet 30% of the world's sequestration need by 2050

Total mitigation potential through nature-based solutions costing no more than \$120/ ton
Million tons CO₂e/year at conservative cost estimates



Total mitigation potential by location
Million tons CO₂e/year

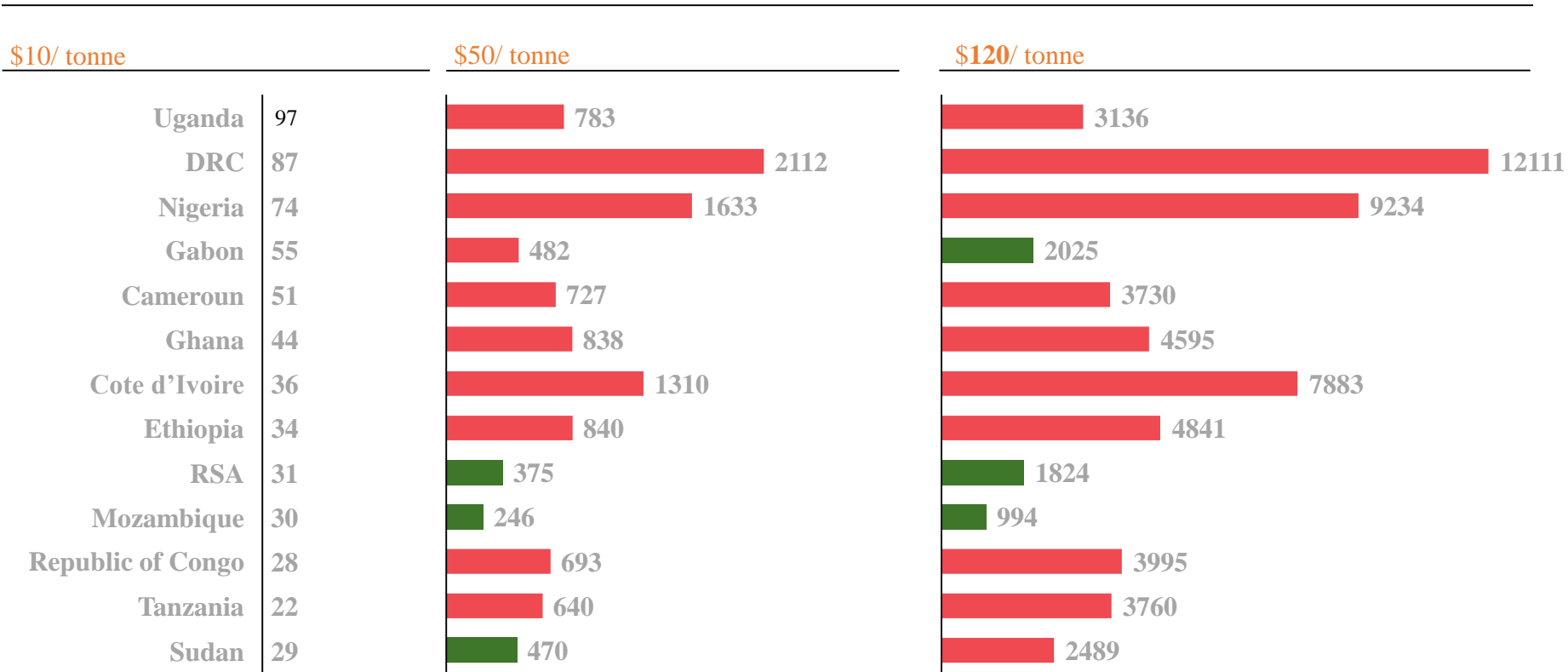


POTENTIAL OF INCREASING REVENUES FROM CARBON SEQUESTRATION:

