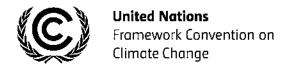
A6.4-SB005-A01

# Information note

Guidance and questions for further work on methodology requirements

Version 01.0



### 1. Introduction

1. The Supervisory Body, at its 5<sup>th</sup> meeting, requested the secretariat to prepare and present a concept note on proposals and options to implement or operationalize draft elements for the recommendation on requirements for the development and assessment of mechanism methodologies taking into account guidance from the Supervisory Body at its this meeting and in line with questions elaborated by the Supervisory Body members and listed in the sections below.

## 2. General questions

2. What are the potential ways the different elements of paragraph 33 of RMPs can be potentially consolidated or grouped to implement a common approach? And what are those approaches that would be applicable to the groupings?

## 3. Question on baseline contraction factor (BCF)

- 3. Which of the elements in paragraphs 33 to 39 of the RMPs may be addressed by BCFs? And how BCFs, including the top-down and/or bottom-up options, could be operationalized?
- 4. What alternative measures could be implemented to address the elements in paragraphs 33 to 39 of the RMPs instead of the BCF? And how these alternative measures could be operationalized?
- 5. What are pros, cons, and risks and/or advantages of applying BCFs and alternative measures to implement the elements in paragraphs 33 to 39 of the RMPs?
- 6. Subject to the above, should BCFs or alternative measures be a requirement or optional to apply?

#### 4. Question on lock-in levels of emissions

7. How could 'taking a conservative approach that avoids locking in levels of emissions, technologies or carbon intensive practices incompatible with paragraph 33 of the RMP' be defined and operationalized?

## 5. Questions on leakage

- 8. What are pros, cons, risks and/or advantages of the new proposals presented to SB005 for leakage risk assessment and responses to identified leakage risk, including taking into account options for the scope of their application and role of the host Party?
- 9. What is their effectiveness at mitigating leakage risk and excluding any remaining leakage emissions from credited volumes?

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Version 01.0

#### **Document information**

| Version | Date        | Description                        |
|---------|-------------|------------------------------------|
| 01.0    | 3 June 2023 | SB005 Annex 1 Initial publication. |

Decision Class: Regulatory Document Type: Information note Business Function: Methodology

Keywords: A6.4 mechanism, methodologies, regulatory framework

#### **Related documents:**

| 17 May 2023       | A6.4-SB005-AA-A07 - Information note: Draft elements for the recommendation on requirements for the development and assessment of mechanism methodologies (version 01.0)   |
|-------------------|--|
|                   | A6.4-SB005-AA-A08 - Information note: Compilation of public inputs in response to the "public consultation: Requirements for the development and assessment of mechanism methodologies" and related literature (version 01.0)                                      |
| 10 March 2023     | A6.4-SB004-A03 – Information note: Guidance and questions for further work on methodologies  |
| 21 February 2023  | A6.4-SB004-AA-A10 - Draft recommendation: Requirements for the development and assessment of mechanism methodologies (version 3.0) (Zip file: Appendices 1 - 4 to Annex 10)  |
| 07 November 2022  | A6.4-SB003-A04 – Information note: Status of current work on the application of the requirements referred to in chapter V B (Methodologies) of the rules, modalities and procedures (version 1.0)  |
| 25 October 2022   | A6.4-SB003-AA-A05 – Draft recommendation: Requirements for the development and assessment of mechanism methodologies (version 2.0)  A6.4-SB003-AA-A06 - Information note: Requirements for the development and assessment of mechanism methodologies (version 2.0) |
| 12 September 2022 | A6.4-SB002-AA-A07 - Draft recommendation: Requirements for the development and assessment of mechanism methodologies (version 1.0)  A6.4-SB002-AA-A08 - Information note: Requirements for the development and assessment of mechanism methodologies (version 1.0) |
| 08 July 2022      | A6.4-SB001-AA-A06 - Concept note: Guidelines for implementation of methodological principles, approaches, and methods for the establishment of baseline and additionality (version 1.0)  |