



SUBMISSION BY THE REPUBLIC OF INDONESIA

Views on guidance on cooperative approaches referred to in Article 6.2 of the Paris Agreement

The forty-fourth session of the Subsidiary Body for Scientific and Technological Advice (SBSTA44) has invited Parties to submit their views on the guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement. In responding to the invitation, Indonesia would like to make a submission as follow:

Article 6.2. allows Parties to voluntarily engage in cooperative approaches to use internationally transferred mitigation outcomes (ITMOs) towards nationally determined contributions (NDCs), promote sustainable development and ensure environmental integrity and transparency. In doing so, Parties shall also apply robust accounting consistent with the guidance to be adopted by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA). In this regard, there are a number of elements that need to be clarified and discussed further to ensure effective implementation of Article 6.2.

Indonesia is of the view that cooperative approaches between two or more Parties under Article 6.2 shall use the ITMOs to meet their respective NDCs target and allow the attainment of higher ambition of the cooperation parties. Such cooperation shall be based on the common understanding and common interests of those Parties involved, and not part of the schemes that have previously been regulated under UNFCCC. Therefore, the use of the ITMOs should be treated differently.

While details of each ITMOs initiative will be negotiated and agreed among Parties involved, nevertheless, there should be a common international understanding on some fundamental parameters and characteristics of the ITMOs, as follow:

- As the use of ITMOs will be defined differently in different initiatives and by different Parties, Indonesia would like to see minimum eligibility criteria, such

as minimum requirements for environmental integrity for mitigation activities, that could be endorsed by the CMA.

- As units from the ITMOs will be used towards the NDCs, Indonesia would also like to see a common understanding on methodology for quantification of the ITMOs, so that the cooperating Parties will use an internationally recognized methodology in measuring the result of their cooperation.
- Recognizing that environmental integrity and sustainable development are key issues for effective implementation of Article 6.2, a set of criteria for environmental integrity at the global level is thus needed to ensure that projects and activities undertaken as part of Article 6.2 implementation will have the same effectiveness in reducing global emission while maintaining environmental integrity. With regard to sustainable development policy, which is at the very heart of the host country concerned and will differ from one country to another, it is important that the host countries would have sufficient flexibility to adjust to domestic circumstances while adopting the basic principles of sustainable development that are acknowledged globally.
- As the implementation of Article 6.2 will be part of overall implementation of the Paris Agreement, there should be a transparent and robust reporting on the use of the ITMOs as part of a Party's commitment with regard to transparency. Accordingly, while ITMO initiatives are not part of the schemes under UNFCCC, a monitoring, reporting and verification mechanism for the use of the ITMOs has to be established as provided under Article 4.13 and Article 13.7 of the Paris Agreement in order to avoid double counting.
- Governance is another key element under Article 6.2. While there is no need for direct role of the UNFCCC and the CMA in the implementation of Article 6.2., other level(s) of governance will definitely be needed to ensure standardized quantification, authorization of transfers, and tracking of units transferred. Governance at the national level is thus a must as the ITMOs will be used towards the NDCs, and therefore no unit can be transferred without having been authorized by a national designated authority.

Further discussion and deliberation related to Article 6.2 is needed and Indonesia is ready to engage with other Parties on this matter. To optimize the use of time for discussion and deliberation, Indonesia would like to suggest changing the mode of work under Article 6 from the one in Bonn of having an hour timeslot for each issue (Article 6.2, Article 6.4 and Article 6.8) within a combined timeframe of 3 (three) hours to a dedicated timeslot of 3 (three hours) for each issue.
