



Climate Ambition and JCM Contribution in Chile

Felipe Díaz Bórquez
Climate Change Office – Ministry of the
Environment
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Agenda

1. State Climate Policy

- 1. Climate Change Framework Law**
- 2. Updated NDC 2020**
- 3. LTS 2021**

2. JCM and Article 6

3. Some remarks



State Climate Policy



Climate Change Framework Law



Extreme
Urgency



Mitigation goal for the country: **Neutrality by 2050**



Adaptation goals and indicators: **Water** (water security)



Long, medium and short term management instruments.
Command and control instruments



Incorporation of Climate Change in other policies



Financing and economic instruments



Information systems



Institutionality of climate change (vertical and horizontal)



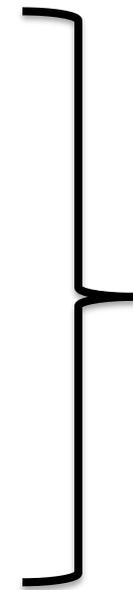
LTS to 2050
NDC: Intermediate goals
Emission and compensation standards

Climate Change Framework Law

PROJECT CONTENT.

TITLE III.

- **Greenhouse gas emission standards.**
- **Emission reduction certificates.**



Reduce GHG emissions

Compliance flexibility

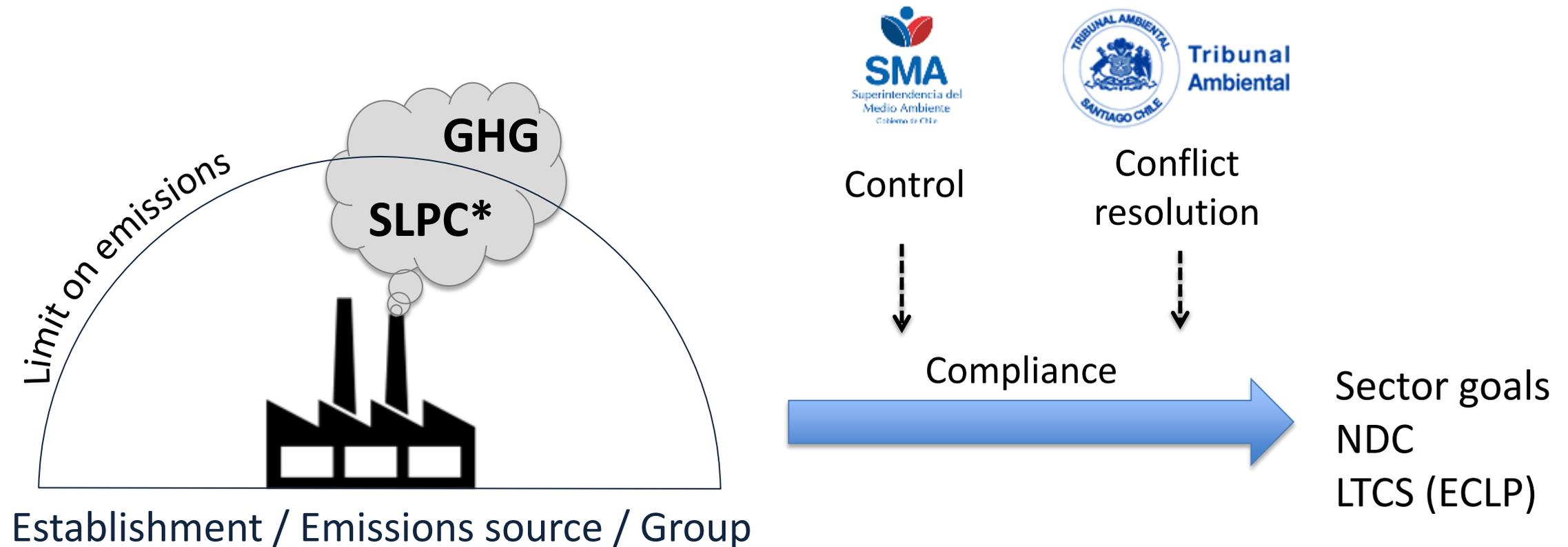
Mitigation projects Cost effective

One more instrument to achieve the sectoral goals to be defined in the LTCS (ECLP)



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ARTICLE 13. ISSUANCE RULES.



