

POA WORKING GROUP

PoA Working Group Submission to SBSTA on Rules, Modalities and Procedures for the mechanism established by Article 6(4) of the Paris Agreement

30 September 2016

Background

The Paris Agreement (PA) Article 6.4 establishes a mechanism to contribute to the mitigation of greenhouse gas emissions and support sustainable development (thereafter referred to as “the mechanism”). The Conference of the Parties (COP) also recommended that this new mechanism established in Article 6.4. should build on experience gained with existing mechanisms and approaches under the Convention and its legal instruments. This includes the Kyoto Protocol and its Clean Development Mechanism (CDM).

At the forty-fourth session of the Subsidiary Body for Scientific and Technological Advice (SBSTA), the SBSTA invited Parties and observer organizations to submit their views on the rules, modalities and procedures for the mechanism.

Views of the PoA Working Group

The PoA Working Group (PoA WG) welcomes the opportunity to submit its views. The PoA WG has been established as a platform for contributing to improving Programme of Activities (PoA) rules within the Clean Development Mechanism. The PoA WG will also contribute to strengthening the role of programmatic approaches under the PA Art. 6.4 mechanism. Therefore, the PoA WG restricts its views on the rules, modalities and procedures for the mechanisms to the relevance of programmatic approaches only.

CDM PoAs are distinct from single project activities with regard to specific elements and actors in the project cycle, including, inter alia, Designated National Authorities, Designated Operational Entities, Coordinating/Managing Entities and project and programme developers. In particular, CDM PoAs

- Provide a fully functional approach for programmatic mitigation activities
- Allow to replicate mitigation activities over a long period, particularly in cases where
- each single mitigation activity is of a small scale
- Significantly lower transaction costs for participating in the CDM once PoAs are registered
- Support mitigation activity types with high sustainable development co-benefits
- Enable greater access to the CDM to underrepresented countries, including Africa and Least Developed Countries
- Serve as the basis for scaled-up results-based climate financing involving CER cancelation

For these reasons, the PoA Working Group encourages Parties to make dedicated efforts to take into account existing experience from CDM programmatic approaches for designing the rules, modalities and procedures of the PA Art. 6.4 mechanism. The PoA WG also encourages Parties and the UNFCCC Secretariat to analyse which elements of the CDM PoA structure can be further revised to make it more flexible so that the mechanism becomes an attractive option for results-based climate financing from institutions such as the Green Climate Fund.

Yours respectfully,

The POA Working Group

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