

DRAFT TEXT

on

CMA 7 agenda item 15(b) Matters relating to Article 6 of the Paris Agreement Report of the Supervisory Body and guidance for the mechanism established by Article 6, paragraph 4, of the Paris Agreement Version 13/11/2025 23:00

Draft decision -/CMA.7

Further guidance on the mechanism established by Article 6, paragraph 4, of the Paris Agreement

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

Recalling the mechanism established by Article 6, paragraph 4, of the Paris Agreement and the aims of the mechanism referred to therein,

Recalling decision 3/CMA.3, paragraph 6(c–d), and the request of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement to the Supervisory Body for the mechanism established by Article 6, paragraph 4, of the Paris Agreement to continue the relevant work to operationalize the mechanism,

Recalling that A6.4ERs may be used to achieve NDCs and other climate targets, leading to a long-term impact on global greenhouse gas emissions, and that A6.4ERs therefore must represent mitigation outcomes that are retained for timeframes relevant for addressing climate change and achieving the long-term temperature goals of the Paris Agreement,

Also recalling Article 6, paragraph 1, of the Paris Agreement,

Further recalling the eleventh preambular paragraph of the Paris Agreement,

Recalling decisions 3/CMA.3, including its annex, and 7/CMA.4, including its annexes,

Also recalling decision 2/CMA.3, annex, paragraphs 1(g) and 2,

1. *Welcomes* the annual report of the Supervisory Body for the mechanism established by Article¹ 6, paragraph 4, of the Paris Agreement to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement for 2025² and the progress of the work undertaken by the Supervisory Body in 2025 in responding to its mandates;³
2. *Appreciates* the work delivered by the Supervisory Body and its support structure;
3. *Reiterates* its request to the Supervisory Body to strive to ensure regulatory stability, without prejudice to the continuous improvement of the regulatory documents adopted;
4. *Notes* the establishment of the regulatory and operational framework for the mechanism established by Article 6, paragraph 4, through the adoption by the Supervisory Body of the following standards, which will enable the development and approval of methodologies for and the registration of Article 6, paragraph 4, activities under the mechanism: “Standard: Setting the baseline in mechanism methodologies”,⁴ “Standard: Demonstration of additionality in mechanism methodologies”,⁵ “Standard: Addressing leakage in mechanism methodologies”,⁶ “Standard: Addressing suppressed demand in

¹ Articles referred to in this decision are Articles of the Paris Agreement.

² FCCC/PA/CMA/2025/12.

³ See decisions 3/CMA.3, 7/CMA.4, 5/CMA.6 and 6/CMA.6.

⁴ Supervisory Body document A6.4-STAN-METH-004.

⁵ Supervisory Body document A6.4-STAN-METH-003.

⁶ Supervisory Body document A6.4-STAN-METH-005.

mechanism methodologies”⁷ and “Standard: Addressing non-permanence and reversals in mechanism methodologies”, thus establishing a regulatory and operational framework for the Article 6.4 mechanism that enables the development and approval of methodologies and the registration of Article 6.4 activities;⁸

5. *Further notes* that the Supervisory Body will continue making efforts to enable demand for Article 6, paragraph 4 emission reductions and to facilitate the participation of Parties and non-Party stakeholders in the mechanism established by Article 6, paragraph 4, in 2026–2027 with a view to ensuring that the mechanism fulfils its potential as a key tool for contributing to the achievement of the goals of the Paris Agreement;

I. Governance

6. *Decides* to [revise] [revisit in 2028] the provisions related to the limits on the terms of members and alternate members of the Supervisory Body⁹ with a view to allowing them to serve more than two terms following a mandatory minimum two-year break on completion of the second term rather than being permanently excluded from the Body [and *adopts* the amendments contained in the annex];

7. *Notes with concern* the current gender imbalance in the membership of the Supervisory Body, *recalls* the importance of ensuring gender-balanced representation therein¹⁰ and *strongly encourages* regional groups to consider gender balance when nominating members and alternate members to the Supervisory Body;

8. *Encourages* regional groups to nominate experts for any vacant seats in the Supervisory Body;

9. *Requests* the Supervisory Body to submit its regular annual report in advance of the consideration of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement with a view to allowing Parties sufficient time for coordination;

10. *Also requests* the secretariat, when preparing the annual report of the Supervisory Body, to include the numbers of units being set aside for share of proceeds (SoP) and overall mitigation on global emissions (OMGE);

11. *Further requests* the Supervisory Body to ensure that experts serving the Supervisory Body provide independent scientific and technical advice and do not have any financial interest in the generation of Article 6, paragraph 4, emission reductions (A6.4 ERs);

II. Designated national authorities

12. *Invites* Parties that have currently not done so, to establish designated national authorities (DNAs) for the Article 6.4 mechanism, and for developed country Parties to nominate a representative of developed countries as co-chair of the DNA Forum;

13. *Also invites* Parties to consider reinforcing targeted capacity-building efforts with a view to enabling them to undertake the necessary analysis to make an informed decision regarding participation in the mechanism;

14. *Encourages* Parties to submit the requirements for host Party participation to the secretariat.

