

Tracking of mitigation outcomes under Article 6

Simon Fellermeyer, Federal Office for the Environment

Tracking working group, Article 6 Implementation Partnership, 10.05.2023



Tracking purpose

How can we safely, securely and reliably facilitate the transfer of units across actors?

... and account accordingly?



Tracking systems in transition

Kyoto registry and ITL experience

by some

Multitude of cooperation types

Registry use beyond Article 6

Tracking systems transition

Interim ad-hoc tracking solutions

manual cancellation and re-issuance

Paris registry guidance under negotiation

on-going thought process







Tracking responsibility in COP26 decision

• "29. Each participating Party shall have, or have access to, a registry for the purpose of tracking and shall ensure that such registry records, including through unique identifiers, as applicable: authorization, first transfer, transfer, acquisition, use towards NDCs, authorization for use towards other international mitigation purposes, and voluntary cancellation (including for overall mitigation in global emissions, if applicable), and shall have accounts as necessary."

• "30. The secretariat shall implement an international registry for participating Parties that do not have or do not have access to a registry."

O

What do we track?

- Anything that Parties decide to authorise under Article 6, this could be:
 - Units issued under a cooperative approach (e.g. Ghana and Switzerland)
 - Units issued under an existing independent standard
 - Units that represent mitigation outcomes based on other cooperation (e.g. linking of Emissions Trading Systems)
- Depending on the type of cooperation, «the unit» may be in different places
- Focus of Paris Agreement tracking guidance on transparency and accounting implications
 - Easier to operationalize if happening in one central and connected system



Swiss experience on tracking

- Swiss registry linked to the UNFCCC ITL: smooth and secure connection based on common data exchange standard (DES) to CDM registry and other Party registries
 - Swiss registry connected to EU registry in context of ETS linking agreement
- Lack of clear common technical guidance bears risk of faulty implementation and unnecessary expenses
- Need to fit Paris context: all Parties have the right to participate in Article 6 and need to be able to connect with partners
- Interim solution: cancellation and re-issuance through manual process

Summary

- Room contains different visions based on specific domestic situations, scenarios, experience and legislative mandates
- Glasgow and Sharm el Sheikh guidance constitutes minimum infrastructure requirements
 - No Party will be forced to go beyond (e.g. connect to international registry)
- Article 6 room has possibility to make life of our registry colleagues, private sector and our own easier in the future
 - What we are building may last for very long
- Central and interconnected system lowers transaction costs and reduces risk of manual errors



