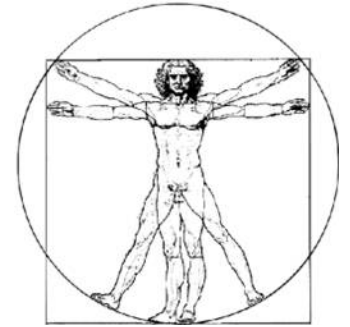


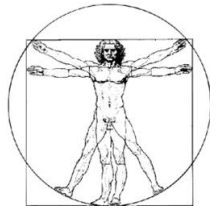
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Centralized Accounting and Recording and Platform

M.J. Mace

for sustained capacity building in support of international climate change negotiations
pour un renforcement durable des capacités en appui aux négociations internationales
sur les changements climatiques

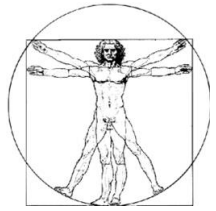


The challenge

- Article 4.13 requires Parties in accounting for their NDCs, to promote TACCC and EI, ensure avoidance of double counting
- **6.4 mechanism** has centralized oversight - centralized registry, supervisory body;
 - deliver share of proceeds (SOP) (6.6)
 - deliver an overall mitigation in global emissions (6.4(d))
 - prevent double counting (“A6ERs shall not be used to demonstrate achievement of the host Party’s NDC if used by another Party to demonstrate NDC achievement”)
- **6.2** does not specify a supervisory body, **yet is also required to**
 - ensure avoidance of double counting,
 - ensure **environmental integrity and transparency**, including in governance,
 - **apply robust accounting**, to ensure the avoidance of double counting
 - ensure that double counting is avoided on the basis of a **corresponding adjustment** by Parties for both anthropogenic emissions by sources and removals by sinks covered by their NDCs
- **Some of these 6.2 and 6.4 elements can only be addressed and ensured if information on both 6.2 and 6.4 is centrally maintained, on an ongoing basis and this info is visible and reviewable**

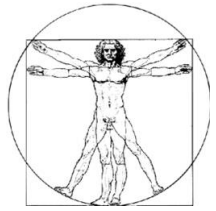
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Considerations have led to range of proposals



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- Article 6 database
- International registry
- International transaction log
- Centralized accounting and recording platform
- What functions are sought and why?

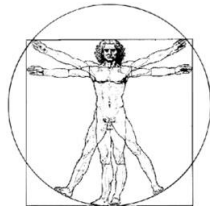


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Role of centralised infrastructure:

- What – what info do we need to know?
- Why – for what purpose?
- When – when do we need to know it?
- Where – where can we find this information?
- How – how is this information brought together?
- Who – who maintains information?

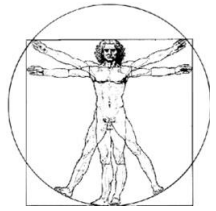
Questions - 6.2 v 6.4?



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- What is the relationship between 6.4 info and 6.2 info?
- Will this information be used the same way by Parties?
- How to ensure no double counting of same projects under 6.2 & 6.4?
- Is authorisation relevant to both 6.2 and 6.4?
- Are both sets of information relevant to parties and the public?
- Are both sets of info to be reviewed at same time? By same people?
- Are both sets of information relevant for the Global Stocktake?
- Where do parties and public look for a snapshot on Art 6?
- Are there restrictions/safeguards needed for both 6.2 and 6.4?
- How can we track transfers and use of 6.4 units and 6.2 ITMOs?
- Any reason to have real time information for some Parties but not for other Parties?

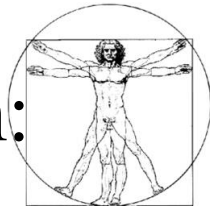
Centralized recording and accounting platform: *functions*



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- Record and compile information on **corresponding adjustments**
- **Track all ITMOs (both A64ERs and Art 6.2 ITMOs)** that are first transferred, transferred, acquired, held cancelled and/or used by participating Parties, including the identify of source party, vintage of reduction, activity type, sector (e.g., maintaining information on unique identifiers) **in a single place**
- **Receive information** from Parties' annual Article 6 reports
- But also receive **real time information** on first transfers and corresponding adjustments, submitted by Parties between annual reports
- Contain **links to information** on cooperative approaches
- Generate **annual reports**
- Maintain quantitative information on amounts forwarded in connection with the **share of proceeds** for adaptation
- Maintain quantitative information on **amounts cancelled/discounted in connection with an overall mitigation in global emissions**
- **Support reviews**

Centralized recording and accounting platform: *provides support*



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- **Central maintenance of information to reduce burdens**
 - on Parties, on secretariat, on review teams, on GST process ...
 - can help Parties feed in to the BTR process
 - can help Secretariat feed into the GST process
 - can help public access information
- **Help manage staggered reporting and plug gaps**
 - Article 13.7 requires tracking of progress in implementation and achievement
 - BTRs from SIDS and LDCs not mandatory
 - BTRs from others not due until 2024 and will flow in
- **Support reporting and review processes**
 - Able to generate comprehensive reports across 6.2 and 6.4
 - Ensure all Parties' information is included
 - Confirm pairings of transfers, check corresponding adjustments have been made
- **Generate reports that can support Parties in reporting to CMA efforts**
- **Highlight systemic problems, enable safeguards**