

Case Study
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SENEGAL'S ARTICLE 6 FRAMEWORK

When considering the implementation of institutional arrangements for Article 6 on the continent, Senegal is moving ahead quickly. This case study discusses the recent steps that Senegal took regarding its Article 6 strategy and the advancements made in creating the institutional framework required to pursue and facilitate Article 6 engagement.

NDC Integration and Article 6 policy

In 2020, Senegal communicated its enhanced and [updated NDC](#), with the target to achieve absolute emission reductions of 7% by 2030 (unconditional), and a 29% reduction by 2030, provided receipt of financial support from private sector and international sources (conditional). The implementation of Senegal's contribution is estimated to cost USD 13 billion, including USD 8.7 billion dedicated to mitigation, with USD 3.4 billion unconditional and USD 5.3 billion conditional. Moreover, USD 4.3 billion is needed for adaptation, of which USD 1.4 billion is unconditional and USD 2.9 billion remains conditional.

Senegal clearly stated their intention to use the market to implement their conditional NDC. Moreover, in its updated NDC, Senegal indicates supporting a coherent transition of its CDM project portfolio, in the context of the Paris Agreement, taking into account the rules to be adopted under Article 6.4 of the Paris Agreement.

Governance framework for Article 6

Many nations, like Senegal, started to consider how to achieve the appropriate governance framework for participation even before the Article 6 rulebook was adopted. Senegal is currently implementing an institutional and regulatory framework for Article 6 as part of their strategic considerations¹. This framework is advanced in comparison to other host countries and serves as an example to

¹ GGGI (2023): [Senegal validated its National Strategy for implementing Article 6 of the Paris Agreement in Senegal](#).



illustrate how Article 6 is being implemented in practice. To achieve this, the country has done the following:

- Designated the Direction de l'Environnement et des Établissements Classés (DEEC) as an Article 6 Focal Point to ensure continuity with the CDM framework and enable a smooth transition of CDM activities to the Article 6.4 mechanism
- Established a technical commission in charge of market mechanisms within The National Climate Change Committee (Le Comité National sur le Changement Climatique, COMNACC)
- Implemented the standardised carbon crediting framework with the support of the World Bank, by virtue of a ministerial decree
- Validated an Article 6 National Strategy, supported by GGFI, for implementing Article 6 of the Paris Agreement
- Prepared a ministerial decree on the carbon market management framework at the national level

Institutional framework for Article 6

Senegal is about to unveil a ministerial decree on the management framework that is supportive of carbon market operations. The legal document proposes that the authorised entities carry out the following duties and obligations:

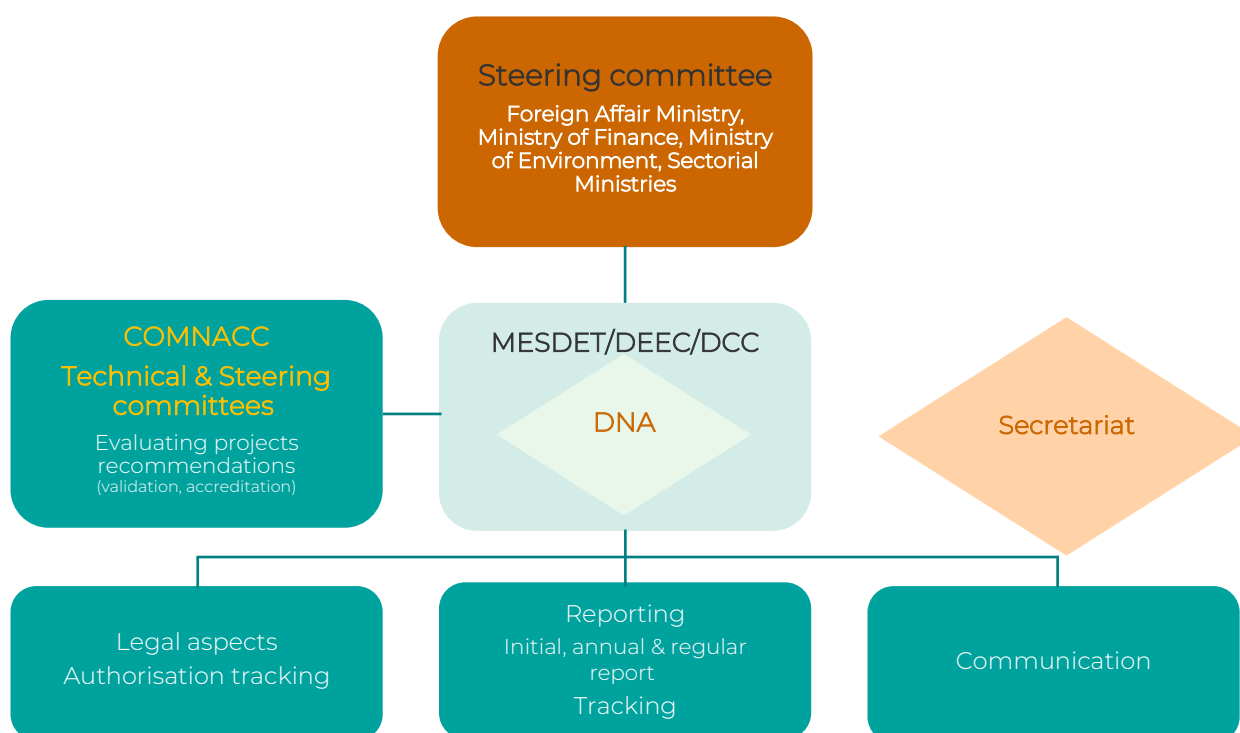
1. **Steering Committee:**
 - Define strategic orientation
 - Negotiate, validate and approve for signature bilateral carbon market agreements
 - Set up technical committees and define their terms of reference and functions
2. **Technical committee within COMNACC**, through its market mechanisms commission:
 - Ensure a pre-selection of projects;
 - Evaluate the impact of projects and programmes on the implementation of the NDC
 - Check the compliance of projects with sustainable development criteria
 - Validate initial, annual and biennial reports
 - Validate national procedures for approval, monitoring and verification of projects under Articles 6.4, 6.2 and 6.8
3. **Carbon Market Bureau (BMC)** under the leadership and guidance of the Ministry of Environment, Sustainable Development, and Ecological Transition (MESDET):
 - Provide the letter of approval of projects and programmes based on advice from the technical committee
 - Propose for examination by the steering committee, the authorisation letter under Article 6.2, after technical examination of the project document



