Implementing CDM activity transition

ERCST call 3 September 2020 Amy Merrill Steen



Purpose of this presentation

- Purpose
 - To provide some reflections on implementing transition of CDM activities to the Article 6.4 mechanism
- Caveats
 - Chatham House Rule
 - General presentation, focused on practicalities and not focused on addressing positions/interests of Parties and groups
 - Presentation uses version 3 6.4 Presidency text noting it is not agreed - version 2 6.4 Presidency text is similar in many respects in relation to CDM activity transition



Implementation of CDM activity transition

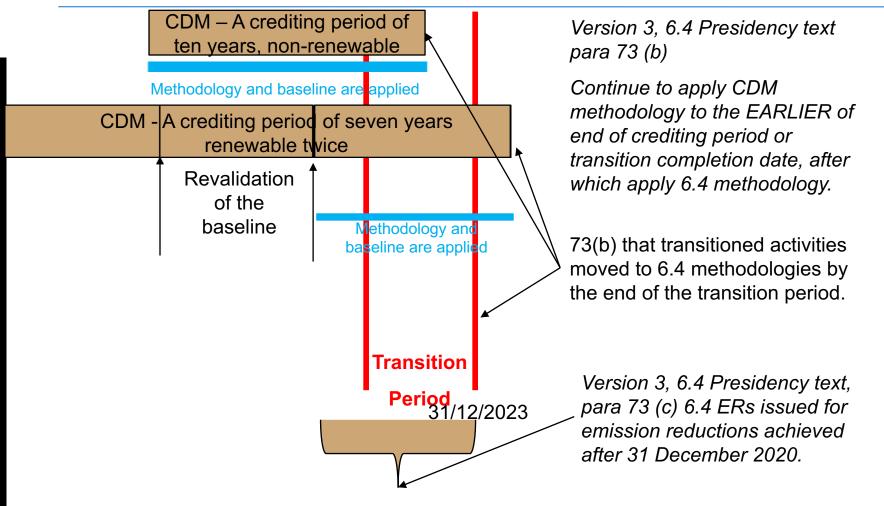
CDM activity transition: the handover of eligible activities from CDM under Kyoto Protocol to the 6.4 mechanism under Paris Agreement. Does not cover all CDM activities, does not relate to all 6.4 activities...

Conditions

- Approval by the host Party the host Party has a CHOICE whether to approve transition – likely base decision depending on its intended engagement in 6.4 – and in deciding what it will allow to transition – could be activity by activity basis, or by activity type/region/scale/etc).
- Compliance with the RMP for 6.4 the activity will become a "full" 6.4 activity (but see paragraph 73)
- Process (paras 73 and 74)
 - Has a deadline (31 December 2023 (as at Madrid, foresaw a three year period)
 - Addresses the crediting basis (switch of methodology from CDM to 6.4 see next slide)
 - Addresses the issuance basis for transitioned activities (6.4 ERs from 1 January 2021)
 - Provides for faster transition for small scale and POA
 - Further work on the transition still with SBSTA in version 3 of Presidency text...



Crediting periods and the transition period (para 73 version 3 Presidency Text)



6.4 - Paragraphs 31(f), 53,54 Crediting periods for 6.4 activities – do not start before 2020, renewals etc.



United Nations Framework Convention on Climate Change

The cooperative implementation webpage:

https://unfccc.int/process/the-paris-agreement/cooperative-implementation

In remembrance of Mr Rajesh Sethi condolences@unfccc.int



