

Session 1: Institutional and governance framework for the implementation of Article 6

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Simon Fellermeyer



Big picture: Swiss NDC and Article 6

- Switzerland's NDC:
 - Minus 50 percent GHG emissions in 2030 relative to 1990
 - Minus 35 percent over NDC period 2021-2030
 - NDC achievement partly through use of Article 6.
- NDC implementation through national legislation, Swiss CO₂
 Act and ordinance (pending)
 - Various domestic instruments: CO₂ levy, Emissions Trading System etc.
 - Article 6: Offset obligation on importers of fossil motor fuels (partly in Switzerland and abroad)
 - → implementation through Art. 6.2



Switzerland's bilateral agreements

- Need for bilateral agreements between Switzerland and partner country to set framework for activities by private actors
- Core of a bilateral agreement:
 - Authorization process for activities -> investment security
 - Clarify requirements and steps: criteria for environmental integrity, double counting, verification, human rights, sustainable development, infrastructure
 - Commitments by countries once authorization is issued: reporting, corresponding adjustment
- Specific guidelines that inform decisions under the bilateral agreement are set at the respective national level (Swiss CO₂ law and ordinance and partner country)



Switzerland's bilateral agreements

- Switzerland started discussions on bilateral agreements in 2018
 - No detailed Art. 6 guidance available → bilateral agreement necessary to clarify cooperation
 - Going forward: reference relevant CMA guidance, + add additional criteria, as applicable
- Agreements signed: Peru, Ghana, Senegal, Georgia, Vanuatu, Dominica; expecting more in 2022/2023;
 - Implementation of Art. 6.4 mechanism

Quantity Authorization

- Bilateral agreements set framework, real cooperation starts with authorization of activities
 - Once both countries support a proposed activity that will happen in the host country, they authorize it (see para. 18(g) 6.2 guidance)
 - Authorizations foreseen unilaterally by each Party (no joint committee), but likely in a coordinated manner
 - Establishment of the national procedures in Switzerland and partner countries may take time (relationship to NDC, technical and process questions)
- Federal Office for the Environment lead agency for authorizations in close cooperation with relevant ministries



National framework preparations

- CMA Art. 6.2 guidance is implemented and elaborated on through Swiss CO₂ law and ordinance (work in process) and bilateral agreements:
 - Environmental integrity criteria for authorizations of activities (white/black list)
 - Double counting avoidance
 - Sustainable development contributions
 - Validation, monitoring, verfication requirements
 - Registration and issuance in Swiss Emissions Trading Registry
- Coordinate specific process requirements with partner countries

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