ARTICLE 6.4 MECHANISM

A6.4-SBM018-A14

Information note

Elements related to non-permanence and reversals for inclusion in relevant regulatory documents

Version 01.0

United Nations
Framework Convention on
Climate Change

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1. Background

1. The Supervisory Body, at its eighteenth meeting, agreed on the “Elements for inclusion in relevant regulatory documents”, as contained in annex 14 to the meeting report and included in Appendix 2 of annex 3 of the MEP 008 meeting report, subject to technical edits relating to the effecting of the first transfer, noting how post-crediting monitoring periods durations would need to be based on sound science for each individual methodology.

2. The Supervisory Body requested the secretariat, in consultation with the MEP, to incorporate these elements into a draft revision of the “Standard: Article 6.4 activity standard for projects” (A6.4-STAN-AC-002), the “Procedure: Article 6.4 activity cycle procedure for projects” (A6.4-PROC-AC-002), the “Procedure: Article 6.4 mechanism registry” (A6.4-PROC-REGS-001), and the “Standard: validation and verification standard for projects (A6.4-STAN-AC-003)” for consideration by the Supervisory Body at a future meeting.

2. Introduction

3. The Appendix of this document sets out requirements that are directed to activity participants and designated operational entities (DOEs). The elements in the Appendix shall be included, as applicable, in the:

   (a) “Standard: Article 6.4 activity standard for projects” (A6.4-STAN-AC-002);[1]

   (b) “Procedure: Article 6.4 activity cycle procedure for projects” (A6.4-PROC-AC-002);[2]

   (c) “Procedure: Article 6.4 mechanism registry” (A6.4-PROC-REGS-001);[3] and/or

   (d) “Standard: Article 6.4 validation and verification standard for projects” (A6.4-STAN-AC-003).[4]

[1] See https://unfccc.int/sites/default/files/resource/A6.4-STAN-AC-002.pdf.

[2] See https://unfccc.int/sites/default/files/resource/A6.4-PROC-AC-002.pdf.

[3] See https://unfccc.int/sites/default/files/resource/A6.4-PROC-REGS-001.pdf.

[4] See https://unfccc.int/sites/default/files/resource/A6.4-STAN-AC-003.pdf.

Appendix. Elements for inclusion in relevant regulatory documents

1. Introduction

1. This Appendix sets out requirements that are directed to activity participants and DOEs. The elements in this Appendix shall be included, as applicable, in the:

   (a) "Standard: Article 6.4 activity standard for projects" (A6.4-STAN-AC-002);[1]

   (b) "Procedure: Article 6.4 activity cycle procedure for projects" (A6.4-PROC-AC-002);[2]

   (c) "Procedure: Article 6.4 mechanism registry" (A6.4-PROC-REGS-001);[3] and/or

   (d) "Standard: Article 6.4 validation and verification standard for projects" (A6.4-STAN-AC-003).[4]

2. Reversal-related notifications and reports

2.1. Overview of reversal-related notifications and reports

2. This section establishes requirements in relation to the following types of notifications and reports:

   (a) Notifications of observed event: The purpose of this notification is to inform the Supervisory Body about an observed event;

   (b) Preliminary assessment report: The purpose of this report is to determine whether an observed event has resulted in a reversal;

   (c) Annual reversal report: The purpose of this report is to indicate whether, at any point in the previous calendar year, any observed events occurred or, if none occurred, to document that outcome;

   (d) Monitoring report: During the crediting periods of an Article 6.4 activity, the purpose of this report is to quantify emission reductions and/or net removals for issuing Article 6, paragraph 4, emission reductions (A6.4ERs) or to quantify any reversals. For these periods, the provisions on monitoring reports in this document complement provisions on monitoring reports in other regulatory documents by elements that are relevant to activities that are subject to risks of reversals. During the post-crediting monitoring period, the purpose of this report is to demonstrate that no reversal has occurred or, if reversals have occurred, to quantify the amount of reversals.

