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**FOR IMMEDIATE RELEASE**

**Leading countries set benchmark for carbon markets with San Jose Principles**

**MADRID** - As UN climate talks in Madrid near its closing, a group of leading countries are working together to secure an ambitious outcome is delivered on the Article 6 negotiations.

To make that happen, they have agreed on a set of principles, known as the San Jose Principles for High Ambition and Integrity in International Carbon Markets, that constitute the basis upon which a fair and robust carbon market should be built.

Known as the Unconventional Group, these countries (see the list below) have been working since the Pre-COP25 in San José, Costa Rica, to increase the level of ambition in talks dealing with carbon markets.

The group presented the Chilean COP Presidency a set of principles (see attached) that outline what a successful outcome could look like in this Article, in the hope that this will support the Presidency's efforts in creating an ambitious outcome.

Parties include (Updated December 14, 2019, 23:45 pm CET)

1. Costa Rica
2. Switzerland
3. Belize
4. Colombia
5. Paraguay
6. Perú
7. Marshall Islands
8. Vanuatu
9. Luxembourg
10. Cook Islands
11. Germany
12. Sweden
13. Denmark
14. Austria
15. Grenada
16. Estonia
17. New Zealand
18. Spain
19. Ireland
20. Latvia
21. The Netherlands
22. Norway
23. Slovenia
24. Belgium
25. Fiji
26. Portugal
27. France

28. United Kingdom
29. Italy
30. Finland
31. Trinidad and Tobago

#### Quotes from country representatives

Carlos Manuel Rodriguez, Minister of Environment and Energy of Costa Rica said,  
“This is a definition of success on Article 6. Anything below these San Jose principles won't create a fair and robust carbon market. The diverse group of countries supporting these principles know we need a just outcome to keep the 1.5C target within reach. The principles keep the door open for 1.5C, while ensuring the highest possible ambition in mitigation and adaptation. We encourage other parties to join our efforts in creating a basis upon which a fair and robust carbon market should be built”

Franz Perrez, Head of Delegation of Switzerland said,  
“If markets are to increase ambition, the rules have to be as robust as the San Jose Principles”

Ambassador Janine Felson of Belize said  
“An ambitious Article 6 outcome will create a new architecture for markets that moves beyond zero-sum offsetting approaches to accelerate the reduction of global greenhouse gas emissions. This is a key principle for members of my group and that is why these San Jose Principles are important”

Ricardo Lozano, Minister of Environment and Sustainable Development of Colombia said  
“Colombia, as a highly vulnerable country that has supported an effective implementation of the Paris Agreement will apply these environmental San Jose Principles to guide its participation in the carbon market and ensure our efforts will help to build the basis for a robust system that promotes the highest climate ambition”

Svenja Schulze, Minister for Environment, Nature Conservation and Nuclear Safety of Germany, said,  
“Art. 6 can be a very important part of implementing the Paris Agreement but it must be designed to increase ambition. The San José Principles lay out the essence of a robust mechanism which ensures environmental integrity”

Isabella Lövin, Minister for Environment and Climate, and Deputy Prime Minister of Sweden, said,  
“The San Jose Principles provide an important foundation for the architecture of Article 6. Robust accounting that ensures environmental integrity and avoids double counting is key for Article 6 to deliver on climate mitigation and raising ambition.”

Dan Jørgensen, Minister for Climate, Energy and Utilities , Denmark , said,  
“Denmark supports the San José principles. The world is counting on us to secure a robust system that fosters ambition”

Hon. James Shaw, Minister for Climate Change, New Zealand, said,  
“If we are to prevent the climate crisis, it is critically important for countries to work to the highest possible standards. This is why New Zealand supports the San Jose Principles on Article 6 of the Paris Agreement”

Eric Wiebes, Minister of Economic Affairs and Climate Policy of the Netherlands said,  
“If we want real emission reductions, we should be absolutely firm on the environmental integrity of the multilateral system. Without proper accounting, our climate action will be meaningless. We can show flexibility on certain issues, but not on the San Jose Principles for international carbon markets.”

