

Status on the Implementation of Article 6 of the Paris Agreement

18th IEA-IETA-EPRI Annual Workshop, November 2018

Paris, France

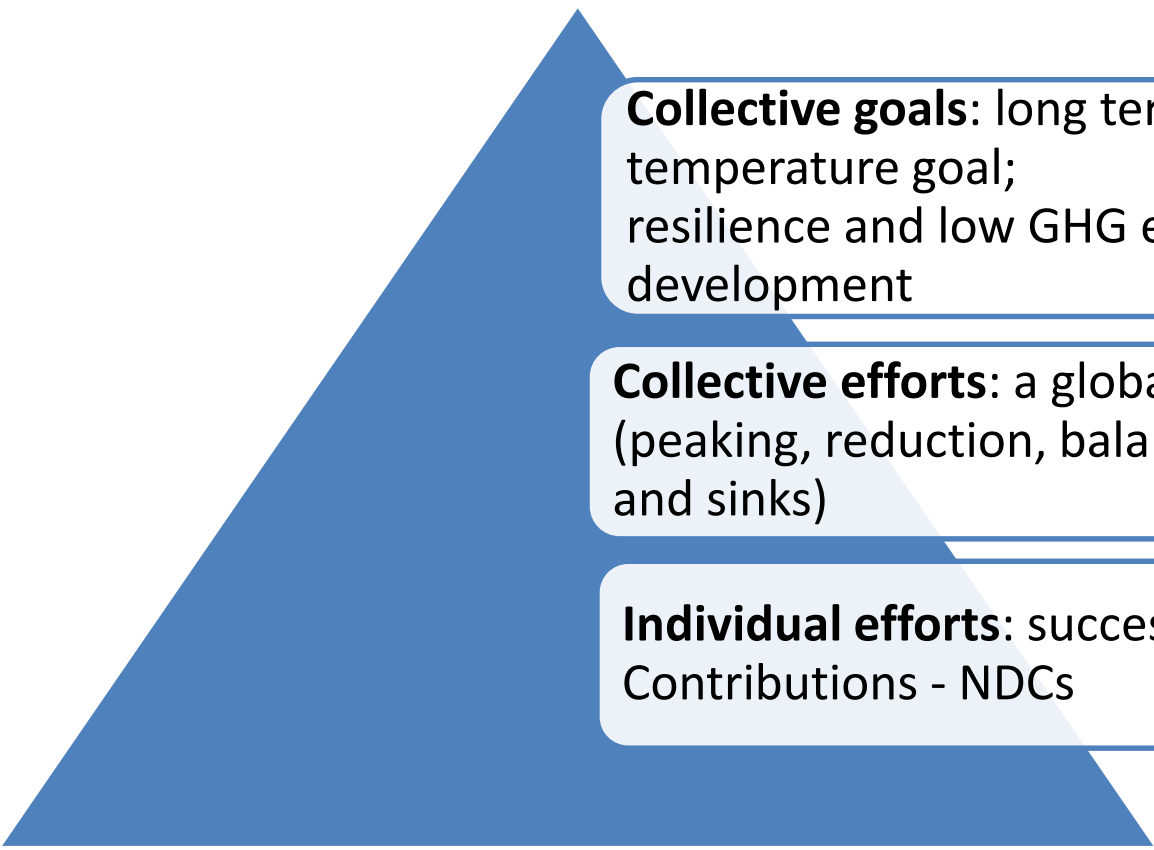


Rajesh Sethi, Manager SDM

UNFCCC secretariat

NDCs in the Paris Agreement

The Paris Agreement and its objectives



Collective goals: long term temperature goal; resilience and low GHG emission development

Collective efforts: a global emission trajectory (peaking, reduction, balance between sources and sinks)