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[1] See https://unfccc.int/sites/default/files/resource/A6.4-STAN-AC-002.pdf.

[2] See https://unfccc.int/sites/default/files/resource/A6.4-PROC-AC-002.pdf.

[3] See https://unfccc.int/sites/default/files/resource/A6.4-PROC-REGS-001.pdf.

[4] See https://unfccc.int/sites/default/files/resource/A6.4-STAN-AC-003.pdf.

Table 1. Summary of reversal-related reporting requirements

Requirement	Purpose	Timing of submission	Whether verification is required
Notification	Inform the Supervisory Body of a potential reversal	Within 30 days of the end of an observed event	No
Preliminary assessment report	Determine whether a reversal has occurred	Within 90 days of the end of an observed event	Yes, but only if the preliminary assessment report concludes that a reversal has not occurred
Monitoring report	Quantify amount and classify the type of reversal	Within 365 days of the end of an observed event	Yes
Annual reversal report	Ensure regular communication with activity participants	Annually, due 31 March each year	Yes, and verification can be done ex post as part of the verification of a monitoring report

2.2. Observed events that could lead to a reversal

3. Activity participants shall notify the secretariat of any observed event involving the release of stored greenhouse gases that could potentially lead to a reversal within 30 days of becoming aware of the observed event. This notification shall include:

(a) A description of the observed event;

(b) The date(s) of the occurrence of the observed event, including a statement indicating whether the event is ongoing at the time of notification;

(c) The location of the event; and

(d) Any additional information as required by the mechanism methodology.

4. If the secretariat becomes aware of a potential reversal event affecting an Article 6.4 activity, but has not received a notification from the activity participants pursuant to paragraph 3 above, the secretariat shall notify the activity participants of its understanding and request that, within 30 days, the activity participants either provide a notification pursuant to paragraph 3 above or an explanation of why no such notification is required. All notifications and explanations provided under this paragraph shall be made publicly available.

5. When the secretariat receives a notification pursuant to paragraph 3 or 4 above, the secretariat shall suspend the activity-specific registry operations of issuance, transfer, cancellation, and retirement of A6.4ERs, except for transfers of A6.4ERs to the reversal risk buffer pool account. The same registry operations shall be reinstated when an activity participant satisfies the requirements of paragraphs 8 or 11 below, as applicable.

6. In the event of notification to the secretariat pursuant to paragraph 3 or 4 above, activity participants shall prepare a preliminary assessment report to determine whether the

observed event has resulted in a reversal and submit the preliminary assessment report to the secretariat. The preliminary assessment report shall include:

(a) A description of the activities and methods used to monitor for potential reversals;

(b) A determination of whether a reversal has occurred; and

(c) The data collected to inform the preliminary assessment report's conclusions, including remote sensing data where applicable. Activity participants may elect to summarize the applicable data in the preliminary assessment report, provided that the complete data are made available to the Supervisory Body as part of the preliminary assessment report's submission.

7. Preliminary assessment reports shall be submitted to the secretariat within 90 days of the end of the observed event.

8. When a preliminary assessment report concludes, on the basis of transparent and verifiable evidence, that a reversal has not occurred, it shall be verified and submitted through a DOE. After conducting a completeness check, the secretariat shall forward the preliminary assessment report to the Supervisory Body along with a recommendation on whether the Supervisory Body should approve it:

(a) If the Supervisory Body approves a preliminary assessment report that concludes a reversal has not occurred, it shall notify the activity participants of such approval and shall instruct the mechanism registry administrator to resume the registry operations suspended by operation of paragraph 5;

(b) If the Supervisory Body does not approve a preliminary assessment report, the activity participant shall follow the requirements of paragraph 10 below.

9. When a preliminary assessment report concludes that a reversal has occurred, it shall not be verified and shall be submitted directly by an activity participant. In this case, the preliminary assessment report shall serve only as notice that a monitoring report is required, and no further actions are required from the secretariat or Supervisory Body.

