



Avoiding double counting under CORSIA

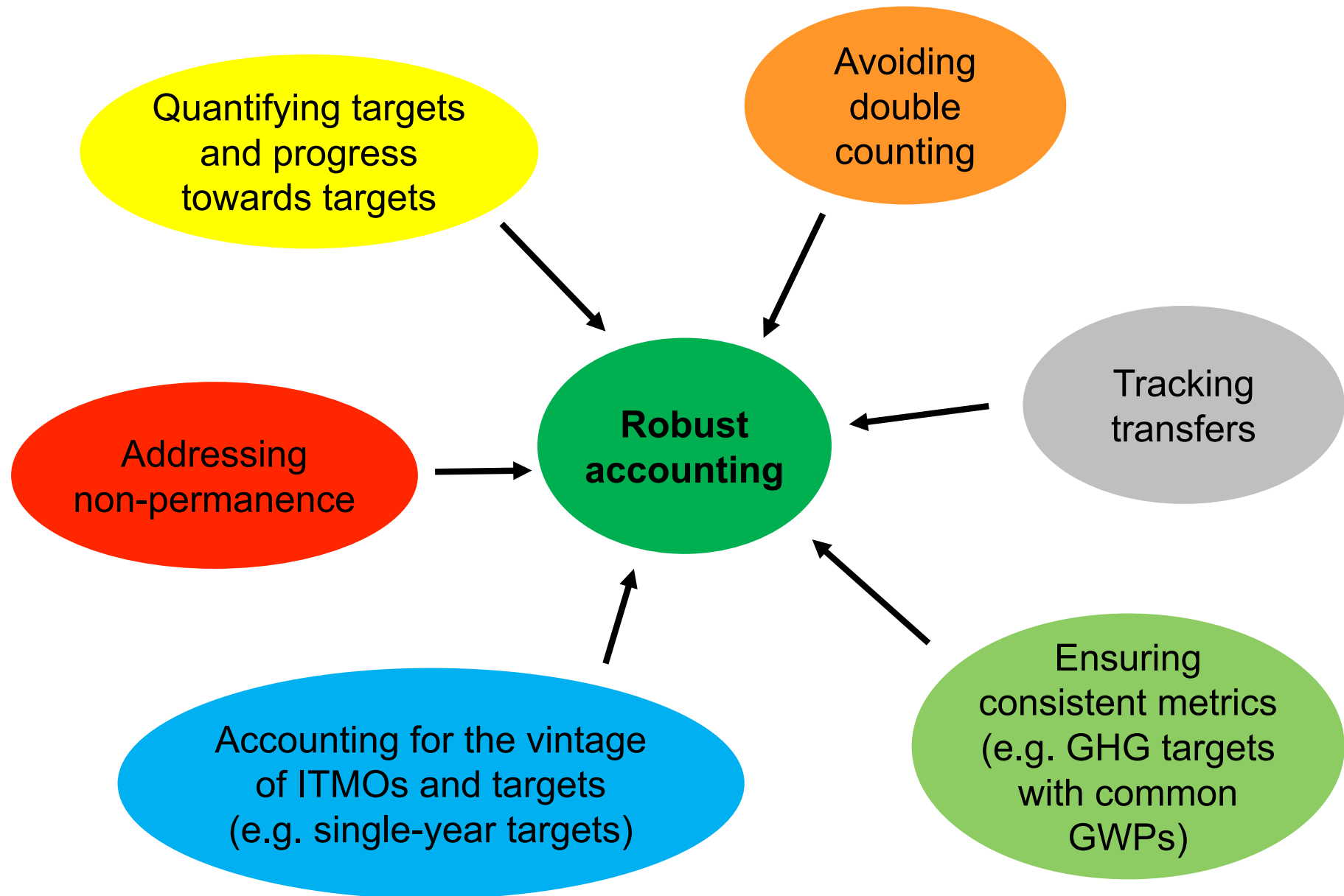
SB46 Side-Event "Accounting for Integrity: The Paris Agreement, International Aviation, and Double-Claiming"

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Robust accounting of international transfers – what issues have to be addressed?



