

# Canada-Chile Program to reduce Emissions in the Waste Management Sector:

A concrete example to explore options for the exchange of mitigation outcomes

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### **Canada's International Climate Financing**

- Canada announced in November 2015 a climate financing pledge of CAD\$2.65 billion over 5 years to help developing countries make the transition towards lowcarbon development and climate resilient economies.
- This contribution represents Canada's largest climate finance contribution ever, scaling up to \$800 million per year starting in 2021.



This investment includes \$ 7M to support NDC implementation in the waste sector in Chile through the deployment of clean technologies to reduce methane emissions



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### **Bilateral program in the Chilean waste sector**

### **Overall objective:**

\$7M to support Chile's NDC implementation in the waste sector.

#### **Program Priorities**

- 1. <u>Reduction of methane emissions</u> through technology deployment from existing landfill sites and measures to divert organic matter from landfilling;
- 2. <u>Tracking, monitoring and reporting</u> emission reductions as well as explore opportunities for new and innovative cooperative arrangements;
- 3. <u>Leverage co-financing</u> from public and private sector partners to create financial enabling conditions for scaled-up implementation,
- 4. <u>Communications and public education</u> <u>opportunities.</u>





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# **The Canadian Approach**



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# **Expected outcomes**

Besides technology deployment and emission reductions, Canada and Chile are working together, through the bilateral programme to:

- <u>Strengthen MRV</u> and develop capacity-building for tracking, monitoring, and reporting emission reductions;
  - Currently developing 3 new GHG verification protocols:
    - Landfill gas
    - Anaerobic Digestion
    - Diversion of organics
- Identify options to achieve NDC levels;
- Develop incentive for partners to <u>replicate the model</u> in other communities/facilities or <u>make information available</u> to other jurisdictions especially the Pacific Alliance.
- <u>Explore considerations</u> for bilateral discussions for mitigation transfers.





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## **A New Context for Mitigation Transfers**

- The Paris Agreement created a new world for international approaches to carbon markets.
- Internationally Transferred Mitigation Outcomes (ITMOs) counted towards Nationally Determined Contributions (NDCs) must meet 3 requirements:
  - Be voluntary and authorized by participating Parties
  - Apply <u>robust accounting to avoid double counting</u> on the basis of a corresponding adjustment
  - Ensure <u>environmental integrity and transparency</u>, and promote sustainable development



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### **Benefits of Early Action**

- Continue momentum generated from Paris.
- Send signal to private sector that carbon markets are real and effective.
- Leverage existing potential opportunities.
- Piloting cooperative approaches to mitigation outcomes can lead to replication in other jurisdictions.



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# Rationale

- Long-standing collaboration between Canada and Chile in the waste sector
- Overall, the waste sector has <u>a limited role in achieving Chile's NDC</u>, considering its small contribution to Chile's emissions, so it is a great <u>playground to experiment</u>.
- The Chilean waste sector is in the middle of institutional reforms, which could make it easier for Chile to explore opportunities to integrate regulatory provisions needed for exchanging mitigation outcomes.



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# **Next steps**

- Develop a workplan for the project
- Identify and analyze first emission reduction raw data coming from real cases (ex: landfill gas capture)
- Discuss options to:
  - Apply emission reductions against Chile's NDC
  - Pilot models that could inform and support the exchange of mitigation outcomes.
- Develop a communication strategy to include
  - Identification of potential for replication in other countries
  - Dissemination and sharing information, experiences and lesson learned with:
    - the Pacific Alliance
    - the international community (UNFCCC, CCAC,...)



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# Thank you



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