10. If the Supervisory Body does not approve the preliminary assessment report, or if the preliminary assessment report concludes that a reversal has occurred, the activity participant shall submit, through the DOE, a verified monitoring report to the Supervisory Body within 365 calendar days of the end of the observed event. The verified monitoring report shall:

(a) Include a description of the monitoring activities and methods used;

(b) Identify the location of the event in the form of Keyhole Markup Language files or similar formats as one or more polygon(s) or by specifying the coordinates of the geographic boundary using a known coordinate system;

(c) Quantify the amount of the reversal by using the upper bound of the uncertainty interval at a 90 per cent confidence level, with a description of how the amount was quantified;

(d) Include data, records, and logs related to the observed event of greenhouse gas release. If the data set is too large, a summary of the data and an indication of how the full data set can be accessed may be provided in the monitoring report;

(e) Classify the reversals as being avoidable, unavoidable, or partially avoidable and partially unavoidable. In cases where the reversals are partially avoidable and partially unavoidable, the monitoring report shall quantify the amount of avoidable reversals and the amount of unavoidable reversals, with the sum equal to the amount of the total reversals;

(f) Review the activity's reversal risk assessment and, if necessary, revise the percentage contribution the activity makes to the reversal risk buffer pool account; and

(g) Review the Article 6.4 activity's compliance with the requirements of the sustainable development tool, including by taking into account any negative environmental or social impacts caused by the reversal and developing or updating plans to prevent the recurrence of reversal-related negative environmental and social impacts.

11. Upon the Supervisory Body's determination that a verified monitoring report submitted pursuant to paragraph 10 above has correctly quantified the magnitude of the reversal and characterized the type of reversal the following actions shall be taken:

(a) The secretariat shall take the actions described in section 5.1 of this Appendix to address the avoidable and/or unavoidable reversals identified in the verified monitoring report;

(b) The activity participant shall take the actions described in section 5.2 of this Appendix to address the avoidable reversals identified, if any, in the verified monitoring report; and

(c) Following the satisfactory completion of the actions described in subparagraphs (a) and (b) as applicable, the secretariat shall reinstate all registry operations that were previously suspended by operation of paragraph 5 above.

2.3. Annual reversal report

12. Activity participants shall submit to the secretariat, by 31 March each year, an annual reversal report that indicates whether, at any point in the previous calendar year, any observed events involving the release of stored greenhouse gases that could potentially have led to a reversal.

13. Annual reversal reports shall be prepared following any guidance provided in the applicable mechanism methodology regarding the appropriate data and methods for determining whether any such observed event has occurred.

14. If an annual reversal report indicates the presence of any such observed events, it shall identify and list them along with the corresponding notification(s) provided to the secretariat pursuant to paragraphs 3 or 4 above.

15. If the annual reversal report indicates the absence of any such observed event, it shall state the basis for this conclusion.

16. Annual reversal reports shall be verified either:

(a) Prior to their submission to the secretariat; or

(b) Retroactively as part of the verification of monitoring reports, such that the verification of a monitoring report also covers all previously unverified annual reversal reports that pertain to the time period covered by the verified monitoring report.

3. Late, incomplete or missing report submissions

17. Monitoring reports, preliminary assessment reports, and annual reversal reports shall be submitted to the Supervisory Body on or before their respective deadlines.

18. Activity participants may make a request to extend a deadline by submitting a request to the Supervisory Body through the secretariat. The secretariat shall review any request and take the following actions:

(a) When a request is made because the activity participant's process for DOE contracting evidence the unavailability of DOEs or because of force majeure, the secretariat shall automatically approve a single, 90 day extension of the applicable deadline; and

(b) For all other requests, including requests for extensions beyond those granted under subparagraph (a), the secretariat shall recommend that the Supervisory Body grant the extension for any request that is justified with appropriate evidence or deny the request;

(c) All requests and grants of extension or denials of requests shall be made publicly available.

