The registry systems implementation status
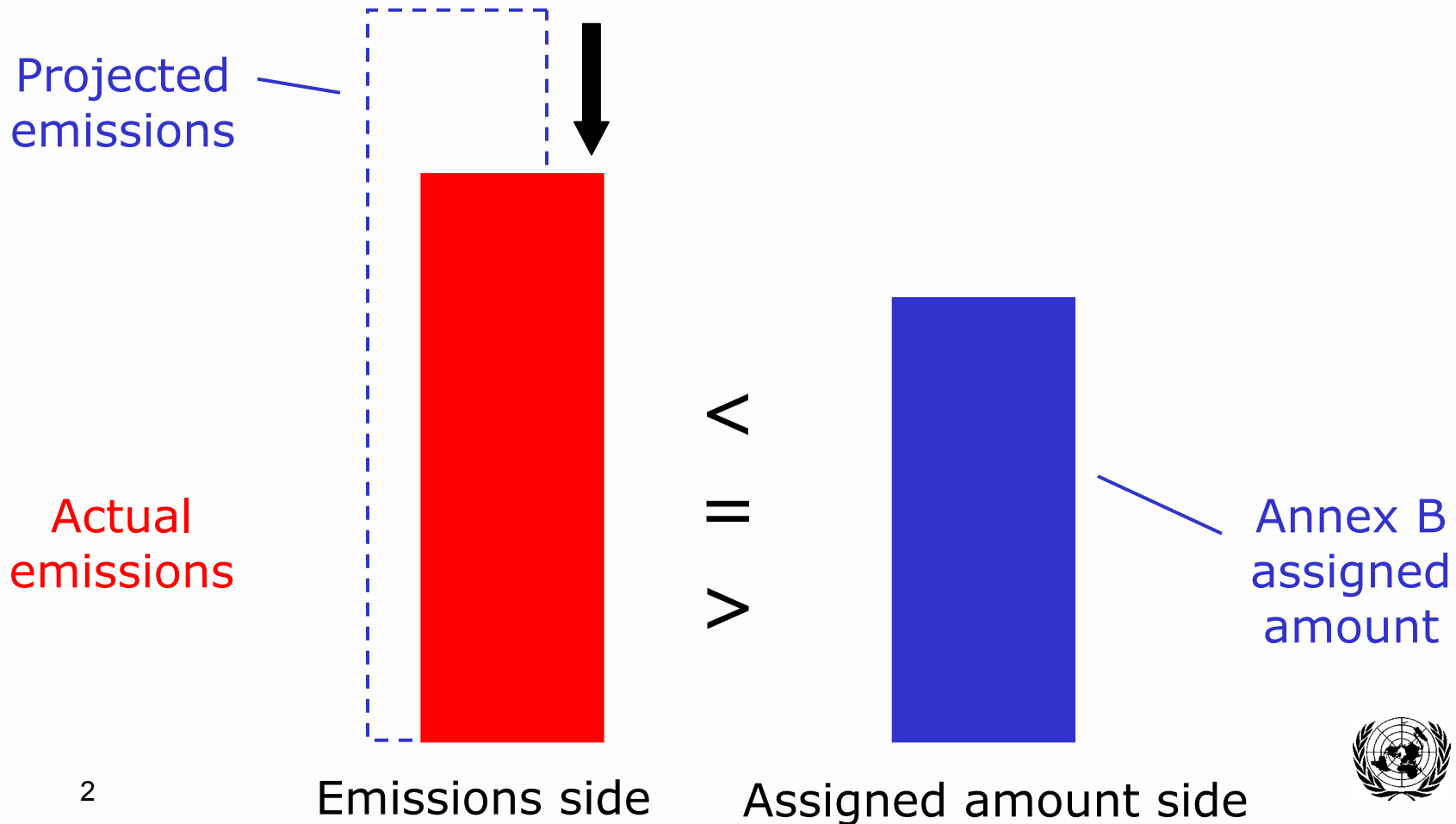
by Mike Elhaddad (UNFCCC secretariat)

United Nations Framework Convention on Climate Change

The registry systems

Parties with commitments under the Kyoto Protocol have accepted emissions targets. These targets are expressed as "assigned amounts"

