

Implementing Article 6.4: Design options and the role of different actors in the possible transition of CDM activities

Luca Lo Re (IEA)

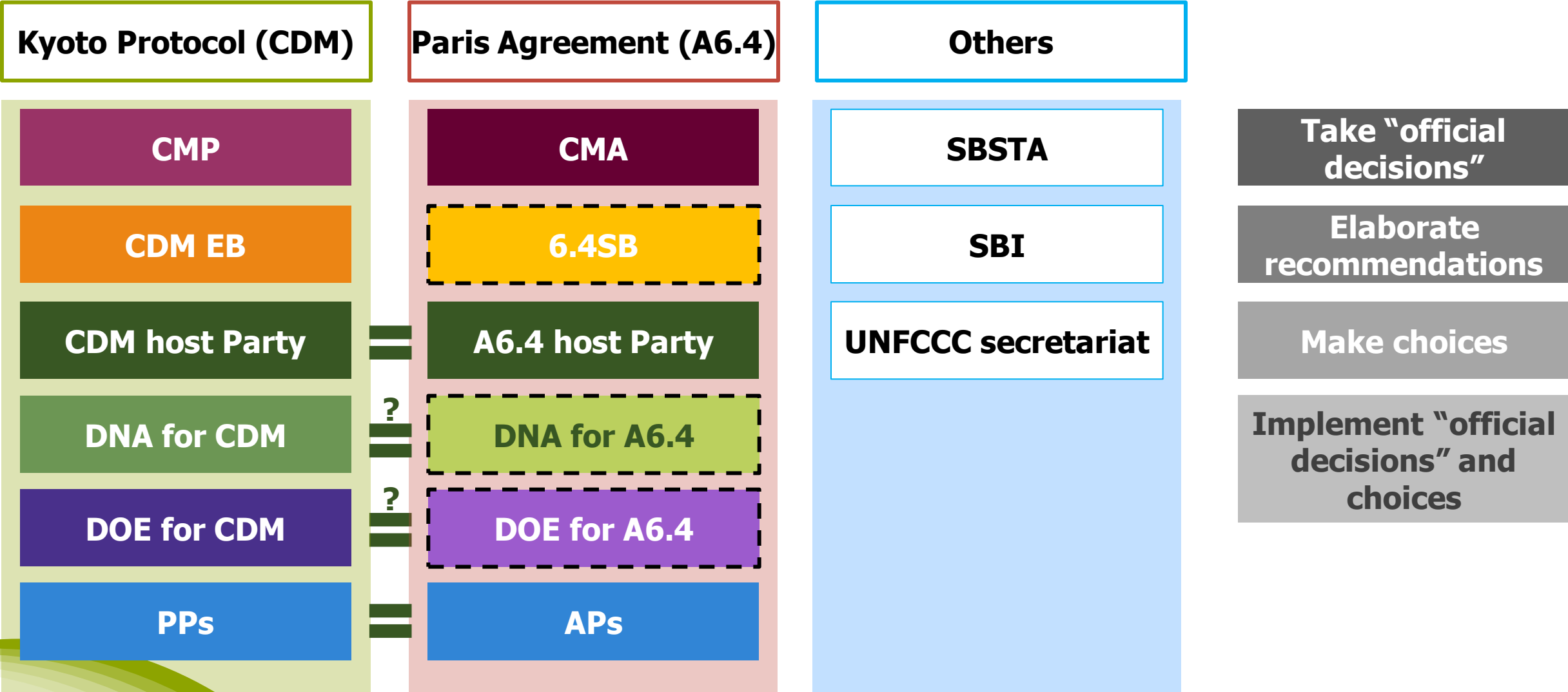
Based on: "Operationalising the Article 6.4 mechanism: options and implications of CDM activity transition and new activity registration", L. Lo Re and J. Ellis (2021, draft)