III. Stakeholder engagement

15. *Requests* the Supervisory Body to strengthen the stakeholder consultation processes and to ensure they are inclusive and open, particularly for those who have traditionally had

⁷ Supervisory Body document A6.4-STAN-METH-006.

⁸ Supervisory Body document A6.4-STAN-METH-007.

⁹ See decision 7/CMA.4, annex II, para. 17.

¹⁰ See decision 23/CP.18.

less access, by ensuring sufficient time is provided to enable all stakeholders to respond including experts and Indigenous Peoples and Local Communities [and by extending the period for submission of comments for technical documents], [whilst ensuring the expeditious operationalization of the mechanism] [while balancing the timely approvals of regulatory documents and [cost] [the proposal for reasonable stakeholder consultation]];

16. *Encourages* the Supervisory Body to facilitate engagement of a broad range of stakeholders, including those that have less easy access to the Article 6.4 mechanism, including Indigenous Peoples and Local Communities, and requests the Supervisory Body to report on its outreach measures to ensure a broad participation in public consultations from different groups of stakeholders in its next annual report;

IV. Methodologies and standards

17. *Welcomes* the adoption of the first mechanism methodology ‘Landfill gas flaring and utilization’, which highlights how the standards referred to in paragraph 3I.A.1(a)(i)4 above can be applied and makes the mechanism fully operational;

18. *Requests* the Supervisory Body to continue to ensure that its standards, methodologies and tools ensure environmental integrity, are based on best available science and provide for a coherent level of stringency across sectors and mitigation activities and are informed by robust evidence;

19. *Further requests* the Supervisory Body to consider carbon market development forecasts when adopting standards and mechanism methodologies, including the supply sufficiency for the established NDC targets or other international mitigation purposes, and temperature goal trajectories of the Paris Agreement;

20. *Requests* the Supervisory Body to revise the “Standard: Setting the baseline in mechanism methodologies”, noting that the proposed approaches contained in this standard to downward adjust the baseline of Article 6.4 activities can discourage the development of nature-based solutions and land sector activities;

21. *Takes note* of the concerns raised by stakeholders during the consultation process for the development of the “Standard: Addressing non-permanence and reversals in mechanism methodologies” and *requests* the Supervisory Body to:

(a) Ensure, in its further methodological work in relation to the “Standard: Addressing non-permanence and reversals in mechanism methodologies”, it is cognizant of the coherence with its outputs, such as approved methodologies and ensures that all A6.4 ERs are fungible and aligned with the long-term goals of the Paris Agreement;

(b) Ensure that the “Tool: Reversal Risk Assessment” and the concept note on options for remedial actions to manage reversals, are reflective of current science available, quantify removals that shall be aligned with the goals of the Paris Agreement, will not exclude specific sectors or activities already eligible under the CMA decisions and adequately incorporate stakeholders' input in their design;

(c) Ensure that its work is aligned with previous CMA decisions which allow for reductions and removals activities from all sectors to be credited under Article 6.4; reflecting current science available, as well as best practices, when assessing the methodologies, including the proposed post crediting monitoring periods and negligible risk thresholds, submitted for the SBM approval;

22. *Requests* the Supervisory Body to ensure that risks of reversals not considered as negligible are addressed in full, consistent with the “Standard: Requirements for activities involving removals under the Article 6.4 mechanism”, and to establish further guidance on the responsibility to monitor and compensate for reversals in instances where monitoring by activity participants ends after a certain period;

23. *Also requests* the Supervisory Body to maintain the approach tailored to each type of activities when working on mechanism methodologies and methodological tools for activities

involving removals, including on issues of post-crediting monitoring and implementation of both project and jurisdictional activities;

24. *Encourages* the Supervisory Body to monitor the application of the “Standard: Addressing non-permanence and reversals in mechanism methodologies” to mechanism methodologies developed for Article 6.4 activities involving nature-based solutions and revise the methodologies as appropriate to facilitate the development of such types of Article 6.4 activities without compromising the environmental integrity;

25. *Requests* the Supervisory Body to prioritize the work on the development of large-scale crediting programs and jurisdictional approaches drawing lessons from the Warsaw Framework for REDD+, including exploring the requirements needed for jurisdictional approaches to nature-based solutions to ensure environmental integrity;

26. *Also requests* the Supervisory Body to provide a clear science-based procedure for assessing international leakage in the adopted “Standard: Addressing leakage in mechanism methodologies”, emphasizing the need for flexibility in methodological development given the lack of established global leakage accounting for nature-based approaches;

27. *Further requests* the Supervisory Body to continue its work regarding the status of A6.4 ERs transferred to the buffer pool, including with regard to first transfer, ensuring that double counting is avoided and exploring options for how host countries could benefit from the coverage provided by the buffer pool, and to make a recommendation on this matter for consideration by CMA at its eight session;

28. *Requests* the Supervisory Body to explore options for recognizing temporary carbon storage in biogenic reservoirs and innovative approaches for using such temporary mitigation outcomes, and to make a recommendation on this matter for consideration by the CMA at its eighth session;

