CORSIA as an *"Other…Purpose"*

Examples and discussion of CORSIA <> A6 intersection

20-02-2020; ERCST Informal Forum on Implementation of Article 6 of the Paris Agreement

What are "*Other…purposes*"?

✤ Current Article 6 drafts refer to ITMOs as including… "*Mitigation outcomes authorized by a participating Party for use <u>for international mitigation purposes other than achievement of its NDC</u> **or** <u>for other purposes</u>, including as determined by the first transferring participating Party (hereinafter referred to as other international mitigation purposes)…*"

✤ Discussed primarily in reference to the use of mitigation outcomes for *non-*NDC purposes—i.e. whatever is "above and beyond"?

✤ ONE EXAMPLE: The International Civil Aviation Organization's Carbon Offsetting and Reduction Scheme for International Aviation (ICAO CORSIA).

✤ ANOTHER EXAMPLE: Purely voluntary uses / carbon offsetting?

CORSIA Background: Basis

Element	Function	Status
Assembly Resolution 39-3 ("A39-3")	CORSIA's core design	Agreed 2016, reaffirmed 2019
CORSIA Standards and Recommended Practices ("SARPs")	CORSIA's ruleset for implementation by States and their "Aeroplane Operators"	Adopted 2018; in effect from February 2019
CORSIA SARPs Environmental Technical Manual V2.0 ("ETM 2.0")	Detailed MRV guidance, e.g., for verifying airlines' emissions unit cancellation reports	V2.0 approved in 2018
CORSIA Emissions Units Eligibility Criteria ("EUC")	Basis for ICAO Council to determine CORSIA-eligible emissions units/programs	Approved Feb. 2019 as a "CORSIA Implementation Element"
Guidelines for Criteria Interpretation ("*Guidelines*")	Benchmarks informing TAB's application of the EUC to applicant programs	Approved for use by the TAB from Feb. 2019
Technical Advisory Body ("TAB")	Assesses programs against the EUC and any Guidelines; recommendations to Council	Established and operational from Feb. 2019
CORSIA Central Registry ("CCR")	Database (*eventually*) containing and publishing data on emissions, emissions units	Initial elements approved in 2019
CORSIA-Eligible Emissions Units	ICAO Document listing the programs / units airlines can use to meet offsetting obligations	*Expected* in 2020

Emissions unit-relevant rules

✤ The EUC are "core" safeguards, complemented by other CORSIA rules

✤ e.g., SARPs define information to be reported (in Table A5-7; example: field 5); verifier to confirm *no double-use by airline,* per SARPs + ETM.

For each "batch" of cancelled units, airlines shall report:	
Quantity of units cancelled	Methodology
Start of serial number range	Demonstration of unit date eligibility
End of serial number range	Program registry name
Date of cancellation	Initiating registry account identifier
Eligible emissions unit program	Registry Cancellation Account Identifier
Unit type	Name of operator cancelling units
Host country	

CORSIA Background: EUC(+)TAB

✤ In early 2019, Council adopted the Emissions Units Criteria (EUC) and established the 19-member Technical Advisory Body (TAB) to apply the EUC to programs and recommend to Council those that should be eligible.

✤ The EUC inform *program*-level eligibility assessment (vs. *project*- or *methodology*-level). *Guidelines for Criteria Interpretation* support some criteria.

✤ TAB invited applications in mid-2019. It assessed 14 respondents against the EUC and any *Guidelines,* based on procedures developed by the Committee on Aviation Environment Protection (CAEP).

✤ In application forms, an organization describes its consistency with each EUC (including *sub*-criteria) and *Guideline*—amounting to ~140 indicators.

CORSIA EUC: Introduction

Clear Methodologies, Protocols, & their Development Process	**Avoidance of Double Counting, Issuance and Claiming**
Scope Considerations	**Are additional**
Offset Credit Issuance and Retirement Procedures	**Are based on a realistic and credible baseline**
Identification and Tracking	**Are quantified, monitored, reported, and verified**
Legal Nature and Transfer of Units	**Have a clear and transparent chain of custody**
Validation and Verification procedures	**Represent permanent emissions reductions**
Program Governance	**Safeguard against potential increase in emissions elsewhere**
Transparency and Public Participation Provisions	**Are only counted once towards a mitigation obligation**
Safeguards System	**Do no net harm**
Sustainable Development Criteria	

CORSIA EUC: *Guidelines*

✤ Each criterion varies in its level of detail and use of subjective terminology. Where needed, further benchmarks may be used—i.e. *Guidelines for Criteria Interpretation.*

EXAMPLE *Criterion*

"**Identification and Tracking**: Programs should have in place procedures that ensure that: …(**c**) <u>the registry is secure</u> (i.e., <u>robust security provisions are in place</u>)…"

EXAMPLE *Guidelines*

"**Registry account screening**: The program should have provisions in place ensuring the screening of requests for registry accounts; and restricting program registry (or registries) accounts to registered businesses and individuals."

