

**Submission by Bhutan on behalf of Least Developed Countries Group on Use of Kyoto Protocol units towards NDCs
8 June 2021**

The LDCs welcome the opportunity to provide to share views in response to the invitation extended by the Chair of the SBSTA, relating to **Use of Kyoto Protocol units towards NDCs** and to the guiding questions presented as follows:

The LDCs and many others are gravely concerned about the current pledges made to reduce emission in NDCs. A report by the International Renewable Energy Agency states that the first round of NDCs pledged under the Paris Agreement have proven inadequate to meet climate goals.

Noting these concerns, the LDCs commission a report entitled: Analysis of Options for Determining OMGE, SOP and Transition of Article 6 – Implications of policy decisions for international crediting under the Paris Agreement.

This study found that the full transition of CDM project activities leads to an overall increase in global emissions of 763 Mt CO₂e. This assumes that 30% of activities take steps to transition.

We believe this is unacceptable. This is a significant downgrading of ambition from existing targets.

Therefore, we are gravely concerned about the implications of carrying over of any units.

- **In what circumstances could CERs be used towards NDCs, if any?**

Referring directly to your question, we do not believe there is any circumstance were CERs could be used towards NDCs.

Whatever compromises are currently on the table whether they be in the form of:

- limiting the start date of activities,
- limiting units or
- having a cut-off date for carry-over, all of these proposals undermine current ambition.

For the most vulnerable countries to the impacts of climate change we do not believe that any carry over in any form is acceptable. There is too much at stake.

We have discussed transition of project activities and this is where we think the compromise lies. CDM project activities may be carried into the Paris Agreement as long as they meet the necessary participation, accounting and reporting requirements.

- **How would this use be implemented, if it were agreed?**

Based on our previous answer, we do not believe that there should be any implementation of CERs.

We do not believe LDCs are being unreasonable in stating this position.

We are constantly being reminded of how far behind we are at reaching a 1.5°C limit.

We cannot accept any further compromises that make it even more difficult to reach this target.