



Session 3 – Dialogue session

Implications for the PMR relating to cooperative approaches, accounting and climate finance

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Workshop on implications of the
Paris Agreement for PMR Activities

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Recap of opportunities and priorities

- ◆ Continued momentum to implement national market instruments, with clarity that overseas markets can be used for NDC fulfilment
- ◆ Accounting rules to be developed can provide basic harmonization in the transfer and use of mitigation outcomes
- ◆ Two-way development – real world development can inform international rules and national policy may need some adjustments
- ◆ Common rules can be elaborated further by interested or regional groups of countries and non-state actors
- ◆ Availability of a broad-spectrum crediting under the UNFCCC – some countries may use this instead of implementing their own

Idea starters

ITMOs and accounting issues

1. Prepare inputs to rule-setting processes that facilitate linking
 - Basic UNFCCC-level accounting rules
 - Common standards or best practices (over and above the UNFCCC rules)
2. Or analytical/synthesis papers on the accounting needs of market instruments, drawing on technical guidance and practical experience
3. Analytical/synthesis papers on the other issues for national implementation – sustainable development, environmental integrity and transparency (including on governance)

Article 6 mechanism and crediting

1. Continue current PMR readiness work on offsetting/crediting on a “no-regrets” basis, given its wide applicability
2. While waiting for the Article 6 mechanism to be developed
 - Add work on aspects of the Article 6 mechanism that are not yet being addressed under the TWP – overall mitigation and the avoidance of double counting
 - Clarify issues relating to the choice of undertaking crediting through the Article 6 mechanism or national programs
3. Help accelerate the development of the Article 6 mechanism
 - Analytical inputs to the UNFCCC work program
 - Synthesis papers on crediting system design
 - Joint submissions to the UNFCCC work program
 - Demonstrate crediting directions taken by ICPs

Climate finance

1. Continue exploring linkage of carbon pricing and results-based finance and strengthen this by facilitating dialogues with stakeholders
 - Climate finance providers on interaction with crediting systems
 - Private investors on instrument design and enabling environments
2. Partner with other initiatives on analytical work to quantify support, especially finance, provided through carbon pricing instruments

Thank you!

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