How can double counting occur and be addressed?

Issue

Main solution

Double issuance

Two units issued for the same reduction



Mechanism design

E.g. checks by verifiers

Double claiming

Reductions are claimed by the seller and buyer country



Accounting rules

E.g. corresponding adjustments

Double use

The same unit is used twice



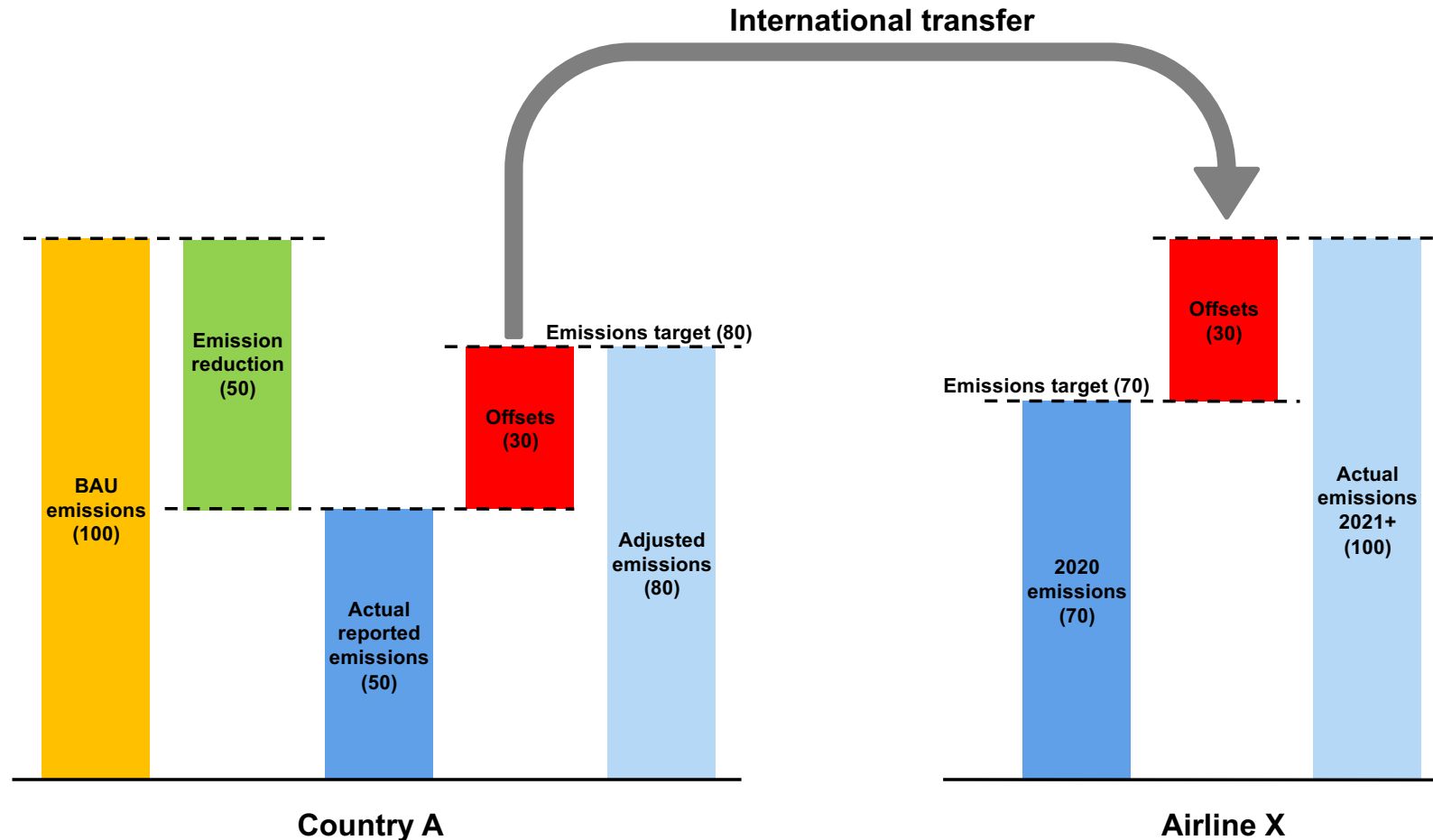
Tracking transfers

E.g. registries

How can double claiming occur between national targets and CORSIA?

