

Article 6 of the Paris Agreement Update from SBSTA 48.1 and perspectives for SBSTA 48.2

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SBSTA 48.1 – a recap

- **16 March 2018:** Informal Documents published by the SBSTA Chair
- **SBSTA 48.1:** Parties considered the informal documents and revisions of them by the Co-Chairs of the agenda items.
- Parties worked through documents to correct and add to them, and further shared understanding of positions and technical options emerged as a result of that process.
- Parties agreed to use revised informal notes containing draft elements as the basis for SBSTA 48.2
- Parties noted in the SBSTA conclusions that the notes did not represent consensus or contain all views of Parties.

SBSTA 48.2 – 5 extra days

- The informal notes seek to be comprehensive (recognizing other views on content and structure). Options are well developed and most elements are fully set out. Most positions are well understood. There are many technical details for implementation.
- There is not enough time to negotiate everything in informal notes
- **Proposed approach for SBSTA 48.2 is to focus on the key issues that are essential for Katowice** to implement the Paris Agreement Article 6 from a technical and political balance perspective.

Cooperative Approaches (1)

- Certain sections are essential to start implementation, others could be follow-up technical work in a work plan for 2019
- These essential elements can be clustered into **governance, reporting and review, environmental integrity** and **applying robust accounting**
- **Governance**
 - Essential participation requirements
 - Authorization as per 6.3 of the PA
 - Reporting and how reporting happens
- **Reporting and Review**
 - What, when, by whom and to what extent

Cooperative Approaches (2)

- **Environmental Integrity**

- Quality of ITMOs (real, additional, permanent, verified, and the metrics of ITMOs)
- Avoiding double counting and NDCs – inside/outside, gases, sectors, time periods
- Raising ambition – progression, overall mitigation in global emissions and share of proceeds

- **Applying robust accounting**

- Necessary information for participation
- One or more bases for corresponding adjustment and which “trigger” (first transfer and use or transfer and acquisition)
- What information needed for use
- Dealing with single year/point targets

The mechanism (1)

- Some elements are essential to start implementation, many others could be follow-up technical work in a work plan for 2019 for the SBSTA or the supervisory body
- These essential elements scan be clustered into **governance, activities and emission reductions, avoiding double use and transition of Kyoto mechanisms**
- **Governance**
 - The composition of the supervisory body so that members may be elected at Katowice
 - Essential participation requirements
 - Implementing the share of proceeds

The mechanism (2)

- **Activities and emission reductions**
 - Relevance of inside/outside the NDC
 - Reductions, removals and avoidance activities
 - Additionality
 - Baseline setting
 - Implementing overall mitigation of global emissions
- **Avoiding double use**
 - Within the Paris Agreement context, and with other international contexts
- **Transition of Kyoto mechanisms**
 - Activities, CERs/ERUs, methodologies and accreditation system

The framework

- This agenda item is qualitatively different as it is producing a work programme. Appears possible to complete the work by Katowice if Parties raise their ambitions for this agenda item.
- The essential elements to focus on appear to be governance and modalities and activities of the work plan
- **Governance**
- **Modalities and activities of the work plan**
 - Modes of work
 - Ongoing activities and infrastructure
 - Substantive topics

Looking ahead to the Katowice product

Agenda item	CMA adopting decision (without prejudice to final form)	The substantive product	The work plan for 2019	Other possible decisions or content
Cooperative Approaches	Adopts the guidance, sets up the work plan for 2019	The guidance	Follow up technical work for 2019 (SBSTA or SBI)	?
The mechanism	Adopts the rules, modalities and procedures, Welcomes election of supervisory body members, Sets up the work plan for 2019	The rules, modalities and procedures	Follow up technical work for 2019 (SBSTA or SBI) Follow up technical work for the supervisory body	Potentially decisions (or decision text) related to Kyoto mechanisms, for CMA and/or CMP
The framework	Adopts the (further) work programme under the framework	Decision text on the framework The work programme	<i>May not be needed, as work programme being carried out</i>	

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