

NEFCO Workshop

Concretising Cooperation under Article 6

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Helsinki 12 Oct 22

klik



Early Piloting of Switzerland

Commitment to international cooperation

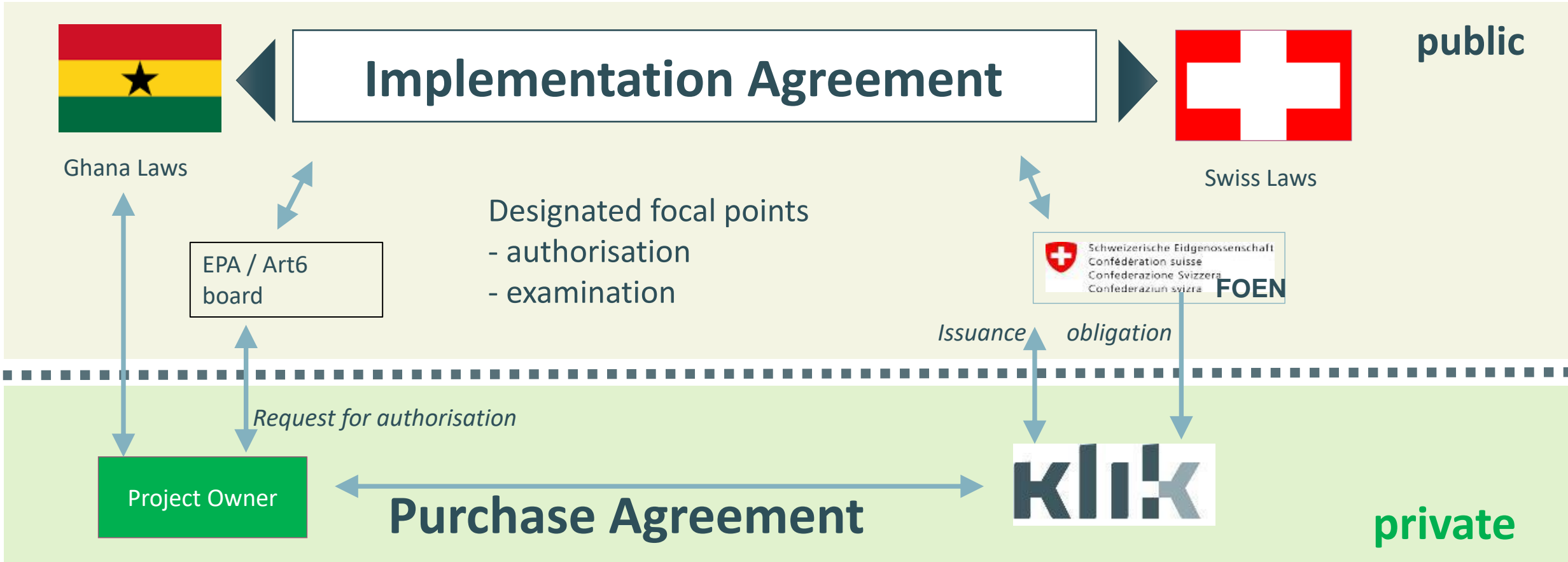
- ▶ Limited scope for domestic reductions in tertiary sector
- ▶ Positive experiences in Kyoto Period
- ▶ - 30 % domestically, additional – 20 % abroad raises ambitions to – 50 %

Need to pilot the Swiss Approach

- ▶ 2016 Climate Cent Foundation earmarks EUR 20M for piloting
- ▶ Aim: Bilateral agreement, Mitigation Activity
- ▶ 2020: Agreement with Peru, Purchase Agreement Tuki Wasi 2021



Swiss approach implement Article 6





Bilateral Implementation Agreements

- ▶ Minimum **quality standards** environmental Integrity, Human Rights.
- ▶ Procedures for the **transfer of ITMOs** and requirements in relation with domestic regulation.
- ▶ Obligation and provisions to **correspondingly adjust** emission levels upon transfer.
- ▶ Events of **default**, suspension and termination.

Partner Countries

Bilateral Agreement with Switzerland:



Ghana



Georgia



Thailand



Senegal



Vanuatu



Ukraine



Peru



Dominica

Memorandum of Understanding:



Iceland



Morocco

Long Term Relation with Partner (Sovereign responsibility)

- Capacity Building support for Partner Countries
- Technical cooperation in regulatory matter (procedures to authorise).