19. The Supervisory Body may develop additional guidance and consequences to address matters not elaborated here, including to address any patterns of late, incomplete or missing submissions that may arise in practice.

3.1. Late report submissions

20. A monitoring report, preliminary assessment report, or annual reversal report that is not submitted on or before its deadline shall be designated as late.

21. Whenever a monitoring report, preliminary assessment report, or annual reversal report has been designated as late, the secretariat shall provide an automated electronic notice to activity participants that the monitoring report, preliminary assessment report, or annual reversal report has not been received on time and has therefore been designated as late.

22. Whenever a monitoring report has been designated as late, the secretariat shall suspend the activity-specific registry operations of issuance, transfer, cancellation and retirement of A6.4ERs, except for transfers of A6.4ERs to the reversal risk buffer pool account. If an activity participant submits a late monitoring report before it is designated as missing pursuant to paragraph 32 below, the secretariat shall reinstate all registry operations that were previously suspended by operation of this paragraph.

23. Whenever an annual reversal report has been designated as late and it has not been submitted within 30 calendar days since the notification referenced in paragraph 21 above, the secretariat shall suspend the activity-specific registry operations of issuance, transfer, cancellation and retirement, except for transfers of A6.4ERs to the reversal risk buffer pool account. If an activity participant submits a late annual reversal report before

it is designated as missing pursuant to paragraph 34 below, the secretariat shall reinstate all registry operations that were previously suspended by operation of this paragraph.

3.2. Incomplete report submissions

24. The secretariat shall, subject to the guidance of the Supervisory Body, conduct within seven days a completeness check in accordance with the completeness check checklist for following submission types, as applicable:

(a) Monitoring report submissions;

(b) Preliminary assessment report submissions that conclude an observed event has not led to a reversal; and

(c) Annual reversal report submissions.

25. A preliminary assessment report that concludes that a reversal has occurred shall automatically be deemed to be complete. The secretariat shall not perform a completeness check for this submission type.

26. If the secretariat, during the completeness check, identifies issues of an editorial nature or consistency in the submission, it shall request by email the activity participants or the DOE, copying the activity participants, as applicable, to submit revised documents and/or information. In this case, the activity participants or the DOE, as applicable, shall submit the requested documents and/or information within seven days of receipt of the request. If the activity participants or the DOE, as applicable, does not submit the requested documents and/or information by this deadline, the secretariat shall conclude that the request submission is incomplete unless the activity participants or the DOE, as applicable, provides a justification by this deadline, consistent with the requirements of paragraph 18, for not submitting the requested documents and/or information on time. In this case, the deadline shall be extended accordingly.

27. Upon conclusion of the completeness check stage, the secretariat shall notify the activity participants or the DOE, as applicable, of the conclusion of the completeness check stage. If the submission does not meet the requirements of the completeness check, the secretariat shall also communicate the underlying reasons to the activity participants or the DOE, as applicable, and make them publicly available on the UNFCCC website. In this case, the activity participants or the DOE, as applicable, may resubmit the monitoring report, preliminary assessment report, or annual reversal report with revised documentation. The deadline for any such resubmission shall be 60 days from the date of notification.

28. Upon positive conclusion of the completeness check stage, the secretariat shall, subject to the guidance of the Supervisory Body, conduct within 21 days a substantive check in accordance with the substantive check checklist for submissions of monitoring reports, preliminary assessment reports, and annual reversal reports.

29. If the secretariat, during the substantive check, identifies issues of a substantive nature or missing basic information, it shall request by email the activity participants or the DOE, copying the activity participants, as applicable, to submit revised documents and/or information. In this case, the activity participants or the DOE, as applicable, shall submit the requested documents and/or information within 60 calendar days of receipt of the request. If the activity participants or DOE, as applicable, does not submit the requested

documents and/or information by this deadline, the secretariat shall conclude that the request submission is incomplete unless the activity participants or DOE, as applicable, provides a justification by this deadline for not submitting the requested documents and/or information on time. In this case, the deadline shall be extended accordingly.