Projected emissions

Actual emissions

<
=
>

Annex B assigned amount

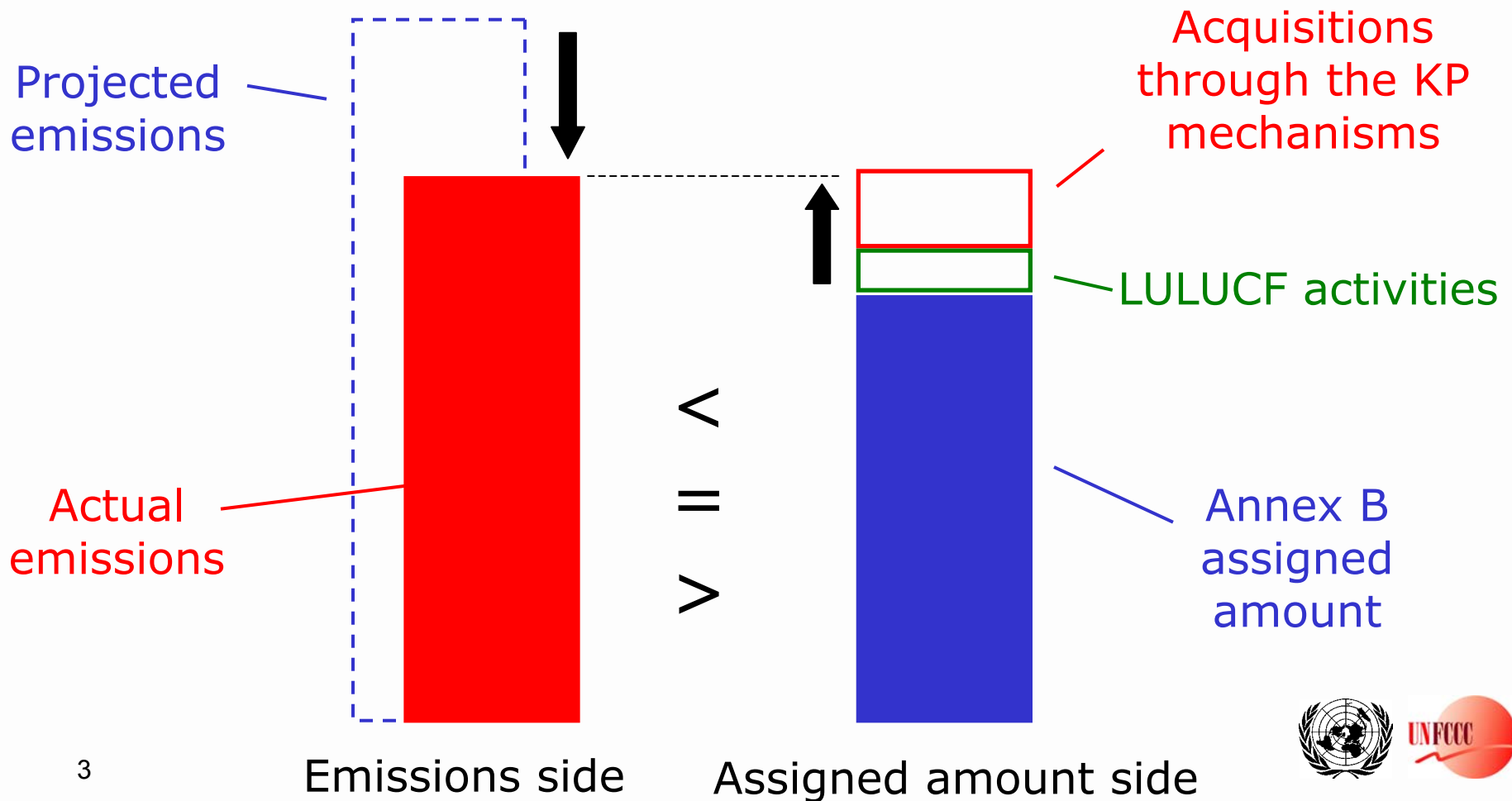Emissions side   Assigned amount side

The registry systems

Parties with commitments under the Kyoto Protocol have accepted emissions targets. These targets are expressed as "assigned amounts" KP has mechanisms that allows parties to meet these targets

Projected emissions

Acquisitions through the KP mechanisms

LULUCF activities

Actual emissions

Annex B assigned amount

Emissions side   Assigned amount side

The registry systems implements emission trading

- The concept of registry systems determined in Marrakech in 2001 which includes national registries, CDM registry and the International Transaction Log (ITL)

- National registries are electronic systems of the 38 Annex B Parties, containing KP units holding accounts. Unit holdings are "retired" to demonstrate compliance with targets

- CDM registry is an electronic system that accounts for Certified Emission Reduction (CER) units

