

# Authorisation

ERCST

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Jacqui Ruesga

# Mandate from COP27

**(b) The process of authorization pursuant to decision 2/CMA.3, annex, paragraphs 2, 18(g) and 21(c), notably the scope of changes to authorization of internationally transferred mitigation outcomes towards use(s), and the process for managing them and for authorization of entities and cooperative approaches with a view to ensuring transparency and consistency;**

## 2/CMA.3, annex, paragraphs 2, 18(g) and 21(c)

2. A “first transfer” is:

(a) For a mitigation outcome authorized by a participating Party for use towards the achievement of an NDC, the first international transfer of the mitigation outcome; or

(b) For a mitigation outcome authorized by a participating Party for use for other international mitigation purposes, (i) the authorization, or (ii) the issuance, or (iii) the use or cancellation of the mitigation outcome, as specified by the participating Party.

(g) Provide, for each cooperative approach, a copy of the authorization by the participating Party, a description of the approach, its duration, the expected mitigation for each year of its duration, and the participating Parties involved and authorized entities;

(c) Authorizations and information on its authorization(s) of use of ITMOs towards achievement of NDCs and authorization for use for other international mitigation purposes, including any changes to earlier authorizations, pursuant to Article 6, paragraph 3;

# How authorization is provided

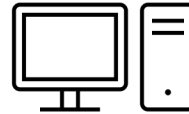
1. Authorization is first provided as part of the Initial Report

- IRs are due ***no later than*** authorization



2. Authorization is then reported as part of Annual Information into the AEF

- This includes date of authorization, authorization ID, the use, and the first transfer trigger



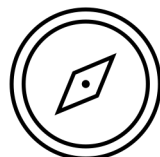
3. Under the mechanism authorization is also provided as a statement to the Supervisory Body



***Authorization is a host country prerogative***

# Further Guidance on Authorization

## Elements for Consideration



*In preparing a statement of authorization, Parties may include the following considerations in a manner consistent with Decision 2/CMA.3, annex, paragraphs 2, 18(g) and 21(c)*

- *The scope of changes for authorization*
- *The process for managing changes*
- *The timing of possible changes*

# Delivering on the mandate

“...with a view to ensuring transparency and consistency”



- Our review guidance recognises the variation in cooperative approaches and therefore the possible variety of reporting elements from Parties
- Our review guidance operationalises the TACCC principles, of which *transparency* and *consistency* are part.

# Authorization in Article 6.4

Also recalling that, pursuant to decision 2/CMA.3, annex, paragraph 1(g), Article 6, paragraph 4, emission reductions, when they are authorized for use towards achievement of nationally determined contributions and/or authorized for use for other international mitigation purposes, are internationally transferred mitigation outcomes and relevant guidance under Article 6, paragraph 2, of the Paris Agreement applies,

# Revocation of authorisation

## ‘the death of an ITMO’



### **Substantial risks, minimal benefit**

- Credibility of the market
- Investment certainty
- Accounting accuracy

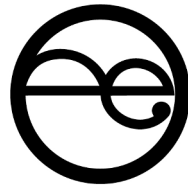
### **Timing of reconstructions can increase risks**

- Before vs after first transfer





| Questions?



*Ministry for the*  
**Environment**  
*Manatū Mō Te Taiao*