30. Upon conclusion of the substantive check stage, the secretariat shall notify the activity participants and, where applicable, the DOE of the conclusion of the substantive check stage. If the submission does not meet the requirements of the substantive check, the secretariat shall conclude that the submission is incomplete and communicate the underlying reasons to the activity participants and, where applicable, the DOE, and make them publicly available on the UNFCCC website. In this case, the activity participants or the DOE, as applicable, may resubmit the monitoring report, preliminary assessment report, or annual reversal report with revised documentation. The deadline for any such resubmission shall be 60 days from the date of notification.

31. Any submission deadline established pursuant to paragraph 30 shall be subject to the provisions for late, incomplete and missing report submissions.

3.3. Missing report submissions

32. A monitoring report shall be considered missing if it has not been received within 180 calendar days of the date of the notice referenced in paragraph 21.

33. A preliminary assessment report shall be considered missing if it has not been received within 60 calendar days of the date of the notice referenced in paragraph 21.

34. An annual reversal report shall be considered missing if it has not been received within 90 calendar days of the date of the notice referenced in paragraph 21.

35. Whenever a monitoring report or annual reversal report is designated as missing, the Article 6.4 activity shall be deemed to have experienced avoidable reversals. The secretariat shall provide electronic notice to the activity participant and inform the activity participant that it shall mitigate the avoidable reversals following the provisions of section 5 of this document.

36. The quantity of the avoidable reversals designated in paragraph 35 shall be deemed to be equal to the total number of A6.4ERs issued with respect to the Article 6.4 activity, cumulatively from the Article 6.4 activity’s start date through the date that the monitoring report or annual reversal report is designated as missing, inclusive of the number of A6.4ERs forwarded or first transferred, as applicable, to:

    (a) The activity participants;

    (b) The reversal risk buffer pool account;[5]

    (c) The mechanism registry account held by the Adaptation Fund; and

    (d) The mechanism registry account for cancellation towards delivering overall mitigation in global emissions.

[5] A6.4ERs contributions to the reversal risk buffer pool are to be considered as ‘forwarded’ without effecting a first transfer pending a future decision by the Supervisory Body.

37. Whenever a preliminary assessment report is designated as missing, the observed event in question will be deemed to have resulted in a reversal and a monitoring report submission shall be required pursuant to the terms of paragraph 10.

38. Table 2 summarizes the consequences of late or missing report submissions, as described above.

Table 2. Summary of consequences of late or missing report submissions

Report	Consequence of late report	Timing of consequence (late)	Consequence of missing report	Timing of consequence (missing)
Preliminary assessment report	None	Not applicable	Require monitoring report	60 days after notice
Monitoring report	Registry functionality suspended	Immediate	Avoidable reversal (deemed)	180 days after notice
Annual reversal report	Registry functionality suspended	30 days after notice	Avoidable reversal (deemed)	90 days after notice

4. Post-crediting period monitoring and reporting

4.1. General obligations and duration of monitoring and reporting in the post-crediting monitoring period

39. For Article 6.4 activities that are subject to reversal risks, activity participants shall continue to monitor applicable greenhouse gas reservoirs in the post-crediting monitoring period, applying the provisions of sections 2 and 3, as applicable, to:

(a) Assess and determine whether any reversals have occurred;

(b) Quantify the amount of any such reversals; and

(c) Ensure remediation of reversals subject to the provisions of section 5.

40. The post-crediting monitoring period shall continue for a duration to be proposed in methodologies and approved by the Supervisory Body or until one of the conditions in section 4.2 below is satisfied. The post-crediting monitoring period shall start on the first day after the end of the last active crediting period.

41. Activity participants shall remain responsible for post crediting monitoring unless a third party nominated by the activity participant and approved by the Supervisory Body and host country, takes over formal responsibility to perform the post-crediting monitoring for the Article 6.4 activity.

42. Activity participants may at any time update their monitoring plan for the post-crediting monitoring period as part of a request for a post-registration change, subject to any conditions and provisions included in the mechanism methodology.

