

Article 6 reporting

Timing of authorization

(in the context of A6.2 guidance)

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1. Understanding the texts: the Paris Agreement

Paris Agreement

(Art 6.3) The use of internationally transferred mitigation outcomes to achieve nationally determined contributions under this Agreement shall be voluntary and authorized by participating Parties.

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- Stipulating the minimum requirements for participating Parties when engaging in Article 6.2
 - Delegating **detailed rules** to Article 6.2 guidance

Authorization

what

when

how

2. Understanding the texts: what to be authorized

Article 6.2 guidance (Annex to decision 2/CMA.3)

(Para. 1) Definition of ITMOs

- (d) From a cooperative approach referred to in Article 6, paragraph 2, that involves the international transfer of mitigation outcomes authorized for use towards an NDC
- (f) Mitigation outcomes authorized by a participating Party for use for international mitigation purposes other than achievement of an NDC or authorized for other purposes as determined by the first transferring participating Party ;
- (g) A6.4ER issued under the mechanism established by Art6.4, when they are authorized for use towards achievement of NDCs and/or authorized for use for other international mitigation purposes;



what

"ITMOs" and/or "MOs" authorized according to purpose of use determined by participating Parties shall be complied with the A6.2 guidance



(Para. 6) For all ITMOs, each participating Party shall apply corresponding adjustments
(Para. 16) Where a participating Party authorizes the use of mitigation outcomes for other international mitigation purposes, it shall apply a corresponding adjustment for the first transfer

3. Understanding the texts: when to be authorized

Article 6.2 guidance (Annex to decision 2/CMA.3)

(Para. 18) Initial Report

Each participating Party shall submit an **initial report no later than authorization of ITMOs from a cooperative approach** or where practical (in the view of the participating Party) in conjunction with the next BTR



when

“Authorization” shall be made **prior to** or **simultaneously with** the submission of the **initial report**



“Authorization” is **a trigger for reporting** pursuant to section IV (reporting) of the A6.2 guidance

4. Understanding the texts: how to authorize

Article 6.2 guidance (Annex to decision 2/CMA.3)



how

The A6.2 guidance does not stipulate the method or format of authorization



“Authorization” could be done in various forms under the agreement of both participating Parties

5. Timing of authorization in the context of A6.2 guidance

(Para. 18) Initial Report

Each participating Party shall submit an initial report no later than **authorization of ITMOs from a cooperative approach**



what

In the context of the A6.2 guidance, "authorization" could be interpreted as an "authorization of the first transfer of ITMOs"



when

"Authorization" shall be made prior to or simultaneously with the submission of the initial report

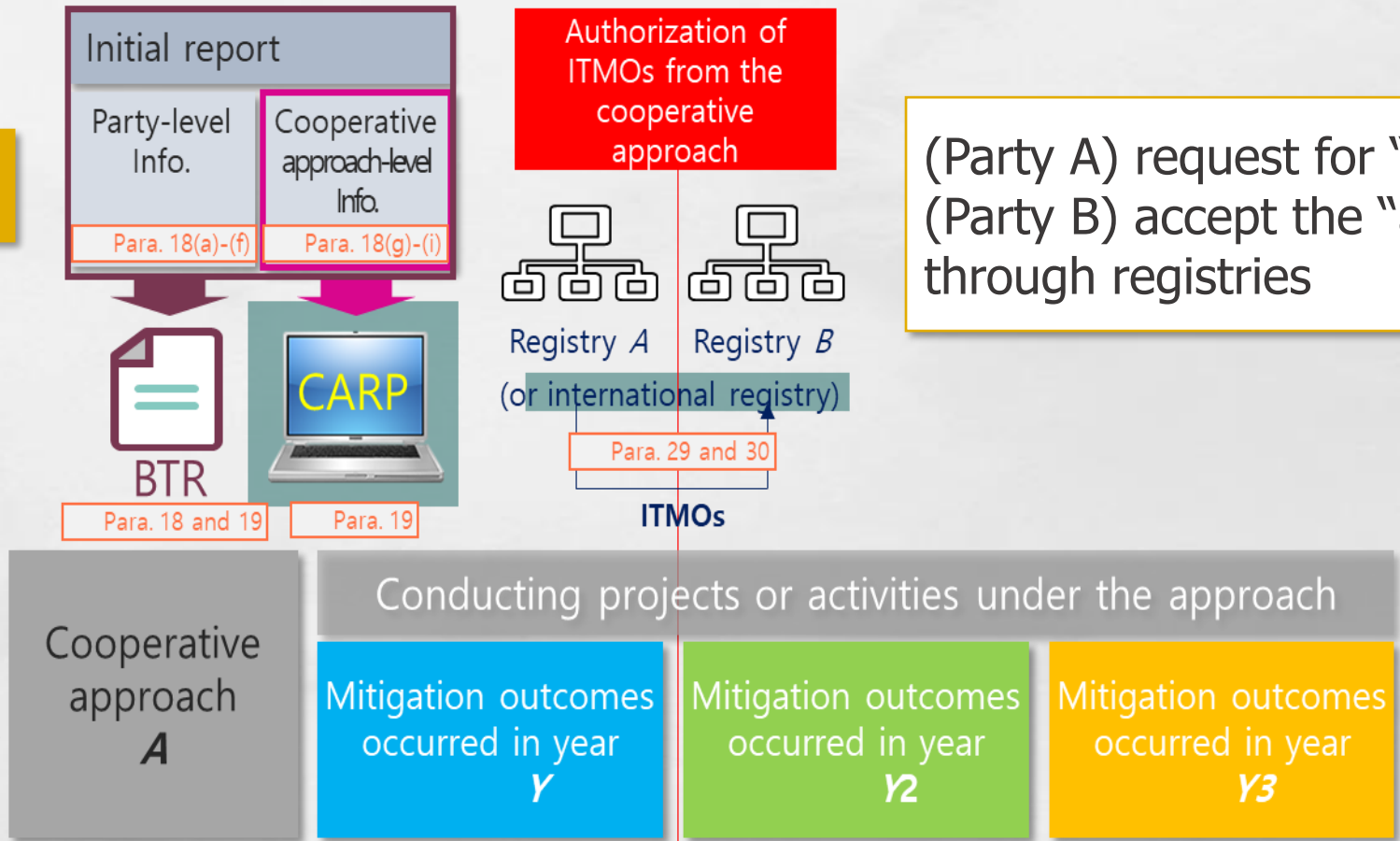
5. Timing of authorization in the context of A6.2 guidance

