

Submission of Views

by Papua New Guinea
on behalf of the Coalition for Rainforest Nations¹

on

Article 6, paragraphs 2 and 4 of the Paris Agreement

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¹ The following countries members of the CfRN have endorsed this submission: Bangladesh, Belize, Central African Republic, Chad, Cote d'Ivoire, Democratic Republic of Congo, Dominica, Dominican Republic, Fiji, Gabon, Guyana, Honduras, Kenya, Liberia, Mozambique, Nigeria, Pakistan, Panama, Papua New Guinea, Republic of Congo, Sierra Leone, Suriname, Togo and Uganda.

1. CONTEXT

With this submission of views, the Coalition for Rainforest Nations (CfRN) intends to respond to the invitation provided by the SBSTA Chair to all Parties to continue the dialogue on matters related with the Article 6 of the Paris Agreement.

Therefore, the CfRN hereby provides its views on the various matters under discussion in the Informal technical expert dialogues on Article 6 of the Paris Agreement to be held in 2021, in accordance with the following schedule.

- 19 April 2021 (Time TBC): **Financing for adaptation/Share of Proceeds** (Article 6.2 and 6.4) – Submissions on this topic by **1 April 2021**
- 20 April (Time TBC): **Avoiding double use for outside the Nationally Determined Contributions (NDC) for Article 6.4** - Submissions on this topic by **1 April 2021**
- 20 - 21 May 2021 (Time TBC): **Ensuring rapid operationalization** (Articles 6.2, 6.4, and 6.8) - Submissions on this topic by **1 May 2021**
- 11 June 2021 (Time TBC): **Enabling ambition in Article 6 instruments** - Submissions on this topic by **1 June 2021**
- 14 June 2021 (Time TBC): **Clean Development Mechanism (CDM) activity transition to Article 6.4 mechanism** - Submissions on this topic by **1 June 2021**

Additional topics under the Article 6 Paris Agreement to be covered during 2021 (third quarter) will include **implementing overall mitigation in global emissions in the 6.4 mechanism, use of Kyoto Protocol units towards NDCs, reporting and accounting for GHG and non GHG in 6.2**. Submissions on these topics will be encouraged in due course.

2. GENERAL PART

Forestry, agriculture and land use issues are critical elements toward achieving the Paris Agreement objective and ensuring the future global temperature of the planet will stand well below the threshold of 1.5 degrees and achieve carbon neutrality.

According to the IPCC Special Report Climate Change and Land (2020), 23% of global GHG emissions derive from the AFOLU sector. Effective land management, however, could sequester more than 100% of current annual CO₂ emissions.

In addition, in accordance with UNEP (2020), 29 to 32 GT CO₂ emissions reduction are needed to limit temperature rise to 1.5C and the contribution of Forest and Land Use to bridging this gap is 5.3 Gt.

“Natural climate solutions” such as conservation, restoration, and improved management of forests, wetlands, grasslands, and agricultural lands, could provide 37% of the cost-effective emissions mitigation needed by 2030 to meet the Paris Agreement 2°C goal (WRI 2019).

The REDD+ mechanism is enshrined in the new climate regime as defined by the Paris Agreement and is the only tool that is complete, accurate and ready to deliver the expected results.

Therefore, Article 6 rules must respect the result of the negotiations at COP 21 and the provisions of the Paris Agreement, and preserve robust environmental integrity, meaning:

- Implementation of national-level reference levels by sector,
- Implementation of national GHG accounting by sector,
- Application of all-inclusive corresponding adjustments, and
- Strict avoidance of double counting.

In addition, the architecture of the Article 6 mechanisms must provide for incentives for early action undertaken by developing countries where the Parties have so decided. On this point, several COP decisions on REDD+ including decisions 2/CP.13 and 2/CP.17 recognize ‘efforts already being taken’.

The Paris Agreement recognizes in its Article 5 that the existing REDD+ Framework will be implemented as set out in guidance and decisions already agreed under the Convention.

REDD+ decisions extensively address environmental and social integrity regarding the implementation of REDD+ activities as identified in decision 1/CP.16 and following decisions.

REDD+ guidance is based on the importance of accurate and robust national GHG inventories, as well as consistency between GHGI and NDCs.

The verification process for REDD+ is in place (decision 14/CP.19) and duplicative reviews would be redundant. Parties may use markets to earn REDD+ results-based payments.

Since Article 6 is one of the major tools to assist countries in the fulfilment of their NDCs, it should include incentives for early actions (pre-2020): several REDD+ decisions refer to ‘efforts and actions to reduce deforestation and to maintain and conserve forest carbon stocks in developing countries are already being taken’.

Any form of taxation of mitigation actions or transfers under Art 6.2, in particular from developing countries, cannot be justified as this was a decision made at COP 21, in particular on adaptation.

3. ARTICLE 6.2

The Paris Agreement recognizes in its Article 5 that the existing REDD+ Framework will be implemented as set out in guidance and decisions already agreed under the Convention related to REDD+.

The existing REDD+ Framework extensively addresses environmental and social integrity regarding the implementation of REDD+ activities. The Paris Agreement expressly limits additional guidance.

Once REDD+ results successfully complete the agreed process under the REDD+ Framework and are posted on the UNFCCC’s REDD+ Information Hub, those outcomes shall be fully eligible for international transfers as referred to in Article 6, paragraph 2 and paragraph 3 of the Paris Agreement subject to the avoidance of double counting. As such, they will qualify as ITMOs for the Parties that cooperate in this area.

Domestic double counting of REDD+ results is avoided by way the implementation of national-level reference levels by sector; the implementation of national GHG accounting by sector; and the application of all-inclusive corresponding adjustments. In addition, NDCs and reference levels must be consistent with national GHGIs.

Furthermore, national registries and supporting accounting systems that identify ownership and account for national and international transfers of REDD+ mitigation outcomes must be created.

On Internationally Transferred Mitigation Outcomes (ITMOs):

- Definition of an ITMO should be broad as it is in the end cooperation as agreed by the cooperating Parties and should include reference to both GHG emissions and removals by sinks and also include reference to NDCs
- ITMOs shall be measured in terms of tons of CO₂ equivalent
- ITMOs can be used for meeting NDCs as well as other purposes (e.g. ICAO compliance) as long as the avoidance of double counting is ensured.
- ITMOs can only be issued if the actions are covered by the NDC.

By default, REDD+ fits into the architecture of Article 6.2 and no provision that would jeopardize that can be accepted. REDD+ is ready to produce ITMOs. ITMOs can be issued from REDD+/forestry activities when they are included in the NDC.

All mitigation activities from sectors other than forestry contributing to NDCs and willing to participate in Art 6.2 exchanges should be structured in the same manner.

4. ARTICLE 6.4

REDD+ activities will be implemented according to existing decisions under the Warsaw Framework and no new decisions are necessary.

5. ARTICLE 6.8

An adaptation mechanism and credits should be created under Art 6.8. This will be similar to the mechanism created under Art 6.4 but for adaptation.

These adaptation credits could be allowed for meeting NDCs and their relationship and value with ITMOs and Art 6.4 credits will make the subject of further examination under SBSTA and SBI. Special conditions and recognition of adaptation credits will be offered to LDCs and SIDs.