43. Activity participants shall submit, through a DOE, a monitoring report for the post-crediting monitoring period no later than the date it is due, with the due date determined according

to the minimum frequency for the submission of monitoring reports as specified in the mechanism methodology. If a monitoring report is submitted before the due date (an “early submission”), the due date for the next monitoring report shall be the date of the early submission plus the timeframe corresponding to the minimum frequency, as applicable on the date of the early submission.

4.2. Termination of monitoring and reporting in the post-crediting monitoring period

4.2.1. Remediation of potential future reversals[6]

44. Activity participants may request to terminate their monitoring and reporting obligations in the post-crediting monitoring period if they have mitigated all potential reversals for all A6.4ERs issued to the Article 6.4 activity for emission reductions and/or net removals that are subject to a risk of reversal (i.e., considering all issuances to the Article 6.4 activity from the start of the first crediting period), as referred to in section 6.3 of “Standard: Addressing non-permanence and reversals in mechanism methodologies” (A6.4-SBM18-A13), directly through the cancellation of a corresponding number of A6.4ER units from any Article 6.4 activity to a dedicated cancellation account in the mechanism registry for the purpose of remediation of future reversals. For any authorised A6.4ERs issued to the Article 6.4 activity, the cancellation shall be made using authorised A6.4ERs.

45. Once an activity participant, or approved third party guarantor or insurance provider, has cancelled A6.4ERs pursuant to paragraph 44 above, it may, through a DOE, request the Supervisory Body to terminate its monitoring and reporting obligations in the post-crediting monitoring period at any time during the post-crediting monitoring period. Within 28 days of receiving such a request, the secretariat shall determine whether it complies with paragraph 44. If the secretariat determines that the requirements of paragraph 44 have been satisfied, it shall notify the DOE and activity participants that the Article 6.4 activity is relieved of all obligations under section 4.1 and make this information available on the UNFCCC website.

46. Activities participants may submit through a DOE justified demonstration of sufficient insurance policy, or comparable guarantee products, or third-party guarantee to cover the risk that reversals occur including a plan for detecting future reversals for a minimum period which shall be assessed and considered for approval by the Supervisory Body.

47. Where the Supervisory Body has approved demonstration of sufficient insurance or guarantee in accordance with paragraph 46 above, monitoring and reporting and remediation obligations shall be transferred to the relevant third parties, insurers or guarantors without prejudice to paragraph 41.

48. Conditions and criteria for justification of the demonstration of sufficiency of coverage will be further developed by the Supervisory Body.

4.2.2. Negligible risk of reversal

49. At any time after the minimum post-crediting monitoring period defined in an activity’s mechanism methodology has elapsed, activity participants may submit, through a DOE, a request to the Supervisory Body to terminate post-crediting period monitoring and

[6] Note that additional approaches consistent with paragraph 62 of the “Standard: Requirements for activities involving removals under the Article 6.4 mechanism” may be developed in the future.

reporting, accompanied by a verification of the conditions and information required. The request shall demonstrate that:

(a) The stored greenhouse gases, or precursors of greenhouse gases, are at a negligible risk of reversal, as defined in paragraph 3 (g) of “Standard: Addressing non-permanence and reversals in mechanism methodologies” (A6.4-SBM18-A13), calculated over at least a 100 year timeframe starting from the year of submission of the request; and

(b) All conditions or criteria set in the mechanism methodology for termination of post-crediting period monitoring have been fulfilled.

