

Quarterly Newsletter of Climate Change and Development Authority

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# COP27 reaffirmed developing countries' actions to slow deforestation

Rainforests nations successfully negotiated the REDD+ mechanism back into the COP27 Sharm-El Sheikh Implementation Plan one year after COP26 where the REDD+ Mechanism was controversially removed from the implementation article six of the Paris (climate) Agreement.

In thrilling last-minute negotiations, the Coalition for Rainforest Nations (CfRN) of which Papua New Guinea is the outgoing Chair, reaffirmed the REDD+ mechanism as the global initiative for tackling deforestation under the Paris Agreement, and reiterated the role of private finance in

supporting developing country efforts to slow deforestation and reduce emissions at national level.

"We are proud of what we have achieved at the COP, especially after last year's bitter disappointment. The positive outcome of the final text on forests and finance is in line with Prime Minister Hon. James Marape's call for climate action at UN General Assembly recently," said Simo Kilepa, Minister of Environment, Conservation and Climate Change.

"We thank the Egyptian COP Presidency for the transparency and inclusiveness with which they conducted the talks this year", said Minister Kilepa.

The Coalition which is made up of more than fifty-two rainforest nations, received notable support from Eve Bazaiba, Deputy Prime Minister of the Democratic Republic of Congo. She led the charge with the Coalition in the final hours to rally the Africa Group, Indonesia, and Brazil in support of REDD+ – and helped fight off several failed attempts by the United States to remove references to the REDD+ mechanism under the Paris Agreement.

"Now we are asking ourselves: 'what are we doing here at these negotiations ...[to p7]

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# MANAGING DIRECTOR'S FOREWORD



Dear readers,

Welcome to the fourth quarter edition of CCDA newsletter. In this edition, we bring to you highlights of key activities implemented by Climate Change and Development Authority (CCDA) and partners in the last quarter of 2022. One of them is Papua New Guinea's (PNG) participation at the 27th United Nations Climate Change Conference of Parties (COP 27) in Sharm El-Sheikh, Egypt.

PNG has taken to COP 27 key country priorities to explore and negotiate suitable ways forward in the areas of climate change mitigation and adaptation. These priorities include forest, carbon markets, adaptation, loss and damage and finance and some bilateral with significant outcomes. The COP 27 Ministerial Statement in this edition outlines the key outcomes of PNG's participation at COP 27.

Thanks to the Minister for Environment, Conservation and Climate Change, the Honorable Simo Kilepa for heading the PNG Delegation to COP 27 for the first time after taking office. Also, huge thanks to key government agencies, including the Department of Prime Minister and NEC and my technical staff from CCDA who made up the delegation that participated meaningfully at COP 27.

Back in country, CCDA has led the process in drafting of the country's Carbon Market Regulations alongside the review of the Climate Change Management Act 2015. The Regulation will provide for procedures relating to the application and approval process for issuance of permits for climate change mitigation activities that are intended to participate in carbon markets. This has been done in consultation with key stakeholders and partners.

Another progress made is the National Adaptation Plan (NAP). The country's NAP is near its completion stage pending endorsement by the National Executive Council (NEC) before it is launched. The NAP sets out the framework for PNG to reduce its vulnerability to impacts of climate change through building the country's adaptive capacity and resilience. Thanks to CCDA's Adaptation and Projects Division for leading this process with the support of UNDP.

CCDA has also joined partners to commemorate the World Mangrove Day by participating in a mangrove planting exercise at Dogura Beach in Port Moresby. This has been a significant initiative to demonstrate to our local communities and the public how mangroves are important to our environment, our shorelines and our climate in terms of adaptation and mitigation interventions. Our story on page nine exclusively features the commemoration of this day.

We also bring to you interesting updates in this edition of which I am sure you'll find them more informative.

As we wind down this year's work program, we at CCDA reflect this year both as a challenge and a success and remain focused in implementing the work programs for next year going forward. As an organization, CCDA subscribes to the country's development aspirations and plans for PNG such as the Vision 2050 and the Medium-Term Development Plan Three (MTDP 3).

These are the targets of which CCDA is working towards to reach in terms of adapting to the domestic impacts of climate change and contributing to global efforts in mitigating greenhouse gas emissions.

To conclude, I acknowledge all our partner line agencies, stakeholders and our development partners for their tremendous support in delivering the programs we've delivered so far in this quarter and for the whole of 2022. Without their support, we could not have delivered the programs we have delivered so far. We look forward to their continued support in 2023.

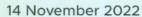
To all our readers, thank you for following CCDA's updates through the CCDA newsletter since the beginning of this year. We will continue to bring you more updates in our next editions in 2023.

Happy reading!

William Lakain Acting Managing Director Climate Change and Development Authority

### **MOU Signing Ceremony**

between Singapore and Papua New Guinea





Picture: Papua New Guinea's Minister for Environment, Conservation and Climate Change, Honorable Simo Kilepa and Singapore's Minister for Sustainability and Environment, Ms. Grace Fu, with the signed MoU documents.



