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**Global Green Growth Institute**

The Council

11<sup>th</sup> Session of the Assembly and15<sup>th</sup> Session of the Council (Joint Session)

October 27, 2022

## **Decision on Establishment of the Carbon Transaction Platform**

The Council,

*Recalling* the Article 2 of the Agreement on the Establishment of GGGI on the objectives of the Global Green Growth Institute (GGGI);

*Recalling* Financial Regulation 6.3(e) [[C/8/DC/5](#)] that states dedicated trust funds may be established by the Director-General with respect to restricted contributions provided to finance the dedicated activities;

*Recognizing* that carbon pricing has emerged as a new area of opportunity where GGGI can support countries, particularly through mobilization of carbon finance under the Paris Agreement Article 6 Framework, as indicated in GGGI's Strategy 2030 Addendum approved by the Council at its Fourteenth Session on October 28, 2021 [[C/2021/DC/7](#)];

*Taking note* of the Council's recommendation at its Fourteenth Session on October 28, 2021, for the Secretariat to further develop the options presented on the Carbon Transaction Platform;

*Taking note* of the discussions and recommendations of the Management and Program Sub-Committee (MPSC) regarding the establishment of the GGGI Carbon Transaction Platform and Carbon Trust Funds at its Fourteenth Meeting held on April 18-28, 2022 [[MPSC/2022/13](#)] and Fifteenth Meeting held on June 27-July 7, 2022 [[MPSC/2022/26](#)];

*Decides* the following:

1. The Council authorizes the Secretariat to establish the GGGI Carbon Transaction Platform as a program of GGGI, that will encompass all GGGI's Article 6-related activities, both related to technical assistance (Article 6 readiness) and the operational support for ITMO trading through GGGI Carbon Trust Funds. The CTP program will be managed by the Carbon Pricing Unit in IPSD.
2. GGGI Council authorizes the Director General to establish GGGI Carbon Trust Funds, under the same conditions the Director General is authorized to establish GGGI Trust Funds, as detailed in GGGI's Financial Regulations. GGGI Council requests the Director General to develop additional Financial Rules as may be required to operate such Carbon Trust Funds and to consult MPSC on such additional Financial Rules before their approval and implementation.
3. GGGI Council decides that GGGI's carbon transaction activities will be limited to

developing and emerging economy seller countries in which GGGI operates, but authorizes the Director General to agree on carbon transaction readiness and purchasing activities with all interested donors and buyers, respectively, in the interest of GGGI Member and partner countries.

4. GGGI Council determines that GGGI's objective to undertake CTP activities will be to enable the governments of both sellers and buyers among its Members and partners to develop, advance and scale up Art6 carbon transactions in the mutual interests of buyers and sellers. Once an agreement to trade ITMO's between buyers and sellers has been reached, the GGGI Secretariat is authorized to engage with the government as well as the private sector in seller countries to develop and make available ITMOs for trade, and with the government as well as the private sector in buyer countries to purchase the ITMO's thus made available.

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