"Emissions avoidance" and "Conservation enhancement" in the Glasgow texts on Article 6

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What we agreed in Glasgow

| Article 6.2 decision (2/CMA.3) | Article 6.4 cover decision (3/CMA.3) |
|---|---|
| 3. Requests the SBSTA to undertake the following work, on the basis of the guidance in the annex, to develop recommendations, for consideration and adoption by CMA4: | 7. Further requests the SBSTA to develop, on the basis of the RMPs contained in the annex, recommendations, for consideration and adoption by CMA4, on: |
| (c) Consideration of whether ITMOs could include emission avoidance | (h). The consideration of whether activities could include emission avoidance and conservation enhancement activities |

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- 1. "Emissions avoidance" and "conservation enhancement" are different concepts
- 2. There is no question about "conservation enhancement" re: Article 6.2

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Key questions:

- A. What are "emissions avoidance" and "conservation enhancement", respectively?
- B. Could an "avoided emission" be an ITMO and/or an A6.4ER?
- C. Could "conservation enhancement" generate A6.4ERs?

Background: Could x be an ITMO / A6.4ER?

Article 6.2 Guidance (2/CMA.3, Annex)

3. Each {participating Party} shall ensure that its participation in the cooperative approach and the authorization, transfer and use of ITMOs is **consistent with this guidance** and relevant decisions of the CMA and that it applies this

guidance to all corresponding adjustments and

cooperative approaches in which it participates.

Article 6.4 RMPs (3/CMA.3, Annex)

1(a): An Article 6.4 activity is an activity that <u>meets</u> the requirements of Article 6, paras. 4-6, these rules, modalities and procedures, and any further relevant decisions of the CMA

1(b): An A6.4ER is issued for mitigation achieved pursuant to Article 6, paras. 4-6, these rules, modalities and procedures, and any further relevant decisions of the CMA.

- 3. Anything can be an ITMO / A6.4ER, so long at it meets the requirements of Article 6.2 & guidance / Art.6.4 & RMPs
- 4. Anything that does <u>not</u> meet the applicable requirements cannot be an ITMO / A6.4ER

A1. What is "emissions avoidance"?

- Avoided emission:
 - GHGs that have been kept in the ground / out of the atmosphere
 - Translation: An emission(+) that could have happened (under some scenario), but ultimately did not happen

B. Can an 'avoided emission' be an ITMO and/or an A6.4ER?

Baseline or reference level:

- The counterfactual against which mitigation is quantified for the ITMO/A6.4ER
- Art. 6.2: Set in a conservative way, below BAU, taking into account uncertainty, policies, leakage
- Art. 6.4: Approved methodology requiring a baseline-setting approach set out in para. 36/37 of the RMPs

Reduction

When the resulting GHG emissions⁽⁺⁾ are below the baseline/reference level

Removal

When the resulting GHG sequestration⁽⁻⁾ exceeds the baseline/reference level

- 5. ITMOs and A6.4ERs are measured against baselines / reference levels
- 6. There are requirements in the texts for baselines / reference levels
- 7. If an "avoided emission" meets the requirements, it can be an ITMO / A6.4ER

KEY TAKEAWAYS re: avoidance

- 1. "Emissions avoidance" and "conservation enhancement" are different concepts
- 3. Anything can be an ITMO / A6.4ER, so long at it meets the requirements
- 4. Anything that does <u>not</u> meet the requirements cannot be an ITMO / A6.4ER
- 5. All ITMOs and A6.4ERs must be measured against baselines / reference levels
- 6. There are requirements in both texts about these baselines / reference levels
- 7. If it is measured against a <u>reference level that meets the requirements in the text</u>, then an "avoided emission" would meet the definition of an "emission reduction", and thus <u>could potentially be an ITMO / A6.4ER</u>
- 8. Otherwise, it cannot be an ITMO / A6.4ER because it does not meet the requirements
- 9. This is already clear in the text. No further guidance is needed.