(Para. 18) Initial Report

Each participating Party shall submit an initial report no later than authorization of ITMOs from a cooperative approach



how



(Party A) request for "authorization"
(Party B) accept the "authorization through registries"

- Agreement
- MoU
- Contract etc.

Cooperative approach **A**

Conducting projects or activities under the approach

Mitigation outcomes occurred in year **Y**

Mitigation outcomes occurred in year **Y2**

Mitigation outcomes occurred in year **Y3**

6. Implication of authorization

| | |
|-----------------|---------|
| Reporting Party | Party A |
| Reported year | 2023 |

| Cooperative approach | | Other int'l mitigation purpose | | First transferring Party | | Using Party | | Vintage year | Sector(s) | | Activity type(s) | | Authorization | | First transfer | Transfer | Acquisition | Cancellation (incl. voluntary cancellation) | Voluntary cancellation for OMGE | Use towards NDC | Holdings (net-balance) |
|------------------------------|----------------------|--------------------------------|--------|--------------------------|------|-------------|------|--------------|-----------|------|----------------------|------|-----------------------|------------------------|----------------|----------|-------------|---|---------------------------------|-----------------|------------------------|
| Name | ID. No. | Operating org. | Mech. | Name | Code | Name | Code | | Sector | Code | Type | Code | Authorization for NDC | Authorization for OIMP | | | | | | | |
| Landfill gas capture project | 01-MX-01-23-XX-XX-01 | N/A | N/A | Party B | BB | Party A | AA | 2023 | Waste | XX | Landfill gas capture | XX | 100 | 0 | 0 | 0 | 100 | 0 | 5 | 20 | 75 |
| Clean energy initiative | 01-KR-02-23-XX-XX-01 | ICAO | CORSIA | Party A | AA | Party B | BB | 2023 | Energy | XX | Fuel switch | XX | 0 | 200 | 200 | 0 | 0 | 0 | 0 | 0 | -200 |
| Annual total | | | | | | | | | | | | | 100 | 200 | 200 | 0 | 100 | 0 | 5 | 20 | -125 |

| | |
|-----------------|---------|
| Reporting Party | Party B |
| Reported year | 2023 |

| Cooperative approach | | Other int'l mitigation purpose | | First transferring Party | | Using Party | | Vintage year | Sector(s) | | Activity type(s) | | Authorization for NDC | Authorization for OIMP | First transfer | Transfer | Acquisition | Cancellation (incl. voluntary cancellation) | Voluntary cancellation for OMGE | Use towards NDC | Holdings (net-balance) |
|------------------------------|----------------------|--------------------------------|--------|--------------------------|------|-------------|------|--------------|-----------|------|----------------------|------|-----------------------|------------------------|----------------|----------|-------------|---|---------------------------------|-----------------|------------------------|
| Name | ID. No. | Operating org. | Mech. | Name | Code | Name | Code | | Sector | Code | Type | Code | | | | | | | | | |
| Landfill gas capture project | 01-MX-01-23-XX-XX-01 | N/A | N/A | Party B | BB | Party A | AA | 2023 | Waste | XX | Landfill gas capture | XX | 100 | 0 | 100 | 0 | 0 | 0 | 0 | 0 | -100 |
| Clean energy initiative | 01-KR-02-23-XX-XX-01 | ICAO | CORSIA | Party A | AA | Party B | BB | 2023 | Energy | XX | Fuel switch | XX | 0 | 200 | 0 | 0 | 200 | 0 | 0 | 0 | 200 |
| Annual total | | | | | | | | | | | | | 100 | 200 | 100 | 0 | 200 | 0 | 5 | 0 | 100 |

Authorization

Trigger for CA

Trigger for CA

Quantity for CA=200-20=180

Quantity for CA=100-0=100

7. Conclusions

- “Authorization” in the context of the PA A6.3 could be read broader and comprehensive terms
- “Authorization” in the context of the A6.2 guidance should be:
 - (what) authorization of the first transfer of ITMOs
 - (when) prior to or simultaneously with the submission of the initial report
 - (how) through registries between participating Parties
- Authorization is the trigger for reporting and corresponding adjustments
 - ⇒ Timing of authorization (authorization date) should be identically reported across the participating Parties even if the timing of the reporting could be differed



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“

I deeply believe that COP27 is an opportunity to showcase unity against an existential threat that we can only overcome through concerted action and effective implementation.

President Abdel Fattah El-Sisi

”

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#JustAndAmbitious

Thank you.
감사합니다.

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