



2G

**ER Title Transfer Legal
Support & Carbon Legal
Toolkit**

Background

- During CF30, we presented an overview of the approaches of FCPF countries to **demonstrate** their **ability to transfer title to ERs** under the ERPAs.
- Following up, in this session we aim to:
 - Provide a deep dive on a few of the FCPF countries' approaches on ER title
 - Côte d'Ivoire
 - Guatemala
 - Indonesia
 - Lao PDR
 - Viet Nam
 - Provide an overview of the Carbon Markets Legal and Regulatory Reforms Toolkit and how it addresses this issue.



Questions for presentations and discussion:

- Did your country have legislation defining ownership of ERs / carbon credits, and allowing to demonstrate your ability to transfer ER title, or did it have to be developed specifically for the FCPF transaction?
- What were the main challenges in developing legislation? How has the FCPF experienced influenced and / or helped in this process?
- Is current legislation limited to FCPF / forestry sector, or broader? Does it allow broader monetization of ERs (3rd party transactions)?
- Does current legislation work well in practice, or does it need review based on experience in implementation?
- Where could development partners (World Bank, UN, others) have done a better job helping you on this issue?
- Which advice / lessons learned can you give other countries going through this process?





Côte d'Ivoire legal experience

Key challenges and solutions

- **What were the main challenges to demonstrate your ability to transfer ER title?**
 - Solve the question of carbon credits ownership
 - Develop and validate an institutional and regulatory framework
 - Have qualified staff to develop the framework and ensure it is approved by the President of Cote d'Ivoire
 - Have operational tools like a carbon registry at a national level
- **What other significant legal challenges did you encounter?**
 - The BMC requested that the Emergent transaction goes through a procurement national process. This issue may reemerge for future transactions. (Need to develop/improve Climate taxonomy, implementing regulations, procedures of the Climate Law)
- **What have been your solutions? And what are your key takeaways?**
 - Vote a law to solve the carbon credits property
 - Put in place the Carbon market Bureau and hire the qualified staff
 - Develop a Manual of procedures for carbon mechanisms
 - Create a national carbon registry
- **Where could partners (World Bank, UN, others) have done a better job helping you navigate the legal requirements?**

Côte d'Ivoire received up-front assistance requested from relevant partners (helping to better understand transactions process, negotiation, etc.).

Key challenges and solutions

- **Is your solution limited to FCPF or allow broader monetization (3rd party transactions)?**
Thanks to excess credits generated, it has allowed broader monetization
- **Did your country have legislation in this area already, or did it have to be developed specifically for the FCPF transaction?**
 - Côte d'Ivoire developed its national legislation based on the FCPF project's experience but it goes beyond the FCPF transactions and cover different sectors by NDC
- **Is such legislation also applicable beyond the FCPF ERPA, e.g. to support a transaction with a third party?**
 - Yes
- **What were the main challenges in developing legislation, and also in implementing in?]**
 - The acceptance by the national stakeholders of the idea to have that legislation (the CDM was not a success)
 - The lack of experiences by other countries to draw lessons from.

Lessons learned and way forward

- Does current legislation work well in practice, or does it need review based on experience in implementation?
 - The Emergent deal was a first for Cote d'Ivoire under the new Climate Law. Implementation regulations and procedures would need to be developed to allow a better understanding of the practical implementation of the law.
 - The manual of procedures needs to be updated to clarify roles and responsibilities of entities involved.
 - Further review and update of the Climate Law may be needed as more transactions are executed and experiences learned.
- How has the FCPF experienced influenced and / or helped in this process?
 - FCPF's influence was instrumental as the country didn't have any law pertaining to carbon credits ownership. The decrees developed under the FCPF to demonstrate ER title ownership laid the ground for the development of the Climate Law.
 - Côte d'Ivoire benefitted from the support of the World Bank during the development of ER title decrees as well as the institutional and legal framework.

Has legislation enabled your country in transactions with third parties already?

- Yes
- What type of legal support would be beneficial for your country at this stage?

Having lawyers support throughout the negotiations process

Lessons learned and way forward

- What are your takeaways from the legal process (both ER Title Transfer and monetization aspects)?
 - Ensure at an early stage to know the conditions of opening transaction accounts, and the type of accounts in the different registries
 - Make sure the account administrators are well aware of the process and of their roles and responsibilities
 - Coordination between involved ministerial departments is key
- What are remaining issues and how do you plan to address them?
 - TBC
- What would you like to have known earlier? Any advice you can give other countries going through this process?
 - Ensure that the Climate Law is operational with implementation regulations in place
 - Ensure the relevant institutions are in place and operational with the relevant qualified staff ready once the work starts.