"**Registry security review**: The program should have provisions in place ensuring the periodic audit or evaluation of registry compliance with security provisions."

Core *No-double-counting* criterion

✤ **CRITERION**: "Offset credits should **only be counted once toward any mitigation obligation**. Measures should be in place to avoid:

A. Double issuance, which occurs if *more than one unit is issued for the same emissions or emissions reduction;*

B. Double use, which occurs when *the same issued unit is used twice;*

C. (Double-selling, which is addressed in *Guidelines*)

D. Double claiming, which occurs if *the same emissions reduction is counted twice by both the buyer and the seller* (i.e., counted towards the climate change mitigation effort of both an airline and the host country of the emissions reduction activity).

✤ **In order to prevent double claiming, eligible programs should require and demonstrate that accounting procedures are in place such that double claiming does not occur between the airline and the host country of the emissions reduction activity."**

National Attestation *Guidelines*

D. **Host country attestation to the avoidance of double-claiming**: Only emissions units originating in countries that have <u>attested to their intention to properly account</u> for the use of the units toward offsetting obligations under the CORSIA, as specified in paragraph (and sub-paragraphs) [**slide 11**], should be eligible for use in the CORSIA.

✤ The program should obtain, or require activity proponents to obtain and provide to the program, <u>written attestation from the host country's national focal point or focal point's designee</u>* (*_Agency responsible for a host country's national emissions inventory reporting ("National Focal Point"); including under the Paris Agreement_).

✤ The <u>attestation should specify, and describe any steps taken, to prevent mitigation associated with units used</u> by operators under CORSIA from also being claimed toward a host country's national mitigation target(s) / pledge(s).

✤ Host country attestations should be obtained and made publicly available <u>prior to the use of units from the host country in the CORSIA</u>."

National Attestation *Guidelines*

E. "**Double-claiming procedures**: The program should have procedures in place requiring that activities take approach(es) described in these sub-paragraphs to prevent double-claiming, **which attestations [i.e. Host Country] should confirm**:

✤ Emissions units are created where mitigation is not also counted toward national target(s) / pledge(s) / mitigation contributions / mitigation commitments

✤ Mitigation from emissions units used by operators under the CORSIA is appropriately accounted for by the host country when claiming achievement of its target(s) / pledges(s) / mitigation contributions / mitigation commitments, in line with **the relevant and applicable international provisions**.

✤ If program procedures provide for the use of method(s) to avoid double-claiming which are not listed above, the GMTF [now Working Group 4], or other appropriate technical expert body, should evaluate and make a recommendation regarding the sufficiency of the approach prior to any final determination of the program's eligibility."

National Attestation *Guidelines*

F. **Transparent communications**: The program is to publish national attestations and keep the information updated (i.e. through registry).

G. **Comparing unit use against national reporting**: The program is to monitor national reporting on accounting, and compare what the host country *said* it would account to what it *actually does* account.

H. **Reconciliation of double-claimed mitigation**: "The program should have procedures in place for the program, or proponents of the activities it supports, to compensate for, replace, or otherwise reconcile double-claimed mitigation associated with units used under the CORSIA which the host country's national accounting focal point or designee otherwise attested to its intention to not double-claim."

Some EUC, *Guidelines* can benefit from international guidance and processes…

✤ **DISCUSSION QUESTION 1: What's on the A6 side that would help all of this along?**

  1. **Accounting guidance:** So Programs know how Parties will account, and can translate it into a standard for project <=> Host Country interactions and allowable accounting approaches

  2. **Regular Reporting guidance:**

     ➡ So Programs know what information can be gleaned from Host Country reporting per Article 6, and ICAO can know what other information may be needed under CORSIA

     ➡ So Host Countries can use common platform to convey accounting info; and Programs can track Host Country accounting and monitor need to "compensate"

  3. **A functioning A6.4 mechanism.** *And everything that comes with it…*

✤ **DISCUSSION QUESTION 2**: **Do Parties think a similar approach** *should* **or** *must* **apply to <u>purely voluntary uses</u> of mitigation outcomes**? Is that an "other purpose"? *What else is*?

CORSIA References

✤ **Assembly Resolution 39-3**: https://www.icao.int/environmental-protection/Documents/Resolution_A39_3.pdf

✤ **Standards and Recommended Practices**: https://www.icao.int/environmental-protection/CORSIA/Pages/SARPs-Annex-16-Volume-IV.aspx

✤ **Environmental Technical Manual V2.0**: https://www.icao.int/environmental-protection/CORSIA/Pages/ETM-V-IV.aspx

✤ **TAB Supplementary Information** (including EUC and Guidelines for Criteria Interpretation): https://www.icao.int/environmental-protection/CORSIA/Documents/TAB/Programme_Application_Form_Appendix_A_Supplementary_Information_for_Assessment.pdf

✤ **Technical Advisory Body homepage**: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB.aspx

✤ **CORSIA-Eligible Emissions Units** (Availability TBD): https://www.icao.int/environmental-protection/CORSIA/Pages/CORSIA-Emissions-Units.aspx