



## Implementing Article 6.4

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# Options for baseline methodological approaches

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## B. Methodologies 33/34

33. Mechanism methodologies may be developed by activity participants, host Parties, stakeholders, or the Supervisory Body.

34. Mechanism methodologies shall be approved by the Supervisory Body where they meet the requirements of these rules, modalities and procedures and requirements established by the Supervisory Body.

**When work on methodologies can start?**

**What is the role of host Parties?**

**How this para relates to para 33 regarding host Parties?**

**How this para relates to para 36? What is the balance or the hierarchy between CMA principles and requirements set by the SB?**



## B. Methodologies 35/36

35. Each mechanism methodology shall require the selection of a transparent and conservative approach, assumptions, parameters, data sources and key factors and should take into account, as appropriate: uncertainty; any leakage due to the implementation of the Article 6, paragraph 4, activity; relevant policy; consistency with the NDC of the host Party, any contribution to reducing emission levels in the host Party, any long-term low GHG emission development strategy of the host Party and the long-term goal of the Paris Agreement; and should encourage an increase in ambition over time.

36. The CMA shall adopt principles for methodologies and baseline and additionality approaches.

**Are these references the basis of the principles to be taken by the CMA and how they could be operationalized as guidance to the new body (SB)?**

**How to handle the references to the host Parties?**

**How to handle different capacities of host countries to provide data and information on NDC related policies and measures, the LTS and LTG?**

**Will it be sufficient to have principles as narratives?**

**Or should they build a more concrete basis for the SB requirements setting?**



## B. Methodologies 37/38

37. Standardized baselines may be developed by the Supervisory Body at the request of the host Party or may be developed by the host Party and approved by the Supervisory Body. Standardized baselines shall be established at the highest possible level of aggregation in the relevant sector of the host Party.

38. The Supervisory Body may waive additionality requirements for any least developed country or small island developing State at the request of that Party, in accordance with requirements developed by the Supervisory Body.

**With the before-mentioned requirements the question comes up, what is the purpose of standardized baselines (SBL) under the Paris Agreement?**

**Will SBL be a space where host Parties can align the use of Art. 6 with their domestic climate policies and the LTS?**

**Will be there a different treatment of similar activities under similar local conditions, such as cookstove or community-related activities in general?**



# General Remarks on the Methodologies Section

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- The text may serve as good basis for the proceeding of the UNFCCC negotiations
- Some aspects would benefit from supplemental clarifications and would provide a broad understanding of roles and tasks of actors
- On paras 34/36:  
More attributional elements for CMP, SB and host Parties
- On paras 35/37:  
Understanding the need of capacity building, when NDCs, LTS and LTGs should become subject to the use of Art. 6.
- On paras 33/38:  
An early starting point for methodology development and special encouragements should be on the wish list for Glasgow.  
Defining that process and the issues to start with.

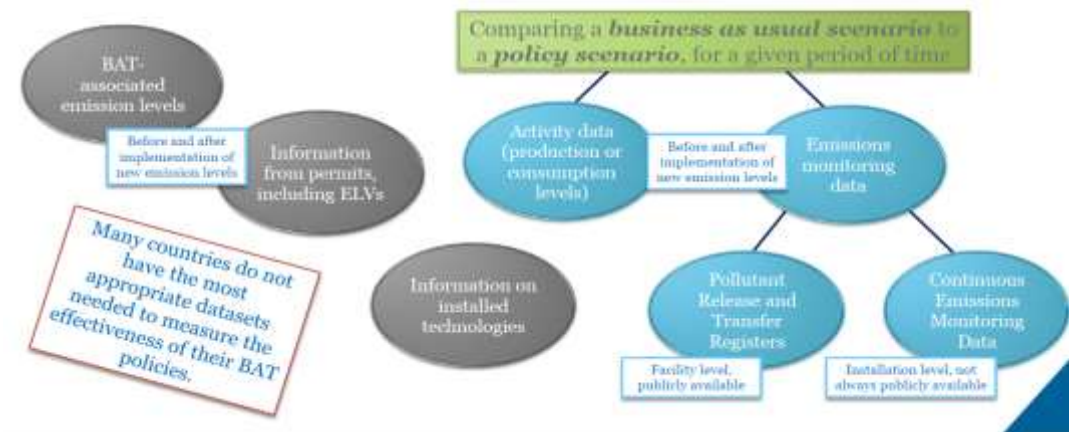


# BAT approach as host Parties best choice

- BAT approaches are already of high value in many countries
- OECD activities are ongoing, actually until 2022
- For a couple of Parties we have reporting of regulations, experiences and further work announced
- Examples could be found in: Brazil, Canada, China, EU, India, New Zealand, Russia, the US and some more
- However more work needs to be done to provide the same opportunities for the use of Art. 6 for all Parties
- Apparently such an approach could create barriers for Parties for a long time



Data for effectiveness evaluation of BAT policies



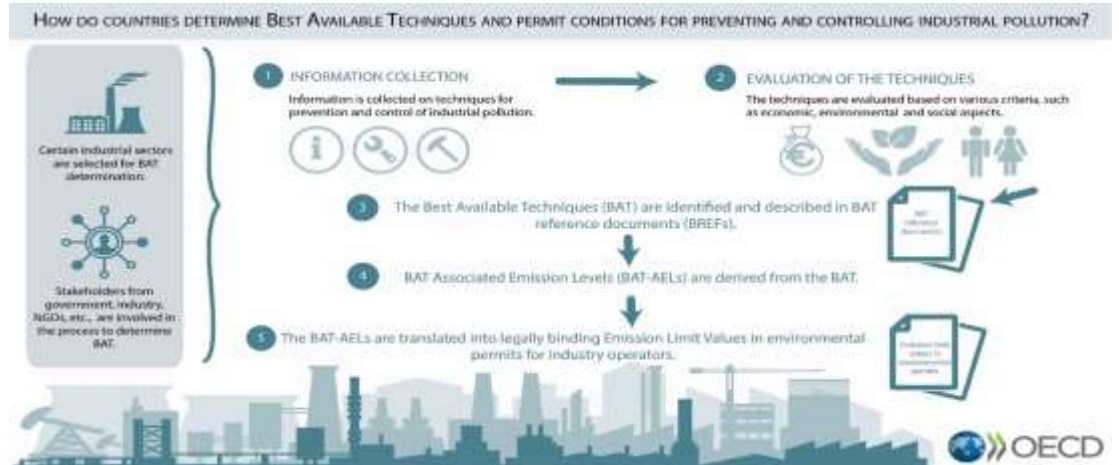
- A solution could be, that the work will be inscribed in the concrete requirements in the methodologies
- Certainly resources for capacity building would accelerate this process
- And a transitional period is unavoidable



# BAT approach allows host Parties to make better choices

- The BAT approach is combinable with standardized baselines.
- Technology options for domestic pathways to current NDC and to ambition raising over time could be identified.
- At the same time the BAT approach discovers the points of departure for Art. 6 activities, where the host Party needs international cooperation
- Analytically: the margins comes visible, in which the host country will be enabled to set its pathway to NDC in line with LTS
- This approach facilitate the explanation and the testing of additionality

- The BAT approach opens the technical space for host Parties to influence methodology application in line with domestic circumstances on NDC and LTS
- However: The ideal type of creating a baseline must be translated into the proceeding under Art. 6.  
It is not done with referencing!





# Thank you!

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