Viet Nam legal experience



LEGAL REGULATIONS ON TRANSFER OF OWNERSHIP OF EMISSION REDUCTION RESULTS AND CARBON CREDIT SUPPORT TOOLS

Da Nang, 29/01/2026



LEGAL BASIS FOR TRANSFER OF OWNERSHIP OF EMISSION REDUCTION (ER) RESULTS



- ✓ Vietnam is finalizing the legal corridor to implement the commitment to net zero emissions by 2050.
- ✓ Resolutions of the Politburo on: breakthroughs in scientific and technological development; international integration; proactively responding to climate change ...
- ✓ Forestry Law 2017: regulates that carbon sequestration and storage services are 1 of 5 types of forest environmental services
- ✓ Law on Environmental Protection 2020: Setting the Foundation for the Domestic Carbon Market
- ✓ Decree 06/2022/ND-CP & 119/2025/ND-CP: Detailed regulations on greenhouse gas emission mitigation, credit issuance and roadmap for operation of carbon credit trading floors
- ✓ Decree 107/2022/ND-CP: Pilot transfer of ER results and ERPA financial management in the North Central region
- ✓ Decree 29/2026/ND-CP: Regulations on domestic carbon trading floors.

Establishment of ownership based on the form of forest ownership

Forests owned by the whole people: The State is the representative of the owner, the MAE or the Provincial People's Committee is the representative for the signing of the transfer contract

Forests not owned by the whole people: Ownership belongs to organizations, households, and individuals who invest by themselves in forest protection and development

Transfer principle

ER results/ Carbon credits are not counted twice, once transferred, they are not transferred to a 3rd party

Legal gaps need to be filled

It is necessary to clearly stipulate that carbon credits are an independent asset separated from land use rights



LEGAL AND TECHNICAL TOOLKIT



1. Domestic tools

- Valuation tools: Prescribing methods of determining the minimum price for forests under the ownership of the whole people to ensure the interests of the State and forest owners
- Benefit-sharing mechanism: Clearly stipulate the ratio of revenue allocation to stakeholders, paying special attention to the communities and people directly participating in forest protection.
- National Registration System: Centralized digital tool for comprehensive management of the carbon credit lifecycle from registration to cancellation

2. International Compliance Tools

- Paris Agreement (Articles 6.2 and 6.4)
- LOI signed
- Letter of Approval (LoA): Government's confirmation authorizing the transfer of credits under Article 6 of the Paris Agreement
- ERPA signed



EXPECTED ACTIVITIES TO
BE CARRIED OUT



01

Legal regulations on ownership: (i) Clearly stipulate the ownership of carbon credits as an asset category; (ii) Regulations on the process of approval and decentralization for localities



02

Harmonization of standards: Ensure that national standards are compatible with international standards (VCS, GS, ART-TREES, etc.) to optimize selling prices



03

Capacity building: The Vietnam Forest Protection and Development Fund (VNFF) as a financial intermediary organization, the Provincial Funds well implements the benefit-sharing mechanism



NEEDS FOR SUPPORT IN THE COMING TIME



**Establishment
of a MRV
system and
forest carbon
credit
registration and
management
system**



**Development of
an M&E system
and information
system to
ensure security**



**Capacity
strengthening and
application of
technology (GIS, AI,
Big Data, Block
chain, etc.) in
monitoring forest
resources,
calculating ER
results and forest
carbon credits**



THANK YOU



Guatemala legal experience

Key challenges and solutions: Guatemala

- **What were the main challenges to demonstrate your ability to transfer ER title?**
 - ✓ Despite the Climate Change Law (Decree 7-2013), there was a lack of clarity regarding Emission Reduction titleholders, leaving out lessees, concessionaires, and co-managers. Decree 20-2020 introduces 'implementers' as a key element.
- **What other significant legal challenges did you encounter?**
 - ✓ No specific law existed for the ERP (Emission Reductions Program).
 - ✓ Fragmentation of rights in territories with Indigenous peoples and forests.
 - ✓ It was necessary to design the mechanism.
 - ✓ Consultation with a third party regarding the capacity to transfer ER title ownership, which was made viable through the PGN (Attorney General's Office).
- **What have been your solutions? And what are your key takeaways?**
 - ✓ Agreement through Congress recognizing the rights to transfer titles for owners, possessors, implementers, and the State.
 - ✓ Transfer contracts for individual projects and Voluntary agreements for group projects.
 - ✓ Registry within the framework of the Climate Change Law, recognizing their rights and the transfer of Ers.
 - ✓ Strengthening of INAB, as the transfers were achieved through its regional directorates.