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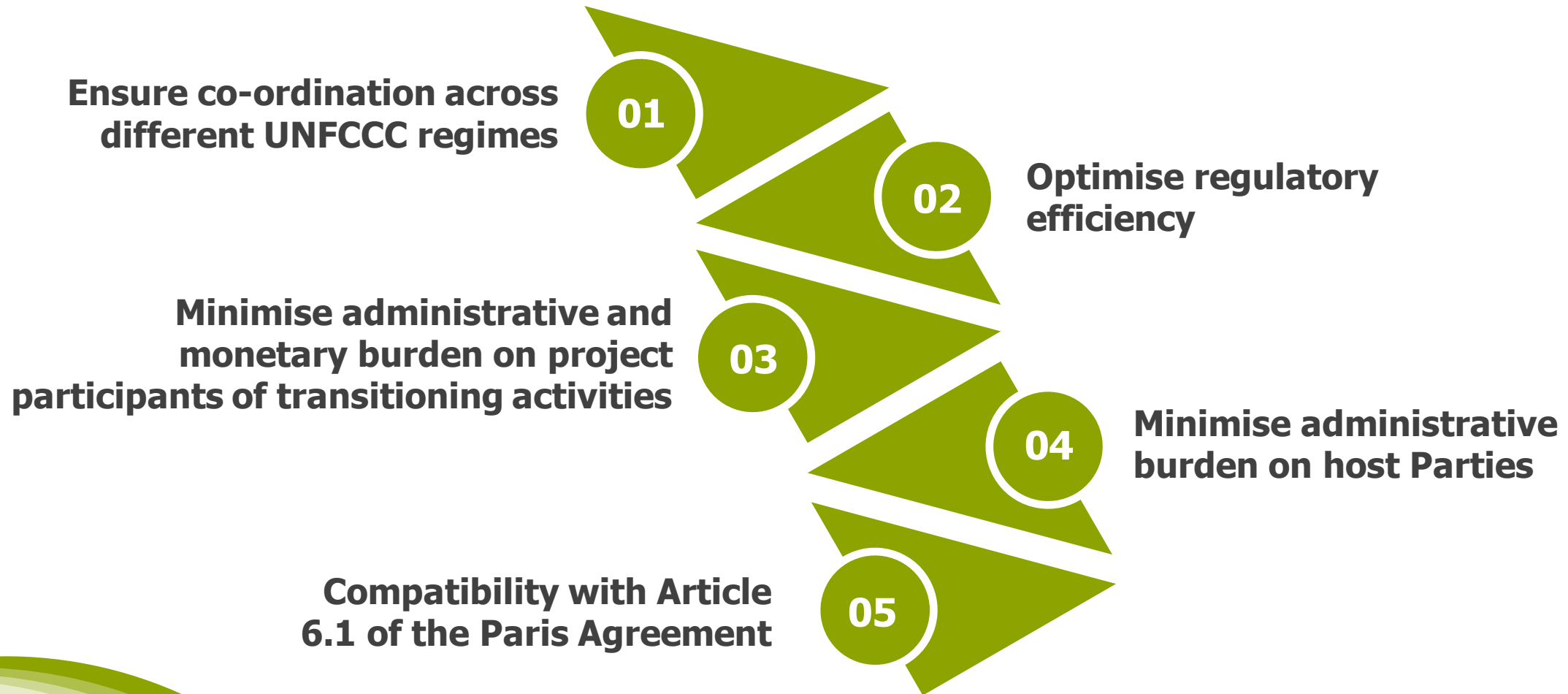
Outline

- Overview of actors involved in the possible transition of eligible CDM activities
- High-level criteria to guide the process for the possible transition
- Assessment of options to enable an efficient possible transition
- Conclusions

