

Global Carbon Market



Tunisia

Context

With the adoption of the Paris Agreement in 2015 the international community committed to limit global temperature rise to 1,5 or well below 2 degrees Celsius. To reach this goal, countries need to drastically reduce their greenhouse gas (GHG) emissions. Market-based approaches, such as emission trading schemes, are an effective way to mitigate as they reduce costs of emission reduction and incentivize climate-friendly investments.

Against this backdrop, in 2008 the German Ministry of Environment, Conservation and Nuclear Safety (BMU) commissioned the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) with the [Global Carbon Market](#) project. The initiative was launched with the aim to support partner countries in using flexible mechanisms under the Kyoto Protocol and other types of market-based instruments at national and regional scale. Since 2018, the project is being implemented in Chile, India, Tunisia and Uganda with a focus on novel forms of cooperation that may arise under Article 6 of the Paris Agreement, the voluntary carbon market and dedicated carbon pricing instruments.

In Tunisia, GHG emissions are currently on the rise (an increase by almost 44% in 2012 compared to 1994). In the context of the Paris Agreement, the country has committed to reduce CO2 intensity by 41 per cent by 2030 compared to levels in 2010. The cement sector, the largest single emitter in the industrial sector, accounts for 14% of Tunisia's emissions. Market mechanisms will play a crucial role for Tunisia to achieve its climate targets in line with the Paris Agreement. The objective of the [project](#) therefore is to enable the Tunisian government to work towards stronger mitigation in the cement sector while at the same time preparing for the new generation of market mechanisms under Article 6 of the Paris Agreement.

Global Carbon Market

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Partner Country	Chile, Uganda, Tunisia, India
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Approach

In Tunisia, the *Global Carbon Market* project has taken a two-fold approach in order to strengthen market-based climate action:

- 1) **Building capacities** and facilitating the removal of **regulatory barriers** in the Tunisian cement sector to further advance climate change mitigation.
- 2) Promoting **Tunisia's international positioning** and ensuring the country's **capacity and readiness** to participate in Article 6 and other market mechanisms.

Activities

- 1) **Capacity Building and Removal of Regulatory Barriers in the Cement sector**
 - Given the strategic importance of the cement industry, the *Global Carbon Market* project is working together with producers to make it a national frontrunner in terms of climate action.
 - Low-clinker cement could reduce sectoral emission by up to 50 per cent. The project demonstrated the viability of low-clinker cement in construction with a technical study.

- Re-using waste material (co-processing) in the cement production enhances energy efficiency. The project has therefore contributed to advancing co-processing by supporting partners in their solid waste management strategy, preparing field tests and working towards a favorable regulatory environment with the Ministry of Environment, the Ministry of Industry and the cement industry.
- Since Measurement Reporting and Verification (MRV) plays a critical role in providing information on GHG emissions and its potential reduction, the project in Tunisia has assisted in the creation of a centralized MRV system.

2) Enhancing Article 6 Readiness and International Positioning

- The *Global Carbon Market* project works closely with its partners to build capacity and institutional readiness in order to ensure Tunisia's participation in future carbon markets under Article 6.
- The project is furthering dialogue, building potential partnerships and assisting in the development of project pipeline under Article 6.2.
- In order to fortify Tunisia's presence in the international negotiation context the project has supported its partners by setting up a group of negotiators on Article 6. With technical inputs and studies, for instance on mitigation projects in Tunisia and their potential use of national and international carbon market mechanisms, the project guides Tunisian decision-makers in the negotiations and in policy implementation.
- Institutional capacities are further strengthened through trainings, technical inputs, publications and communication work in the context of international events and conferences such as the *African Climate Week* or the *Innovate4Climate* conference.

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Results

- ✓ In Tunisia, the *Global Carbon Market* project has strengthened capacities of private and public stakeholders in order to promote mitigation measures in the cement sector.
- ✓ Alternative low carbon technology options have been explored and promoted among key stakeholders.
- ✓ Carbon emissions in Tunisia are now better monitored thanks to the new MRV system.
- ✓ Awareness of public decision-makers, private sector and civil society for Article 6 and carbon mechanisms is raised.
- ✓ Article 6 has become a key priority for public decision-makers in Tunisia. *Global Carbon Market* strengthened capacities of the Tunisian delegation and trained negotiators on Article 6.

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