

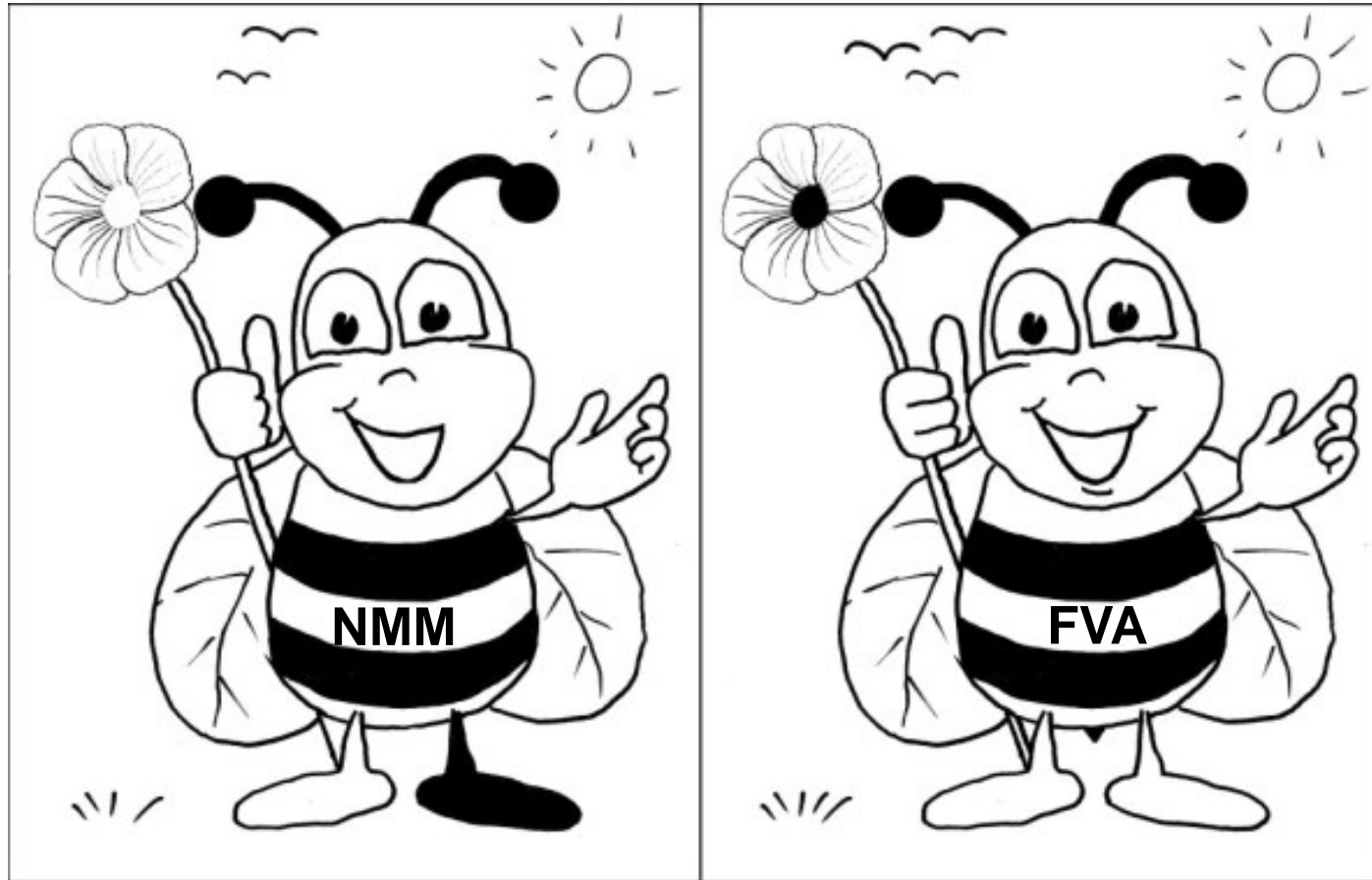


Elaborating the “Framework for Various Approaches”

Andrew Prag (OECD)

CCXG Global Forum
20 March 2013

The “framework for various approaches” and the new market-based mechanism



SPOT THE DIFFERENCE!

Three discussion questions

1

What is the goal or purpose of the FVA?

2

Do we need a common “international unit type”?

3

What kinds of pilot approaches could be initiated quickly?

1

What is the goal or purpose of the FVA?

- To “recognise” domestically-generated units as valid for meeting UNFCCC pledges?
- Would this be a one-off “approval” process for approaches or mechanisms implemented by Parties?
- If so what standards would be applicable?
- Difference between **designing/agreeing** standards and having **confidence in the application** of standards

- And what about non-market approaches?

2

Do we need a common “international unit type”?

- We are used to a small number of international standard unit types from the Kyoto mechanisms
- FVA could function by “converting” domestically-issued units into international units
- Is such conversion necessary? What matters is confidence in the standards and processes used to create units

3

What kinds of pilot approaches could be initiated quickly?

- Bilateral crediting mechanisms?
- Existing crediting protocols already in use in the voluntary market?
- Linking arrangements for domestic trading systems?
- What role for UNFCCC governance bodies during a pilot phase?

Thank you



andrew.prag@oecd.org
www.oecd.org/env/cc/ccxg

Climate Change Expert Group