# PAPUA NEW GUINEA AND SINGAPORE SIGN MOU ON CARBON MARKETS

The Government of Papua New Guinea and the Government of Singapore signed a Memorandum of Understanding (MoU) at the margins of the United Nations 27th Climate Conference (COP 27) in Egypt on the 14th of November, 2022.

The MoU signified the start of collaboration on carbon markets between the two countries as part of their efforts to meet their respective National Determined Contributions (NDCs) commitments under the Paris Agreement to address climate change.

NDCs are efforts by each country to reduce national carbon emissions and adapt to the impacts of climate change.

Papua New Guinea's Minister for Environment, Conservation and Climate Change, Honorable Simo Kilepa and Singapore's Minister for Sustainability and the Environment, Ms. Grace Fu, signed the MoU for their respective governments, witnessed by Papua New Guinea and Singapore delegates and invited guests.

Both Ministers heralded the MoU as a clear demonstration of a joint partnership to fight the growing adverse impacts of climate change affecting countries and the world.

"I am pleased with this important MoU between Papua New Guinea and Singapore, being the first ever MoU for cooperation on carbon credits under Article 6 of the Paris Agreement on climate change," said Minister Kilepa.

The MoU will further contribute to strengthening the existing cordial bilateral relations between both countries and foster constructive dialogue and cooperation in areas of mutual interest, including on climate change, trade and investment.

"Singapore is an important neighbor, friend and a key development partner for Papua New Guinea. We value the bilateral partnership with Singapore", said Minister Kilepa.

During the MoU signing, Minister Fu highlighted the background to the MoU and its importance in combating climate change impacts.

"In COP 26 last year, we successfully concluded Article 6 of the Paris Agreement, paving the way for carbon markets for voluntary cooperation between countries to meet their NDCs and to advance global climate action and ambition.

"It is my pleasure to be here today to sign the MoU and we look forward to work together in identifying mutually beneficial compliant carbon credit projects for both countries in achieving our NDCs", she added.

Minister Kilepa said the MoU is a groundbreaking milestone for Papua New Guinea and a welcome significant step towards meeting the climate carbon emission targets for the country. He also praised the...[to p4]



Under the MoU, Singapore and Papua New Guinea will work towards an implementation agreement that will set out the bilateral framework for the transfer of carbon credits with corresponding adjustments aligned with Article 6 of the Paris

cooperation, which will benefit

both countries.

countries to voluntarily cooperate with each other to achieve emission reduction targets set out in their NDCs to allow for higher ambition in their climate change mitigation and adaptation actions and to promote sustainable development and environmental integrity.

This will be presented to Cabinet, together with other key

conference.

Minister Kilepa acknowledged with appreciation the valued contributions from the technical officials from both countries who have been working tirelessly over many months in ensuring the successful conclusion and signing of the MoU

# DRAFT CARBON MARKET REGULATIONS REVIEWED

The Climate Change and Development Authority (CCDA) and key stakeholders reviewed the country's (PNG) draft Climate Change (Management) Carbon Market Regulations 2022 in October this year in Port Moresby.

The review followed four regional consultations on the Regulations which were carried out in September this year in the four regions of the country.

These consultations involved the introduction of the policy rationale of the Regulations to stakeholders and also their feedbacks received which enabled the commencement of the zero-draft Carbon Market Regulations.

The review workshop saw the draft Carbon Market (Management) (Carbon Market) Regulation 2022 presented including its rationale to relevant stakeholders for to their views and feedback to improve the

CCDA's MRV and NC Division Acting General Manager Debra Sungi highlighted that PNG plans on implementing compliance carbon markets under the United Nations Framework Convention on Climate Change (UNFCCC) mechanisms.

She said that as the country is faced with challenges of influx of projects intended to pursue voluntary carbon markets (VCM) in the absence of regulatory

mechanisms, it is important that the regulations is needed to address the authorization approval process.

Compliance carbon market is a market for carbon offsets created by the need to comply with a regulatory act. It is used by companies and governments that by law have to account for their greenhouse gas emissions which cause climate change.

CCDA has completed one on one consultation with key agencies within the sectors of Agriculture, Forestry and Other Land-Use (AFOLU) and Energy sector. This was supported by the Food and Agriculture Organization of the United Nations (FAO).

Picture below: Stakeholders from key government agencies, institutions, NGOs and private sector attending the workshop at Holiday Inn, Port Moresby





# PNG AND JAPAN SIGN MEMORANDUM OF COOPERATION

The Government of Papua New Guinea (PNG) and the Government of Japan signed a Memorandum of Cooperation (MoC) on a Joint Crediting Mechanism (JCM) at the margins of the United Nations 27th Climate Conference (COP 27) in Egypt in November this year.

