

MRV challenges for the Paris Agreement

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Agenda

- Why MRV?
- MRV requirements under PA
- Metrics and comparability
- Costs of MRV
- Accounting for ITMOs (Article 6)



Why is MRV crucial for the success of the PA?

- **Building trust among parties**

- The PA extends the MRV coverage to all countries (blurring the "Annexes")

- **Tracking progress towards NDCs ("global stocktake")**

- The PA extends MRV beyond mitigation to adaptation and finance

- **GHG accounting and national policies**

- MRV serves as a basis for national climate policies, e.g. carbon pricing

- **Tracking ITMOs**

- Ensure the environmental integrity of international transfers

MRV requirements under the Paris Agreement

	National inventory report	Information to track progress on NDCs	Information on climate change impacts and adaptation	Information on support provided	Information on support needed and received
Developed country parties	mandatory	mandatory	encouraged	mandatory	-
Developing country parties	mandatory	mandatory	encouraged	encouraged	encouraged

Source: UNEP (2016) Understanding the Paris agreement: analysing the reporting requirements under the enhanced transparency framework.

Metrics and comparability of information

■ Mitigation

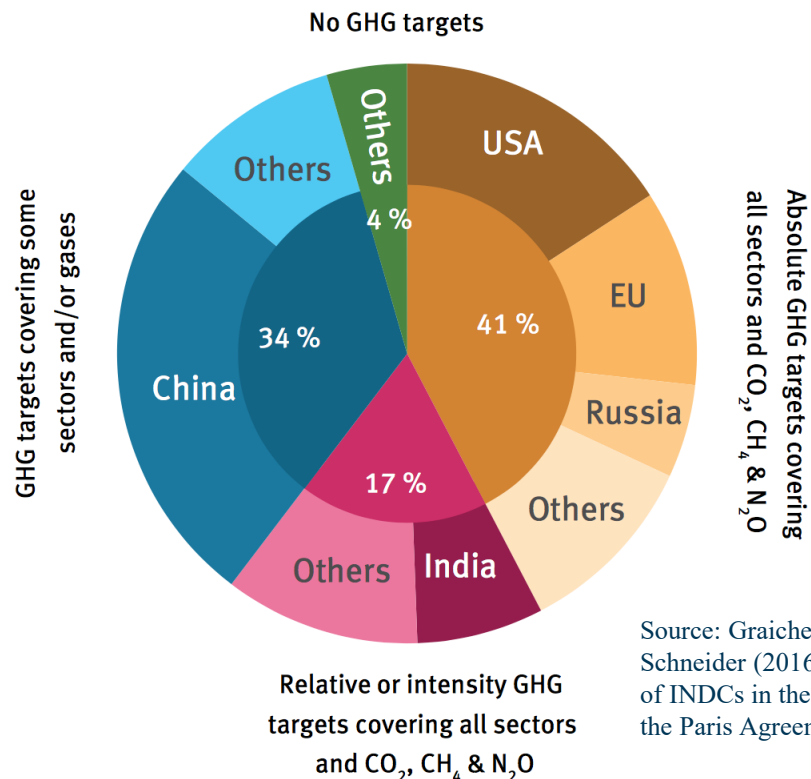
- GHG accounting methodologies
- NDCs vary: sector coverage, gases and nature of targets
- Need for standardized MRV across policy instruments

■ Finance

- No agreed methodology
- Politically charged issue

■ Adaptation

- No agreed metrics



Source: Graichen, Cames, Schneider (2016) Categorization of INDCs in the light of Art. 6 of the Paris Agreement.

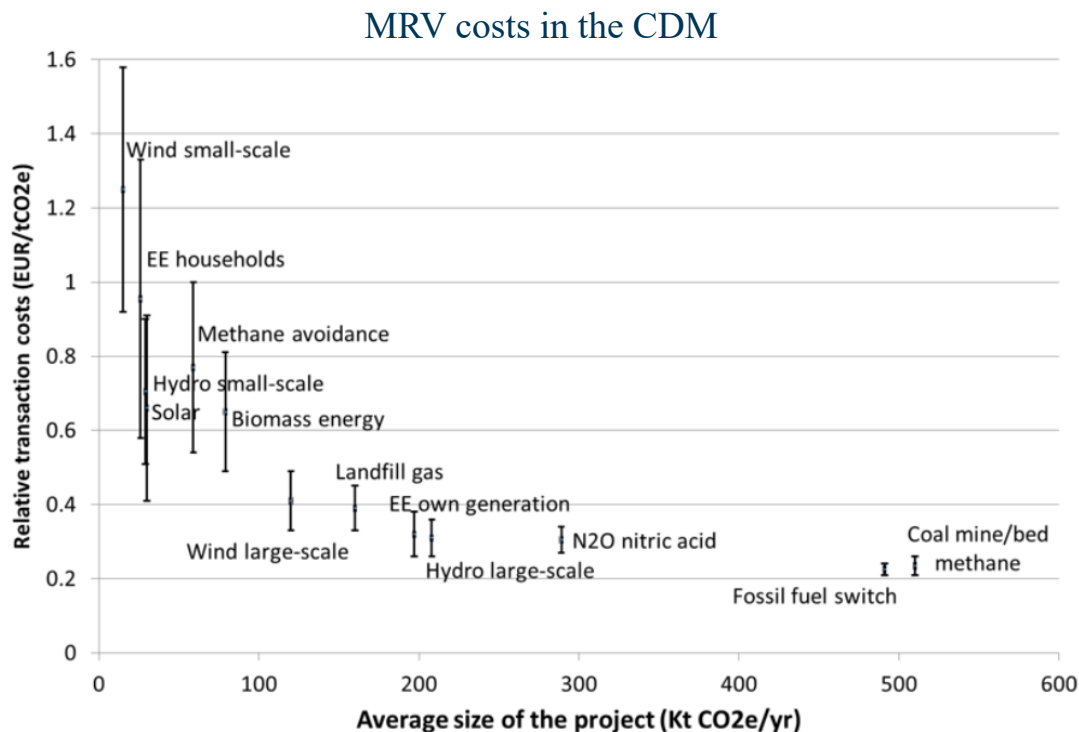
Costs of MRV (mitigation)

- **MRV costs have been estimated at around USD 0.8-1.1 million per country per year (Annex I GHG inventories)***
- **MRV costs are subject to a strong economy of scale: smaller countries bear over-proportional burden**
- **MRV costs vary drastically across sectors depending on the monitoring methods**
- **MRV costs are generally proportional to information quality (forestry sector is a good illustration)**

*Source: Bellassen and Stephan (2015) Accounting for Carbon. Cambridge University Press.

Accounting for ITMOs (Article 6): lessons from Kyoto

- **Additionality & baselines**
- **Timeline and permanence**
- **Monitoring uncertainty**
- **Independent verification**
- **Governance**
- **MRV costs**



Source: Shishlov and Cochran (2016). Six lessons on carbon accounting for Article 6 of the Paris Agreement.



Thank you!