Funding of ITMOs

KliK Foundation (Swiss Motor Fuel Importers)

- ▶ Bring about 20 – 40 M ITMOs for compliance under Swiss CO2 Act
- ▶ Private Organisation: Civil Law, accounted as Carbon Finance by Switzerland
- ▶ Funding from fuel importer, not more than 5 cents / litre (provided by law)

Other potential sources

- ▶ Voluntary Market (no accounting towards Swiss NDC)
- ▶ State Budget (depending on need to cover residual gap beyond 5 cents / liter)

Portfolio and Status

► **Procurement since 2020**

► **Portfolio status**

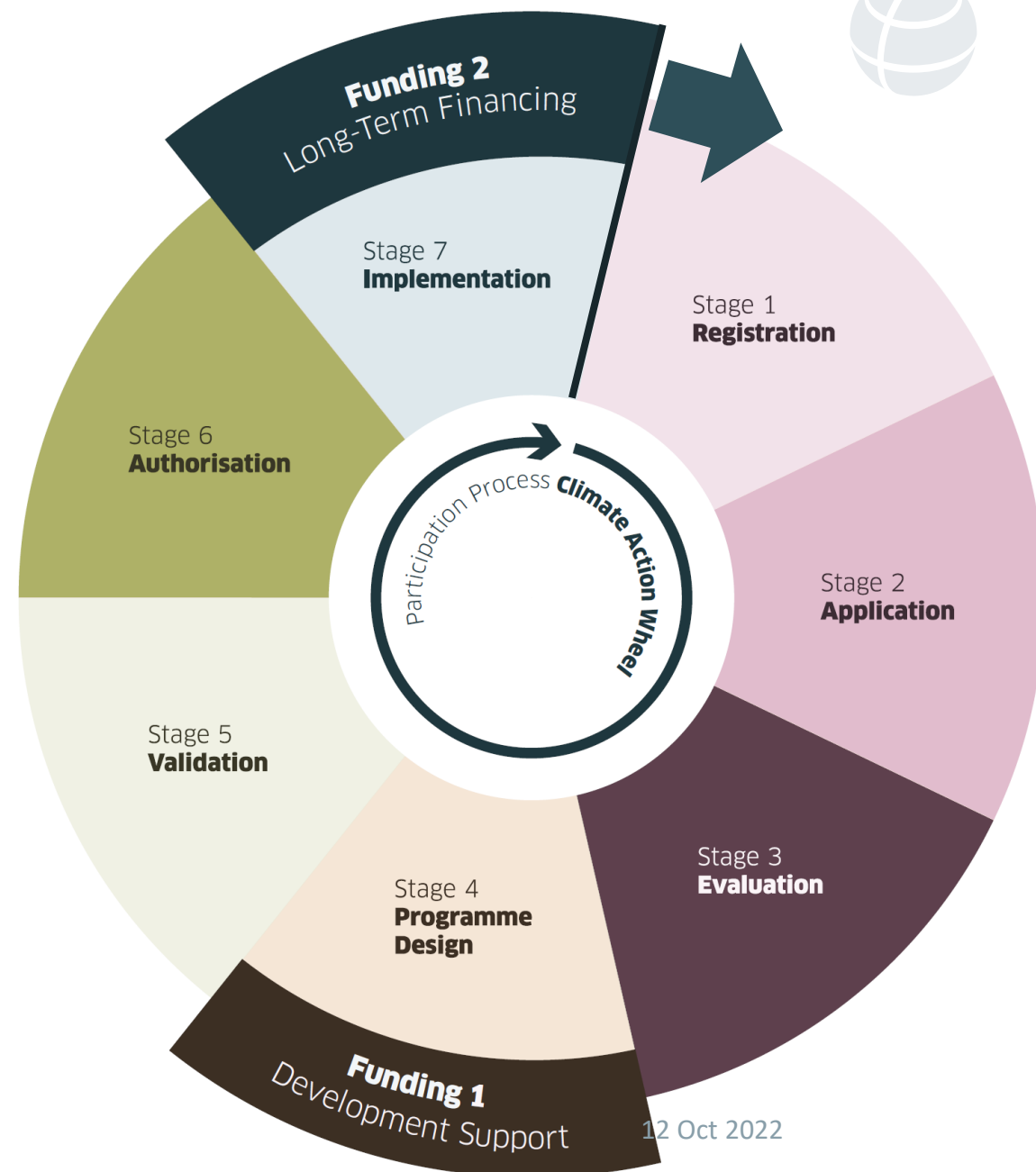
Pre-selection: **25**

MADD in development: **14**

Ready for validation: **3**

Mopa signed: **2**

<https://www.international.klik.ch/aktivitaeten/klimaschutzaktivitaeten>





Tuki Wasi, Peru

- ▶ The Climate Cent Foundation and KliK support the development and the implementation of a **competitive tendering process** contracting stove operators to build and maintain standardised improved cook stoves.
- ▶ **Programme Operational** 1'000 stoves built in pilot, 7'000 commissioned 2022 in competitive process.
- ▶ **Bilateral Agreement** between Peru and Switzerland signed in Oct 2020
- ▶ ITMO volume: **0,5 Mio t CO₂**
- ▶ Term: **2022-2030**
- ▶ Further Information:
<http://www.tukiwasi.org/>



Image: Microsol S.A.S.



Bangkok E-Bus Programme, Thailand

- ▶ By **purchasing the resulting emission reductions**, the KliK Foundation provides the **necessary financial contribution** to make the programme financially viable.
- ▶ **Detailed programme structuring** in preparation (methodology, institutional setup, business case)
- ▶ **Bilateral Agreement** between Thailand and Switzerland signed in June 2022
- ▶ ITMO volume: **max. 1,5 Mio t CO₂**
- ▶ Term: **2022-2030**
- ▶ Further Information:
www.thailand.klik.ch
<https://www.international.klik.ch/news/publications/bangkok-e-bus--337>



Image: Peerapon Chantharainthron, unsplash

NCEP Ghana



- ▶ The National Clean Energy Program (NCEP) is designed to **improve access to clean and affordable energy** through results-based payments and secured concessional loans.
- ▶ **Detailed programme structuring** in preparation (methodology, institutional setup, business case)