The Joint Crediting Mechanism is an emerging project-based bilateral offset crediting mechanism initiated by the Government of Japan to facilitate implementation of advanced low-carbon technologies for mitigating greenhouse gas (GHG) emissions in host countries.

The signing signaled the start of both countries' collaborative efforts to meet their respective National Determined Contributions (NDCs) commitment under the Paris Agreement in addressing the impacts of climate change.

NDCs are efforts by each country to reduce national carbon emissions and adapt to the impacts of climate change.

The Memorandum of Cooperation was signed by Papua New Guinea's Minister for Environment, Conservation and Climate Change, Honorable Simo Kilepa and Japan's Minister for Environment, Akihiro Nishimura and witnessed by Papua New Guinea and Japanese delegates and invited guests at COP 27.

"Today's occasion signals another milestone of the two countries' bilateral relationship; this time on operationalizing Article 6 of the Paris Agreement through cooperative approaches and applying internally transferred mitigation outcomes", said Minister Kilepa.

He said "the cooperation is important for our countries to

increase our climate change mitigation actions to support the implementation of our National Determined Contributions including contributing to the 1.5-degree goal of the Paris (climate) Agreement".

"Papua New Guinea welcomes and appreciates the support that the Government of Japan will provide and facilitate through technological assistance and capacity building support necessary for the administration of the mechanism within this Memorandum of Cooperation", said Minister Kilepa.

Japan's Minister for Environment, Akihiro Nishimura, acknowledged PNG's partnership in the JCM. He said the signing will further strengthen long-standing bilateral relationship between the two countries in many years to

"Today I am very pleased...[to p6]

sign the Memorandum of
Cooperation on the establishment
of the joint credited mechanism
with Papua New Guinea.
"Papua New Guinea is the 25th

sincerely hope that JCM will be instrumental in deployment of advanced decarbonization technologies and infrastructure in Papua New

Guinea leading to not only emissions reductions but also sustainable development in Papua New Guinea", said Minister Nishimura.

The implementation of the Memorandum of Cooperation is the next phase both countries will be working towards. "This will be subsequent to the necessary briefing to the National Executive Council on the outcomes of COP27 after my return home", said Minister Kilepa.

Minister Kilepa highlighted that it requires commitment, focus and more importantly strong leadership in ensuring the country's key priorities on the climate change agenda are advanced and secured by working also in close partnership with our Pacific region countries and the wider international community.

### **AGENCIES MEET TO DISCUSS AVIATION POLICY**

The Department of Transport (DoT) and Climate Change and Development Authority (CCDA) had an introductory briefing on the preparation of Aviation Policy.

Officers from DoT visited CCDA to inform them on the Aviation Policy preparation that is currently in progress with aviation agencies.

Mr Sent Raiya from DoT said; We take this opportunity to acknowledge CCDA's role as a coordinating agency for all climate change related matters on behalf of the government and appreciate its leadership to partner with the Department of Transport on the E-Mobility initiative currently being progressed.

In the aviation sub-sector, the Department of Transport is progressing the development of the National Aviation Policy, a key priority initiative under the sector's Medium-Term Transport Plan 2.

This policy will guide the

development of the aviation institutions, infrastructure investments and operation to ensure air transport is safe, reliable and efficient to support economic development through domestic and international trade.

The introductory briefing will pave way for formal consultations with CCDA later to capture climate change related policies and actions in the aviation space to support the development of this Aviation policy.



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...[from p1] if they will remove the very important element to fight against the warming of the planet?' We want, ask, demand, to reinsert the role of rainforests and peatlands in the cover decisions," said Eva Bazaiba, Deputy Prime Minister of the Democratic Republic of Congo.

Developing countries fought to ensure that the REDD+ mechanism was included in the cover design to focus efforts on the Paris Agreement, that includes over 90% of global rainforests, rather than other diffuse efforts, such as the voluntary carbon standards and ART-Trees, which the United States favors. These structures lie outside the Paris Agreement and are designed to remove carbon credits from sovereign nations and attempt to lock in low prices for developing countries for the future.

Reducing Emissions from
Deforestation and Degradation
(REDD+), which was originated by
CfRN in 2005, is a global
conservation mechanism that
rewards rainforest nations for
successfully slowing deforestation
and reducing emissions under the
Paris Agreement. In the COP27
Sharm El-Sheikh Implementation
Plan, REDD+ is now restated in

section XVI. The section is titled Forests.

Private sector finance has always been viewed as integral to the success of the REDD+ mechanism, and there has never been a COP decision that ruled REDD+ out of the carbon markets. In Egypt, CfRN re-iterated this position with the inclusion of a footnote (\*30) to the cover decision. The footnote refers to previously recognized COP decisions (1/CP.16 and 9/CP.19.) that allow private sector finance to developing countries in return for accomplished emissions reductions under the REDD+ mechanism.

