

ANDREI MARCU



International Centre for Trade
and Sustainable Development

30 May 2016 | Paris, France

International Climate Change Policy after Paris

Research Workshop hosted by the Harvard Project on Climate Agreements July 14-15, 2016

Andrei Marcu, *Senior Fellow, ICTSD*

Components of Article 6

- Paragraph 6.1 - General provision on general international cooperation
- Paragraphs 6.2 & 6.3 - Inter Party cooperation that results in the ITMOs for use towards NDCs
- Paragraphs 6.4-6.7 - Cooperation between Parties that will produce mitigation outcomes under the authority of the CMA, for use towards NDCs.
- Non-market approaches, which will contribute to the implementation of NDCs (paragraphs 6.8 & 6.9).

Article 6.4 in the context of the PA

- **Institutional history from negotiations**

November 2014 : Brazil submission

December 5 – Draft AP, ADP to COP

December 9: Panama, AOSIS

December 9 & 10: Draft PA, Committee de Paris

November 10, 2015: Draft PA, Committee de Paris

December 8: EU-Brazil submission

LMDC submissions

December 12: Final PA

- **What was intended to be, what it is now becoming**

- Direct/literal (narrow?) interpretation
 - A successor to CDM – CDM+
 - A backdoor to main the KP firewall
- Broad/lateral/horizontal interpretation

- **What do we examine?**

- What we know/”generally accepted”
- Issues for clarification/”what we don’t know”

CMA Mechanism (6.4-6.7)

“Generally accepted” provisions

- It is under the authority of the CMA. A body designated by the CMA will supervise it.
- There are no restrictions on where it can produce mitigation outcomes.
- There are no restrictions on who can use the mitigation outcomes resulting from SMM
- There are no specific provision on complementarity.
- The private sector can participate under the authority of the Party
- No double counting provision
- M&P will be developed under SBSTA and will consider the experience of the KP mechanisms – but not only.
- Paragraph 38 (d) specifies additionality - is SMM to be seen as a baseline& credit mechanism
- Article 6.6 of the PA - share of proceeds.
- There is a reference to “overall net mitigation in global emissions”.

CMA Mechanism (6.4-6.7)

Issues for clarification

1. Focus: SD Mechanism **OR** S Mitigation Mechanism. Names matter
2. One, or more than one mechanism/windows/approaches?
 - Broad reference to “mitigation” (but “reduction” also present)
 - Different M&P for different NDCs – different SMMs?
 - Relationship with Article 5
 - Finance for results
3. “Overall mitigation in global emissions” concept needs to be explained in order to be operationalized.
 - Where does “net mitigation” take place?
 - Implications for accounting
4. Relationship between Articles 6.4-6.7 and Article 6.2-6.3.
 - “ITMO paragraphs” transfers only
 - “CMA mechanism paragraphs” for all baseline and credit – implication ?