



Rocket Boosters to Accelerate Climate Action: Why Article 6 of the Paris Agreement Matters

Photo Credit: Nate Rayfield

Significant advances in space exploration have relied on a cooperative effort—countries working together to achieve the extraordinary. The Paris Agreement is an extraordinary achievement in international efforts to combat climate change.

Article 6 of the Paris Agreement outlines ways that countries can voluntarily cooperate to fight climate change, generate investment, and achieve sustainable development. The various cooperation pathways under Article 6 have the potential to serve as “rocket boosters” that help countries go faster and farther towards a safe climate future, but only if countries design them properly. At this year’s Conference of the Parties (COP) 25 in Madrid, Spain, countries plan to finalize the rules that will dictate how to implement the Paris Agreement. The decisions taken there will help determine whether the world’s ambitious climate goals can be met.

Three Distinct Rocket Boosters

Article 6 sets out three distinct cooperation pathways through which Parties may voluntarily interact to help meet their individual and collective goals under the Paris Agreement:

1. Bottom-up, bilateral or regional cooperative approaches via internationally transferred mitigation outcomes (ITMOs) (Article 6.2);
2. A centralized crediting mechanism to contribute to mitigation and support sustainable development (Article 6.4); and
3. Non-market approaches (Article 6.8).

Because countries must first prepare a work programme on non-market approaches (Article 6.8) before utilizing them, this document focuses on the immediate opportunities presented by Articles 6.2 and 6.4. These two forms of cooperation are on the launchpad and nearly ready for liftoff: Parties must agree on detailed guidance to ignite them.

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How powerful could these rocket boosters be?

Measures under Article 6 support and contribute to two clear goals of the Paris Agreement: (1) delivering emission reductions¹ and (2) mobilizing investments. If countries set up the rules correctly, Article 6 can accelerate countries' efforts to do both: countries using these boosters can meet and beat their GHG emission reduction targets (nationally determined contributions, or NDCs), while also channeling increased investment in sustainable development. One study concludes that re-investing the full cost savings potentially achievable via Article 6 into greater emissions reductions could roughly double global climate ambition, without any additional cost.²

These boosters can complement other mechanisms and sources of finance, including the Green Climate Fund, other multilateral funds, bilateral assistance, and private sector finance mechanisms and instruments like green bonds. However, we know that this additional ambition will still not be enough to keep the world under a 1.5-2 degrees Celsius temperature rise. Additional action will be needed to help propel global ambition further to meet the Paris Agreement's goals.



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What happens if the rocket boosters aren't built well?

If the mechanisms under Article 6 are not built correctly, investments will be less efficient and countries' climate and sustainable development plans will not be fully realized. Poor construction of the Article 6 boosters, for example, could hide or encourage **double counting** of emission reductions—when an emission reduction is issued, used, or claimed more than once—which the Paris Agreement explicitly prohibits.

Double counting creates the illusion that we are getting twice as many emission reductions as we

actually achieve—and that would be bad news for the climate. 'No double counting' is a bedrock of effective international emissions trading, which breaks down if the same ton of emission reduction can be counted by both the buyer and seller.

The stakes are high: if these boosters are poorly constructed, [initial analysis by EDF](#) shows that up to 30% of global emissions could be at high risk of double counting.³ That's about as many emissions as from China and the US put together. If even one-third of these high-risk emission reductions were double counted, the entire estimated ambition of the world's NDCs would be negated. It would not be an understatement to say that we would be tricking ourselves, cheating the atmosphere, and undermining the viability of the Paris Agreement if double counting is not fully addressed.

Equally important, the Article 6 boosters must be fueled by high-quality emission reductions that represent what the atmosphere actually sees.

¹Throughout this document, the term "emission reductions" includes both emissions reductions from sources and emissions removals by sinks.

²Leslie, G., P. Piris-Cabezas, & R. Lubowski (2018). International trading of emissions reductions could greatly increase global climate ambition. <https://www.edf.org/RKm>

³Leslie, G. (2018). Global emissions within and outside the scope of Nationally Determined Contributions: A preliminary analysis of "double counting" risks for internationally transferred mitigation outcomes. https://www.edf.org/sites/default/files/documents/EDF_NDC%20Emissions%20Coverage%20Analysis.pdf.

Blueprints to build powerful and safe boosters: Recommendations for countries

The Article 6 boosters can be powerful forces for accelerating emission reductions and investments, but it is important that negotiators get the mechanics right the first time to ensure the integrity of the overall system and support ambition.

At COP 25, negotiators should adopt Article 6 guidance that reflects the following recommendations:

- 1. All Article 6.4 transfers follow Article 6.2 accounting rules:** The transfer of any emission reductions generated under Article 6.4 must adhere to the same accounting requirements as Article 6.2.
- 2. Apply corresponding adjustments for all sectors and gases outside of a country's NDC:** Any emissions reductions transferred from outside the scope of a country's NDC (if such transfers are envisioned by countries) should demonstrate robust baselines, MRV, and be subject to the same corresponding adjustment.
- 3. Apply corresponding adjustments for any ITMOs used for mitigation purposes other than the NDC:** To facilitate the use of emission reductions by non-Party actors—such as airlines under the International Civil Aviation Organization's (ICAO) Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)—in a way that ensures the avoidance of double counting, the guidance should specify that such transfers are subject to the corresponding adjustment.
- 4. Keep Article 6 open to all sectors:** Parties should facilitate the generation of robust accounting of emission reduction transfers across all sectors and enhance the potential for removals by sinks. This includes removing references prohibiting activities from Article 5, removing limits on sectors with "high uncertainty", and adjusting references from "permanence" to "address risk of reversals" or similar language.

Detailed recommendations for Article 6 negotiators are available in ["Joint Article 6 Analysis for COP 25: Recommended Options and Textual Edits in the June 2019 Article 6 Text."](#)

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