

## ERCST “Informal Forum on Implementation of Article 6 of the Paris Agreement”

### *Agenda*

*Speakers are being confirmed*

**Date:** November 30, 2020

**Time:** 1 pm Brussels time

**Location:** Zoom videoconference

### **Project Background and Approach**

This webinar is part of the “Implementation of markets and non-markets provisions in the Paris Agreement” project, which aims to create an informal atmosphere, where the main objective is to explore, discover, explain and understand different points of view related to the issues in Article 6 of the Paris Agreement. That is, to understand the options available to define rules, modalities and procedures on Article 6 of the Paris Agreement, as well as the consequences of adopting each option.

What is also very important is, to the extent that participants are willing to explain, to understand the different views, and more importantly, WHY these views are held. The discussions will be free and informal. They are generally introduced with a presentation from ERCST and launched with reflections from the participating negotiators. Discussions will be held under Chatham House rules (views expressed can be quoted but cannot be attributed to any of the participants). At the end of each meeting we will not produce summaries, but a Reflection Note, with what the Chair took back from the discussions.

Above all, this process is totally separated from the UNFCCC negotiating process. There is no intention, or mandate, to produce any text or negotiate an outcome.

### **13:00 Welcome remarks**

- A. Marcu, ERCST

## **13:05 Reflection note from “October 28, 2020: “The Doha Amendment entering into force, CDM EB post-2020, and Article 6 Pilots”**

The session will begin with the presentation of the reflection note from the previous Article 6 webinar on “The Doha Amendment entering into force, CDM EB post-2020, and Article 6 Pilots”.

- D. Agrotti, ERCST

## **13:15 Update on sales of clean energy under Art 6.**

The issue of how to treat exports of clean energy under Art 6 of the Paris Agreement has caused a significant amount of grief and my sense is that it is a huge misunderstanding and wanted to make sure that we are all on the same page. Things may be simpler and clearer than we think and looking at it in simple and practical way may help better understand the problem – if any.

Example for illustration

- Bhutan exports hydro power India
- Based on India's GEF the reduction/avoidance on the Indian grid is 200 tons
- Therefore the Indian inventory is 1000 instead of 1200 (as it would have been without Bhutanese imports)
- The India-Bhutan agreement stipulates that India and Bhutan will share benefits from reductions as a result of exports of hydro power in addition to cash payments
- India therefore has to send Bhutan (by contractual agreement, not UNFCCC rules) 100 credits, therefore
- India inventory is 1000+ 100
- Bhutan inventory is -100
- -There is no double counting
- There is nothing to oblige or prevent this arrangement under the Art 6 rulebook – it is in the end a contractual arrangement. Under Art 6.4 it will require recognition from the Supervisory Board
- It is assumed that issues such as grid emission factor and ensuring that there is no increase in emissions as a result of these ITMOs are address technically

There will a short presentation by S. Tashi followed by initial reaction from roundtable participants. Discussion of this issue may be continued in future sessions.

- A. Marcu, ERCST
- S. Tashi (Bhutan)

## **13:40      What can be learned from current pilots/on-the-ground activities towards Art. 6 negotiations**

While the Art 6 negotiations have been postponed to 2021, there is a significant amount of work that is on-going through other channels in order to develop knowledge and experience, as well as to kick-off the carbon market under Art 6 of the Paris Agreement. While these activities are outside the negotiations, they provide valuable information and lessons on how Art 6 will work, especially, but not exclusively, on Art 6.2 which is a new approach when compared to Art 6.4 where CDM/JI brings some experience.

This discussion is a continuation of the series of Article 6 pilots that have started in previous sessions. There will be an initial presentation by M. Uga followed by a roundtable discussion with participants.

- M. Uga, (Japan)

## **14:20      Update on CDM numbers.**

The session will continue with a number of updated presentations on CDM transition numbers (about 10 min each, strictly enforced).

This will be followed by a roundtable discussion.

- K. Koakutsu (Japan)
- T. Forth (Germany)
- A. Steen, UNFCCC
- A. Marcu, ERCST

## **15:00      End of meeting**