

JOINT SUBMISSION BY COLOMBIA ON BEHALF OF THE AILAC GROUP OF COUNTRIES, AUSTRALIA, CANADA, THE EUROPEAN UNION, JAPAN, MEXICO, NEW ZEALAND AND SWITZERLAND

3 OF DECEMBER 2018

Views on the need for corresponding adjustments in connection with transfers of mitigation outcomes and emission reductions under Article 6

The AILAC group of countries, Australia, Canada, the European Union, Japan, Mexico, New Zealand and Switzerland welcome the opportunity to submit views on the issue of corresponding adjustments, related to SBSTA agenda item 11.

In order to enable environmental integrity and transparency it is absolutely necessary to ensure robust accounting and avoid any type of double counting. Recognizing the diversity of nationally determined contributions (NDCs) communicated by Parties to date, including single- and multi-year targets, the guidance for ITMO accounting must ensure that Parties engaging in cooperative approaches consistently apply corresponding adjustments that represent their transfer and use of ITMOs throughout the NDC period in a manner that unequivocally avoids double-counting.

In order to quantify in carbon dioxide equivalents Parties must use methodologies and common metrics assessed by the IPCC and adopted by the CMA.

There is a need to avoid double counting through a corresponding adjustment for international transfers, including any transfer of claim or ownership of any mitigation outcomes authorized for use towards NDCs. More generally, in the context of the general obligation to avoid double counting in Article 4 and of Article 13, Parties must also make corresponding adjustments to avoid double counting of mitigation outcomes authorized by Parties for use towards fulfilling other international mitigation obligations, e.g. under the International Civil Aviation Organization.

The guidance must avoid creating a perverse incentive against future ambition and/or against progression towards economy-wide nationally determined contributions.

In order to ensure transparency, robust accounting, and the avoidance of double counting it is necessary to apply the guidance referred to under Article 6, paragraph 2, including requirements for corresponding adjustments, to all internationally transferred mitigation outcomes, which includes emission reductions and/or removals generated through the mechanism referred to under Article 6, paragraph 4.

A common tabular format (also referred to by some as a structured summary or a balance sheet) with annual information regarding ITMOs authorized, transferred, held, cancelled and/or used by participating Parties, and a central database which contains relevant information on behalf of each participating Party are critical for robust accounting and transparency purposes.