# PNG's Second Forest Reference Level

Climate Change and Development Authority (CCDA) has begun consultation with relevant stakeholders on the development of Papua New Guinea's (PNG) second Forest Reference Level (FRL).

Under the United Nations
Framework Convention on Climate
Change (UNFCCC), FRL is a
benchmark for assessing a
country's performance in reducing
emissions from deforestation and
forest degradation and removals
from sustainable management of
forests and enhancement of forest
carbon stocks, known as, REDD+.

The second FRL will assess PNG's performance nationally in mitigating climate change associated with implementation of REDD+ actions and aims to access results-based payments for REDD+

results-based actions through UNFCCC established funding mechanisms such as Green Climate Fund (GCF) Result-Based Payment (RBP).

The mitigation actions are captured in the country's Enhanced Nationally Determined Contributions (NDCs) for PNG which set the country's mitigation targets in the emissions sector.

CCDA's Acting Managing Director William Lakain said CCDA as the mandated agency in coordinating climate change efforts, it is also responsible for the country's international mitigation and adaptation reporting obligation of which FRL is one.

Mr. Lakain said the purpose the FRL is to measure the country's progress in terms of achieving its

national emissions reduction targets especially in the forestry sector.

"On behalf of CCDA, I thank key government agencies including the PNG Forest Authority which have provided relevant useful data in the preparation of the second FRL. Their continuous support is very much appreciated by CCDA," said Mr Lakain.

"I also commend the Food and Agriculture Organization of the United Nations (FAO) for the funding and technical support through the Government of Australia and GCF Readiness Programme towards the development of the second FRL for PNG", said Mr. Lakain.

PNG through CCDA submitted PNG's First FRL to the UNFCCC in





## CCDA officers receive training on Mangrove Mapping and Carbon Estimation

Two officers from Climate
Change and Development
Authority (CCDA) successfully
attended a Regional Training on
Mangrove Mapping and Carbon
Estimation.

Held in Fiji from the 5th to 11th October this year, one of the participants, Ms. Evelyn Paul, expressed how important the workshop was for Papua New Guinea.

"The training has equipped us a lot on the latest remote sensing and on-the-ground methodologies to capture data related to Reducing Emissions from Deforestation and forest Degradation (REDD+) activities, especially on mangroves", said

"From this training, I noted that PNG as a country, is still to catch up with aid of latest technologies in terms of capturing data using GIS and Remote Sensing technologies.

"These tools are very important for us as a country that is into REDD+ activities because they provide up to date and real time data and is vital for decisions making in the areas of climate change', said added.

Ms. Paul was appreciative of this

training opportunity provided by CCDA and the United States Government through the Silva Carbon strategic program.

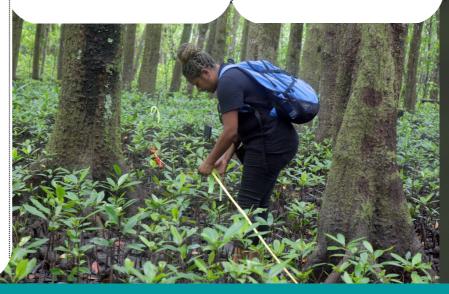
The training showcased latest methods in mangrove mapping and carbon estimation, and emphasized how mapping and field inventories complement one another.

This was relevant for developing countries with REDD+ programs such as PNG which need to identify the geographic extent of mangrove forests, and estimate carbon stocks per hectare in terms of emissions factors in order to estimate carbon emissions from landuse changes.

Sliva Carbon program is a strategic program of the US Government that aims to provide technical assistance for countries that have joined the REDD+ initiative and are building National Forest Monitoring Systems using a combination of remote sensing the on-the ground methodologies.

The program's goal is to increase capacity to monitor changes in critical ecosystems.

This capacity will translate into better management and protection of forests and mangroves in accordance with the countries' REDD+ Framework and guidelines.





Officers from Climate Change and Development Authority (CCDA) commemorated the World Mangrove Day by taking part in planting 5000 Mangrove seedlings at Dogura Beach in Port Moresby on the 9th of November, 2022.

The Mangrove planting event was hosted by The Nature Conservancy (TNC) and supported by key partners.

Jacinta Kull from CCDA during the event acknowledged TNC for the initiative in organizing such event.

"We are happy to be here to represent the Government in terms of Climate Change and what we are doing here in PNG.

Basically, one of our areas of support is in the REDD+, that is reducing emission from deforestation and degradation.

We mainly deal with the policies, to have those right polices in place by the government to enable the implementation," she said.

Mangrove is good for both Adaption and Mitigation. For Adaption it is recommended for coastal areas because it is less cost.

It's the least cost Method for costal protection for developing countries like Papua New Guinea.

Other methods for coastal protection like stone walling and others are expensive.

