# Need for synergy between MRV systems towards transparency in the implementation of Paris Agreement Article 6.2







#### SB44 side event

"Asia's Ambition for Nationally Determined Contributions (NDCs): Key Elements in the Transparency Framework and Cooperative Approaches in the Paris Agreement"

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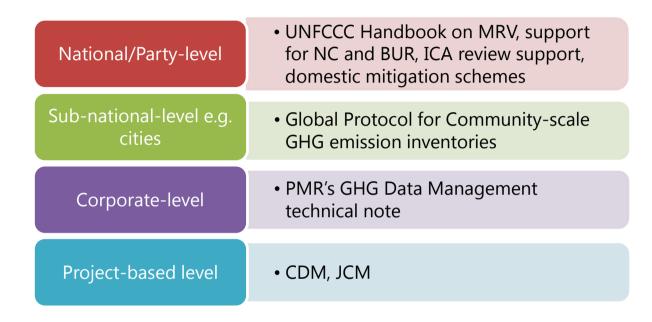


### **Outline**

- 1. MRV systems build transparency of NDCs: old and new initiative
- Example of new initiative under the Paris Agreement: Article 6.2."cooperative approaches"
- 3. Lessons from JCM for transparency and Article 6.2.
- 4. Need of synergy between MRV systems under international guidance towards NDCs

## MRV systems build transparency of NDCs

 MRV tools, support, experience are available for all levels to cater Parties ambition



- High ambition from Asian countries
   31 out of 45 INDCs submitted by Asian countries has quantitative emissions reduction target or to remain carbon neutral.
- Future transparency framework for actions-emissions, policy and for support shall build on MRV experiences from current and **new initiatives**.

References: IGES INDCs and Market Mechanism Database, 2016, One Hundred Questions and Answers about MRV in Developing Countries, IGES et al. 2015

# Example of new initiative under the Paris Agreement: Article 6.2. "cooperative approaches"

"Parties shall, where engaging on a voluntary basis in **cooperative approaches** that involve the use of internationally transferred mitigation outcomes **towards nationally determined contributions**, promote sustainable development and ensure environmental integrity and transparency, including in governance, and shall apply robust accounting to ensure, inter alia, the avoidance of double counting, consistent with **guidance adopted by the Conference of the Parties serving as the meeting of the Parties to this Agreement**."

New term:

#### **ITMOs**

"internationally transferred mitigation outcomes"

- May be transferred between Parties with different types of NDC.
- *Trading of units?*
- Cooperative approach should ensure:
  - robust accounting, avoidance of double counting,
  - environmental integrity,
  - cost and time efficiency

### Lessons from JCM for transparency and Article 6.2.

• For **scheme**, keep a simple but sound MRV system:

Methodology: standardized templates with the use of default values,

simplified monitoring, use of existing international and

national standards

Registry: JCM partner countries may establish their registry, in line

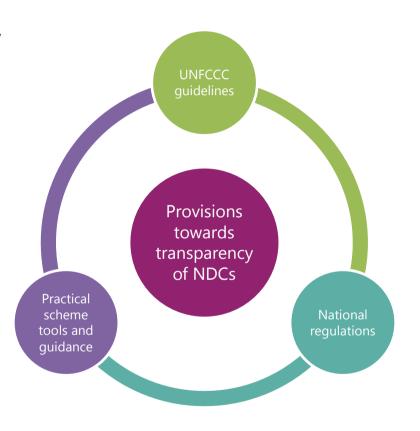
with bilateral specifications, national circumstances

Local stakeholders' active contribution is key for transparency and environmental integrity

- National oversight is crucial for avoiding double counting between schemes implemented in the country
  - Clear linkage between MRV systems is necessary. e.g. through national MRV system
  - > Clear accounting for credits while building national inventory
- **International** transparency framework under the Paris Agreement should provide guidance to accommodate different types of NDCs
  - > JCM credits are intended to be used towards NDCs.

# Need of synergy between MRV systems under international guidance towards NDCs

- Provision of **international guidelines**, by 2018, on transparency with international oversight.
  - Guidance to accommodate different types of NDCs
- Within national boundary, be aware of potential gaps: between schemes and national inventory, MRV system, NDCs (target time, GHG scope, etc.)
- Transition towards post-2020: accounting system during development of national inventory, recognition of pre-2020 actions, NDCs as living document.
- Strengthen capacity building for national focal points: inventory, MRV, local third party entities.



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# www.iges.or.jp/en/climate/index.html



100 Questions & Answers About MRV



Operationalizing the Paris Agreement
Article 6 through the JCM - Key Issues for
Linking Market Mechanisms and the NDCs



**IGES JCM Database** 



<u>Can we expect a transformative shift in international capacity building after Paris?</u>
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