



# Made to Measure (part 2): Accounting for flows of emissions units

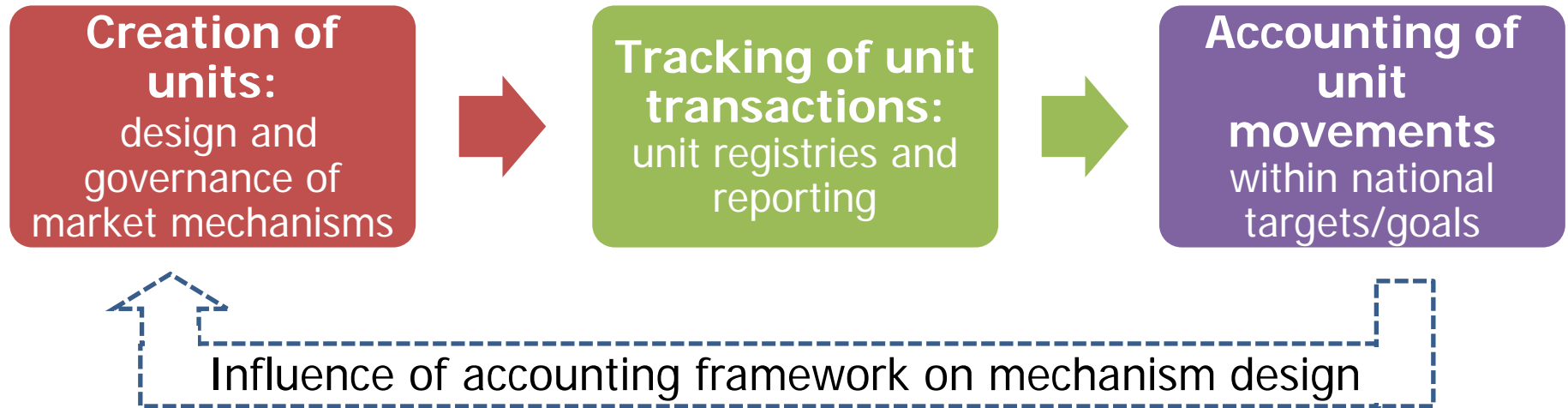
Andrew Prag, Christina Hood and Pedro Martins Barata

CCXG Global Forum  
19 March 2013

# Overview

- “Life-cycle” of an emissions unit
- Which units matter for UNFCCC accounting?
- Avoiding or understanding “double-claiming”
- Single-year versus multiple-year targets
- Options for tracking and reporting

# Accounting is only one part of the life-cycle of units



The “framework for various approaches” can play a key role in understanding the red box (tomorrow’s discussion)

# Which units matter for UNFCCC accounting?

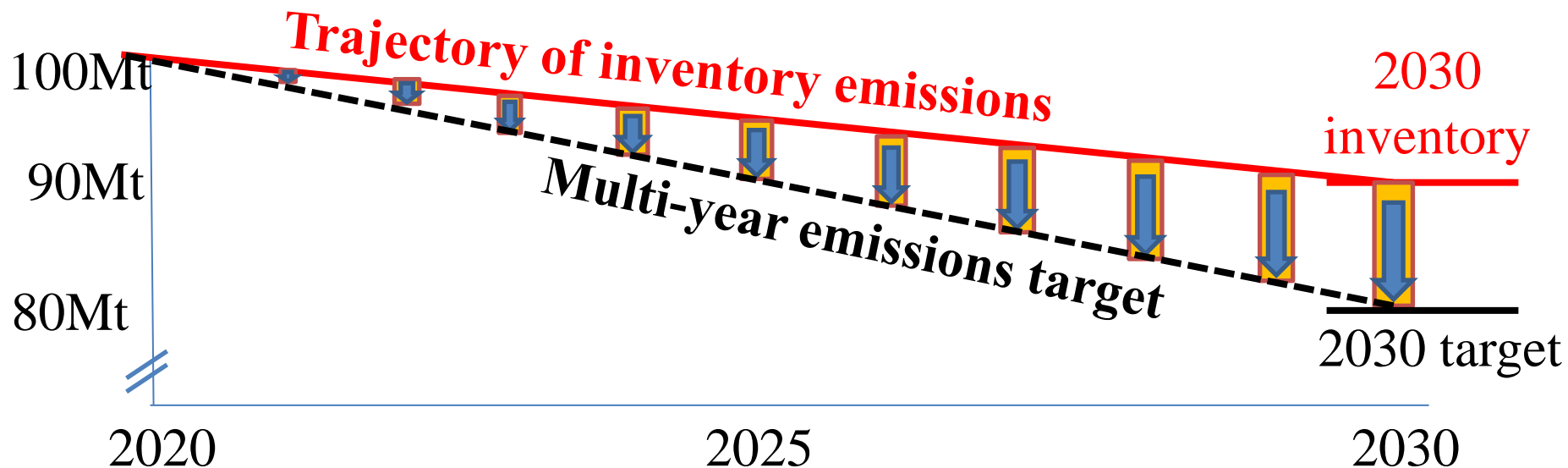
- Those that are “used” by countries as counting directly towards a pledge
- Credits from offset mechanisms or allowances from domestic trading systems could both be used directly