Key challenges and solutions: Guatemala

- Where could partners (World Bank, UN, others) have done a better job helping you navigate the legal requirements?
 - ✓ Earlier and standardized legal guidance on the transfer of ER titles.
 - ✓ Knowledge exchanges regarding the monetization of excess ERs and how to legally harmonize credits with the NDC.
- Is your solution limited to FCPF or allow broader monetization (3rd party transactions)?
 - ✓ The current ERPA and Law apparently do not allow for monetization. However, they could allow for monetization under Article 6 of the Paris Agreement.
- Did your country have legislation in this area already, or did it have to be developed specifically for the FCPF transaction?
 - ✓ It was necessary to develop secondary legislation and frameworks, such as Decree 20-2020, the Operational Manual, the MARN Project Registry Manual, the MINFIN Manual for ERP Income and Expenditure Processes, and various contracts.
- What were the main challenges in developing legislation, and also in implementing in?
 - ✓ Inter-institutional coordination was resolved through the Steering Committee
 - ✓ The technical complexity of carbon issues is difficult for legislators to grasp
 - ✓ Building trust among private and local stakeholders.



Lessons learned and way forward: Guatemala



- Does current legislation work well in practice, or does it need review based on experience in implementation?
 - ✓ The model works; there were no land access limitations, allowing a wide range of beneficiaries to participate.
- How has the FCPF experience influenced and / or helped in this process?
 - ✓ The FCPF experience helped in the process of clarifying the transfer of ER title ownership. Additionally, learning from processes like Costa Rica's helped us understand the importance of Indigenous participation mechanisms within the FCPF and forest carbon programs.
- What type of legal support would be beneficial for your country at this stage?
 - ✓ Support with the monetization process to third parties and alignment with Article 6 of the Paris Agreement.
- What are your takeaways from the legal process (both ER Title Transfer and monetization aspects)?
 - ✓ Guatemala prioritized the purchase and sale with the World Bank as its primary commitment. However, we have identified the need for a second phase involving monetization to third parties. This requires the development of a new regulation with a long-term vision.
- What would you like to have known earlier? Any advice you can give other countries going through this process?
 - ✓ **We would have liked to know:** (i) The depth of secondary legislation needed; (ii) The technical-political gap; (iii) ER Title Complexity.
 - ✓ **Advice for other countries:** (i) Prioritize institutional governance; (ii) Learn from peers; (iii) Design for the Future; (IV) Build trust early.



Indonesia legal experience

Key challenges and solutions

- Regulatory and Institutional Changes
 - With the change in administration, the Ministry of Environment and Forestry was split into two Ministries
 - Presidential Regulation on Carbon Economic Value was also revised
 - The Government of Indonesia had to update the Legal Opinion
 - There should be better communications in requiring updates of legal documents (meetings and official correspondence)
 - There should also be clarity in the format and text of what is actually required by FCPF
 - The updated legal opinion will also apply for the excess ER
 - There will be implementing regulations to allow nesting



Lessons learned and way forward



- Evidence of clear mandates/rights to transfer ER title is important
 - Technical division of roles will follow legal mandates – clarity and consensus is important
 - FCPF experience will path way for other jurisdictional programs
 - The updated regulation will allow transaction with third party
 - There is a need to have capacity in the government to interpret, negotiate legal text and understand implications



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**Lao PDR legal
experience**

Key challenges and solutions

- National laws were not originally designed for carbon markets. Lao PDR addressed this by applying existing legal frameworks in a transparent and sovereign manner to enable ERPA implementation within State authority.
- An independent legal assessment confirmed Lao PDR's ability to transfer ER title. All ER transfers have been completed in full compliance with national law and the ERPA.
- Looking forward, the Government is prioritizing clarification of carbon rights and authorization arrangements to support future market readiness—without affecting ERs already transferred.

This demonstrates Lao PDR's capacity to adapt national systems to new global mechanisms while preserving legality, sovereignty, and integrity.



Thank you!

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Update: Carbon Markets Legal and Regulatory Reforms Toolkit

Legal Toolkit

Context:

- WB LEGEN provides *ad hoc* legislative support for client countries on developing / revising climate change / carbon market legislation (e.g., in the context of a specific operation).
- In the context of implementing FCPF / ISFL ERPAs, legal matters very commonly identified as bottlenecks: ER title / carbon rights and related land and natural resources rights; authorizations for ER transactions / institutional frameworks, benefit sharing arrangements, etc; low capacity of national lawyers and policy makers in this area.
- The “Carbon Markets Legal and Regulatory Reforms Toolkit”: new product led by LEGEN in collaboration with SCCFM; Arden Climate (former Pollination Law) hired as consultant.
- Aims to fill this gap and provide cutting edge legislative advice to countries; designed to complement other WB wide efforts to provide carbon market related support (e.g., PMI’s Country Guidance for Navigating Carbon Markets).

Next steps

- Currently the full draft submitted by Arden is going through internal review.
- Decision Review Meeting tentatively scheduled for end of February.
- Intention to launch the product during Innovate4Climate in May 2026, in Singapore.
- Next steps:
 - Undertake dissemination activities, including a series of regional workshops.
 - Pilot methodology in a few select countries.
 - Understand it will be a living document / potentially turning it into a digital product.



Coffee Break

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Any questions?

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