



# Accounting for greenhouse gas offsets in a post-2012 framework

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# Outline of presentation

- **Complications for GHG accounting post-2012**
- **Two frameworks for GHG accounting**
- **Offset types under the two models**
- **Accounting issues for offsets after 2012**
- **Questions for discussion**

# GHG accounting after 2012



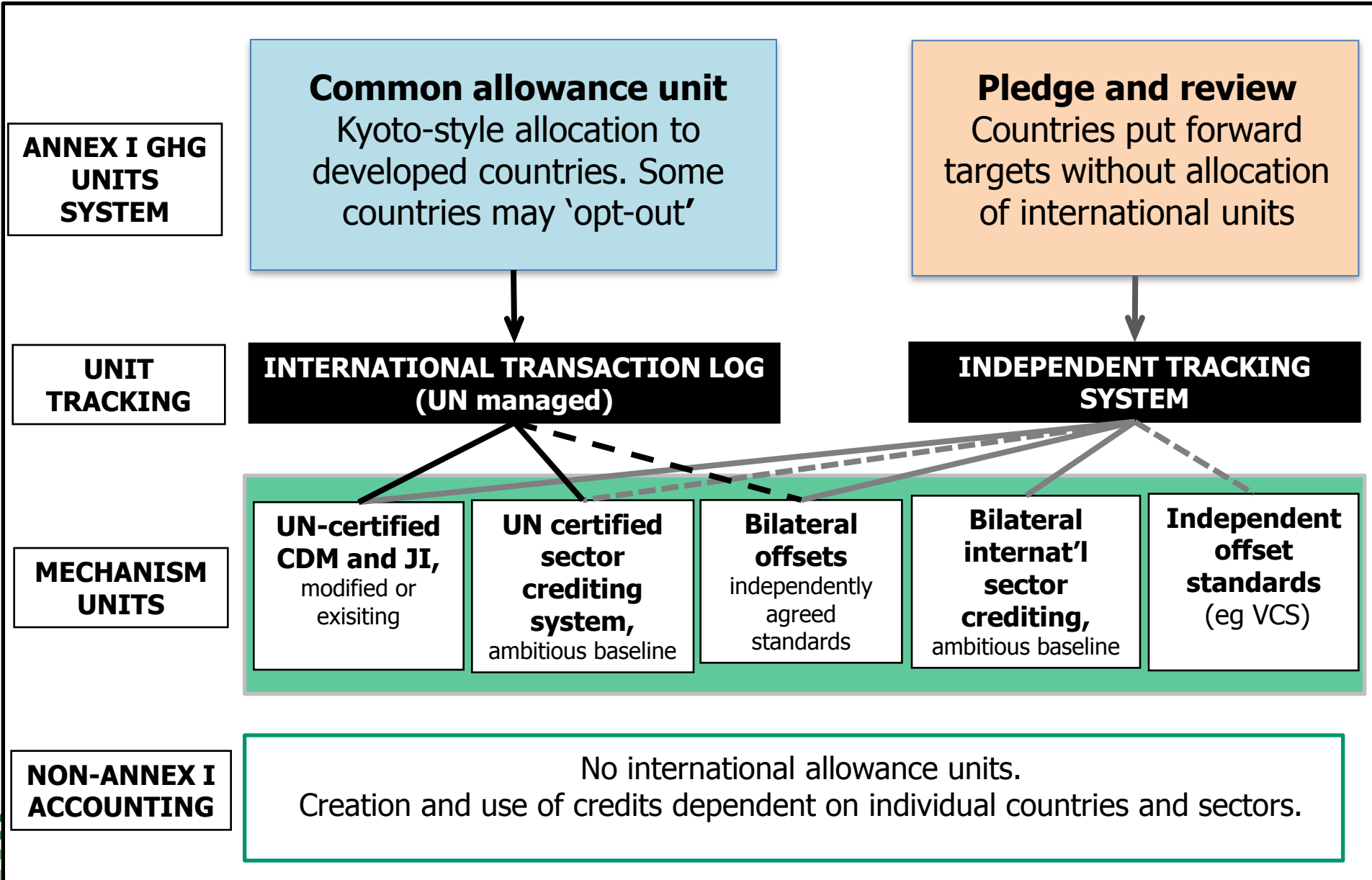
**Up to 2012**

- Only Annex I countries accountable for emissions inventories and GHG units
- Only Kyoto allowance and offset units valid for Annex I commitments, other regional/voluntary units not part of *international* accounting

