



Worldwide first purchase agreement for Paris certificates



Media release

A joint pioneering initiative of the Climate Cent and the KliK Foundations

Two weeks ago, the Climate Conference in Glasgow adopted rules for international cooperation on climate change mitigation, thereby creating a new market for certified greenhouse gas emission reductions of high environmental integrity. Today, the Climate Cent Foundation and the KliK Foundation signed the worldwide first commercial agreement for the purchase of such «Paris certificates» with Microsol S.A.S.. Proceeds from the sale of the certificates will fund the installation and maintenance of up to 60'000 energy-efficient cooking stoves in remote areas in Peru.

Since 2016, according to an agreement with the Swiss Confederation, the Climate Cent Foundation has earmarked at least CHF 20 million to support pilot activities with which to concretise and apply Article 6 of the Paris Agreement, which had then just come into force. Article 6 laid the foundation for international cooperation on climate change mitigation, onto which the international community only recently erected a building at the Conference of the Parties to the Paris Agreement in Glasgow.

This building now welcomes its first residents. Funded by the Climate Cent Foundation since 2017 and located in Peru, the pilot activity «Tuki Wasi» has led to the worldwide first purchase agreement for Paris certificates. More specifically, the Climate Cent and the KliK Foundations are acquiring up to 960'000 so-called «Internationally Transferred Mitigation Outcomes» (ITMOs) from programme owner Microsol S.A.S.. Each ITMO stands for one tonne of CO₂ emission reductions achieved by the year 2030.

Over the period 2022 to 2025, the «Tuki Wasi» programme aims to install up to 60'000 energy-efficient cooking stoves in households in remote regions of Peru with high levels of poverty. The stoves make it possible to reduce deforestation, increasing the binding of CO₂ from the atmosphere in biomass. The programme uses calls for tenders to contract companies that commit to installing a defined number of cooking stoves of specified quality.

The Climate Cent Foundation will pre-finance the scaling of the programme, especially the construction of the stoves, with more than half of the contract value. Over the past three years, it already provided pre-financing of CHF 1 million for a test phase, during which two companies successfully built 1'000 stoves in the regions of Huánuco and La Libertad

In order for the «Tuki Wasi» programme to be able to generate ITMOs, it must be authorised by Peru. As the acquired ITMOs are to be used by Switzerland toward meeting its climate target under the Paris Agreement, the programme must also be authorised by Switzerland. The requirements to be met for the authorisation of «Tuki Wasi» and potential further programmes as well as for the delivery and transfer of ITMOs have been defined bilaterally by Peru and Switzerland in October 2020.

This bilateral agreement between Peru and Switzerland satisfies the rules only just defined in Glasgow, namely ensuring environmental integrity by limiting certification to emission reductions achieved additionally to a country's climate targets and thus contributing to raising the country's ambition. The bilateral agreement further ensures the avoidance of double counting of emission reductions, the compliance with sustainability goals and the observance of human rights.

The Climate Cent Foundation's engagement is carried out on a voluntary basis, but it explicitly aims to procure certificates that Switzerland may credit toward its international emission reduction commitment. For its part, the KliK Foundation acquires ITMOs with a view to fulfilling the extension of the legal obligation to offset carbon emissions linked to the use of fossil motor fuels, expected to take effect on 1 January 2022 and last until 2030. The carbon offset obligation will include a new requirement to reduce emissions abroad.

- [Online media release](#)
- [More information on Tuki Wasi](#)
- Websites: www.international.klik.ch; www.climatecent.ch
- LinkedIn: www.linkedin.com/company/stiftung-klik

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Climate Cent Foundation

The Climate Cent Foundation is a voluntary scheme set up by the Swiss business community with the aim of ensuring effective climate protection. It invests its funds in greenhouse gas reduction projects carried out abroad. Emission reduction certificates yielded by these projects are handed over to the Swiss Confederation free of charge. The Climate Cent Foundation was funded by a charge of 1.5 cent per litre levied on petrol and diesel imports in the years 2006 to 2012.

www.climatecent.ch

KliK Foundation

On behalf of mineral oil companies responsible for releasing fossil motor fuels for consumption, the Foundation for Climate Protection and Carbon Offset (KliK) fulfils their legal obligation to offset part of the CO₂ emissions resulting from the use of motor fuels.

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