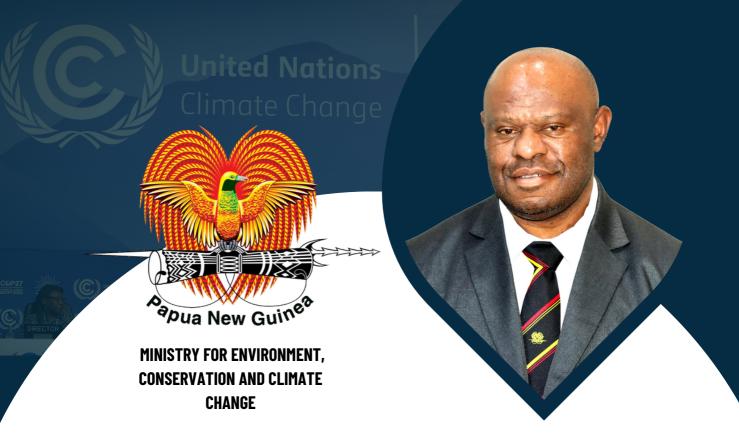
For mitigation, Mangroves absorb Carbon Dioxide faster

than the trees in the forest. The Nature Conservancy Country Director Jacqueline Nen said this event was supposed to happen sometime in July but because of elections and other reasons it was pushed back.

"Our plan is to plant 20,000 Mangrove seedlings over the next 2 years. By the end of 2 years, we will have planted 20 000 Mangroves, so today you are all here to help us and help the community to plant the 5000 Mangroves.

This is not something that is impossible to achieve. If we can all do this every year, we can make it a bigger program," she

"I want to acknowledge communities here in Dogura because they have taken ownership of the rehabilitation of the Mangrove. It has really been their project we are just supporting them," Ms. Nen said.



# STATEMENT ON OUTCOME OF PNG'S PARTICIPATION AT THE 27TH UNITED NATIONS CLIMATE CHANGE CONFERENCE (COP27)

Dear fellow citizens, stakeholders, members of the media, ladies and gentleman,

Papua New Guinea has concluded its participation at the 27th United Nations Climate Change Conference (COP27), held in the city of Sharm El- Sheik, Egypt.

As the Minister responsible and Head of Delegation, I had the honor to lead for the first time, a team of highly skilled technical negotiators who were members of the PNG Delegation to the COP meeting.

The delegation consisted of relevant officials from key sector agencies, namely, PNG Forest Authority, Department of Works and Highways, National Energy Authority, Department of National Planning and Monitoring, Department of Prime Minister and NEC, Department of Foreign Affairs and Trade, Department of Justice and Attorney General and of course the coordinating agency, Climate Change and Development Authority.

Our country's participation at COP27 was for one cause; addressing climate change and implementation. We are currently at 1.2 degrees Celsius. Our local communities and our people are already experiencing a series of events never experienced before, from extreme drought, to heatwaves, landslides, accelerated by sea level rise, and typhoons. These are exacerbated by climate change. Climate change cannot be addressed alone but requires concerted and collective local and global efforts by all governments, industries, entities and institutions.

The government of PNG acknowledges that PNG as a State Party to the United Nations Framework Convention on Climate Change (UNFCCC), has a significant role in its participation at the COP in supporting global response to the threat of climate change, advancing implementation of the Convention, and foster intergovernmental action in addressing critical climate issues nationally.

The PNG delegation has participated meaningfully at the COP27 negotiations, established strategic partnerships and offered solutions to address climate change under respective sectors at different levels of negotiations. Besides, the delegation also advocated for our people, forest and environment, and for a rapid approach to keep the planet below 1.5 degrees Celsius.

PNG brought to COP27 the following country priorities to negotiate for action and implementation; Adaptation, Loss and Damage, Finance, Energy, Forest, Carbon Markets and Non – Markets. These priorities are very significant for the country that requires various support to upscale its climate change adaptation and mitigation efforts. In this statement, I would like to highlight some significant positive outcomes from the priorities we took to the COP and is worth informing the country.

#### 1.Forestry/REDD+

At COP27, we have advocated for inclusion of Reducing Emissions from Deforestation and forest Degradation or REDD+ mechanism under article 6 of the Paris Agreement. REDD+ is a global conservation mechanism that rewards rainforest nations for successfully slowing deforestation and reducing emissions under the Paris Agreement.

At the COP26 meeting in Glasgow, Scotland last year, the REDD+ Mechanism was controversially removed from the final decision text. This was unwelcoming for rainforest nations like PNG which is home to the third largest tropical rainforest area in the world and one of the biggest sources of carbon sink. This meant that any pre-2020 credits (2016-2020) could not be claimed which is a loss of revenue for the country and a disincentive for the emission reduction and removals done over time.

