FOR RELEASE: Monday 5 June

WITH CARBON MARKET INTEGRITY IN QUESTION,
BONN TALKS MUST DELIVER ON REAL CLIMATE ACTION

CLARA Briefing from the UN Climate Negotiations in Bonn, 5-15 June

False solutions and dangerous distractions risk undermining the integrity of the Paris Agreement and any chance to keep warming below 1.5 °C, say members of the Climate Land Ambition and Rights Alliance (CLARA) as United Nations climate talks open today in Bonn, Germany.

Recent investigations by the Guardian and Corporate Accountability determined that as much as 90 percent of the carbon offsets purchased by some of the world’s largest corporations do not represent real carbon reductions.

Companies and other entities buy carbon offsets instead of reducing their own emissions, but offsetting emissions is not a climate solution. The world cannot offset its way to 1.5 °C.

The Bonn Climate Change Conference will build towards the UN Secretary-General’s summit in New York in September and COP 28 in Dubai in December. Issues on the table in Bonn will profoundly shape the Paris Agreement going forward, so it's essential that these meetings start off on the right foot.

What to expect from Article 6 negotiations in Bonn

Article 6.2

A COP27 decision last November on how countries can buy and sell the “internationally traded mitigation outcomes” (ITMOs) created by Article 6.2 of the Paris Agreement, allows each Party to “designate information provided to the technical review team as confidential.”

“Transparency of cooperative approaches and related ITMOs is vital to ensure there is a minimum level of trust in Article 6.2”, according to Carbon Market Watch. “Having nothing to hide will strengthen confidence in the approach from other Parties and prospective users of ITMOs, while also allowing civil society, journalists, and the wider public to play a key role in independently reviewing the approaches rather than speculating about their content.”

Article 6.4

The Article 6.4 Supervisory Body (6.4 SB), which is writing the rules for the new carbon market mechanism created by Article 6.4 of the Paris Agreement, held its fifth meeting last week in Bonn.
The body tackled some of the holdover issues pertaining to older credits, but made little progress on recommendations for the new market mechanism. Still to be negotiated are rules on baselines, additionality, and leakage. Most important is what types of activities get included in the Article 6.4 mechanism, especially if removals are included at all, and if so, whether that includes ecosystem/land-based removals, engineered removals, or both.

“Both land- and engineering-based removals pose grave risks to human rights and ecosystems as they serve to prolong the production and use of fossil fuels,” says Erika Lennon from the Center for International Environmental Law. “Rules for the 6.4 mechanism must include a full governance package including safeguards to ensure human rights and ecosystem integrity, and a grievance mechanism in place before any activities occur.”

**Article 6.8**

The Article 6.8 framework for non-market approaches of the Paris Agreement was set in motion at COP 27 with the adoption of a work program which includes the creation of a UNFCCC web-based platform.

The platform’s design will ‘facilitate opportunities, including by connecting participating Parties, to identify, develop and implement non-market approaches and to record and exchange information, for Parties that have submitted non-market approaches and are seeking support, and Parties and entities that have submitted information on the support available.”

This means that countries participating in Article 6.8 activities will be able to access genuine climate finance from governments (for instance, implementation of the Glasgow Leaders’ Declaration on Forests and Land Use), from philanthropy (for instance, implementation of commitments made at COP 26 in Glasgow to local communities and Indigenous Peoples), and from corporate contributions, not offsets.

The Bonn agenda for 6.8 includes a meeting with other constituted bodies of the UNFCCC on Monday 5 June, and a workshop on Friday 9 June for Parties to exchange information, best practices, and lessons learned on non-market approaches.

“Carbon markets are discredited and faltering, but the global south is still trapped into accepting them as the only source of climate finance,” says Souporna Lahiri from the Global Forest Coalition. “The Article 6.8 framework for non-market approaches ushers in the opportunity for the global south to find sources of climate finance to strengthen resilience and take real climate action, instead of surrendering land, resources, and rights to the global north. In that perspective, progress on the framework in Bonn and at COP 28 could be a very significant milestone.”

**More Quotes**

From Peter Riggs, Pivot Point:

“Voluntary carbon markets are increasingly shaky. Negotiations on the Article 6.4 mechanism remain stuck in an endless loop about how to count credits (methodologies) and deciding what can be counted (removals). Wherever a strong light is turned on the market assumptions built into ‘avoided emission’ and ‘deviation from baseline’ carbon credits, confidence collapses. Meanwhile in Bonn, we can move forward on Article 6.8 as an important country-driven climate finance mechanism.”
From Kelly Stone, ActionAid USA and CLARA Coordinator:

“The warnings from the most recent IPCC report should still be ringing in everyone’s ears. We are out of time to begin driving real action on an equitable fossil fuel phase-out. We cannot offset our way out of this crisis because there is simply no more room for offsets. This year’s talks must focus on delivering on increasing ambition and real climate action, nothing less.”

About CLARA

CLARA (the Climate Land Ambition and Rights Alliance) is a global civil society alliance with more than 40 members from conservation, agroecology, land-rights, faith-based, and forest restoration organizations and communities. CLARA is providing analysis on Article 6 negotiations, forests and land use, agriculture, and human rights from the 58th meeting of the UNFCCC subsidiary bodies (SB 58) in Bonn, Germany, 5-15 June, in preparation for the 28th Conference of the Parties (COP 28) in Dubai, United Arab Emirates, 30 November-12 December. CONTACT: Don Lehr / dblehr@cs.com / +1.917.304.4058

This briefing does not necessarily express the opinions of all CLARA members.