- Provide the letter of authorisation for the transfer of mitigation outcomes after approval by the technical committee and upon mandate of the steering committee
- Establish national procedures for approval, monitoring and verification of projects under Articles 6.4, 6.2 and 6.8
- Prepare initial, annual and regular reports
- Manage Article 6 registry

The figure below shows the proposed institutional arrangement meant to steer the national Article 6 strategy for Senegal.

Figure 1. Senegal's institutional arrangements for Article 6



Source: Authors, adapted from [Director of Environment \(2023\)](#)

Article 6 activities underway

Senegal's institutional and regulatory strategies help the country to spearhead Article 6 activities. Various capacity building programmes and initiatives are ongoing in the country. These can build on the countries' experience gained in developing and managing projects under the CDM. Regarding implementation of Article 6 activities, Senegal has taken the following steps:

- Signature of a bilateral agreement on Article 6 cooperation between the Swiss and Senegalese Ministries in charge of the Environment
 - Ongoing negotiations between KLIK Foundation and the National Biogas Programme (Programme national de Biogaz, PNB) on mitigation outcomes purchase agreement (MOPA)
 - Projects on transport, solar storage and waste management soon to be validated
- Signature of a bilateral agreement between Senegal and Japan JCM



- Signature of a MoU between Senegal and Norway
- Ongoing negotiations on a future Article 6 cooperation with the Governments of Korea and Singapore
- Preparation of activities with the World Bank, such as developing rules and procedures for carbon market participation, focusing on strategy, framework, and knowledge sharing
- Capacity building initiatives, e.g. with the WAA, Climate Finance Innovators, KliK, and other partners
- Preparation of concepts for the ITMO transactions with the GGGI, with an emphasis on policy approaches, credit design, governance frameworks, and MOPAs

Tracking, recording, accounting and reporting

To enable Article 6 to be fully operational at the national level, Senegal needs to have the appropriate infrastructure in place to track, record and report ITMOs and other transactions. Senegal does have certain monitoring and evaluation functions in place for tracking climate action, both within the Ministry of Environment and Sustainable Development (MEDD) and in the government as a whole. Additionally, support has been provided to help set up the relevant tracking system and MRV tools. A project under the Initiative for Climate Action Transparency (ICAT) has led to the proposal of a national MRV system and the preparation of a roadmap for its implementation. The Partnership for Market Implementation of the World Bank laid out a [Readiness Support Proposal](#) including assistance in finalising its national MRV system in order to guarantee sector-wide consistency in MRV systems for the upcoming carbon price as well as MRV requirements connected to Article 6.

As such, the country wishes to account for any outstanding procedural and methodological shortcomings to define and implement systems for tracking Article 6 mitigation activities, mitigation outcomes, authorisation of ITMOs and other relevant information, notably by establishing its own carbon registry system. The [Partnership for Market Implementation \(PMI\)](#) will assist, in conjunction with a number of technical partners, Senegal to further detail the remaining regulations and procedures required for the use of Article 6 starting at the end of 2023 and running through 2024.

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