

Katowice Declaration on Sound Carbon Accounting: Avoiding Double Counting in Carbon Markets

We recognize the important role that well-designed carbon markets can play in enhancing mitigation ambition, whether that ambition is undertaken by Parties to the UNFCCC, the Kyoto Protocol, the Paris Agreement, or by companies and communities in response to local, national and international compliance obligations and with voluntary targets.

We highlight the ICAO Assembly's recognition in 2016 that "work related to a global MBM scheme for international aviation and its implementation will contribute to the achievement of the goals set out in the Paris Agreement"¹, and we are following closely the work done to date on ICAO's Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

We welcome the on-going efforts of non-state actors to combat climate change, especially through participation in carbon markets, and emphasize our shared understanding that the participants in these respective efforts will strive to ensure that their efforts are mutually reinforcing.

In this context, **we, the undersigned, reiterate our commitment to environmental integrity, transparency and the avoidance of double counting of mitigation toward the achievement of the Paris Agreement temperature goals in all its forms.** This includes the use of mitigation, whether transferred internationally for use by a country, or to an airline for use toward compliance under CORSIA.

To that end, we support an international accounting standard whereby, when tonnes of mitigation are transferred for use either toward NDCs, or toward compliance with obligations (including CORSIA) that do not contribute to NDC achievement, the national emissions balance of the host country is increased by the amount equal to the tonnes of mitigation transferred².

We urge Parties to the Paris Agreement to deliver clear accounting guidance at COP25 in Madrid, Spain, for the application of corresponding adjustments in their emissions balance to avoid double counting. This guidance is critical, including for private actors engaging in the transfer of emission reductions, to promote certainty that emissions reductions will not be used more than once for compliance purposes, to reduce financial and reputational risk associated with double counting of such reductions and to increase confidence in the integrity of the carbon markets.

We further affirm our interest in continuing to work together to ensure transparency and consistency in the use of markets under these instruments. We call upon all Parties and international organizations to apply accounting and transparency frameworks as early as possible, and offer our willingness to engage in order to support the early implementation of these frameworks. We also urge all Parties to expand the coverage of their nationally determined contributions, thus strengthening ambition to help meet the goals of the Paris Agreement.

We encourage Parties, ICAO Member States, companies and communities to support and apply these measures, with the ultimate aim of strengthening action under the UNFCCC and ICAO to avert dangerous interference in the climate system, including holding the increase in the global average temperature to well below 2°C above pre- industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

¹ https://www.icao.int/environmental-protection/Documents/Resolution_A39_3.pdf

² Signatories have different nuances in their specific views on corresponding adjustments. For more details please refer to each signatory's position

This Declaration is supported by the following:



