

Format and domestic processes of authorisation

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Based on “The birth of an ITMO: authorisation under Article 6 of the Paris Agreement”, L. Lo Re, J. Ellis, and S. Greiner (2022, draft)



What needs to be in the authorisation and for whom?



3 Elements of
authorisation

1

Cooperative Approach

2

ITMOs for a use

3

Participating Entities



Two target audiences



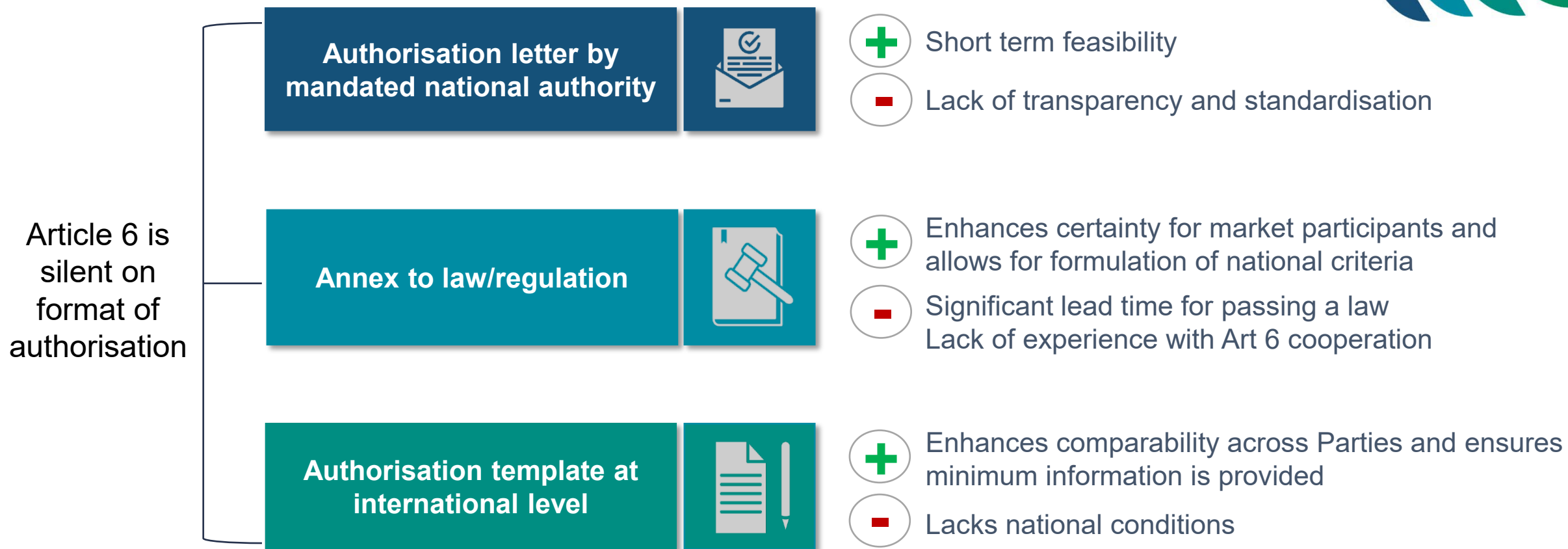
Market
participants

- **IR:** Copy of authorisation, authorised entities
- **AI:** Information on authorisations for use of ITMOs
- **RI:** Authorisations and information on authorisations for use of ITMOs

See Table 2 of “The birth of an ITMO: authorisation under Article 6 of the Paris Agreement” (draft)



What are the possible authorisation formats?