50. To demonstrate negligible risk of reversal, activity participants shall:

(a) Provide evidence in the form of modelling or other methods, where relevant, about the long-term stability[7] of stored greenhouse gases, or precursors of greenhouse gases, within the applicable greenhouse gas reservoirs in the presence of all reversal risks that exist or are reasonably foreseeable based on current scientific evidence after termination of the monitoring and reporting in the post-crediting monitoring period for the Article 6.4 activity;

(b) Apply a conservative approach to ensure that the reversal risks are very unlikely to be underestimated, taking into account the overall uncertainty in their quantification;

(c) Implement conservativeness in determining the reversal risks (e.g., through conservative assumptions, parameters, discounts) based on the level of uncertainty (e.g., assuming higher risk values in case of higher uncertainties);

(d) Consider all causes of uncertainty, including uncertainty in data (e.g., measurements), parameters (e.g., representativeness of default values), assumptions (e.g., projection of the future sequence of events within the project boundary or space affected by the mitigation activity), and methods (e.g., models used in quantifying the reversal risk factors and the reversal risk rating);

(e) Use the higher or lower bound, as appropriate, of the uncertainty interval at a 95 per cent confidence level to ensure conservativeness; and

(f) Confirm the outcome of the negligible risk demonstration by sensitivity analysis. A negative outcome of the sensitivity analysis indicates that the risk of reversal cannot be classified as negligible.

51. Upon submission of a request for termination of post-crediting period monitoring through demonstration of negligible risk of reversal as per paragraphs 49 and 50, the secretariat shall, subject to the guidance of the Supervisory Body, perform a completeness check.

52. Complete requests for termination of monitoring and reporting in the post-crediting monitoring period submitted to the secretariat shall be posted on the UNFCCC website for public comments for a period of 30 days.

[7] As defined in the methodology.

53. Within 60 days of the completion of the public review process, the secretariat shall make a draft recommendation to the Supervisory Body to approve or reject the Article 6.4 activity's request for termination of monitoring and reporting in the post-crediting monitoring period.

54. The Supervisory Body may request additional information from the activity participant, including based on inputs received during the public comments period, which the participant shall communicate within 30 days of receiving the request. If the activity participant fails to respond within this timeframe, the request for termination of monitoring and reporting in the post-crediting monitoring period shall be considered to be withdrawn.

55. If the request for termination of monitoring and reporting in the post-crediting monitoring period is approved by the Supervisory Body, activity participants shall be relieved of all obligations under section 4.1. The secretariat shall inform the DOE and the activity participants of the approval and publish the decision by the Supervisory Body together with documentation for demonstration of negligible risk of reversal assessment for the Article 6.4 activity on the UNFCCC website.

56. When a request for termination of monitoring and reporting in the post-crediting monitoring period through demonstration of negligible risk of reversal is rejected by the Supervisory Body, the activity participants shall not submit a further request for termination of monitoring and reporting in the post-crediting monitoring period through demonstration of negligible risk of reversal for at least three years.

5. Post-reversal actions

5.1. Remediating unavoidable reversals

57. When the secretariat has received a complete and verified monitoring report indicating that unavoidable reversals have occurred, the secretariat, as the registry administrator, shall cancel A6.4ERs held in the reversal risk buffer pool account as follows:

    (a) The number of A6.4ERs cancelled shall be equal to the amount of the unavoidable reversals, as expressed in tonnes of carbon dioxide equivalent;

    (b) The number of each type of A6.4ERs cancelled (whether Mitigation Contribution Units or authorized A6.4ERs) shall be based on the proportion of Mitigation Contribution Units or authorized A6.4ERs issued for the Article 6.4 activity's emission reductions and/or net removals at the time of the reversal;

    (c) The cancellation of A6.4ERs from the Article 6.4 activity experiencing the reversal shall be prioritised over A6.4ERs from other Article 6.4 activities, until no such A6.4ERs are available in the Reversal Risk Buffer Pool Account; and

    (d) According to further criteria that may be specified at a future point in time.

58. The mechanism registry shall indicate that the A6.4ERs were cancelled for the purpose of remediating unavoidable reversals and publish the serial numbers of A6.4ERs cancelled.