- Each registry operates through a link established with the ITL that is administered by the UNFCCC secretariat
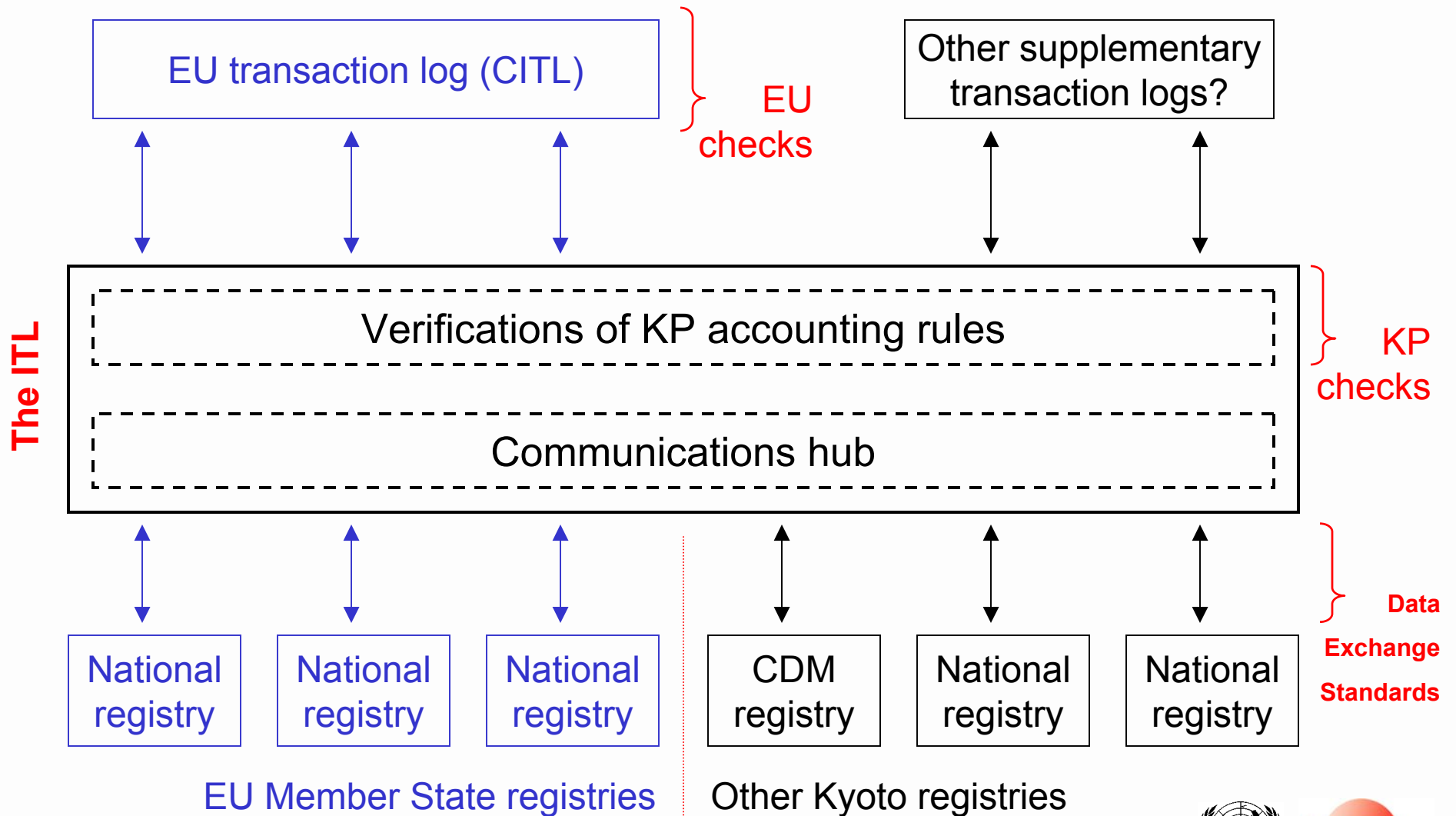
ITL twin purposes

Safeguards integrity of Kyoto compliance accounting

- Checks that transactions initiated by national registries conform to Kyoto Protocol rules and ensures that only Kyoto-valid transactions may be undertaken

- Tracks international movement of Kyoto protocol units

- Keeps account of holdings for each Annex B Party

Provides certainty of delivery to carbon market trading transactions

- Occupies central location in the network of national registries

- Enforces secure communications between registry systems

- Coordinates transaction and reconciliation processing

The ITL Architecture

EU transaction log (CITL)

} EU checks

Other supplementary transaction logs?

The ITL

Verifications of KP accounting rules

Communications hub

} KP checks

National registry

National registry

National registry

CDM registry

National registry

National registry

} Data Exchange Standards

EU Member State registries | Other Kyoto registries

6

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ITL characteristics

- Enforces the exchange of transactions in a standard way (Data Exchange Standards)

- Transaction validation is "real-time"

- Fully resilient architecture

  - Secondary fail-over facilities

  - Very high availability

- Sized to cope with peak loads

- Scalable to meet evolving market needs

- ITL service desk that supports the ITL and the registries

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Registry Systems status

- National registries interoperability testing with the ITL
  - Thirty-six registries successfully completed the interoperability testing
  - One additional registry is planning to complete interoperability before the end of the year
- Live operations with the ITL
  - ITL started live operations in November 2007
  - CDM Registry Japan, New Zealand, Switzerland registries started their live operations in 2007. Russia and Hungary registries started their live operations in early 2008
  - Twenty-five European registries started their live operations after a large go-live event in October 2008
  - Liechtenstein, Norway and Ukraine also started live operations soon after the ETS go-live event

- With 34 Live registries, we are very pleased that the bulk of registries is now fully operational with the ITL

Two more presentations

- The registry systems live events

- The operational status of transactions in the ITL