



Forest Carbon Partnership Facility

REDD+ Data Management Systems and Registries

Update on Work Program

Sixteenth Meeting of the Carbon Fund (CF16)

Paris, France

June 19-22, 2017

Carbon Fund Methodological Framework: Data Management Systems and Registries

- **Criteria 37 & 38**

- Recording and accounting of GHG emissions reductions (ERs) supported by data management systems AND transaction registries



Data Management System

- Track emission reductions to specific REDD+ projects/programs
- Record REDD+ project/program information such as location, reference level, MRV, benefit sharing, safeguard standards and tenure information.

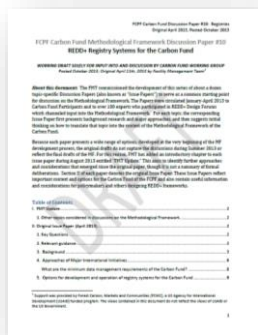
Transaction Registry

- Issue carbon units with unique serial numbers
- Allow carbon units to be transferred internally between account holders, or externally to another transaction registry

- Countries may develop their own Data Management Systems and transaction registries, or use centralized systems managed by third parties (37.1; 38.1)
- Roles, responsibilities, and rules for systems administration and operations are defined and documented (37.4; 38.4).
- The World Bank's Carbon Asset Registry Systems (CARS) could serve as a centralized registry system for the Carbon Fund, but other options will be considered

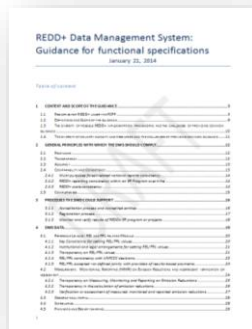
FCPF Work Program on Data Management Systems and Registries

2013-2014



Discussion Paper #10 REDD+ Registry Systems for the Carbon Fund

REDD+ Data Management System: Guidance for Functional Specifications



2015-2016

Emissions Trading Registries: Guidance on Regulation, Development and Administration (Oct. 2016)



Analysis on Transaction Registries for REDD+ (Apr. 2016)



2017-2018

FOCUS ON IMPLEMENTATION
Discussion on next steps at CF16 (June 2017)

ANALYSIS

READINESS

IMPLEMENTATION

PMR/FCPF Guidance Report on Transaction Registries: Key Issues

Providing policy makers with guidance on three key questions

1. What type of registry systems would be the most suitable for my country?
2. What legal and administrative arrangements need to be put in place?
3. What resources are required for implementation?



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PMR/FCPF Guidance Report on Transaction Registries: Scope

Report's "how-to" insights

- I. Registries: Introduction and Design Options
- II. Legal Framework
- III. Institutional Framework and Registry Administration
- IV. IT System Procurement and Development
- V. Registry Requirements for Emerging Market Mechanisms: The Example of REDD+ [Presentation \(CF14, June 2016\)](#)



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PMR/FCPF Guidance Report on Transaction Registries: Key Messages

- **TRANSACTION REGISTRIES ARE SIMPLY A TOOL TO MANAGE DATA**
- **TRANSACTION REGISTRIES NEED ONLY BE AS SOPHISTICATED AS THE RELATIONSHIPS AND EXCHANGES MANDATED BY A POLICY**

Scenario 1. *A country receives results-based finance for national REDD+ with no issuance and transfer of carbon units, no project or regional level programs, a simple metric for risk management*

- ✓ DMS with limited functionality suffices and raises few legal, administrative or technical challenges
- ✓ Transitioning from DMS to transaction registry allowing for international transfer of carbon units represents limited additional challenges

Scenario 2. *A country wishes to transfer carbon units internationally, allows forest carbon units to be traded within a domestic emissions trading system and to be held by intermediaries, with units generated at the project and jurisdictional level*

- ✓ More complicated registry required, with significant administrative capacity to establish and maintain

PMR/FCPF Guidance Report on Transaction Registries: Dissemination and Use

Wide dissemination and significant traction

- UNFCCC Registry Administrator Forum – Bonn, Sep. 2016
- PMR Workshop on Post-2020 Accounting and Implications for Registries – Hanoi, Oct. 2016
- Steering Group Meeting of ICAO Committee on Aviation Environmental Protection (CAEP) – Washington DC, Dec. 2016
- Internal World Bank Seminar on Building Registries – Washington DC, Feb. 2017

A reference for dialogue and action on market infrastructure for emerging mechanisms

- ICAO Global Market-based measures Technical Task Force (GMTF)
- Countries supported by PMR (e.g. India, Costa Rica) and FCPF (e.g. DRC, Congo)
- To be continued...

Next Steps on Registry Work: Focus on Implementation

Carbon Fund Methodological Framework (crit. 38)

SURVEY
each CF participant
on preferred option

July-Oct. 2017

CENTRALIZED REGISTRY

- Design infrastructure
- Perform technical, legal and financial analyses
- Develop or procure centralized registry

July 2017- Dec. 2018

Discuss issues around international accounting (adjustments, tracking, reporting etc.) and REDD frameworks (FCPF, Paris Agreement, others) and find practical solutions for registries to deal with them...

COUNTRY REGISTRIES

- Develop a System Blueprint:
 - *Needs Analysis*
 - *Functional Specifications*
 - *Technical Specification*
- Road-test Blueprint with few countries

July 2017- June 2018

Next Steps on Registry Work: Focus on Implementation

- Do CFPs and REDD Countries support research by the FMT into the costs and timeframe for the development of a centralized generic transaction registry for possible use by REDD Countries?
- If significant additional budget is required in FY18 for actual development of the central registry, the FMT will revert to the PC for approval



THANK YOU!

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