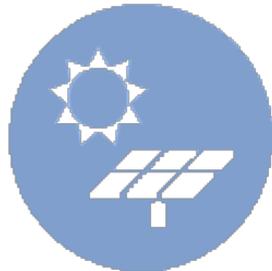
* Short-Life Polluting Compounds

Climate Change Framework Law

ARTICLE 14. REDUCTION CERTIFICATES.

Certificates of reduction, absorption or surplus of greenhouse gas emissions.

Implementation of projects that
reduce GHG



GHG
reduction

Additional

Measurable

Verifiable

Permanent

Sustainable
Development Principle

Updated NDC (2020)

MITIGATION COMMITMENTS ABSOLUTE EMISSIONS, excluding forestry sector

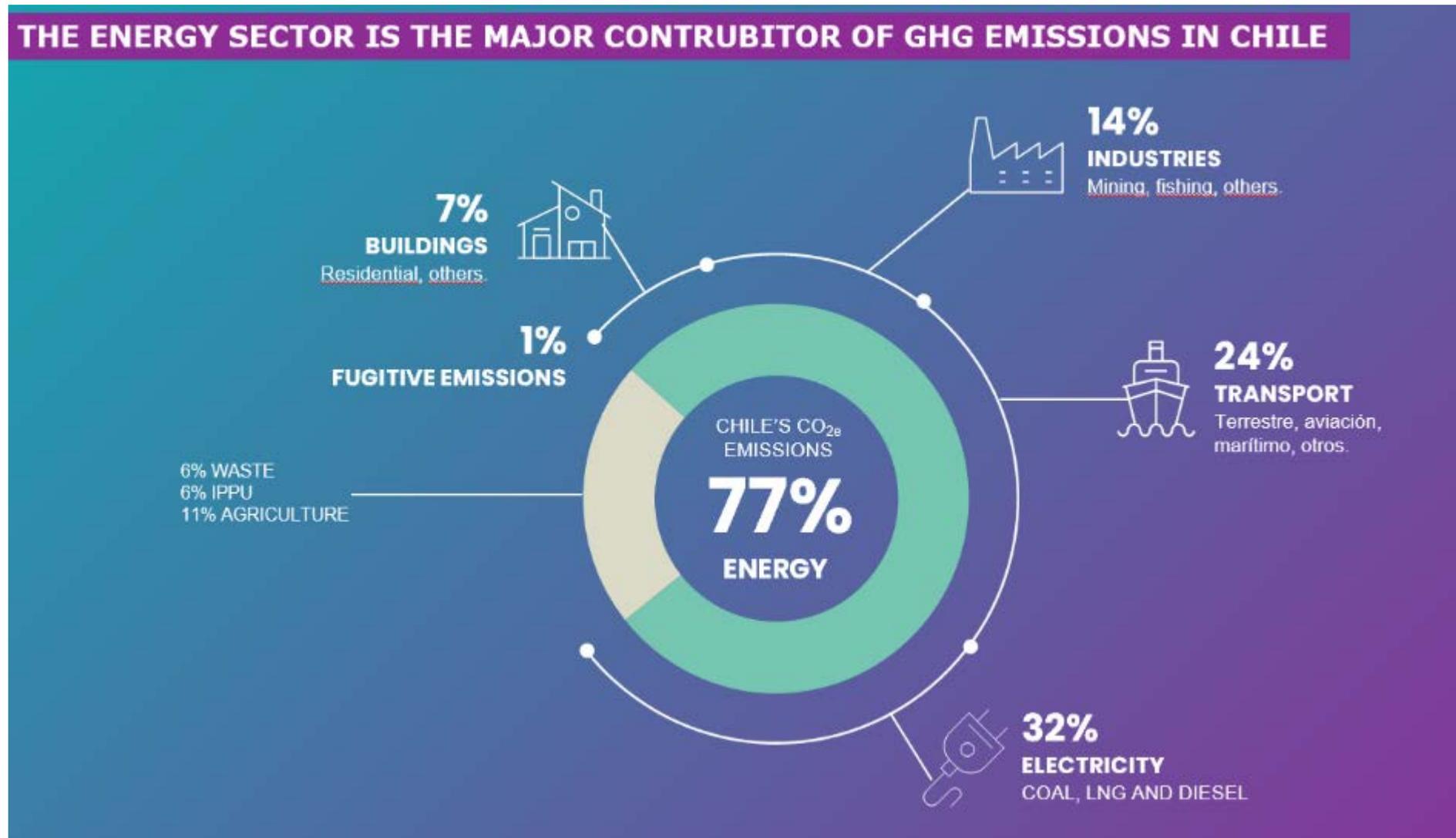


| Variable | NDC 2015 | New NDC 2020 | Link with SDG |
|------------------|---|---|--|
