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Accelerating carbon market development in Southern and Eastern Mediterranean Countries (SEMED)

Zurich, Switzerland, and Madrid, Spain, 5 July 2016 - The European Bank for Reconstruction and Development (EBRD), with financial backing from Spain, is supporting the transition to low carbon economies in the Southern and Eastern Mediterranean (SEMED) region with the launch of a new series of market-based programmes to reduce carbon emissions.

The EBRD's "Carbon Crediting Approach in SEMED" will promote the development of Integrated Carbon Programs (ICPs) for the region, which in the EBRD context comprises Egypt, Jordan, Morocco and Tunisia. ICPs are comprehensive packages that include policy dialogue, technical assistance, carbon pricing for greenhouse gas (GHG) emission reduction projects and associated results-based payments.

Following the successful conclusion of the COP21 Paris Climate Agreement, a key focus has been placed on the development of market-based instruments to help reduce carbon emissions. Both climate finance and carbon markets are expected to have an important role in delivering the transition to low-carbon economies.

The project in SEMED is the first ICP starting to run. Funded by Spain, the overall goal of the project is to identify an appropriate approach to put a price on carbon credits resulting from renewable energy projects developed in the region, herein including the lessons from the Clean Development Mechanism.

The 3-year long contract has been awarded to a consortium led by the Spanish firm INCLAM CO₂ and includes partners such as South Pole Group, TYPASA, AENOR, Enviro Consulting International (ECI) and the Egypt National Cleaner Production Centre (ENCPC). The consortium will work in close collaboration with the renewable energy project sponsors, authorities in the SEMED region as well as the Spanish Climate Change Office from the Ministry of Agriculture, Food and Environment of Spain.

The consortium will also be involving experts in climate change, renewable energy, and carbon markets from across the region and beyond. The project is focused on pre-2020 climate action but will also aim to contribute to discussions on the design and development of article 6 of the Paris Agreement.

Together, the consortium will seek to fulfill the goal of the project by:

- Developing, implementing and purchasing carbon credits from a carbon credit up-scaled CDM based approach in the renewable energy sector.
- Contributing to and supporting the carbon market development by reviewing the carbon market options, including domestic use of carbon credits and development of local capacity, in particular in the area of Monitoring, Reporting and Verification (MRV) and in the management of large emission reduction mechanisms.

- Contributing to a further development of up-scaled CDM based carbon credit instruments, such as Programme of Activities (PoA) CDM or new mechanisms according to the latest international climate policy developments.



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About South Pole Group

South Pole Group began as a project-driven company focused on developing and selling high-quality carbon credits. Today, it is the world's leading provider of climate solutions, helping public and private sector organisations develop climate proven policies and strategies. Areas of expertise cover every key sustainability-related area of climate change, including but not limited to: forests & land use, water, sustainable cities & buildings, as well as renewable energy and

energy efficiency. For more information, visit www.thesouthpolegroup.com or follow the company [@southpolegroup](https://twitter.com/southpolegroup).

About INCLAM CO2

INCLAM CO2 is a company that belongs to INCLAM Group (www.inclam.com), a Spanish Engineering company with over 170 professionals worldwide and presence in 17 countries and 4 continents. INCLAM CO2 represents INCLAM Group's response to the growing challenges of climate change and sustainability. The firm provides comprehensive advisory services in the field of climate change mitigation (CDM, voluntary, PoA schemes etc.), adaptation and renewable energy and energy efficiency to private and public companies. INCLAM CO2 is a leading Spanish and Polish private carbon trading company with over 9 years of experience in carbon market transactions under the CDM/JI and the EU ETS, cap and trade policy schemes and carbon market capacity building. The company supports its clients either in taking advantage of carbon market mechanisms or in refocusing their businesses to take into account the challenges of climate change and sustainable growth