

When are they relevant to international accounting?

- When they cross Party borders for compliance (Party A uses reduction/unit from Party B for compliance); through crediting mechanisms or linking of ETS
- When a Party wants to use reductions/units from a previous period for compliance – banking
- Otherwise, domestic policy simply facilitates progress towards commitment

- Additions and Subtractions
- For linked ETS
 - net flows of units
 - net exports = subtractions
 - surrender of foreign units by companies = additions
 - net import – surrender ~ banking to next period
 - Banking from previous period = addition?
- For crediting mechanisms
 - issuance = subtraction
 - retirement = addition

Double counting?

- Are crediting mechanisms operating in the ETS sector?
- Are multiple crediting mechanisms possible for the same reduction?

Further criteria for reporting?

- MRV system?
- Assessment of additionality?
- Basis for quantification of reduction / cap?
- Methodology for recording and tracking of units?
- Etc.?

• For Assessment?

• For compliance?