| Emissions | <p><u>Emission intensity</u> (tCO₂/GDP), 30% reduction by 2030, base 2007 Emissions.</p> | <p><u>Absolute emissions</u>: Reach 95 MtCO₂eq by 2030</p> <p><u>Carbon budget</u> period 2020 to 2030: 1.100 MtCO₂eq</p> <p><u>Peak emissions</u>: 2025</p> |    |

More transparent and ambitious goal, in line with what the Paris Agreement asks of us. Science has shown us that temperature increases are directly related to the accumulation of emissions, that is why it is so relevant to establish a carbon budget as a goal.

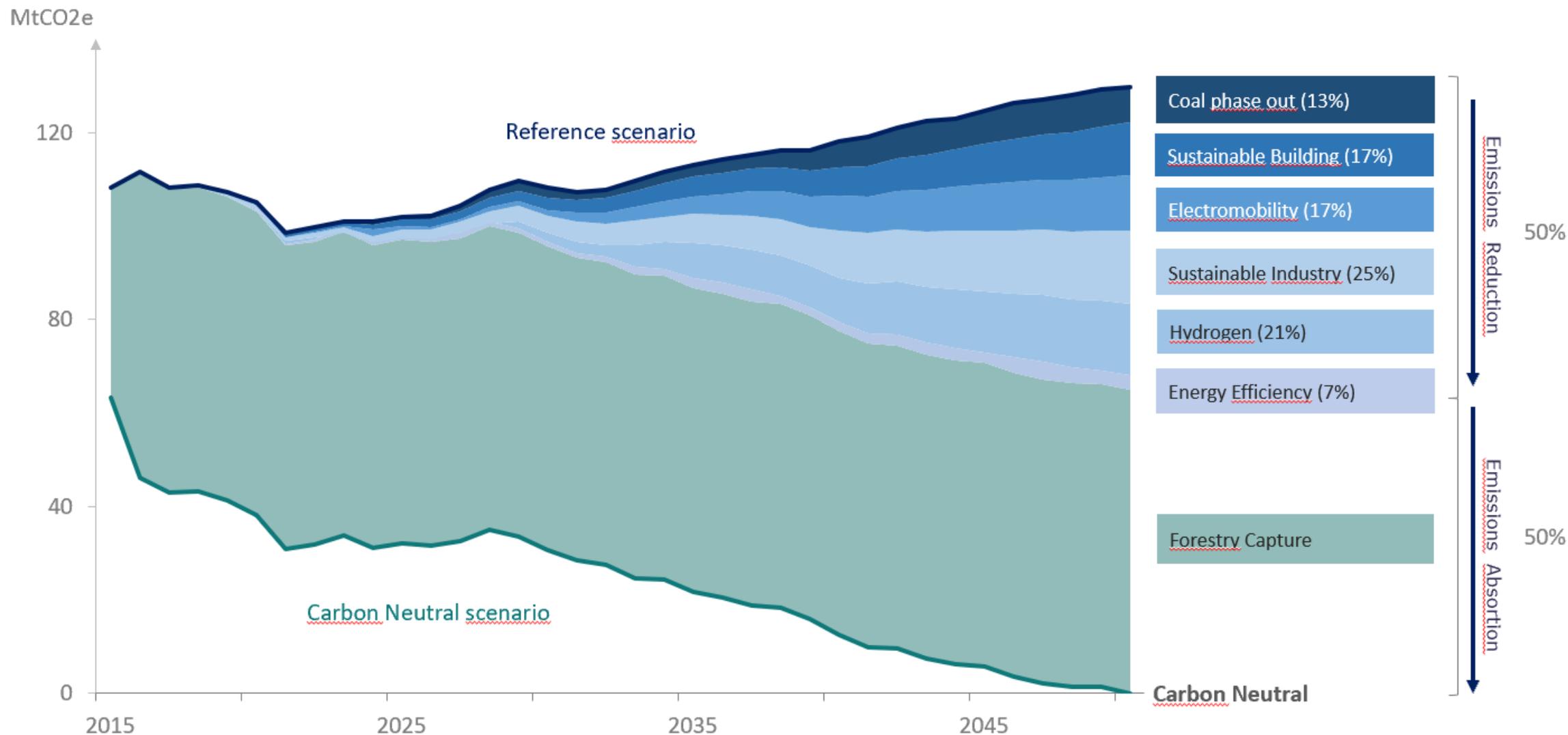
Updated NDC (2020)

