

# Article 6 of the Paris Agreement



## Article 6.2 decision

<i>Chapter</i>	<i>Key Details</i>
Ambition in mitigation and adaptation actions	<ul style="list-style-type: none"><li>• Strong encouragement to commit to contribute resources for adaptation towards AF, shall reporting..;</li><li>• Strong encouraged to cancel ITMOs that are not counted towards any Party's NDC or for OIMP</li></ul>
Description of what ITMO's are	<ul style="list-style-type: none"><li>• Real, verifiable, additional, measured in tco2e or other non-GHG consistent with participating party, mitigation after 2021; Authorized and A.6.4 units transferred internationally.</li></ul>
What a First transfer is	<ul style="list-style-type: none"><li>• Authorized for NDC - the first international transfer of the mitigation outcome</li><li>• Authorized for OIMP- Authorization, or Issuance, or the use or cancellation of the MO specify by part party</li></ul>
Participation responsibilities	<ul style="list-style-type: none"><li>• Party to PA; Arrangements for Authorizing and track ITMOs; submitted NIR; NDC etc... LEDs etc</li></ul>
Account methods (use for NDC and OIMP) ADD/SUB	<ul style="list-style-type: none"><li>• Single year NDC (Emission trajectory, Averaging)</li><li>• Multi year NDC (Emission trajectory)</li><li>• Non-GHG ITMOs ; Policy based NDCs</li><li>• CA to both covered and not covered under NDC</li></ul>



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## Article 6.2 decision

### Chapter

### Key Details

Safeguards and limits

- Does not lead to a net increase in emissions within and between NDC implementation periods
- Ensure TACCC in tracking progress in implementation and achievement of its NDC

Reporting (What, how and when....)

- Initial report – No later than the authorization of ITMOs or in conjunction with BTR
- Annual report – 15 April of previous year
- Regular information – Annex to BTR by end of 31<sup>st</sup> Dec of relevant year

A.6 expert review (Who, What , when and how)

- Desk/ centralized review ;
- The Article 6 technical expert review team shall forward its reports for consideration by the technical expert review ETF.

Infrastructure to record & track

- International registry – What information to record, who can open a/c, who operates?, where it parts with ??
- A.6 database : Record and compile the information submitted; who operates?, where it integrate with ??
- CARP : Transparency and to support review, who manages it, what information are published and prepare annual report by sec...



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## Implementation of A.6.2 in 2022 (through the work of SBSTA)

<b>Substantive aspects</b>	<b>Outcomes (further guidance)</b>
<b>ITMOs</b>	Inclusion of 'avoidance'
<b>Accounting rules</b>	LDCs/SIDS circumstances Corr. adjustments
<b>Reporting</b>	Tables and Outlines
<b>Review</b>	Guidelines
<b>Infrastructure</b>	Recommendations for implementation



## Article 6.4 decision

Topic	Key details
<b>Operational decisions</b>	<ul style="list-style-type: none"><li>• Establishment of the Supervisory Body, its functions, rules of procedure</li><li>• Participation responsibilities</li><li>• Roles for host parties (more than in CDM) – authorization, determination of the crediting periods, etc.</li><li>• Project activity cycle (specific baseline approaches, validation, registration, monitoring, issuance, grievance processes).</li></ul>
<b>Accounting for A6.4ERs</b>	<ul style="list-style-type: none"><li>• The Host Party can authorize the A6.4ERs in which case they are ITMOs (when internationally transferred) and the Party will do a corresponding adjustment for them. The authorization can be for:<ul style="list-style-type: none"><li>• Use towards NDC</li><li>• Use towards international mitigation purposes</li><li>• Other purposes (that it specifies)</li></ul>and those A6.4ERs are identified in a certain way</li><li>• Non-authorized A6.4ERs cannot be used for the above purposes but may have other value/use and are differently identified</li></ul>



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## Article 6.4 decision

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Topic	Key details
<b>Share of proceeds adaptation and administration</b>	<ul style="list-style-type: none"><li>• Administration – monetary (tbd)</li><li>• Adaptation - 5 percent (with corresponding adjustment), and allocation of excess administration share to the Adaptation Fund (tbd)</li></ul>
<b>Overall mitigation in global emissions</b>	<ul style="list-style-type: none"><li>• 2 percent mandatory cancellation plus any voluntary cancellation (with corresponding adjustment)</li></ul>
<b>Baselines and additionality</b>	<ul style="list-style-type: none"><li>• Ambitious with numerous guiding “principles” and rules focused on best available technology – with recognition not all activity types can operate at that level</li></ul>



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## Transition of CDM activities to Article 6.4 mechanism

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- Registered CDM project activities/PoAs and those with provisional status under the temporary measures may transition to the 6.4 mechanism, subject to:
  - a) PP submit a request to the secretariat/DNA - by no later 31 December 2023;
  - b) The approval of transition being sent by DNA to A.6.4 SB no later than 31 December 2025;
  - c) Compliance with the relevant requirements of the A.6.4 RMP and decisions by CMA;
  - d) The activity may continue to apply its current approved CDM methodology until the earlier of the end of its current crediting period or 31 December 2025, after which need to apply A.6.4 methodology;
  - e) Small-scale CDM project activities/PoAs undergo an expedited transition process