Minister Alain Maron, Minister of the Government of the Brussels-Capital Region, responsible for Climate Change, Environment, Energy and Participatory Democracy of Belgium, said,  
“We need robust and comprehensive rules for Article 6 so that markets can help drive ambition towards the PA goals and so that its environmental integrity and the SDGs are protected. We also need such rules to facilitate a global level playing field and to provide a signal of trust to all market actors.”

Ola Elvestuen, Norwegian Minister of Climate and Environment, said,  
"We all need to increase ambition. Carbon markets can have an important role for us to do more together. If we follow the San Jose Principles we are promoting robust markets with environmental integrity."

Krista Mikkonen, Minister of the Environment and Climate Change of Finland, said,  
"Article 6 needs to be a tool to accelerate joint efforts to achieve climate neutrality and sustainable development. The San Jose Principles help to ensure that cooperation under Article 6 delivers real and lasting mitigation outcomes, promotes higher ambition, and harnesses private finance and innovation."

Mrs. CAMILLE ROBINSON-REGIS, Hon. Minister of Planning and Development of the Republic of Trinidad and Tobago, said,

" The importance of environmental integrity and overall mitigation are essential and critical elements of the market rules under Article 6 of the Paris Agreement. The market must be governed by robust rules to inspire the confidence of the private sector and state and non state entities to participate fully and so ensure that operational and effective market mechanism under Article 6 of the Paris Agreement. To do otherwise would undermine the utility of the market mechanism to contribute to the achievement of the objectives of the Paris Agreement. Trinidad and Tobago supports such a robust system of rules.:

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At the Pre-COP, a large number of participants shared their expectations on what is needed to deliver a robust and ambitious outcome for Article 6. They were of the view that the implementation of the Paris Agreement must be firmly grounded in what the best available science tells us is necessary to deliver on the long-term temperature goal of the Agreement: the highest possible ambition in mitigation and adaptation.

As the end of the second commitment period of the Kyoto Protocol approaches, there is an urgent need for clarity with regard to the future international framework for use of market-based approaches towards international climate goals.

They expressed support to the COP presidency, and to work together with others to secure an ambitious outcome in Madrid to deliver the following principles, through an Article 6 rule book that at minimum:

- Ensures environmental integrity and enables the highest possible mitigation ambition
- Delivers an overall mitigation in global emissions, moving beyond zero-sum offsetting approaches to help accelerate the reduction of global greenhouse gas emissions
- Prohibits the use of pre-2020 units, Kyoto units and allowances, and any underlying reductions toward Paris Agreement and other international goals
- Ensures that double counting is avoided and that all use of markets toward international climate goals is subject to corresponding adjustments.
- Avoids locking in levels of emissions, technologies or carbon-intensive practices incompatible with the achievement of the Paris Agreement's long-term temperature goal.
- Applies allocation methodologies and baseline methodologies that support domestic NDC achievement and contribute to the achievement of the Paris Agreement's long-term temperature goal
- Uses CO<sub>2</sub>-equivalence in reporting and accounting for emissions and removals, fully applying the principles of transparency, accuracy, consistency, comparability and completeness
- Uses centrally and publicly accessible infrastructure and systems to collect, track, and share the information necessary for robust and transparent accounting
- Ensures incentives to progression and supports all Parties in moving toward economy-wide emission targets.
- Contributes to quantifiable and predictable financial resources to be used by developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation
- Recognizes the importance of capacity building to enable the widest possible participation by Parties under Article 6

They further recognize the importance of Article 6.8 in supporting Parties in the implementation of their NDCs through non-market approaches.

They invited other countries, multi-national and sub-national entities and multinational institutions to join us in the full operationalization of all the above principles, to support the highest possible ambition and environmental integrity.