

**Informal Submission by Egypt on behalf of the Arab Group
On avoiding double use for outside the Nationally Determined Contributions
(NDC) for Article 6.4**

The Arab Group hereby presents this informal submission in response to the call made by the SBSTA Chair to facilitate Party discussions at the informal technical expert dialogues hosted by him. This informal submission is made with the understanding that it does not constitute a formal or official document for the UNFCCC negotiations, and is submitted without prejudice to such other submissions that may be made by the Arab Group. The Arab Group is of the view that the purpose of the technical dialogues is to provide the space for Parties to better understand their respective views, while acknowledging that it shall not prejudge or replace in-person sessions nor that they be considered negotiation meetings.

The Arab Group wishes to highlight the following principles that should be considered while developing the rules modalities and procedures for article 6.4:

- For the purpose of avoiding the use of emission reductions by more than one party, a host Party shall not be required to apply corresponding adjustments for transfers of A6.4ERs from the mechanism established by Article 6, paragraph 4, where the ITMOs are achieved from emission reductions and removals from policies and measures not covered by its NDC.
- Corresponding Adjustment shall not be applied for 6.4 emission reductions and removals from policies and measures that are additional.
- Corresponding Adjustment shall be applied only if A6.4ERs from policies and measures are included in the transferring party's NDCs. Corresponding adjustment for such ITMOs are to be applied as follows:
 - Quantification will be required only for the portion of the NDC where ITMOs are authorized and which requires Corresponding Adjustment. Such quantification should be done as follows:
 - 1- Identification of the baseline scenario of the policies and measures generating the ITMOs.
 - 2- Identify the mitigation scenario when applying the policies and measures by quantifying the emission reductions and removals from these policies and measures in the NDCs where ITMOs are generated.
 - 3- Any ITMOs generated between the baseline and mitigation scenarios shall be subject to Corresponding Adjustment while any ITMOs generated beyond the mitigation scenario shall not be subject to Corresponding Adjustment, as this would be beyond the transferring Party's NDC.

- 4- Example: A renewable energy policy in the electricity sector, where the baseline scenario is X and the mitigation scenario is 0.8 X. Any ITMOs generated between X and 0.8 X must be subject to Corresponding Adjustment. However, any ITMOs generated below 0.8 X shall not be subject to Corresponding Adjustment.
 - 5- Methodologies to quantify the baseline and mitigation scenarios of the portion of NDC where ITMOs are authorized should be developed by the host party and approved by the governing body.
- To further reduce the risk of double counting, strict links shall be established across various international registries and accounting systems that fall outside of the Paris Agreement framework to ensure that units are only used in one system.