# Double-claiming

- Diverse pledge types mean that some countries may have a quantified emissions goal but will not account for unit movements when reporting progress (e.g. pledge explicitly based on inventory emissions)
- Overlap = reduced mitigation effort globally
- If “double-claiming” can’t be eliminated, it needs to be transparent and understood

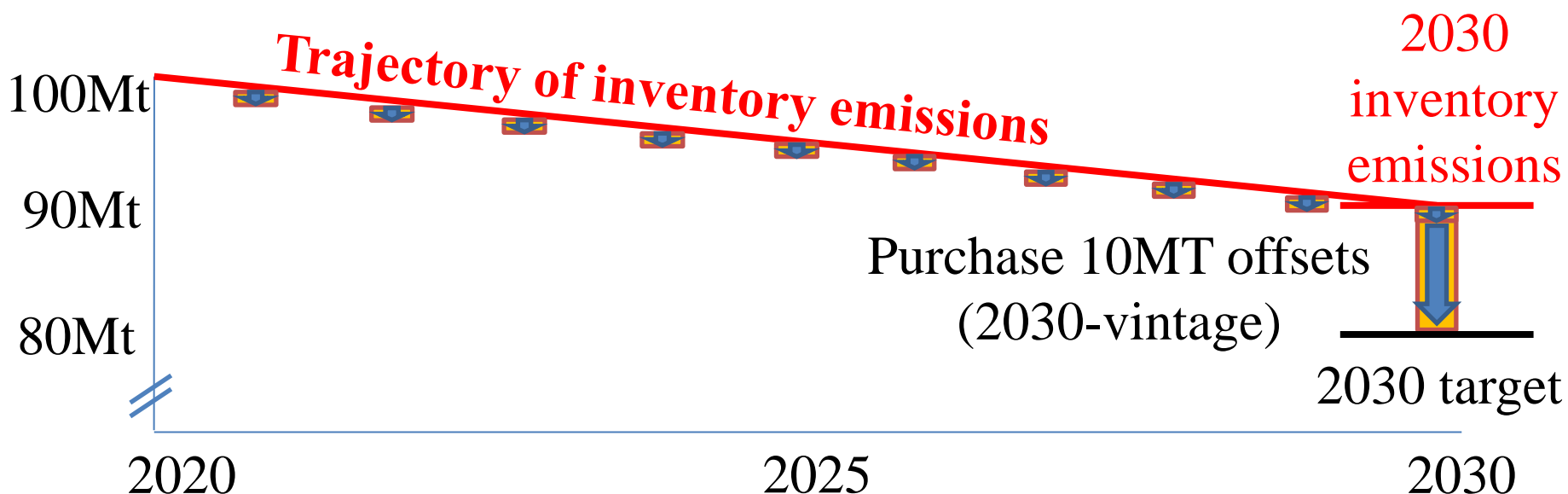
# Single-year vs multiple-year targets

## Multiple Year Target 2020-30



# Single-year vs multiple-year targets

## Single Year Target 2030



# Options for tracking and reporting requirements

## Overall objective

Ex-ante clarity on expected total abatement and national goals

Ex-post transparency on total abatement and national goals

### Option A

- Prohibit double claiming (could lead countries to redefine pledge numbers)
- No unit use toward single-year targets
- Central tracking

### Option B

- Quantify double claiming (limits, or ex-ante estimates)
- Quantify unit use toward single-year targets
- Opt-in to central tracking

### Option C

- Ex-post reporting of unit flows
- No central tracking



# Questions for discussion

- What do we need to know about pledges to avoid or minimise “double claiming” of market units as counting towards the pledge of more than one country?
- What are the implications of single-year versus multiple-year targets for transfers of market units?
- How can we build on the Common Tabular Format tables to better understand use of market units towards pledges?

# Thank you



[www.oecd.org/env/cc/ccxg](http://www.oecd.org/env/cc/ccxg)