➔ UNFCCC guidance may provide minimum requirements and Parties may add additional information

Text for minimum required elements of an authorisation under Article 6*

(*Example texts are for Party A, but can be mirrored and applied for Party B)

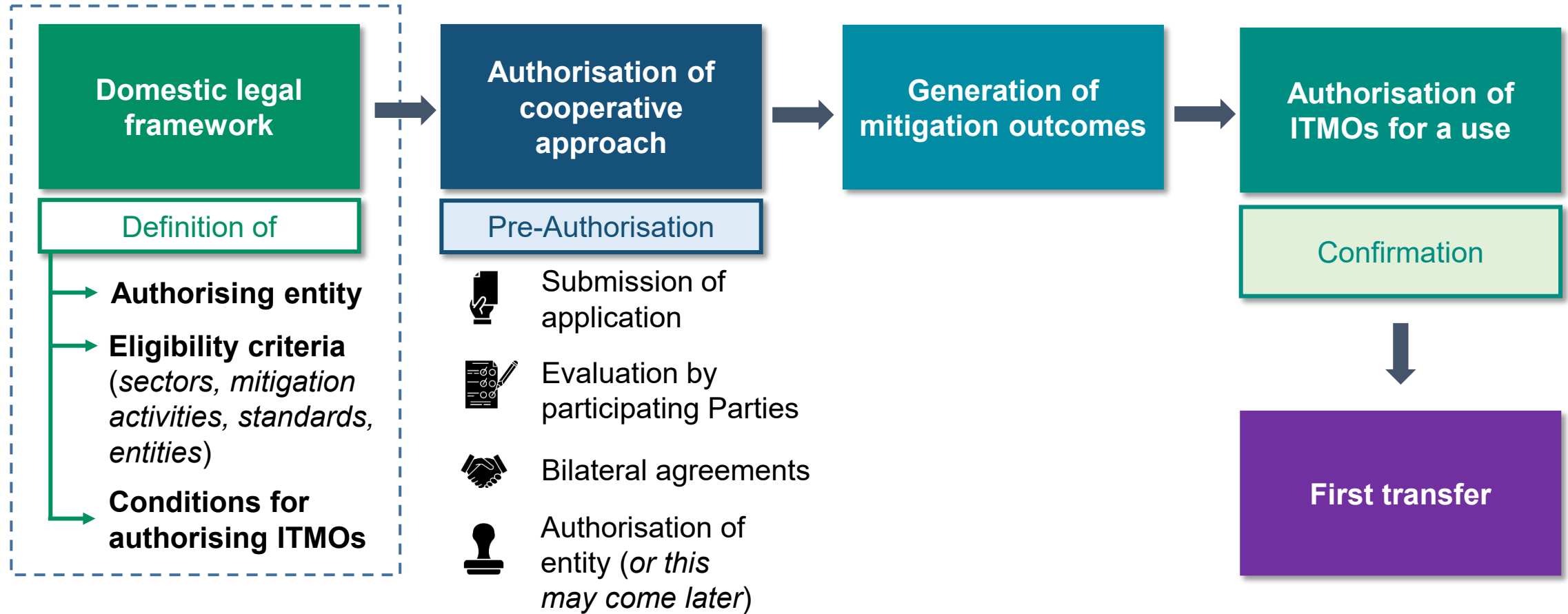


Authorisation of cooperative approach	Authorisation of an entity to participate in a cooperative approach	Authorisation of the use of ITMOs for a specific use
<p><i>“Party A authorises the cooperative approach [in sector/for the mitigation activity/etc] with Party B”</i></p>	<p><i>“Party A authorises [public/private] Entity Y to participate in the cooperative approach [to purchase/transact/other...]”</i></p>	<p><i>“Party A authorises the use of ITMOs [from project X registered under the carbon standard Y / under the cooperative approach] generated in Party A for use towards the achievement of [Party B’s] NDC”</i></p>

See Table 7 of the discussion paper: *The birth of an ITMO: authorisation under Article 6 of the Paris Agreement (draft)*



National processes are however more complex





Conclusions

- 1 Minimum requirements for an authorisation letter could usefully be defined at the level of the CMA.
- 2 For this, a template could be elaborated as part of the reporting outline of the IR (and possibly for AI and RI as well).
- 3 National regulatory frameworks for Article 6 are still at early stages but show the need for a sequential approach. Typically, authorisation of the cooperative approach and the participating entities takes place before authorisation of ITMOs for a use.
- 4 Different terminologies are in use, including pre-authorisation, endorsement, no-objection and authorisation for the first instance of authorisation and authorisation, examination or confirmation for the second instance.



THANK YOU!

Climate Change Expert Group



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