However, in Egypt, our efforts to restore the REDD+ mechanism in the final decision text was successful with the support of the Coalition for the Rainforest Nations of more than 52 countries. PNG being the...[to p11]



...[from p10] current and outgoing Chair of the Coalition for the Rainforests Nations group, successfully led the discussions for the rainforest nations to allow the REDD+mechanism back into the final Sharm-El Sheikh Implementation Plan at the end of COP27 meeting.

Building on the pioneering work of our founding father late Grand Chief Sir Michael Somare, PNG has once again reaffirmed the REDD+ mechanism as the global initiative for tackling deforestation under the Paris Agreement. This includes recognition of the role of private finance in supporting developing country efforts to slow deforestation and reduce emissions at the national level. This is a positive outcome and for the first time the voice of the global south has been heard and included.

#### 2. Adaptation

COP27 saw significant progress on climate change adaptation with governments agreeing on the way to move forward on the Global Goal on Adaptation, which will conclude at COP28 and inform the first Global Stock take, improving resilience amongst the most vulnerable countries in the world.

New pledges, totaling more than USD 230 million, were made to the Adaptation Fund at COP27. These pledges will help many more vulnerable communities adapt to climate change through concrete adaptation solutions. Although no countries are specified to access the adaptation funds, PNG stands the chances of accessing some of these funds as one of the most climate change vulnerable countries in the world.

In addition, the UN Standing Committee on Finance under UNFCCC was requested by parties to prepare a report on doubling adaptation finance for consideration at COP28 next year.

#### 3. Loss and Damage

PNG together with other Small Island Developing States has advocated for a Loss and Damage Facility for vulnerable countries in the Pacific. This will assist in the response and recovery of its people, resources and environment from the destructions and negative impacts of climate change.

On this thematic area, the discussions were fruitful with parties agreeing on the creation of a loss and damage

fund for vulnerable countries. The fund will focus on addressing loss and damage in developing countries which are vulnerable to climate change impacts.

This is a positive way forward on a decades-long conversation on funding for loss and damage; deliberating over how we address the impacts on communities whose livelihoods have already been ruined by the very worst impacts of climate change.

Parties also agreed to establish a transitional committee to operationalize new funding arrangement and work together with global, regional, and national funding agencies to address loss and damage. They will work with experts to identify gaps and explore solutions to address the gaps for vulnerable population and ecosystems.

#### 4. Finance

COP 27 Sharm el-Sheikh Implementation Plan, which is a cover decision, highlights that a global transformation to a low-carbon economy is expected to require investments of at least USD 4-6 trillion a year. Delivering such funding will require a swift and comprehensive transformation of the financial system and its structures and processes, engaging governments, central banks, commercial banks, institutional investors and other financial actors.

At the Ministerial level of discussions, we stressed that the UNFCCC climate finance architecture continues to improve on scale, timely and predictable delivery, ease of access particularly for the vulnerable and capacity constrained especially Small Island Developing States including Papua New Guinea.

#### 5. Energy

In the energy sector, PNG echoed it's support to Energy and Just Transition which was also reflected in the cover decision-the Sharm el-Sheikh Implementation Plan. We as a country have committed to a target of 70 percent renewable energy by 2030 and 100 percent renewable energy by 2050, in our enhanced Nationally Determined Contributions (NDCs). NDCs are efforts by country to reduce national emissions and adapt to the impacts of climate change. This includes focusing on phasing out diesel power plants in parts of the country where fossil fuel energy is the only source of energy.

These are ambitious targets, which continue ...[to p12]



...[from p11] to be threatened by regional and global factors that poses a threat on our energy security issues. The recent global pandemic and the European conflicts have tested our low carbon efforts. When our socioeconomic operations are threatened due to shortage of fuel supplies to our industries and key sectors, this in turn as a negative impact on the global chain of energy supply.

The need to phase out fossil fuels and transition to renewable sources of energy was a major theme at COP27 – causing fireworks in the last-gasp negotiations about the summit's final agreement.

#### 6. Markets and Non- Markets (Carbon Markets)

Effective implementation of Article 6 of the Paris Agreement is very important for PNG as it covers carbon markets. The requirements needed to implement Article 6, however, is quite technical in nature. To ensure that we maintain environmental integrity, and maximize benefits for our resource owners, we have to fully understand the legal architecture established for Article 6, thus capacity building is essential.

Climate Change and Development Authority together with its key stakeholders will be submitting its first PNG Carbon Market Regulations to ensure full compliance with the UNFCCC processes.

#### 7. Bilateral Outcomes

A number of successful bilateral discussions with Singapore, Japan and Australia were held at the margins of COP27. The bilateral with Singapore and Japan capped off with signing of a Memorandum of Understanding/Cooperation for joint carbon framework that will allow the countries to meet their respective national determined contributions through the use of internationally transferrable mitigation outcomes (ITMOs).

#### 8. PNG - Singapore MoU on Carbon Credits Trade

The PNG-Singapore MOU sets out a work plan to develop a framework for the host country to authorize and transfer carbon credits to the receiving country to be used to meet the receiving country's NDC.

