What does it take to get the 6.4 mechanism up and running?

ERCST call

26 March 2020

Purpose of this presentation

- Purpose

  - To provide **secretariat experience** in operating constituted bodies and the Kyoto flexible mechanisms to indicate what is needed overall to "get 6.4 started".

- Caveat

  - **Chatham House Rule**

  - General presentation, focused on **practicalities** and not focused specifically on addressing all positions/interests of Parties and groups

  - Presentation made on basis that Presidency texts are not agreed but what we have in them is focus for discussion today

What needs doing for the first activity to be registered?

- The 6.4 mechanism can process registration of activities when:

  - There are **activity standards and procedures** and document templates so that an activity participant can design an activity and submit it for registration

  - There are **methodologies and tools for setting baselines, assessing additionality** and designing monitoring plans

  - There are **standards and procedures for accredited entities** so that an activity can be validated against the rules

  - The **Supervisory Body has met and adopted all of the above**

  - Participating Parties have **national processes for approving activities**

Sequencing, prioritization (practical perspective) (1)

- **Enabling new activity design** is a practical priority – activities take a number of years to be ready before requesting registration

- **Standards and procedures for validation and verification** etc. could be speeded up by being **high level**, with detail to follow as needed

- **Accreditation** standards and procedures may be easier to develop based on existing UNFCCC standards for CDM, but "national" level accreditation needs new rules (including at national level)

- **Methodology development** can be speeded up by prioritizing review of CDM methodologies and the essential supporting tools based on actual usage, active sectors

- **DNA readiness** can be developed through intensive capacity-building and support, as well as use of standard documents

Sequencing, prioritization (practical perspective) (2)

- **CDM activity transition** is to some extent a separate work stream once the 6.4 Supervisory Body has approved transition related procedures (including which of the rules for new 6.4 activities apply to transitioned CDM activities). **National level capacity** is also important for CDM activity transition to be swift and the secretariat can support DNAs and relevant authorities.

- The **6.4 registry infrastructure** design and implementation likely will take longer (new software, UN procurement)

- Other elements such as national – level/host led aspects could also require more time to develop given need for coordination between national authorities and Supervisory Body.

Other thoughts based on experience

- **Resources** are key to swift implementation

  - Minimal UNFCCC budget 2020-2021 for Article 6
  - Some informal discussion at CMP about CDM Trust Fund being allocated to Article 6

- Two meetings a year of Supervisory Body would not enable work to be done within a short period

- **Optimistic, unscientific secretariat internal straw poll** – up and running in **two years** if there are enough (five, six) Supervisory Body meetings and enough resources…

The cooperative implementation webpage has been updated:

https://unfccc.int/process/the-paris-agreement/cooperative-implementation