

Article 6 methodology tools: Making CDM methodologies fit for Paris

International Initiative for Development of Article 6 Methodology Tools (II-AMT)

Aayushi Singh, Perspectives Climate Research

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Key Article 6.4 methodological requirements



Old principles already applied under CDM and JI

- take into account uncertainty, leakage, and relevant circumstances
- be transparent, conservative, credible
- recognise suppressed demand
- address reversals where applicable

New principles <u>going beyond</u> those of the Kyoto Mechanisms

- encourage ambition over time
- align with the long-term temperature goal of the PA
- contribute to reducing emission levels in the host Party; and align with its NDC, if applicable, its long-term low GHG emission development strategy [...] and the long-term goals of the PA
- be below BAU/ historical emissions, adjusted downwards
- take into account **policies + measures**
- contribute to the equitable sharing of mitigation benefits between the participating Parties



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• Objective

- Alignment of approved CDM baseline and monitoring methodologies with Art. 6 rules and principles
- Development of Art. 6 methodological tools by a group of international experts that can be "grafted" upon CDM methodologies to enable rapid application of methodologies under Art6



Overview of II-AMT outputs



- Expert group developed draft tools, building on the well-known and established principles for carbon crediting (e.g., accuracy, conservativeness, consistency)
- Documents operationalise both principles enshrined in the Article 6.2 guidance and the Article 6.4 RMPs and adhere to "shall" as well as "should" requirements
- Scope
 - No coverage of sectoral or policy level interventions
 - Sector and technology agnostic
 - Complemented by further sector-specific guidance (e.g., for land-use and forestry sector) to be applicable for all appropriate activity types





Baseline

- Hierarchy approach to methodology selection based on data intensiveness of three baseline setting options
- Application of an "Paris goal coefficient" to ensure alignment of carbon markets with the PA's long-term goal
- Additionality
 - Evaluation of inherent financial additionality risk of the specific activity type
- MRV
 - Elements: conservativeness vs accuracy



Public consultation on draft tools to be launched on 15 November on... https://www.perspectives.cc/public/initiatives/intern ational-initiative-for-development-of-article-6methodology-tools-ii-amt/



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