Mitigation Commitments



Updated NDC (2020)

Carbon Neutrality 2050

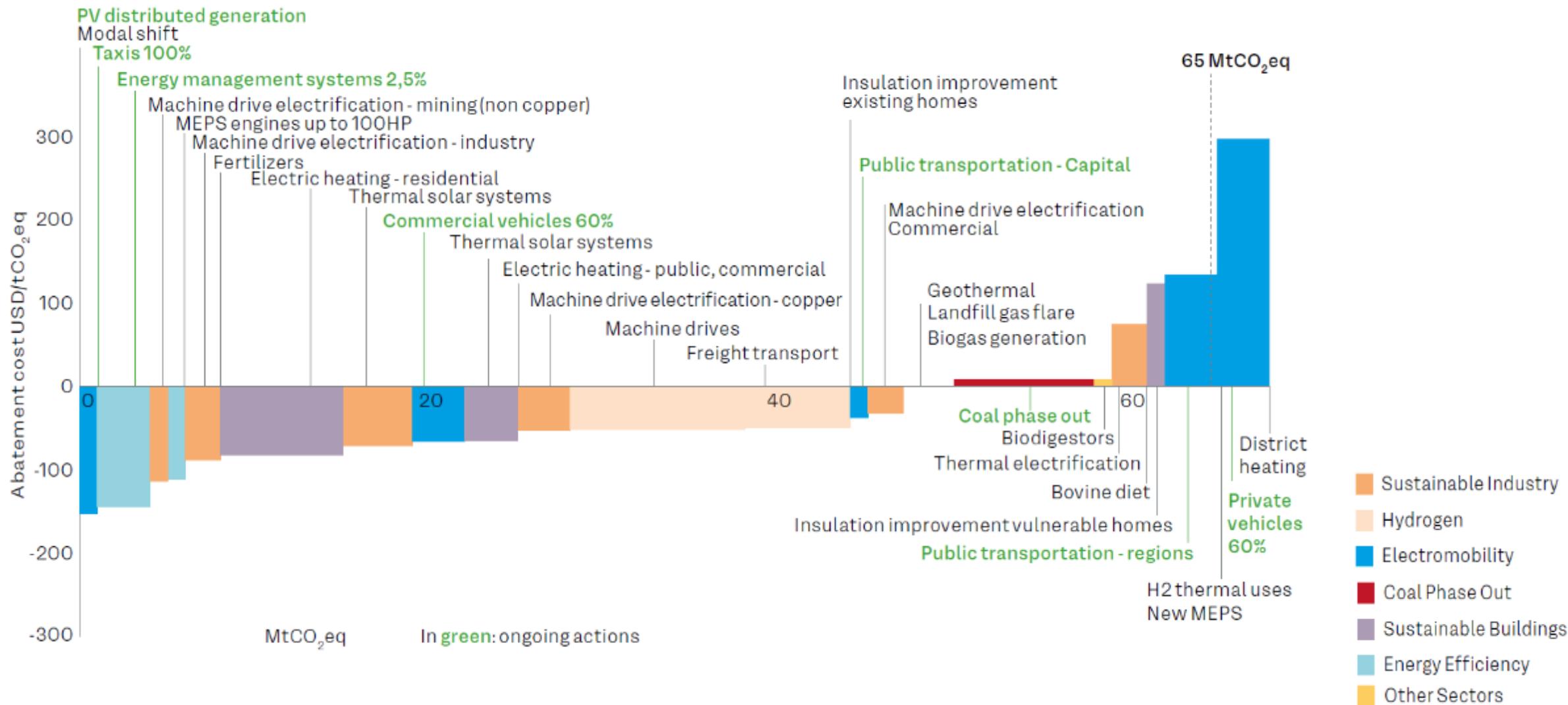


Note: An absorption of 57 MM tons per year from the forestry sector is considered, plus an increase in catch of 8 MM tons in 2050. The reduction percentages show the aggregate of the period 2020 - 2050.