## Transition of CERs

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- CERs may be used towards NDCs, provided:
  - a) The CDM project activity/PoA was registered on or after 1 January 2013;
  - b) The CERs shall be transferred to and held in the 6.4 mechanism registry and identified as pre-2021 emission reductions;
  - c) The CERs may be used towards achievement of the first NDC only;<sup>\*</sup>
  - d) The CDM host Party shall not be required to apply a corresponding adjustment, nor subjected to the SOP as per 6.4 requirements;
  - e) tCERs and ICERs (from A/R activities) shall not be used.
  
- \* CERs not meeting the conditions in a–d above may only be used for achievement of an NDC in accordance with a future decision of the CMA





## Implementation of 6.4 RMP (through work of SBSTA)

<b>Substantive aspects</b>	<b>Outcomes (further guidance)</b>
<b>Roles of host Party</b>	<ul style="list-style-type: none"> <li>• Elaboration and application of national arrangements for the mechanism under the approval and supervision of the Supervisory Body</li> </ul>
<b>Scope of activity</b>	<ul style="list-style-type: none"> <li>• Consideration of additional scope of activities as avoidance</li> </ul>
<b>Process implementation</b>	<ul style="list-style-type: none"> <li>• Mechanism registry</li> <li>• Share of proceeds</li> <li>• Overall Mitigation of global emissions</li> </ul>
	<ul style="list-style-type: none"> <li>• Transition of activities</li> </ul>
	<ul style="list-style-type: none"> <li>• Use of CERs towards first or first updated nationally determined contributions</li> </ul>
<b>Reporting</b>	<ul style="list-style-type: none"> <li>• Reporting by host Parties on their Article 6, paragraph 4, activities</li> </ul>



## Mandates related to article 6.4 RMP (through A.6.4 SB)

<b>Substantive aspects</b>	<b>Outcomes (further decisions at CMA)</b>
<b>Rules of procedure for the Supervisory Body</b>	<ul style="list-style-type: none"><li>• RoP and to operate and hold meetings based on the annex pending any further guidance</li></ul>
<b>SOP for administration</b>	<ul style="list-style-type: none"><li>• Appropriate levels including to enable a periodic contribution to the SOP for adaptation for the Adaptation Fund</li></ul>
<b>Methodology procedures 6.4</b>	<ul style="list-style-type: none"><li>• The application of the requirements in the methodologies</li></ul>
<b>Elaboration for removal activities 6.4</b>	<ul style="list-style-type: none"><li>• Appropriate MRV provision, addressing reversals, avoidance of leakage, and avoidance of other negative environmental and social impacts</li></ul>



## Article 6.8 decision

Topic	Key details
<b>Governance</b>	<ul style="list-style-type: none"><li>• Glasgow Committee on non-market approaches convened and guided by the SBSTA Chair, operating in-session and open to all Parties (as per contact group procedures)</li><li>• Committee to develop a schedule for implementation by 2022</li><li>• The SBSTA will recommend, the need of a new institutional arrangements that supersede the GC in 2027.</li></ul>
<b>Focus areas</b>	<ul style="list-style-type: none"><li>• Initial areas established: mitigation, adaptation, clean energy</li></ul>
<b>Modalities</b>	<ul style="list-style-type: none"><li>• Workshops, technical papers, other engagement opportunities</li></ul>
<b>Activities</b>	<ul style="list-style-type: none"><li>• Identifying measures for enhancing existing linkages, creating synergies and facilitating coordination and implementation of NMAs</li><li>• Implementing the identified measures</li></ul>



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## So... what now? – Article 6.8

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- Future work could be considered in two tracks:
  - 1) **Undertaking the work-programme** for initial focus areas
    - Workshops, technical papers, information exchanges etc
    - Guided by the SBSTA Chair and GC-NMA
  - 2) **Further refining** the work-programme
    - Elaboration of focus areas and modalities of work
- Submissions by 28 February 2022 – technical paper by secretariat
- Review in 2026



## Capacity building under A6.2 and A6.4

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### Article 6.2 Capacity-building programme including through RCCs in consultation with parties

- a) Support the development of institutional arrangements, including reporting
- b) Help Parties ensure that co- op approaches support ambition;
- c) Assist the LDC and SIDs in meeting the participation requirements.

### Article 6.4 – Capacity building programme including RCC in consultation with 6.4 SB and parties

- a) Establish the necessary institutional arrangements to implement the requirements;
- b) Develop the technical capacity to design and set baselines for application in host Parties;
- c) Capacity-building in developing countries to apply the Article 6.4 mechanism, and support for the transition – CMP mandate



## Action by the Board

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- Members may wish to seek additional clarifications as needed
- The Board may wish to take note of the outcomes of the sessional period held in Glasgow

