

Article 6

Infrastructure

Switzerland
April 2022



Infrastructure – international IDs of ITMOs

Cooperative approach ID	Host Party	Originating registry	Vintage	Range number	Authorized use & 1 st transfer method	Sector	Activity type	Activity	Metric
AA01	PE	ZZ01	2023	123	NDC-IMP-U	AG	0001	321	CO2

■ Minimum requirements for a unique international identifier

■ Meta data/tag describing the ITMO

AA01-PE-ZZ01-2023-123-NDCIMP-U-AG-0001-321-CO2

- An ITMO is recorded/tracked through identifiers. It's a record, electronic or not
- An ITMO is measured in tCO₂e or other metric determined by participating Parties
- For CO₂e, helpful to clarify IF an ITMO is equal to 1 tCO₂e or X tCO₂e ($X \geq 1$). $X > 1$ is essentially an aggregation/a block that is uniquely identified and therefore indivisible
- IF ITMO > 1 t CO₂e = value of ITMO has to be tracked as a parameter
- Various characteristics/parameters, including authorized uses may be tracked as meta data (labels/tags). Changes would require recoding



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The recording and tracking method for ITMOs may be utilizing

- International IDs, including universal lists of registry IDs, CoAps IDs, sectors, activity types
- National/registry-level IDs - more complex for tracking across registries as IDs have to be build on as ITMOs move across registries
- Relations for linking ITMOs and authorized entities
 - For registry implemented as an electronic database , the database may have to support a table that contains the links between ITMOs and entities



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TAKEAWAY:

- Unique identifier approaches are central to facilitating easy operations on ITMOs
- Universal approach (data standardization) is worth considering, particularly in the context of cooperative approaches with large transaction volumes
- The universal approach may not be mandatory but adopted as recommended practice
- Legacy registries would have to be adapted to accommodate universal IDs as a one-off investment
- The mechanism will likely see a universal approach to identification of A6.4ERs

Infrastructure – data consistency

- Data standardization may go beyond ID and be aligned with broader reporting requirements. It may cover:
 - ID and meta data rules, including rules of universal values/lists for selected parameters
 - First transfer rules
 - Vintage rules
 - Entity authorization rules
 - Account types
 - Transactions rules
 - Transaction logs and audit trail
 - Minimum security standards
- Approach to standardization
 - Establish the data standards as universal to Article 6 (similar to simplified KP DES), OR
 - Establish data standards for the international level infrastructure (mechanism and international registry) that are a recommended practice
 - Role for a technical committee



Infrastructure – managing ITMOs across cooperative approaches

- Approaches to managing ITMOs from various cooperative approaches
 - Access to multiple registries
 - Consolidating holdings in a Party registry
 - Cancel / re-create
 - Mirror units can be created in registries based on holdings in a repository
 - Through enabling interoperability between registries
- Approaches to enabling interoperability - significant benefits from international IDs and other common data standards
 - Common communication hub with reconciliation functions
 - Direct linking via API with reconciliation
 - Direct linking enabled by DLT / public block-chains solutions
 - Common/shared platform



Infrastructure - international registry scope and functions

- Scope:
 - Recording and tracking ITMOs - how to submit an instruction to record ITMO?
 - Also recording the underlying activities/policies
- Standard registry functionalities (IDs, accounts, transactions)
- Access for Parties/authorized entities
- Managing information from authorizations
- Reporting capabilities
- Central administration vs local (Party-level) administration
- Administrator's ToR and role in determining functionalities
- Finding model
- Interoperability with other registry (other than the mechanism registry)

TAKEAWAY:

- Some of issues may be reflected in guidance, other may be handled through a request to the secretariat to implement



Articles 6.2 and 6.4 infrastructure overview