Updated NDC (2020)

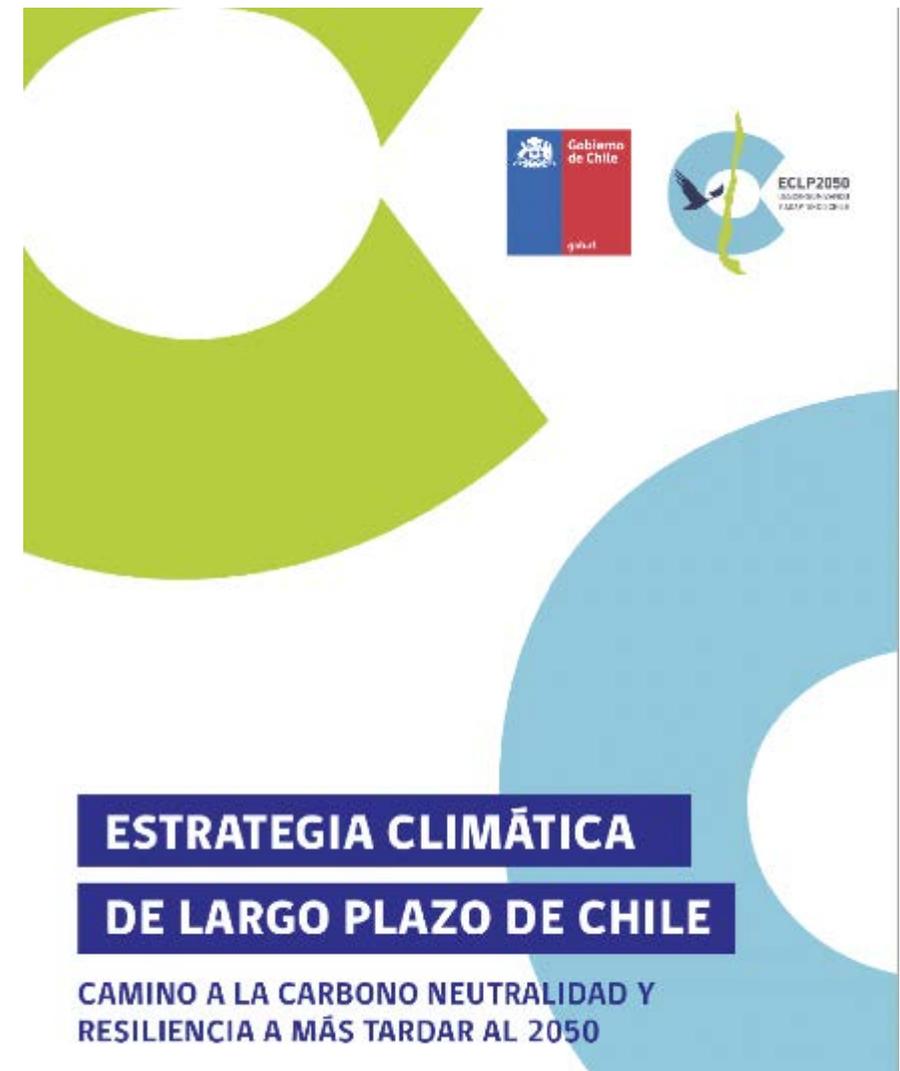
Mitigation Commitments

THESE ARE THE MOST COST-EFFECTIVE MEASURES



Chile's Long Term Climate Strategy

- Presented on November 3rd to the UNFCCC
- It is the result of a participatory process, build up with the collaboration of public & private sector institutions, scientific organizations and civil society
- Sets the path towards carbon neutrality and resilience by 2050
- https://unfccc.int/sites/default/files/resource/CHL_LTS_2021.pdf



