



# Forest Carbon Partnership Facility

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

Twenty Fifth Participants Committee Meeting (PC25)

Washington DC, USA March 26-28, 2018

# Outline of Presentation

- ICAO's relationship to the UNFCCC
- What is the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)?
- 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 (CORSI A)?

- 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 CO<sub>2</sub>e to be offset over the entirety of the scheme (2021-2035)
- ICAO have estimated 7.8 billion tons CO<sub>2</sub>e 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
- FCPF to provide information, complete application form, meet with CAEP mid-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!

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