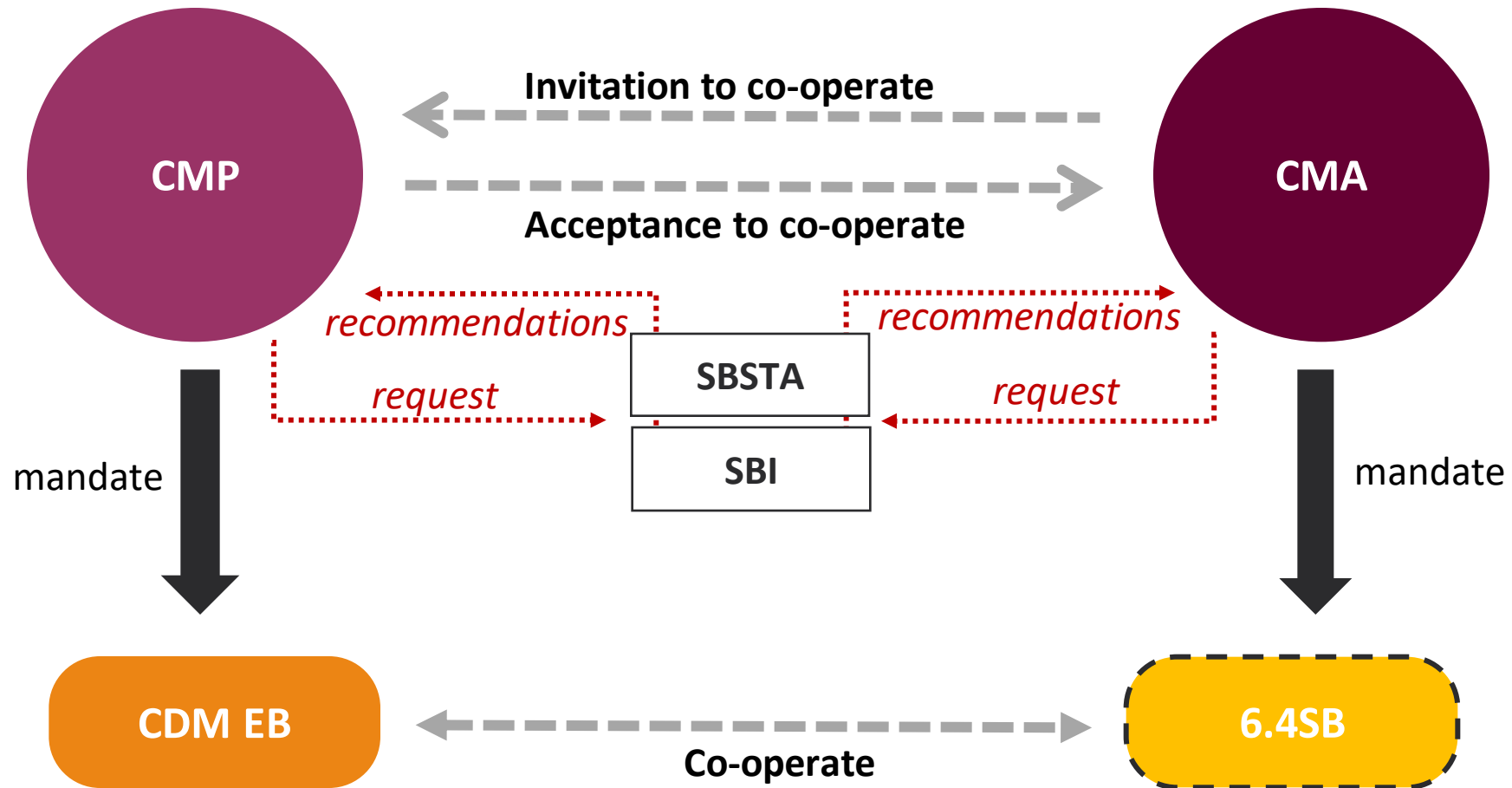
Overview of actors involved in the possible transition



High-level criteria to guide the process for the possible transition of CDM activities



Ensure co-ordination across different UNFCCC regimes



Assessment of options for the possible transition

The process for transitioning CDM activities could be organised in different ways; different options have different time, resource implications

- Key question 1: what options are available for the use, review and possible revision of CDM methodologies for transitioning activities?

	Optimise regulatory efficiency	Minimise admin, \$ burden on PPs	Minimise admin burden on HP	Compatibility with A6.1
Use of existing CDM approved methodologies without any revision for an interim period	High	High	Medium	Low-High
Review (and potential revision) of selected CDM methodologies	Medium	Medium	Medium	Low-High
Review (and potential revision) of all existing CDM methodologies	Low	Low	Low	High

Assessment of options for the possible transition

- Key question 2: what options are available for the use or review of existing accreditation system?

	Optimise regulatory efficiency	Minimise admin, \$ burden on PPs	Minimise admin burden on HP	Compatibility with A6.1
Use existing CDM accreditation procedures as an interim process	Medium-High	High	High	N/A
6.4SB to review and potentially revise the existing CDM accreditation system	Medium	Medium	Medium	N/A
Establish a completely new accreditation system for the Article 6.4 mechanism	Low	Low	Low	N/A

Conclusions

- Different actors have different characteristics, with potential advantages and disadvantages of their involvement in specific tasks of the possible transition
- Co-ordination among actors across different UNFCCC treaty regimes will be key to enable that a possible transition is efficient
- High-level criteria could be used to assess options and guide decisions on the possible transition
- Potential trade-offs in certain cases, e.g. in terms of burden on host Parties and project participants, and the compatibility with Article 6.1 of the Paris Agreement.

THANK YOU!

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