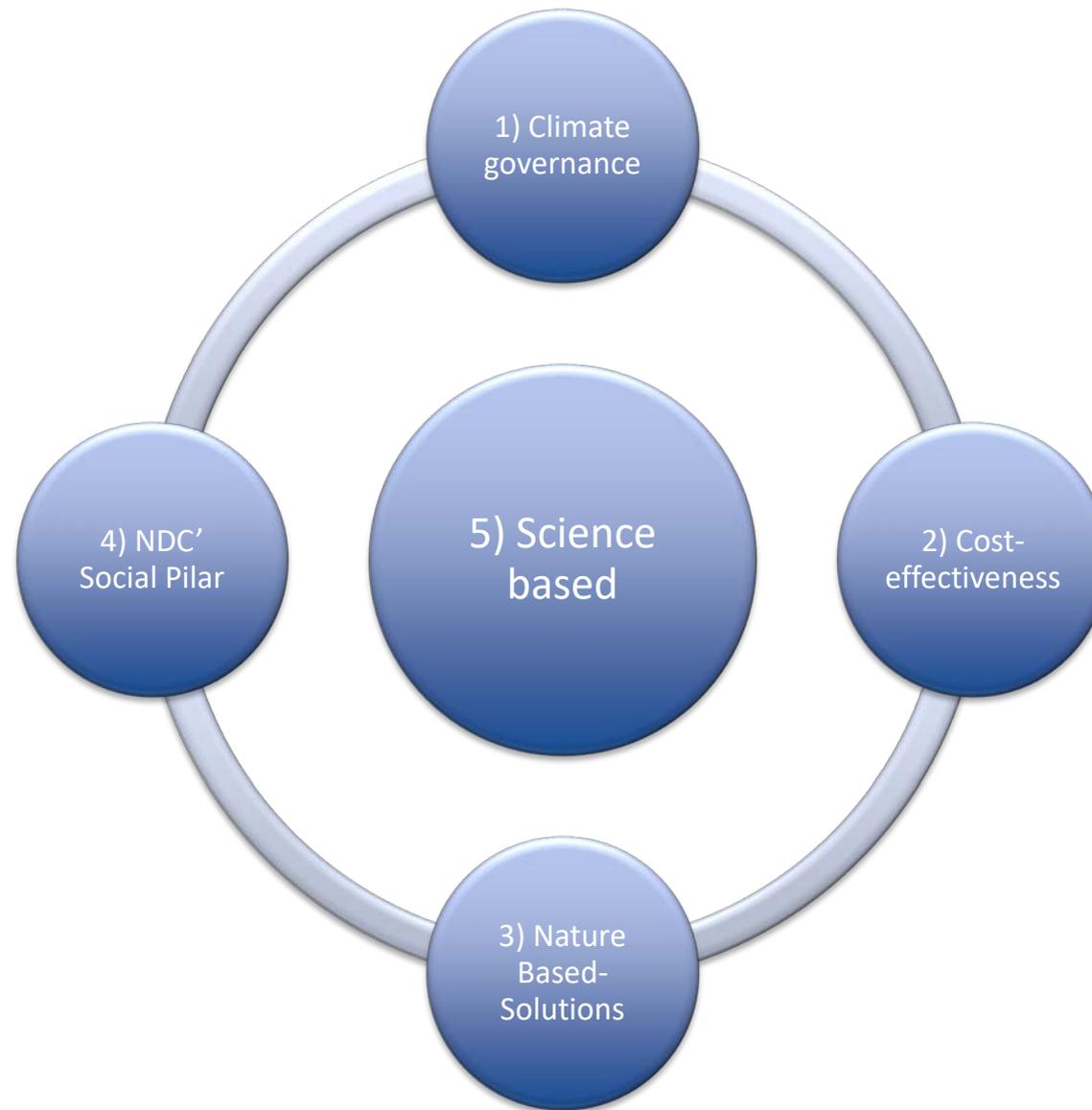
Setting the path towards carbon neutrality and resilience



- The LTCS contains more than 400 transition goals, based on science
- For the first time Chile defines sectoral limits to carbon emissions
- To accomplish the goals, sectors must enact both mitigation and adaptation plans, based on the five building blocks of the strategy