The framework will ensure environmental integrity, which includes the approach for corresponding adjustments to avoid double counting of the underlying emissions

reductions of the same carbon credit by both host and receiving countries.

Next step now is working towards signing of a legally binding Implementation Agreement for the overarching Government to Government (G2G) framework for cooperative approaches under Article 6 of Paris Agreement between Papua New Guinea and Singapore.

#### 9. PNG – Japan MoC on Joint Carbon Mechanism

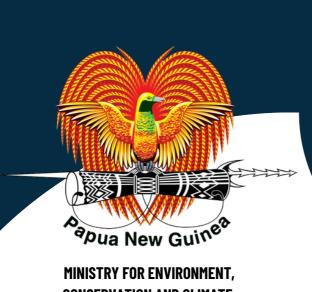
The Government of Japan and the Government of PNG signed a Memorandum of Cooperation (MOC) will see the rolling out of the Joint Carbon Mechanism (JCM) after the endorsement of the Paris Rulebook under Article 6 of the Paris Agreement and its Rulebook. The Paris Rulebook provides guidance on what countries should consider when developing their plans to tackle climate change.

Article 6 of the Paris Agreement provides the international framework for Parties to cooperate in the implementation of their Nationally Determined Contributions with the use of market-based mechanisms (i.e. carbon trading), while ensuring environmental integrity and the avoidance of double counting, to deliver an overall mitigation in global emissions.

The use of high-quality carbon credits provides a costeffective means for countries and companies to decarbonize and raise mitigation and adaptation ambition. Well-functioning carbon markets can unlock financing for green projects, spur innovation, bring down technology costs and enable the development of a green economy.

The Basic Concept of the JCM is that it facilitates diffusion of leading low carbon technologies, products, systems, services and infrastructure as well as implementation of mitigation actions, and contributing to sustainable development of developing countries;

Appropriately evaluating contributions from Japan to Greenhouse Gas (GHG) emission reductions or removals in a quantitative manner, and use them to achieve Japan's emission reduction target while contributing to the ultimate objective of the UNFCCC by facilitating global actions for GHG emission reductions or removals and building infrastructure services PNG. [cont'd to p13]



#### MINISTRY FOR ENVIRONMENT, CONSERVATION AND CLIMATE CHANGE

...[from p12]

#### 1<u>0. PNG – Australia</u>

In partnership with Australia, PNG is creating the environment for scaled-up private sector investment in climate action. Discussions were held at the Ministerial level on the PNG-Australia Climate Change Action Plan, progressing the Indo-Pacific Carbon Offset Scheme (IPCOS) and continuing the partnership to build underlying capacity for climate action in PNG.

The IPCOS MOU signed at COP26 in Glasgow last year, will ensure that the system is built to generate and trade high integrity credits to access private sector finance launch low-emissions projects that support sustainable development and provide real community and environmental benefits, strengthen carbon accounting and help to meet international reporting obligations.

In summary, those were the key outcomes for COP27. The outcomes from the COP set a clear perspective of what we need to progress from here in terms of our key priority thematic areas; Adaptation, Loss and Damage, Finance, Energy, Forest, and Carbon Markets.

In view of the outcomes, I must also say that we often discuss climate change as a major risk, but let us use this as an opportunity as well given the trend that the low-carbon transition creates opportunities for efficiency, innovation and growth that extend beyond high-carbon industries like energy and transport among other sectors. These are key areas our country can bank on.

#### 11. Conclusion

Going forward, I will take the COP27 key outcomes and related issues to Cabinet under a Policy Submission, for consideration and relevant decisions to take further forward, including implementation.

Important aspects for us is to ensure that our technical officials are adequately supported to follow-up on the COP27 outcomes, including particularly on REDD+, carbon market issues and be on the Loss and Damage Facility mechanics that need to be developed and put into effective operations as soon as feasible to support all climate-vulnerable countries, including PNG.

Climate change affects all of us and it is therefore important that all relevant stakeholders work with the

Marape-Rosso Government to address the issues effectively and in a timely manner to save our people's lives and livelihoods and to build resilience against the adverse impacts of climate change. We are strong together as a people and country, so, I appeal to all citizens and other stakeholders to work with me and my Ministry and the National Government in addressing the serious and growing challenges related to climate change.

To conclude, I would like to pay a special tribute to our officials from key government departments and agencies which have participated at COP27 namely; Climate Change and Development Authority, Department of Prime Minister and NEC, Department of Justice and Attorney General, Department of Foreign Affairs and Trade, National Energy Authority, PNG Forest Authority, the Department of National Planning and Monitoring, Department of Works and Highways. These state agencies and its technical negotiators are very hard working and are sometimes portrayed in a negative way when it comes to representing the country in these important climate

Throughout the COP negotiations, I noticed the tremendous efforts they've put in during the negotiation meetings day and night. They have worked under tremendous challenges and I commend them for their efforts. I also commend my colleague minister for Housing, the Honorable Dr. Kobby Bomareo for joining me in the last week of COP and making interventions during relevant Ministerial dialogues as well.

