

Article 6.2

Cooperative Approaches

Discussion of key issues, options and East African priorities

Negotiators Pre-COP24 Forum for East African Countries

Nairobi, 31 October 2018

Format of the session

- 1. Short introduction of key issues**
- 2. Elements in the textual proposals**
- 3. Q&A and discussion** of preferred options, “liveable options”, red flags, etc.
- 4. Capturing results** of the discussion in template format

Aspects relating to cooperative approaches and the relationship to the NDC

- Should all **cooperative approaches be from gases/sectors/time periods/emission reductions and removals that are “covered” by the NDC?**
- Could cooperative approaches be from gases/sectors/time periods/emission reductions and removals that are NOT “covered” by the NDC?
- This is referred to as the “**inside/outside**” debate
- It matters because Parties are required to avoid double counting, including through a corresponding adjustment for emissions and removals **covered by the NDC**

Inside/outside

| | |
|------------------|--|
| Preferred option | |
| Liveable option | |
| Red flags | |
| Further comments | |

Aspects relating to ITMOs

- Article 6 does not define ITMO
- From the Kyoto Protocol, Parties have experience in
 - **Tonnes of CO₂e**
 - **Units** of measure of emission reductions, emissions removals, emissions avoided
 - Using IPCC guidance for inventory reporting etc.
- Many Parties have proposed other forms of ITMOs
 - **“net” flows of transfers**
 - **Mitigation co- benefits of adaptation**
- Can an **“open list”** of ITMOs be agreed? What more would we need to know for “newer” ideas?

What may be an ITMO

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|------------------|--|
| Preferred option | |
| Liveable option | |
| Red flags | |
| Further comments | |

Aspects relating to governance

- Article 6, paragraph 2 refers to governance in the context of the requirements for Parties but does not refer to a body akin to the supervisory body for the mechanism.
- The textual proposals contain **options that are ranged along a spectrum** (and may be combinable):
 - Ex post Article 13 transparency review only
 - Ex post Article 6 specific review in addition to Article 13 review
 - Ex Ante Article 6 specific review and ex post Article 13 review
 - Ex Ante Article 6 specific review and Ex post Article 6 specific review and Article 13 review
 - Ex Ante specific review by an Article 6/6.2 body (plus ex post Article 13 review)

Governance

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|------------------|--|
| Preferred option | |
| Liveable option | |
| Red flag | |
| Further comments | |

Participation – requirements and responsibilities

- The textual proposals contain a **long list of potential participation requirements and participation responsibilities**
- What are the **essential requirements** a Party must meet to participate?
- When must they meet those requirements – before starting cooperative approaches or before using ITMOs towards their NDC?
- What are the **ongoing responsibilities** that a Party must fulfill?

Participation requirements

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| Preferred option | |
| Liveable option | |
| Red flags | |
| Further comments | |

Share of proceeds and overall mitigation of global emissions in Article 6, paragraph 2

- On the one hand: There is no reference to these in the Paris Agreement in relation to cooperative approaches, only in relation to the mechanism.
- On the other: Cooperative approaches could be required to meet these requirements to avoid disadvantaging the 6.4 mechanism and to deliver adaptation benefits and global mitigation benefit from cooperative approaches.
- Each view is strongly held by more than one negotiating group.
- What are the compromise options than can be developed?

Final thoughts

- **Cooperative approaches is the most complex of the three instruments** in Article 6, because it is a broad opportunity to cooperate in the context of very diverse NDCs and Parties have only limited relevant experience under the UNFCCC of this.
- Getting sufficient guidance at Katowice to encourage cooperation requires **prioritisation** and focus on the key issues.
- There is **time before 2020 for further technical work**.
- There are a number of groups holding strongly divergent views in relation to cooperative approaches. Bridge building between groups, and considerable compromise will be necessary to achieve any outcome.