- ▶ **Bilateral Agreement** between Ghana and Switzerland signed Nov 2021
- ▶ ITMO volume: **~0.75m tCO₂e**
- ▶ Term: **2022-2030**
- ▶ Further Information:
www.ghana.klik.ch
<https://www.international.klik.ch/news/publications/national-clean-energy-program-ncep>



Image: Assane Gueye

PNB Senegal



- ▶ Through a **Guarantee Fund**, the National Domestic Biogas Programme (PNB-SN) enables commercial banks to offer credit to **biogas enterprises** for installing biodigesters providing smallholder farmers with a clean and renewable alternative to firewood and charcoal for cooking.
- ▶ **Detailed programme structuring** in preparation (methodology, institutional setup, business case)
- ▶ **Bilateral Agreement** between Senegal and Switzerland signed Jul 2021
- ▶ ITMO volume: **~0.55m tCO₂e**
- ▶ Term: **2022-2030**
- ▶ Further Information:
<https://www.international.klik.ch/news/publications/national-biogas-programme>



Image: Assane Gueye



Energy Efficiency Fund Morocco

- ▶ The **Energy Efficiency Fund (FAEE)**, an innovative financing facility provides the business environment for **energy service companies (ESCOs)** to capitalize on energy saving gains in industrial installations.
- ▶ **Detailed programme structuring** in preparation (methodology, institutional setup, business case)
- ▶ **MoU** between Morocco and Switzerland signed
- ▶ ITMO volume: **~0.20m tCO₂e**
- ▶ Term: **2022-2030**
- ▶ Further Information:
<https://www.international.klik.ch/news/publications/energy-efficiency-fund>



Image: Econoler



Green Credit Line Peru

- ▶ Through the **de-risking** of local banks through guarantees from KliK, Peruvian companies gain access to affordable loans for **energy efficiency** and **fuel switch** measures
- ▶ **Detailed programme structuring** in preparation (methodology, institutional setup, business case)
- ▶ **Bilateral Agreement** between Peru and Switzerland signed
- ▶ ITMO volume: **~0.75m tCO₂e**
- ▶ Term: **2022-2030**
- ▶ Further Information:
www.peru.klik.ch
www.international.klik.ch/news/publications/green-credit-line-for-smes



Image: APREN



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Newsletter



Portfolio

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