

COP-21

‘Article 6 of the Paris Agreement Is Most Important for Environmental Professionals Working to Reduce Carbon Emissions.’



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EM interviewed G. David Ungar, Managing Director of Global Capital Finance America, LLC, in White Plains, New York, after his return from COP-21. We caught up with David during a stopover in Bangkok on his travels to Australia.

EM: Is it true that you have attended numerous United Nations' climate meetings?

Ungar: Yes, COP-21 in Paris was the 16th COP meeting that I have attended.

How do you assess the results of COP-21?

This Paris meeting was the most important of them all and it was a total success.

How do you describe the improved dynamics?

A major benefit was that all of the heads of state arrived early during the meeting, rather than at the end. This added a lot of pressure to the negotiators and at an optimal time. Secondly,

the negotiations were remarkable. This was the first time that the north/south divide was broken down. Venezuela was more constructive now that Chavez was out. And the positions of Europe, small islands, and like-minded nations were helpful.

You use the term "like-minded nations." What does that mean?

I am referring to the Like-Minded Developing Nations Bloc, which included India, China, and Saudi Arabia. The fact that China also came on board was key. China has also said that they will have a mandatory market for carbon trading that will begin in 2017.

Article 6 of the Annex to the Paris Agreement

1. Parties recognize that some Parties choose to pursue voluntary cooperation in the implementation of their nationally determined contributions to allow for higher ambition in their mitigation and adaptation actions and to promote sustainable development and environmental integrity.
2. Parties shall, where engaging on a voluntary basis in cooperative approaches that involve the use of internationally transferred mitigation outcomes towards nationally determined contributions, promote sustainable development and ensure environmental integrity and transparency, including in governance, and shall apply robust accounting to ensure, inter alia, the avoidance of double counting, consistent with guidance adopted by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement.
3. The use of internationally transferred mitigation outcomes to achieve nationally determined contributions under this Agreement shall be voluntary and authorized by participating Parties.
4. A mechanism to contribute to the mitigation of greenhouse gas emissions and support sustainable development is hereby established under the authority and guidance of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement for use by Parties on a voluntary basis. It shall be supervised by a body designated by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, and shall aim:
 - a. To promote the mitigation of greenhouse gas emissions while fostering sustainable development;
 - b. To incentivize and facilitate participation in the mitigation of greenhouse gas emissions by public and private entities authorized by a Party;
 - c. To contribute to the reduction of emission levels in the host Party, which will benefit from mitigation activities resulting in emission reductions that can also be used by another Party to fulfil its nationally determined contribution; and
 - d. To deliver an overall mitigation in global emissions.
5. Emission reductions resulting from the mechanism referred to in paragraph 4 of this Article shall not be used to demonstrate achievement of the host Party's nationally determined contribution if used by another Party to demonstrate achievement of its nationally determined contribution.
6. The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement shall ensure that a share of the proceeds from activities under the mechanism referred to in paragraph 4 of this Article is used to cover administrative expenses as well as to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.
7. The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement shall adopt rules, modalities and procedures for the mechanism referred to in paragraph 4 of this Article at its first session.
8. Parties recognize the importance of integrated, holistic and balanced non-market approaches being available to Parties to assist in the implementation of their nationally determined contributions, in the context of sustainable development and poverty eradication, in a coordinated and effective manner, including through, inter alia, mitigation, adaptation, finance, technology transfer and capacity-building, as appropriate. These approaches shall aim to:
 - a. Promote mitigation and adaptation ambition;
 - b. Enhance public and private participation in the implementation of nationally determined contributions; and
 - c. Enable opportunities for coordination across instruments and relevant institutional arrangements.
9. A framework for non-market approaches to sustainable development is hereby defined to promote the nonmarket approaches referred to in paragraph 8 of this Article.



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We note that the final Paris Agreement is 31 pages and more than 16,000 words in length. Can you direct A&WMA members to a key section?

I believe that **Article 6** of the Annex is the most important part of this Agreement. It creates new types of markets and mechanisms that will create financial value on numerous sustainability issues.

First of all you see the words “voluntary” and “sustainability.” Then you see “internationally transferred mitigation outcomes” and “transparency”. These projects will need consultants and expertise as they are developed and confirmed. COP-22 will be important in adopting rules, modalities and procedures

for the mechanism referred to in paragraph 4 of this Article at its first session.

Please tell us more about COP-22.

First let me remind you that the next event is the very important signing of the COP-21 agreement in New York City in April 2016. Then we move our attention to the COP-22 meeting November 7–18, 2016, in Marrakesh, Morocco. That meeting will be the key to market-based initiatives and the associated mechanisms that will provide financial value to sustainability projects. It will also remind countries that their commitments will be reviewed at five-year intervals. If A&WMA has Observer status for Morocco, now is the time to begin planning your attendance, lodging, and so forth. **em**



Like-Minded Developing Nations Bloc spokesman Gurdial Singh Nijar during COP-21 at Le Bourget, on the outskirts of Paris, Saturday, Dec. 12, 2015. Nijar said that India, China, and Saudi Arabia are all “happy” with a planned 195-nation Paris Agreement to slash greenhouse gas emissions.

In Next Month’s Issue...

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The June issue will preview this year’s Annual Conference, which takes us to the Crescent City.

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