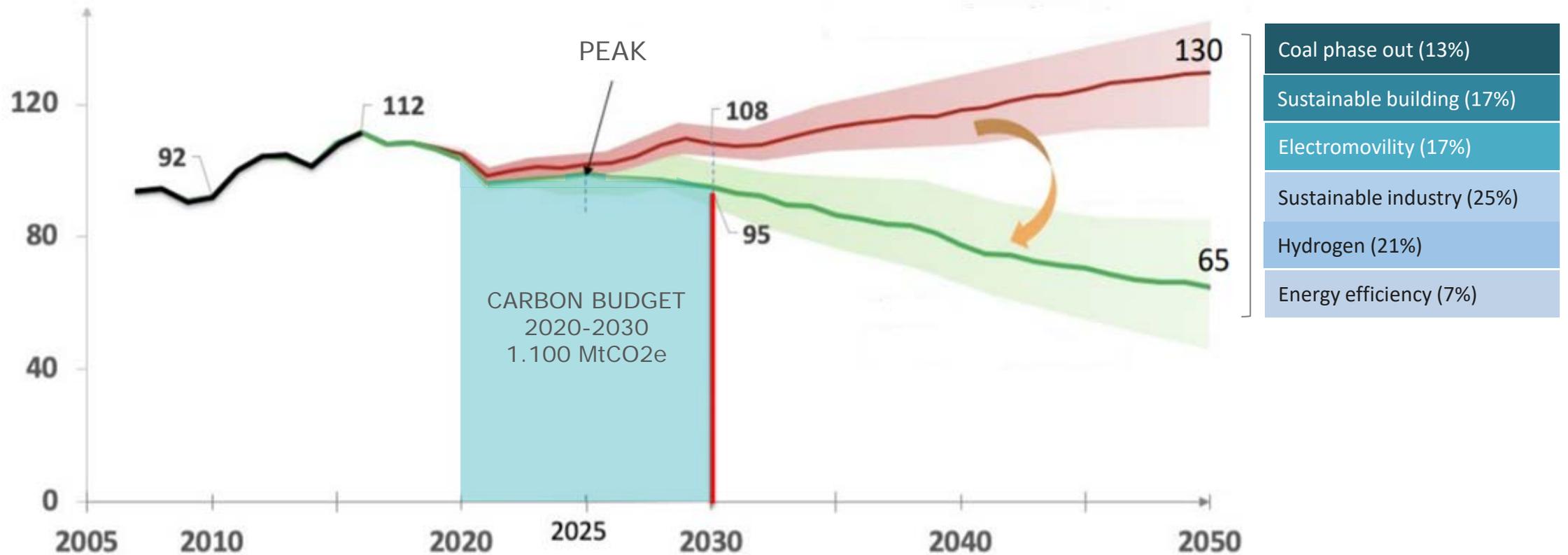


The five building blocks of the LTCS

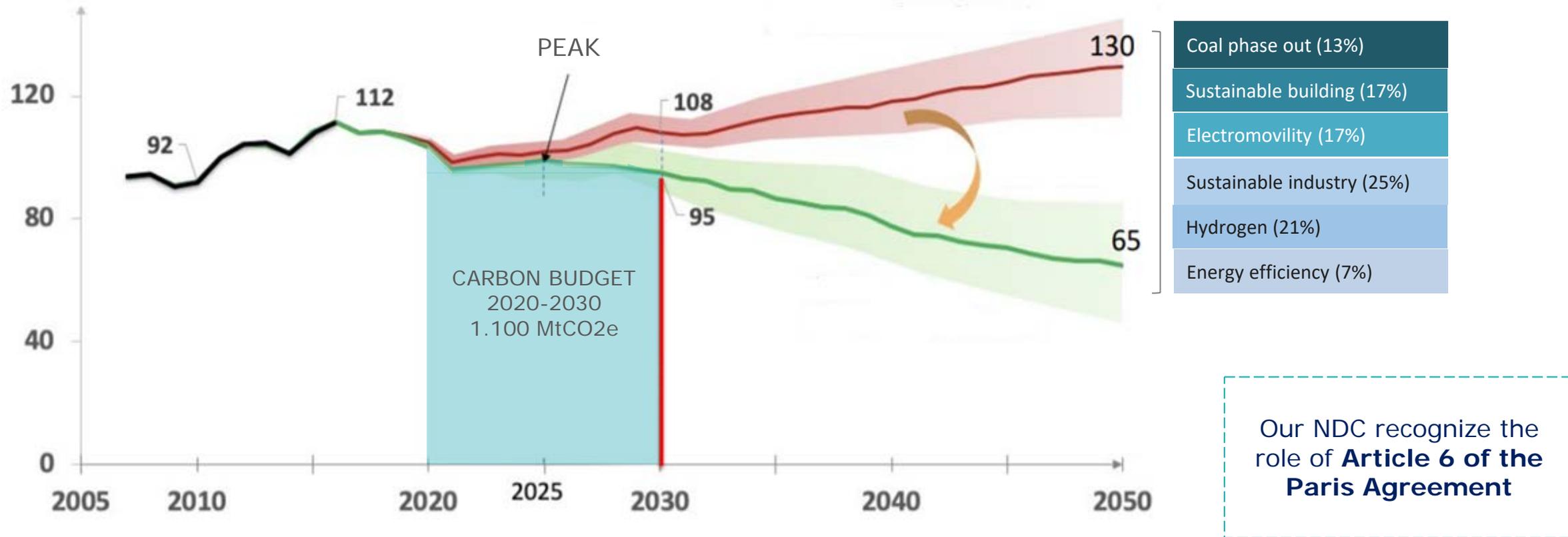


Long Term Strategy

OUR NDC IS A MID-GOAL TO THIS PATH



OUR NDC IS A MID-GOAL TO THIS PATH



Sectoral carbon budgets

- **Climate Change Framework Bill: CN by 2050**
- **NDC: Forestry capture goals and national carbon budget**

| ECLP Sectoral Authority | Accumulated sectoral emissions 2020-2030 | |
|-----------------------------------|---|------------|
| | MtCO₂eq | % |
| Transport Ministry | 303,1 | 29% |
| Energy Ministry | 271,8 | 26% |
| Mining Ministry | 174,1 | 16% |
| Agriculture Ministry | 122,4 | 11% |
| Housing Ministry | 95,3 | 9% |
| Health Ministry | 51,1 | 5% |
| Public Works Ministry | 43,3 | 4% |
| TOTAL (NDC Goal) | 1.100 | - |

A red watering can is shown in the upper right corner, pouring water onto a field of small green seedlings. The background is a soft, out-of-focus green field under bright sunlight. The text is overlaid on a dark blue rectangular background on the left side of the image.

Preparation for the use of Art. 6 Mechanisms

UPDATE NDC CHILE

NDC
2015

Chile does NOT rule out participating in international markets for GHG emissions transactions, prioritizing compliance with its INDC commitments.

New
NDC
2020

CHILE recognizes that Article 6 of the Paris Agreement is a mechanism to:

- Implement mitigation actions in a cost-effective manner.
- Advance the implementation of new technologies.
- Promote the participation of the private sector. (Key to increased ambition)

During
2020/2021



Public/private

Formation of a public-private table to determine a **SPECIFIC POLICY FOR THE USE OF MARKETS.**

To watch over

- Environmental integrity.
- Avoid double counting.