5.2. Remediating avoidable reversals

59. When the secretariat has received a complete and verified monitoring report indicating that avoidable reversals have occurred, or when an activity is deemed to have experienced

avoidable reversals subject to section 3.3, the secretariat, as the registry administrator, shall cancel A6.4ERs held in the reversal risk buffer pool account as follows:

(a) The number of A6.4ERs cancelled shall be equal to the amount of the avoidable reversals, as expressed in tonnes of carbon dioxide equivalent;

(b) The number of each type of A6.4ERs cancelled (whether mitigation contribution A6.4ERs or authorized A6.4ERs) shall be based on the proportion of mitigation contribution A6.4ERs or authorized A6.4ERs issued for the Article 6.4 activity's emission reductions and/or net removals at the time of the reversal;

(c) The cancellation of A6.4ERs from the Article 6.4 activity experiencing the reversal shall be prioritised over A6.4ERs from other Article 6.4 activities, until no such A6.4ERs are available in the reversal risk buffer pool account; and

(d) According to further criteria that may be specified at a future point in time.

60. The mechanism registry shall indicate that the A6.4ERs were cancelled for the purpose of remediating avoidable reversals and publish the serial numbers of the A6.4ERs cancelled.

61. When avoidable reversals occur, activity participants shall forward A6.4ERs to the reversal risk buffer pool account as follows:

(a) The number of A6.4ERs forwarded shall be equal to the amount of the avoidable reversals, as expressed in tonnes of carbon dioxide equivalent; and

(b) The number of each type of A6.4ERs cancelled (whether mitigation contribution A6.4ERs or authorized A6.4ERs) shall be based on the proportion of mitigation contribution A6.4ERs or authorized A6.4ERs issued for the activity's emission reductions and/or net removals, cumulatively from the Article 6.4 activity start date through the time of the reversal; and

(c) According to further criteria that may be specified at a future point in time.

5.3. Reversals below baseline

62. Only the fraction of a reversal that corresponds to a net change in storage of greenhouse gases or their precursors for which A6.4ERs have been issued shall be remediated through the provisions of sections 5.1 and 5.2. Reversals below an Article 6.4 activity's baseline, as determined by mechanism methodologies, shall not be remediated through the provisions of sections 5.1 and 5.2.

63. When an Article 6.4 activity experiences a reversal below its baseline, as determined by mechanism methodologies, A6.4ERs shall not be subsequently issued for a net change in storage of greenhouse gases or their precursors, unless the sum of the quantity of greenhouse gases or their precursors stored in all applicable greenhouse gas reservoirs in the Article 6.4 activity scenario is greater than or equal to the sum of the quantity of greenhouse gases or their precursors stored in all applicable greenhouse gas reservoirs

in the Article 6.4 activity's baseline, as determined by mechanism methodologies, with both sums expressed in tonnes of carbon dioxide equivalent.[8]

5.4. De-registration of activities

64. When an activity participant makes a request to de-register a registered Article 6.4 activity that is subject to reversal risks, the following steps shall be taken:

    (a) The activity participant shall cancel A6.4ERs, with the number of A6.4ERs cancelled equal to the number of A6.4ERs that have been issued with respect to emission reductions and/or net removals from that activity to date, except for those A6.4ERs that were contributed to the reversal risk buffer pool account; and

    (b) The secretariat, acting as the registry administrator, shall cancel A6.4ERs held in the reversal risk buffer pool account, with the number cancelled equal to the number of A6.4ERs that have been issued with respect to emission reductions and/or net removals from that activity to date and that were contributed to the reversal risk buffer pool account.

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[8] For example, the greenhouse gases stored in a greenhouse gas reservoir in an Article 6.4 activity could be 30 tCO_2e at the start of the period covered by a monitoring report and fall to 10 tCO_2e at the end of that period due to an unavoidable reversal, while the baseline storage is 20 tCO_2e throughout the period. In this case, the reversal due to the decline from 30 to 20 tCO_2e would be remediated by the Reversal Risk Buffer Pool Account, while the reversal due to the decline from 20 to 10 would not. To address this latter reversal, the activity participants would only be able to request for issuance of A6.4ERs for enhancements in stored greenhouse gases above 20 tCO_2e.