- 1. Country A has a GHG mitigation target**
 - 2. An offset unit is generated in country A and used by airline X under CORSIA**
 - 3. The offset units generates real emission reductions which show up in the GHG inventory of country A**
- ⇒ **Country A uses the reductions, through its GHG inventory, to achieve its mitigation target**
- ⇒ **Airline X uses the reductions to achieve its target**

Avoiding double claiming with CORSIA



=> Host country should apply “adjustments” to reported emissions (or emission budgets)

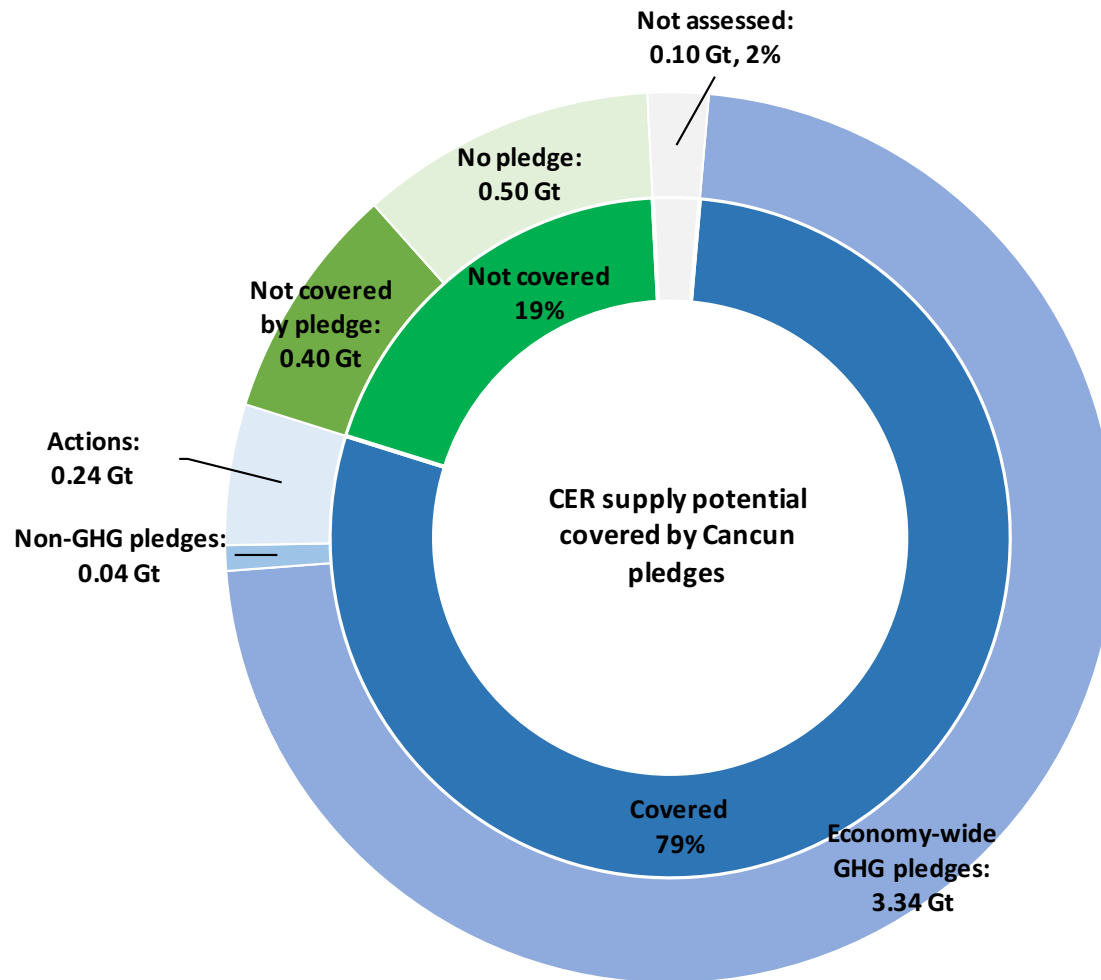
Do mechanisms address double counting?