- Promote sustainable development.

CHILE: Considerations for Art. 6 PA

- Promotion instruments to go further and advance the implementation of actions.
- Ensure **ENVIRONMENTAL INTEGRITY** and avoid **DOUBLE ACCOUNTING**.
- Assurance of traceability of reductions (robust MRV)
- Focus on:
 - Prioritize the best available techniques.
 - Cost effective GHG emission reduction.
 - Provide flexibility to reduce emissions at the source and / or through reduction projects.
 - Promote projects and solutions based on nature.
 - Move towards inclusive, sustainable and resilient development.



What is happening with JCM in Chile?

PROGRESS REPORT FOR ALL SELECTED JCM MODEL PROJECTS

DATE : sep, 2021

| Sheet Name | Project | Project Participants | Announcement of selection | Contract of financing |
|----------------------------|---|---|---------------------------|-----------------------|
| FY2016-01 Waseda EI | Introduction of 1MW Rooftop Solar Power System to University | - Waseda Environmental Institute Co., Ltd. - MGM Innova Capital Chile SpA | Jan. 12, 2017 | Mar.,15, 2017 |
| FY2019-01 Asian Gateway | 3.4MW Rice Husk Power Generation Project in Maule | -Asian Gateway Corporation -La Gloria S.A. | Nov. 26, 2019 | Feb. 21, 2020 |
| FY2019-02 Farmland | 3MW Solar Power Project in Chillan, Nuble Region | -FARMLAND Co., Ltd. -Land and Sea SpA -Farmdo Energy Chile SpA | Jan.24, 2020 | Feb.26, 2020 |
| FY2020-01 Farmland | 3MW Solar Power Project Utilizing Farmland in Valparaiso Region | -FARMLAND Co., Ltd. -Land and sea SpA (Las Energy) -Farmdo Energy Chile SpA | Oct.5, 2020 | Jan. 4, 2021 |
| FY2020-02 Sharp | 34MW Solar Power Project in Nuble Region | -Sharp Energy Solutions Corporation | Feb. 1, 2021 | mar. 29, 2021 |



Thank you