In closing, I would like to extend my gratitude to our development partner, Global Green Growth Institute with support from the Government of Australia. The capacity building support for climate negotiation team was a success and we look forward to continuing the partnership moving into the future.

Em tasol na tenk yu tru.

HON. SIMO KILEPA, MP
MINISTER OF ENVIRONMENT, CONSERVATION AND CLIMATE
CHANGE

### CHINESE EMBASSY DONATES LAPTOPS TO CCDA

The Chinese Embassy in Port Moresby delivered ten brand new laptops to Climate Change and Development Authority (CCDA) on the 2nd of December, 2022.

The donation was to support CCDA's administration in its efforts in addressing climate change.

The donation follows dialogue over the last two months between the Embassy and CCDA of which the Embassy expressed China's interest in providing technical assistance under their South-South cooperation to address climate change.

During the handover of the laptops, CCDA's Acting Managing Director William Lakain, thanked the Chinese Government through its Embassy for recognizing the need CCDA has in terms resources it requires to implement its functions.

"On behalf of the Management and Staff of CCDA, I would like to thank the Chinese Government through the Embassy for your initiative to donate these laptops to CCDA. They mean a lot to us.

"These laptops will assist in setting up of pilot provincial climate change coordination office, which is a work-in-progress and I appreciate the kind support provided by the Chinese Embassy in a very little time", said Mr. Lakain.

The Chinese Deputy Head of Mission to Papua New Guinea and Counsellor Chen Jiliang when presenting the laptops, expressed China's passionate commitment in addressing climate change and one is through the South-South Cooperation in which China is working to support countries in the Pacific.

"The Chinese Government is mindful of climate change, and the efforts in protecting the environment.

"At the national level, we want to start our cooperation with you based on your need in PNG's int the efforts to address climate change.

"This is the start and next year going forward, we look forward to more cooperation with you in the areas of climate change", said Jiliang.



# Bilateral focused on National Adaptation Plan

Papua New Guinea (PNG) met with Global Green Growth Institute (GGGI) on a bilateral discussion on the 13th of November at the annual United Nations Climate Negotiations (COP 27), Egypt.

At this bilateral, PNG's Minister for Environment, Conservation and Climate Change, honorable Simo Kilepa and the Director General of GGGI, Frank Rijsberman discussed priority areas under the country's National Adaptation Plan (NAP) of which GGGI can support as a delivery partner.

The priority areas include infrastructure, health, agriculture and transport; the type of support needed to implement projects on the ground in response to climate change.

During the bilateral, Minister Kilepa acknowledged GGGI for their technical support back in the country, as a delivery partner in implementing adaptation programs under the Climate Resilient Green Growth (CRGG) project phase one.

Minister Kilepa said, the NAP
priorities are crucial for PNG in
building its resilience against
climate change, however, can only
be implemented successfully if
financial sources are established
and accessed to implement them.

"We would appreciate technical support to accessing financing of the implementation of the National Adaptation Plan priorities which include infrastructure, health, agriculture and transport. The CRGG project moving forward into phase two, will need to aim towards that", said Minister Kilepa.

"At this stage, efforts to mobilize climate and green investments is needed. Within the next five years, we appreciate the support of GGGI to mobilize finance for PNG to implement its priorities, both adaptation and mitigation.

This will help PNG meet its ambition goals", said Mr. Kilepa. Minister Kilepa also highlighted that the GGGI's support towards climate negotiations also need to be upscaled to involve sectors in the country to understand this process in the areas of climate change adaptation, mitigation and financing so that all sectors are on the same wavelength.

Frank Rijsberman of GGGI upon acknowledging Minister Kilepa's remarks, expressed contentment of GGGI's partnership with the PNG Government on the CRGG interventions in the country and reassured GGGI's continued partnership.

"We are happy to work with PNG in partnership with Australia to support the CRGG projects in PNG at 350 million dollars for the next five years.

"That can only happen with the support of the PNG government, the Ministry for Climate Change, and other key agencies and of course with the support of everybody", said Rijsberman.







# **Acknowledgement**

The Climate Change and Development Authority acknowledges the support of its key development partners, line government agencies and stakeholders. The Authority values them as important partners in the climate change interventions for the Government and the people of Papua New Guinea.



















Climate Change and Development Authority (CCDA) is the official Government entity in coordinating climate change efforts of Papua New Guinea.

CCDA coordinates all climate related policies, strategies and actions with the vision of being the leader in promoting climate resilience, low carbon growth and sustainable development in Papua New Guinea. Find out more at:

www.ccda.gov.pg





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