**After 2012**

- Some non-Annex I countries put forward mitigation goals
- Potential proliferation of new unit types coupled with move away from common allowance unit

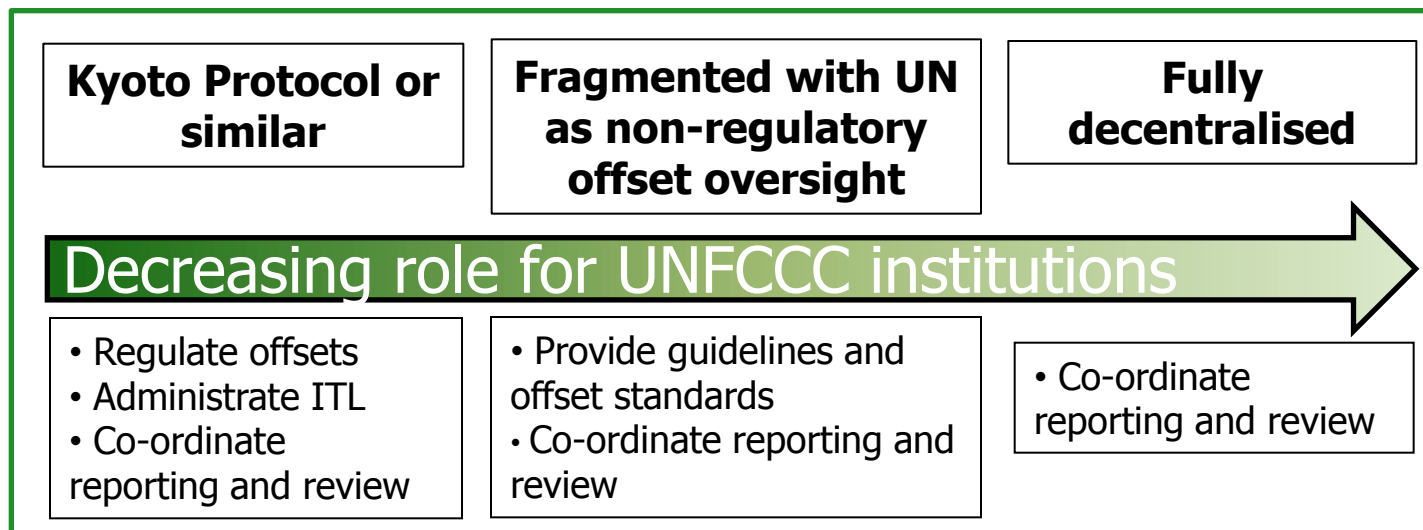
# Scenarios



# Offsets: accounting issues after 2012

- **Ownership:** double-counting of reductions towards host country pledge and developed country target
- **Tracking:** traceability of transactions is key. Without single common allowance system and ITL, how can units be tracked?
- **Governance:** Is there a role for UNFCCC in a fragmented system?

# Role of UNFCCC in offset governance



- UN could provide guidelines or standards which are not mandatory
- In JI, some countries voluntarily following prescribed procedures (using JI 'track 2' documents)

# Key questions



- Can bilateral offset mechanisms (developed outside of the UNFCCC) be integrated to a Kyoto-style allowance system?
- With pledge and review, what could be the role of the UNFCCC in management of offset mechanisms and how could transactions be tracked?
- Is double-counting of emissions reductions from CDM projects in countries with mitigation pledges a problem? If so what measures should be taken to manage this?
- Does the voluntary offset market provide a useful model for handling multiple unit types?