



Article 6.2 and 6.4 workshop (October 2024)

# Authorisation – timing and changes/revocation

# Mandate

## 6.CMA/4

17(b) - The process of authorization pursuant to decision 2/CMA.3, annex, paragraphs 2, 18(g) and 21(c), notably the **scope of changes to** authorization of internationally transferred mitigation outcomes [(ITMOs)] towards use(s), and the **process for managing them** and for authorization of entities and cooperative approaches with a view to ensuring transparency and consistency;

## 7.CMA/4

9(c) - Provision of a statement by the host Party to the Supervisory Body specifying whether it authorizes Article 6, paragraph 4, emission reductions issued for an Article 6, paragraph 4, activity for use towards achievement of nationally determined contributions and/or for other international mitigation purposes, as defined in decision 2/CMA.3, in accordance with paragraph 42 of the rules, modalities and procedures, including its timing, relevant information on the authorization and **any revisions**;

## Relevant decision text – 2.CMA/3 (Annex IV.C)

21(c) - Authorizations and information on its authorization(s) of use of ITMOs towards achievement of NDCs and authorization for use for other international mitigation purposes, including **any changes to earlier authorizations**, pursuant to Article 6, paragraph 3;

21(e) - How it has **ensured that ITMOs** that have been used towards achievement of its **NDC** or mitigation outcome(s) authorized for use and that have been used for other international mitigation purposes [(OIMP)] **will not be further transferred, further cancelled or otherwise used.**



## UK principles

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1. Eliminate double counting risks in reporting
2. Minimise uncertainty for market and Party participants
3. Avoid ramifications with respect to SoP and OMGE interactions
4. Simplify and minimise ambiguities in process



## Proposed COP28 text (6.2 and 6.4 cross-reference)

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12. Decides that any changes to an authorization of a cooperative approach **should** not apply to or affect internationally transferred mitigation outcomes that have already been first transferred, unless otherwise agreed and made publicly available by the participating Parties in a cooperative approach or by a participating Party under **extreme circumstances**;

# SB60 – 6.2 draft “changes” text options

Option	Objective
1	“ <i>Shall</i> ” be <b>no changes</b> to ITMO authorisation status.
2	Changes allowed - but <b>not after first transfer</b> .
3	Changes allowed - but <b>not after first transfer; unless mutually agreed, made public</b> and Parties ensure <b>double counting is avoided</b> .
4	Variant of option 3. Differences: (i) [ <b><i>should</i></b> ] v.s. [ <b><i>shall</i></b> ] options. (ii) Additionally - one party <b>can unilaterally withdraw authorisation in “extreme circumstances”</b> .
5	Changes allowed – but “ <b><i>should</i></b> ” not occur after first transfer; <b>unless agreed</b> and there is a <b>process to manage them</b> ; and “ <b>extreme circumstances</b> ” <b>examples</b> are cited.
6	No restrictions imposed – <b>changes allowed</b> at any time.
7	<b>Defer</b> the decision to 2028 review.
8	<b>No text.</b>

# SB60 – 6.4 draft “changes” text options

Option	Objective
1	“ <i>Shall</i> ” be no changes once 6.4ERs issued.
2 (with D)	Changes allowed but <b>not after first transfer nor before any mechanism registry transactions occur. Corresponding adjustments applied</b> to ERs forwarded for SoP/cancelled for OMGE. <b>6.4 SB to develop process</b> to implement this, and <b>SoP comprised of authorised 6.4ERs</b> (not MC6.4ERs) – [adopt]/[report back] to CMA in 2025.
3	Changes allowed <b>only up to and including the time of transaction.</b> <b>Corresponding adjustments applied</b> to ERs that have already been forwarded for SoP/cancelled for OMGE.
4	Changes <b>allowed post-issuance if MC6.4ERs are held in the pending account.</b>
5	<b>All types of 6.4ERs forwarded for SoP/cancelled for OMGE – shall be authorised</b> and correspondingly adjusted.
6	The approach is <b>consistent with eventual 6.2 text.</b>
7	<b>Defer</b> the decision to 2028 review.
8	No restrictions – <b>changes allowed</b> any time.
9	<b>No text.</b>



# Way forward?