	CDM	Voluntary standards
Double issuance	Avoided with other CDM projects, not with other mechanisms	Avoided through relevant checks
Double claiming	Not addressed No accounting for other mitigation targets (i.e. Cancun targets)	Not addressed No accounting for national mitigation targets
Double use	Avoided through registry systems	Avoided through systems to track the use of units

⇒ **Kyoto Protocol avoids double counting – but only within its framework**

⇒ **None of the mechanisms address double claiming**

CER potential covered by Cancun pledges



- ⇒ A large share of the reductions from the CDM fall within the scope of mitigation targets communicated in Cancun
- ⇒ So far, CDM host countries do not voluntarily report or adjust for emission reductions used by other countries

How could CORSIA address double counting?

	Approaches
Double issuance	<ul style="list-style-type: none">• Require that programmes have relevant checks for double issuance with other mechanisms
Double claiming	<ul style="list-style-type: none">• Require letters of approval from host countries including commitments by the country to apply corresponding adjustments• Require evidence of application of corresponding adjustments for the units used under CORSIA
Double use	<ul style="list-style-type: none">• Require that mechanisms have systems in place to track unit transfers and their use

Conclusions

- **Double claiming is a major risk for CORSIA**
- **Adjustments (subtractions / additions) can address double claiming**
- **Addressing double claiming requires action by CORSIA and UNFCCC**
- **Diversity of NDCs and Cancun pledges poses a practical challenges for application of adjustments**

Thank you for your attention!

Relevant publications:

- [Supply and sustainability of carbon offsets and alternative fuels for international aviation](https://www.sei-international.org/mediamanager/documents/Publications/Climate/SEI-WP-2016-03-ICAO-aviation-offsets-biofuels.pdf)
<https://www.sei-international.org/mediamanager/documents/Publications/Climate/SEI-WP-2016-03-ICAO-aviation-offsets-biofuels.pdf>
- [Robust Accounting of International Transfers under Article 6 of the Paris Agreement - Preliminary Findings](https://www.dehst.de/SharedDocs/Downloads/EN/JI-CDM/Robust_accounting_paris_agreement_discussion_paper.pdf;jsessionid=874EAE1E5B6FDB9A6581493F2F11C760.2_cid284?__blob=publicationFile)
https://www.dehst.de/SharedDocs/Downloads/EN/JI-CDM/Robust_accounting_paris_agreement_discussion_paper.pdf;jsessionid=874EAE1E5B6FDB9A6581493F2F11C760.2_cid284?__blob=publicationFile
- [Categorization of INDCs in the light of Article 6 of the Paris Agreement](https://www.dehst.de/SharedDocs/Downloads/EN/JI-CDM/Categorization_of_INDCs_Paris_agreement_discussion_paper.pdf;jsessionid=874EAE1E5B6FDB9A6581493F2F11C760.2_cid284?__blob=publicationFile)
https://www.dehst.de/SharedDocs/Downloads/EN/JI-CDM/Categorization_of_INDCs_Paris_agreement_discussion_paper.pdf;jsessionid=874EAE1E5B6FDB9A6581493F2F11C760.2_cid284?__blob=publicationFile
- [Single-year mitigation targets: Uncharted territory for emissions trading and unit transfers](http://www.sei-international.org/publications?pid=2487)
<http://www.sei-international.org/publications?pid=2487>
- [Addressing double counting of emission reductions under UNFCCC](http://www.sei-international.org/publications?pid=24796)
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