A2. What is "conservation enhancement"

Conservation

Protecting natural landscapes/species/ecosystems

Conservation enhancement

- Increasing protections for natural landscapes/species/ecosystems
- Translation: REDD+ and various other nature-based climate solutions

Key takeway:

10. "Conservation enhancement" refers to REDD+ and similar activities in other ecosystems (beyond tropical forests in developing countries)

A2. What is "conservation enhancement"

- REDD+
 - Reducing Emissions from Deforestation and Forest Degradation in Developing Countries,
 the role of conservation, sustainable management of forests, enhancement of forest carbon stocks
 - Examples of activities in a REDD+ strategy
 - Reduce deforestation / degradation (cut down fewer trees)
 - Conservation of forest carbon stocks (prevent illegal logging)
 - Enhancement of forest carbon stocks (improve health of natural forests)*
 - Sustainable management of forests (better logging & re-planting techniques)*
 - Afforestation and reforestation (plant new forests)*
 - * not always categorized as REDD+ activities, depending on who you ask
- Similar activities in non-forest ecosystems
 - e.g., grasslands, non-forested wetlands, blue carbon, etc.

Key takeways:

11. REDD is an emission reduction (that's what the 'R' stands for) 12. The '+' activities also generate reductions and/or removals

C. Can conservation enhancement generate A6.4ERs?

Article 6.4 RMPs (3/CMA.3, Annex):

- 1(a): 'An Article 6.4 activity is <u>an activity that meets the requirements</u> of Article 6.4, these RMPs, and any further relevant CMA decisions'
- **31:** The activity shall...
 - Be designed to achieve GHG mitigation that is <u>additional</u>
 - Reducing emissions or increasing removals (incl. mitigation co-benefits)
 - Minimize the risk of <u>non-permanence</u> over multiple NDC implementation periods, and, where reversals occur, ensure that these are addressed in full
 - Minimize the risk of <u>leakage</u> and adjust for any remaining leakage in the calculation of emission reductions or removals

Key takeway:

13. Conservation enhancement could be an A6.4 activity if it meets the A6.4 requirements

C. Can conservation enhancement generate A6.4ERs?

- Some peculiarities of forests and REDD+
 - REDD+ requires <u>jurisdictional implementation</u> to mitigate <u>carbon leakage</u>
 - 2.CP.13, Annex, para. 3-4: "Emissions reductions from national demonstration activities should be assess on the basis of national emissions... Subnational approaches, where applied, should constitute a step toward national approaches, reference levels and estimates."
 - On voluntary markets "project-level REDD" and emerging jurisdictional crediting programs
 - Long-term monitoring for <u>permanence</u> and accounting for reversals
 - CDM approach: 'Temporary credits' banned in Article 6.4 decision
 - Newer approach: Long-term reversal mitigation/monitoring, insured by 'buffer pools'

- 14. Addressing non-permanence / leakage in conservation enhancement activities often requires specific procedures tailored to these types of activities
- 15. Some reputable REDD+ crediting mechanisms already have such procedures in place
- 16. Article 6.4 RMPs do not currently include such procedures

C. Can conservation enhancement generate A6.4ERs?

Article 6.4 cover decision (3/CMA.3):

- **6:** Also requests the Supervisory Body to elaborate and further develop, on the basis of the RMPS, recommendations, for consideration and adoption by CMA4 on:
- (c): Activities involving removals, including appropriate <u>monitoring</u>, reporting and accounting for removals and <u>crediting periods</u>, addressing <u>reversals</u>, avoidance of <u>leakage</u>, and the avoidance of other negative environmental and social impacts in addition to those in chapter V of the annex.

Key takeway:

17. The A6.45B will need to recommend procedures to address permanent/leakage, which could include specific procedures for conservation enhancement activities (jurisdictional, buffers, etc.)

SUMMARY re: conservation enhancement

- 1. "Emissions avoidance" and "conservation enhancement" are different concepts
- 2. There is no question about "conservation enhancement" re: Article 6.2
- 9. "Conservation enhancement refers to REDD+ and similar activities in other ecosystems
- 10. REDD is an emission reduction (that's what the 'R' stands for)
- 11. The <u>'+' activities</u> also generate reductions and/or removals
- 12. Conservation enhancement can be an A6.4 activity if it meets the A6.4 requirements
- 13. The non-permanence / leakage requirements different procedures in these contexts
- 14. Some reputable REDD+ crediting mechanisms already have such procedures in place
- 15. Article 6.4 RMPs do not currently include such procedures
- 16. If the A6.4SB comes up with good procedures, then "conservation enhancement" should be in
- 17. In the absence of such procedures, I would rather trust the existing mechanisms under Article 6.2