



Forest Carbon Partnership Facility

Carbon Offsetting and Reduction Scheme for International Aviation (CORSI) under the UN International Civil Aviation Organization (ICAO)

Eighteenth meeting of the Carbon Fund (CF18)

Paris, France June 20-22, 2018

Outline of Presentation

- ICAO's relationship to the UNFCCC
- What is the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA)?
- Programs and Emissions Unit Criteria
- How does this affect the FCPF?
- ICAO Seminar on Carbon Markets
- Informal Testing of Programs
- Decisions from Carbon Fund meetings

What is ICAO's relationship to the UNFCCC?

- ICAO creates environmental standards to address emissions from international aviation flights (not domestic flights)
- Domestic aviation emissions dealt with under national inventories so the domain of the UNFCCC and countries' NDCs

What is the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIYA)?

- The first-ever market-based measure adopted by an entire industry sector
- International flight routes included in the scheme must offset their emissions above 2020 levels starting in 2021
- More than 70 countries, representing around 90% of international aviation emissions, participating in the voluntary phases (Pilot Phase [2021-2023]; Phase 1 [2024-2026])
- More countries enter in the “mandatory phase” (Phase 2 [2027-2035])
- ~2.5 billion tons CO₂e to be offset over the entirety of the scheme (2021-2035)
- ICAO have estimated 7.8 billion tons CO₂e to be offset up to 2040

Programs and Emissions Unit Criteria (EUC)

- Determined according to paragraph 20 (c to e) of ICAO Assembly Resolution A39-3
- To be adopted by ICAO Council no later than 2018
- ICAO's Global Market-Based Measure Technical Task Force (GMTF) developed high-level criteria to assess and screen emissions units - Approved by the ICAO Council in 2016
- November 2017, ICAO Council provisionally approved emissions unit criteria

ICAO Programme criteria

Offset programmes should meet a range of design elements covering the need for:

- clear, publicly disclosed, methodologies and protocols;
- considerations of the scope of activities;
- credit issuance and retirement procedures;
- identification and tracking of units;
- the legal nature and transfer of units;
- validation and verification procedures;
- governance;
- transparency and public participation provisions;
- safeguarding systems to address environmental and social risks;
- sustainable development criteria; and
- the avoidance of double counting, issuance and claiming.

Source: Doc 10069, Committee on Aviation Environmental Protection (CAEP), Tenth Meeting

ICAO Emissions Unit Criteria

Programmes should deliver carbon offset units that represent emissions reductions, avoidance, or sequestration that:

- are additional;
- are based on a realistic and credible baseline;
- are quantified, monitored, reported, and verified;
- have a clear and transparent chain of custody;
- represent permanent emissions reductions;
- assess and mitigate against potential increase in emissions elsewhere;
- are only counted once towards a mitigation obligation; and
- do no net harm.

Source: Doc 10069, Committee on Aviation Environmental Protection (CAEP), Tenth Meeting

How does this affect the FCPF?

- FCPF 'emission units' are a potential source of supply to the airlines
- Potential increased demand for FCPF REDD+ credits

ICAO Seminar on Carbon Markets

- Montreal, 7-9 February, 2018
- Link:
<https://www.icao.int/Meetings/carbonmarkets/Pages/default.aspx>
- Agenda/Programme and presentations, including FCPF, available online

Informal Testing of Programs

- ICAO Council requested its Committee on Aviation Environmental Protection (CAEP) to informally test programmes against the criteria
- FCPF invited and agreed to participate as a sample programme in this informal testing
- With World Bank support, FCPF provided information and completed application form on May 18, 2018
- FCPF to meet with CAEP in 2018
- Results of the informal testing process will be presented to the ICAO Council no later than November 2018

Decisions from Carbon Fund meetings

- CFPs were generally supportive of exploring the potential for the FCPF to serve as a program under CORSIA
- Recognized that such engagement is conditional on
 - (i) absence of any adverse impacts on the environmental integrity and high standards of FCPF emissions reduction programs;
 - (ii) does not create any non-voluntary obligations on behalf of REDD+ Countries;
 - (iii) does not pose a reputational risk



THANK YOU!

www.forestcarbonpartnership.org