29. *Also requests* the Supervisory Body to clarify the definition of reductions, avoidance and removals to prevent inconsistent reporting on reductions;

V. Transition of clean development mechanism activities

30. *Decides* to extend the deadline for the submission of approval by the DNA for the Article 6.4 mechanism of a CDM host Party to the Supervisory Body to transition CDM project activity or programme of activity, referred to in paragraph 12 of Annex I of Decision 4/CMA.7, to [30 June 2026] [31 December 2026];

VI. Transparency of the decision-making

31. *Notes* the commitment of the Supervisory Body to enhancing the transparency of its decision-making on standards, methodologies, procedures, tools and guidelines for operationalizing the mechanism established by Article 6, paragraph 4, including by conducting stakeholder consultations when developing them [*Welcomes* the high level of transparency in the decision-making by the Supervisory Body];

32. *Requests* the Supervisory Body to improve the transparency of the decision-making by requesting the Methodological Expert Panel [to minimize its deliberations in closed session] [by systematically explaining the rationale of its decisions [in the meeting reports] [in the cover note of methodologies and methodological tools recommended by the Methodologies Expert Panel to the Supervisory Body], while safeguarding productive work;

33. *Acknowledges* the importance of adequate time for consultations and submission of input, while noting that multiple opportunities for stakeholder engagement already exist through the MEP process and subsequently through the SBM process; and requests the Secretariat to provide guidance and raise awareness of these opportunities to ensure stakeholders are informed and able to participate effectively;

VII. Nationally determined contributions

34. *Invites* Parties to indicate in their nationally determined contribution implementation plans whether they intend to participate in the mechanism established by Article 6, paragraph 4, as buyers or sellers of A6.4 ERs, or both, while recognizing that many Parties may not yet have clarity on their intended role;

35. [*Invites*] [*Urges*] [*Encourages*] Parties to consider using the Article 6.4 mechanism[, [to allow for higher ambition in their mitigation and ambition actions and to promote sustainable development and environmental integrity] whether as buyers or sellers[, or both,]] [adding to their ambition] [to support the achievement of their NDC] [to increase the ambition of their NDCs] [, aligned with the long-term goals of the Paris Agreement];

VIII. Voluntary cancellation facility

36. *Requests* the Supervisory Body to explore options for the facilitation of the voluntary cancellation of mitigation contribution A6.4 ERs and authorised A6.4 ERs to support the implementation of activities in host Parties under the mechanism established by Article 6, paragraph 4, by providing an incentive to public and private entities to mitigate greenhouse gas emissions via the purchase and cancellation of such units;

IX. Funding for the operation of the mechanism

37. *Notes with appreciation* the prudent management by the Subsidiary Body of its limited resources, including its implementation of contingency measures and [ongoing] fundraising efforts to address the funding gap in 2025;

38. *Takes note* of the business and resource allocation plan adopted by the Supervisory Body for 2026–2027,¹¹ which provides an estimated budget for its work and for activities deemed essential for fully operationalizing the mechanism;

39. *Notes* the call of the Supervisory Body for additional funding and *agrees* to:

(a) Make efforts to secure the additional essential resources needed to expedite the full operationalization of the mechanism, noting that the Supervisory Body, with the support of the secretariat, remains committed to expediting the operationalization in line with guidance from the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

(b) Request the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) to consider allocating funding from other sources to cover the funding shortfall for the activities of the Supervisory Body in the biennium 2026–2027, as was done previously;¹²

40. *Requests* the Supervisory Body to expand the support to DNAs through the capacity-building program delivered by the secretariat through its regional collaboration centres¹³ to ensure that the mechanism remains accessible and not unduly burdensome for developing countries seeking to mobilize high-integrity mitigation outcomes;

41. *Requests* the Secretariat to actively explore all possible solutions and sources of funding to ensure the continuity of operations of the Supervisory Body and its panels, and to provide clarity and transparency regarding the financial situation of the mechanism.

¹¹ Supervisory Body document A6.4-INFO-GOV-024.

¹² See decision 2/CMP.16, para. 18.

¹³ See decision 3/CMA.3, paragraph 14

[Annex**Amendments to the rules of procedure of the Supervisory Body for the mechanism established by Article 6, paragraph 4, of the Paris Agreement and the rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement**

1. The rules of procedure of the Supervisory Body for the mechanism established by Article 6, paragraph 4, of the Paris Agreement, contained in annex II to decision 7/CMA.4, are amended as follows:

(a) The following text should be inserted at the end of paragraph 17: “After completing two terms, a member or an alternate member shall observe a mandatory break of two years before becoming eligible to serve again. Following such a break, a former member or alternate member may serve for up to two further terms under the same conditions, with no restriction on the number of times this cycle may be repeated.”

2. The rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement, contained in the annex to decision 3/CMA.3, are amended as follows:

(a) The following text should be inserted at the end of paragraph 11: “After completing two terms, a member or an alternate member shall observe a mandatory break of two years before becoming eligible to serve again. Following such a break, a former member or alternate member may serve for up to two further terms under the same conditions, with no restriction on the number of times this cycle may be repeated.”]
