



Informal Forum on Implementation of Article 6

# Art 6.2: Infrastructure

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**ERCST**

Roundtable on  
Climate Change and  
Sustainable Transition

# Article 6.2: Infrastructure

## Objectives

- Understand the text
- Identify issue for discussion
- Use pre SBSTA sessions to prepare for negotiations

## Article 6.2 Infrastructure: Principles

- Create the conditions to work in the decentralized and bottom-up nature of the Paris Agreement
- Avoidance of double counting.
- Transparency is an important function and is a fundamental building block of the Paris Agreement. Accommodate the reporting requirements under Art 6 and make the mandated review possible
- Ensuring feasibility that a carbon market can emerge, and that trading can take place, in transparent and operational manner is also a necessary function.

## Article 6.2: Infrastructure

- Components of infrastructure
  - Registry
  - Data base
  - CARP
- Functions of infrastructure
  - Avoid double counting
  - Store information regarding Art 6 activities provided through reports
  - Make public information
  - Provide information for the review
  - Provide information for NDC accounting

# Article 6.2: Infrastructure

## Initial reporting

- Stored in the CARP to be made available publicly.
- Information is qualitative for each ITMO
- When does the initial reporting take place?
- What is the format of Initial report an
- Will each initial issuance have a unique identifier
- Where will be stored?
- Unique format ?

# Article 6.2: Infrastructure

## Annual information

- Provide before April 15 of the following year
- Provided for each ITMO
- Quantitative in nature
- Stored in the Art 6 Data Base (DB)
- How is the information in the DB connected to the info from Initial Reporting
- What is the relationship between 20a & 20b ?

# Article 6.2: Infrastructure

## Regular Information

- Qualitative and quantitative information
- Will be stored in the DB and the CARP?
- Reported in biennial transparency report
- Para 23 is quantitative – annual information submitted
- Overlap with the Annual Reporting Information ?
  - Is this an update to the Annual Report ? How do they relate ?
  - How is information connected to information in the Initial Report
  - Does it use an ITMO or some identifier ?

# Article 6.2: Infrastructure

## Registry

- Can be national or can be part of the UNFCCC International Registry
- Will hold information to be used only by the Party?
- Is it connected to the data base in any way ?
- Is there a standardized format for the Registry ?



# Article 6.2: Infrastructure

## Data base

- Stores information received from Annual and Regular Reporting
- How does this information relate to the Initial Reporting
- Refers to : participating Party, vintage activity type, sector
- Is there unity in identifiers used ? Format ? How Parties define ITMOs?

## Article 6.2 Infrastructure: Principles

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# Article 6.2 Infrastructure: Approaches

## Floor approach vs. more integra

### Approach 1 : Art 6 as an aggregator

- Markets are run through linked registries that run the various instruments
- Art 6 infrastructure is
  - In parallel;
  - Information integrator for reporting
  - National registries not connected;
  - National registries not connected to data base;
  - Issues to be coordinated
  - ITMOs defined at will

# Article 6.2 Infrastructure: Approaches

## Approach 2: International coordination

- Agreement and consistency of what an ITMO is – unitized
- Numeric identifier internationally standardized
- National registries linked as a parallel system that tracks ITMOs transferred for carbon market purposes through market registries – but not domestic transfers

## Article 6.2 Infrastructure: ITMOS

- ITMOs unitized and uniquely identified through 3 elements
  - For each cooperative approach,
  - For the mitigation action that gives birth to ITMOs,
  - For ITMOs.
- ITMO identifiers issued by the Host Party at time of first transfer