Individual efforts: successive Nationally Determined Contributions - NDCs



Article 6 – co-operation towards NDCs

Cooperative Approaches

Articles 6.2 and 6.3 and decision 1/CP.21 paragraph 36

The Mechanism

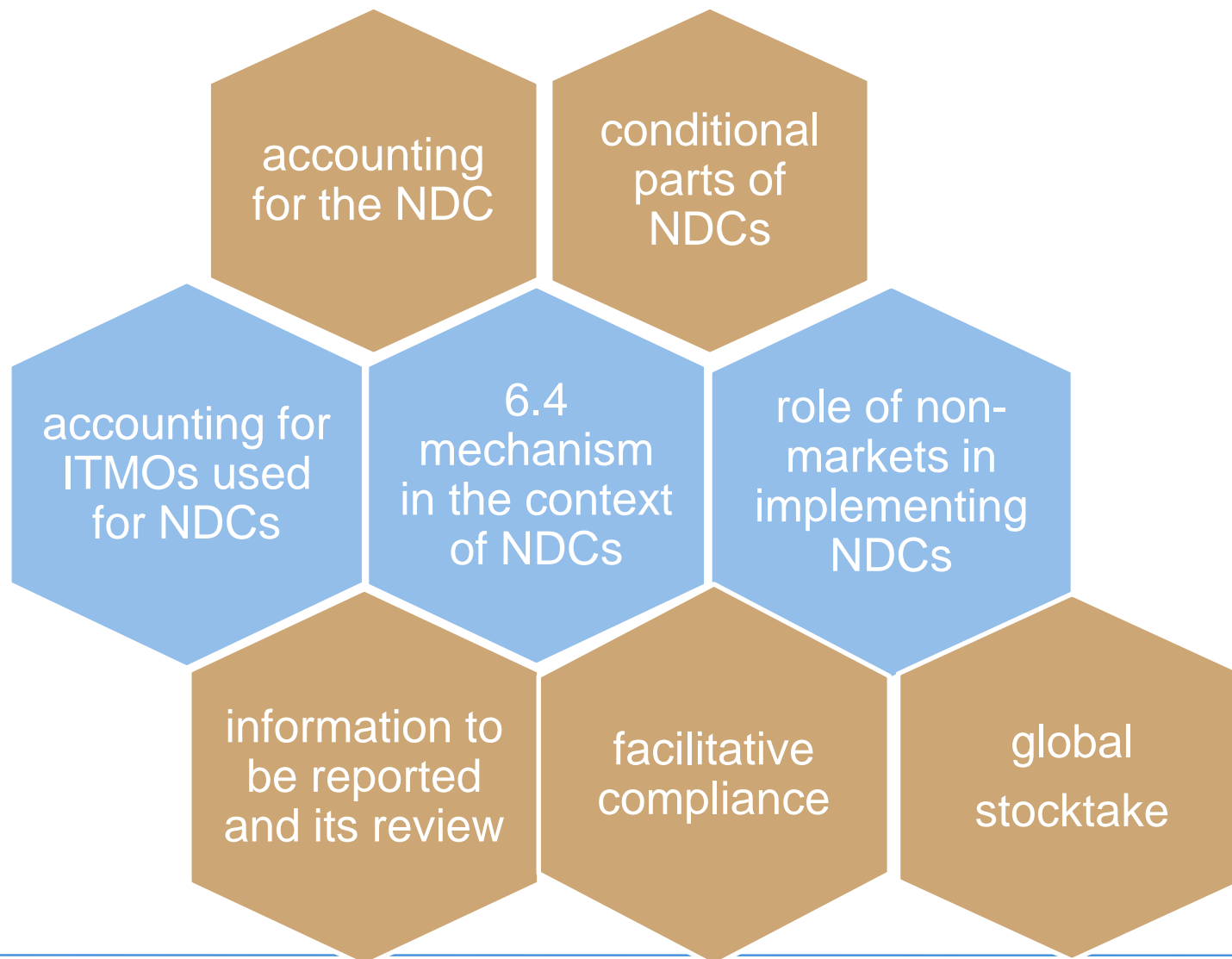
Articles 6.4 to 6.7 and decision 1/CP.21 paragraphs 37 and 38

Framework for non-market approaches

Articles 6.8 and 6.9 and decision 1/CP.21 paragraphs 39 and 40



Article 6 sits in a puzzle with other items



Article 6 implementation negotiations

- Implementing negotiations started in May 2016.
- First meeting of the Paris Agreement Parties in November 2016 agreed to forward the Paris Agreement Work Programme for adoption in December 2018.
- Parties continued work in May 2017, November 2017, May 2018 and September 2018.
- Prior to May 2018 session, informal document containing draft elements of text were published and worked on by Parties at that session.
- At September 2018 Bangkok session, Parties worked on the May documents and, through two iterations, produced draft text for each item. Some corrections agreed on last day.
- The SBSTA Chair to issue “textual proposals” before COP 24
- Need to complete by COP 24, Katowice, Poland in December 2018, with further follow up work in 2019.



Outcome of September 2018 (SBSTA 48.2) negotiations

- **In-session:** **Informal notes** further worked on by Parties to prioritize the elements
 - Three sets of **“draft text” documents** published containing
 - ✓ what is needed this year
 - ✓ what can come next year
 - Mandate for “textual proposals” from the SBSTA Chair (published mid October)



Key issues in guidance for 6.2

- **Extent of the obligations**
 - Just transfer and acquisition of ITMOs or also creation, issuance, use, retirement, carryover/ banking etc.?
 - **Nature of oversight**
 - Who decides if a Party can participate? Who decides if that participation was consistent with the guidance? An oversight body, a review team (under transparency or a specialized one for Article 6) or the committee for Article 15 compliance?
 - **Recording and reporting**
 - Does the guidance need to be prescriptive about how and what is recorded, reported, and correspondingly adjusted?
 - **Relationship with the Article 6.4 mechanism**
 - Share of proceeds (does this apply, and if so why?), overall mitigation in global emissions (does this apply, and if so why?), accounting for 6.4 emission reductions (do they fall within cooperative approaches guidance).
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Key issues in RMP for the Article 6.4 mechanism

- **What can be credited?**
 - Emission reductions, removals, avoidance, mitigation co-benefits of adaptation?
 - Projects, programmes, but sectors, policies?
- **Supervisory Body**
 - Membership, composition, role.
- **Relationship with the NDC**
 - What does additionality mean in this context, how do baselines need to operate, and what is relevance of national NDC/other policies?
- **Implementing share of proceeds and overall mitigation in global emissions**
 - What is the rate of SOP and how is OMGE to be implemented?
- **Transition of the Kyoto mechanisms**
 - Projects, credits, infrastructure...



Key issues in the framework for non-market approaches

- **Vision for the longer term**
 - In the longer term, one of the most important instruments in the “cooperation tool box”.
- **Nature of oversight**
 - Does it need a task force, an in-session forum or is it too early to tell?
- **Activities, modalities and steps and phases**
 - Still a menu of possibilities that needs to be trimmed and refined to tangible work programme activities and implemented from 2019 onwards.