Up to \$82 billion at 120 \$ a tonne

Potential revenues based on carbon removal

Millions per annum



Total
continent

\$ 1billion

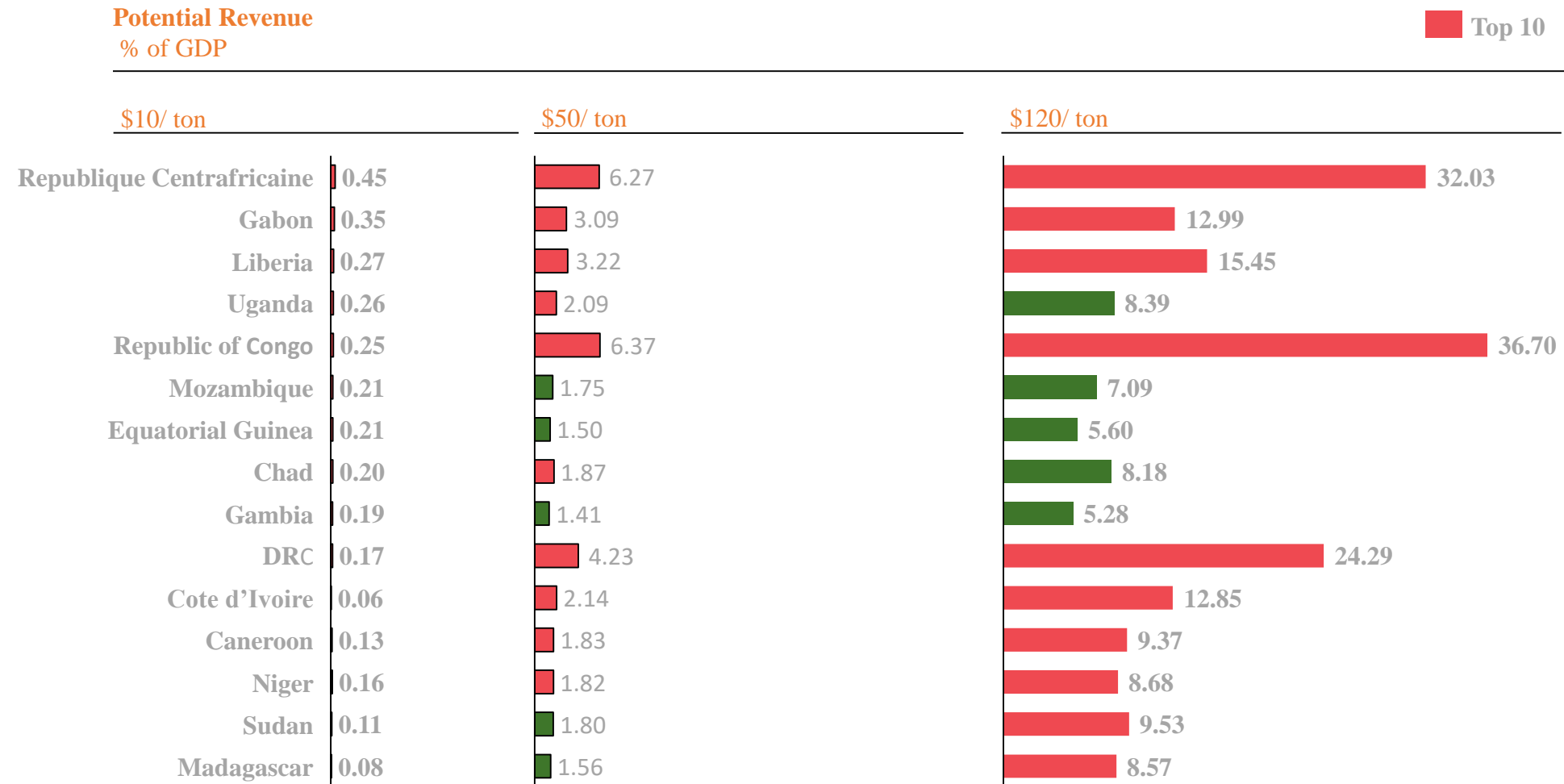
\$ 15billion

\$ 82
billion

IdeastoAction

www.uneca.org

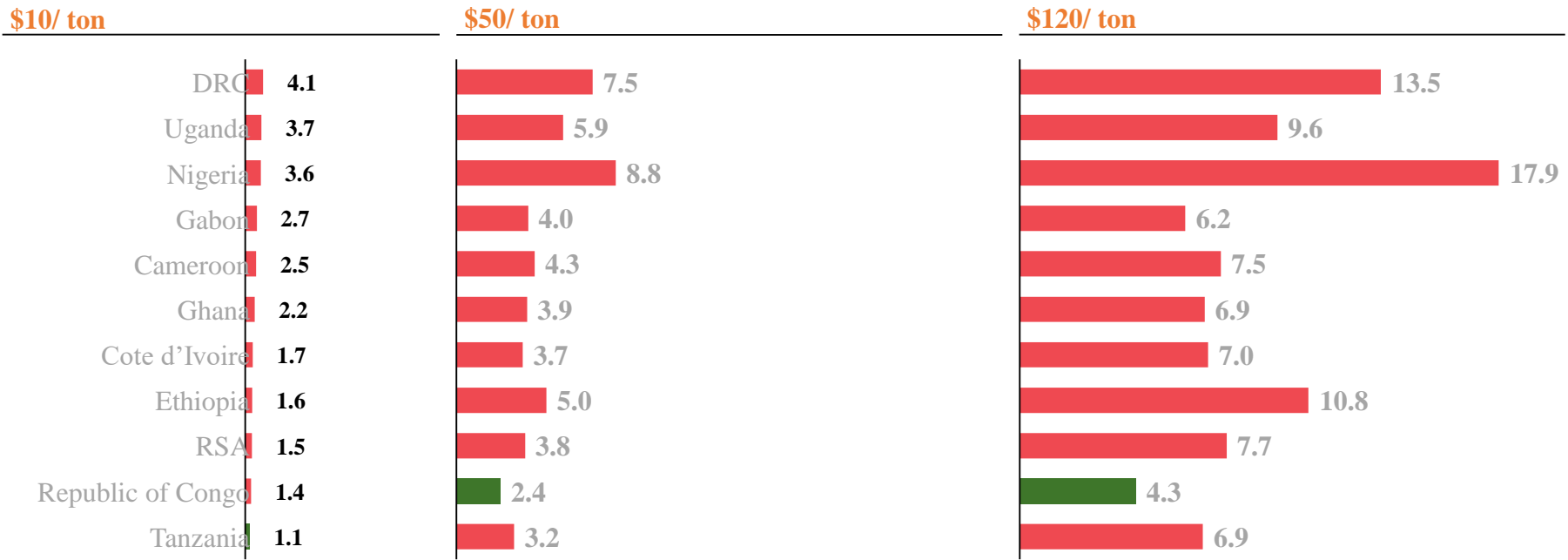
ANNUAL REVENUES FROM CARBON REMOVAL COULD CONTRIBUTE UP TO 37% OF GDP



POTENTIAL TO CONTRIBUTE TO LIVELIHOODS- UP TO 18 MILLION LIVELIHOODS

Top 10

Potential for improving subsistence and job creation
Millions of persons



Total
continent

40 mln

86 mln

167 mln



THANK YOU
!

Ideas
to
Action