

**A6.4-SBM015-AA-A04**

## Information Note

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# Article 6.4 manual for host Parties participation in the mechanism

Version 02.1



**United Nations**  
Framework Convention on  
Climate Change

## COVER NOTE

### 1. Procedural background

1. Parties are at the centre of cooperation through the mechanism established by Article 6, paragraph 4, of the Paris Agreement (Article 6.4 mechanism).<sup>1</sup> The roles and responsibilities of Parties in relation to activities of the Article 6.4 mechanism are set out in the rules, modalities and procedures (RMPs) for the Article 6.4 mechanism, and the various regulations adopted by the Supervisory Body of the Article 6.4 mechanism (SBM).
2. With a view to facilitating ease of access to, understanding of, and involvement in the Article 6.4 mechanism, the Supervisory Body, at its seventh meeting, requested the secretariat to prepare a note summarizing the roles and responsibilities of host Parties in various stages of the activity cycle, based on the regulatory documents adopted by the Supervisory Body.<sup>2</sup>
3. At its tenth meeting, the Supervisory Body considered the information note “Roles and responsibilities of host Parties” and requested the secretariat to update the information note for its consideration at its next meeting, considering the feedback provided at that same meeting.<sup>3</sup>
4. At its eleventh meeting, the Supervisory Body considered the updated information note “Roles and responsibilities of host Parties” and requested the secretariat to prepare, based on the updated information note<sup>4</sup> presented at that meeting, a comprehensive and user-friendly guide or manual that will take into account the views of host Party designated national authorities (DNAs), for consideration of the Supervisory Body at its thirteenth meeting.<sup>5</sup>
5. At its thirteenth meeting, the Supervisory Body took note of the draft “Article 6.4 guide or manual for host Parties’ participation in the mechanism” and requested the secretariat to update it into a draft user-friendly manual for consideration at its future meeting, taking into account the feedback provided at this meeting.

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<sup>1</sup> Decision 3/CMA.3. Available at:  
[https://unfccc.int/sites/default/files/resource/cma2021\\_10a01E.pdf](https://unfccc.int/sites/default/files/resource/cma2021_10a01E.pdf).

<sup>2</sup> See para. 18 of the 7<sup>th</sup> meeting of the Supervisory Body meeting report, available at:  
[https://unfccc.int/sites/default/files/resource/a64-sb007\\_0.pdf](https://unfccc.int/sites/default/files/resource/a64-sb007_0.pdf).

<sup>3</sup> See para. 23 of the 10<sup>th</sup> meeting of the Supervisory Body meeting report, available at:  
[https://unfccc.int/sites/default/files/resource/SB010\\_report.pdf](https://unfccc.int/sites/default/files/resource/SB010_report.pdf).

<sup>4</sup> See <https://unfccc.int/sites/default/files/resource/A6.4-SB011-AA-04.pdf>.

<sup>5</sup> See para. 17 of the 11<sup>th</sup> meeting of the Supervisory Body meeting report. available at:  
<https://unfccc.int/sites/default/files/resource/a64-sb011.pdf>.

## 2. Purpose

6. The purpose of this document is to present a draft updated manual on the participation of Parties in the Article 6.4 mechanism, outlining their roles and responsibilities at various stages of the activity cycle.

## 3. Key issues and proposed solutions

7. In accordance with the mandate from the Supervisory Body at its eleventh and thirteenth meetings, the draft manual on the participation of host Parties in the Article 6.4 mechanism has been updated and is appended to this information note. The draft manual comprises four sections:
- (a) Section One provides an overview of Article 6 of the Paris Agreement, introduces the Paris Agreement Crediting Mechanism (PACM) and outlines the purpose of the manual;
  - (b) Section Two provides an overview of the key features of the PACM;
  - (c) Sections Three and Four detail the roles and responsibilities of Parties in participating in the PACM. These roles and responsibilities are categories as follows: participation responsibilities, methodological roles and responsibilities, activity-specific roles and responsibilities, and accounting, reporting and Article 6.2 related roles and responsibilities. Additionally, these sections include a case study of cooperation to demonstrate how these roles or responsibilities may relate at the activity level based on feasible scenarios.
8. The manual is a living document that will be continuously updated by the secretariat, based on the work of the Supervisory Body and feedback from a wide range of stakeholders, primarily from the DNAs of Parties.<sup>6</sup>
9. This manual has been converted into a user-friendly manual (**webpage format<sup>7</sup>**), as mandated by SBM 013.
10. The Supervisory Body may wish to request that the secretariat regularly update the status of the manual as part of the implementation of the Article 6 capacity-building work programme.

## 4. Impacts

11. The roles and responsibilities of host Parties are immense in the implementation of Article 6.4 activities. This manual complements the roles and responsibilities of Parties, as outlined in the RMPs and the regulatory framework, to assist Parties in their participation in the mechanism.

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<sup>6</sup> The regulatory documents pertinent to the roles and responsibilities of host parties and other participating parties will be included in the next round of updates to the draft manual.

<sup>7</sup> <https://manual-for-hpp-in-pacm.my.canva.site/>.

## **5. Subsequent work and timelines**

12. The secretariat will continuously update the draft user-friendly manual, as deemed necessary. The secretariat will keep the Supervisory Body informed about revisions to the substantive content of the manual, as appropriate.

## **6. Recommendation to the Supervisory Body**

13. The Supervisory Body may wish to provide feedback on and take note of the manual, as outlined in this information note.

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## **Appendix 1. Article 6.4 manual for host Parties participation in the Mechanism**

### **1. Introduction**

#### **1.1. Paris Agreement and Article 6**

1. The adoption of the Paris Agreement by Parties to the United Nations Framework Convention on Climate Change (UNFCCC) in December 2015 was a pivotal moment in the UNFCCC process. In aiming to enhance the implementation of the Convention, one of the primary goals of the Paris Agreement, as set out in its Article 2, is to hold the global average temperature increase to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels in order to significantly reduce the risks of climate change. The other goals are to increase countries' abilities to adapt to the adverse impacts of climate change and foster low-greenhouse gas emissions development pathways and make financial flows consistent with such pathways. Implementation of the Agreement reflects equity and the principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances. The Paris Agreement entered into force on 4 November 2016 once it had been ratified by at least 55 Parties, accounting for at least 55 per cent of global GHG emissions.<sup>1</sup>
2. Fundamental innovations under the Paris Agreement include Parties' own determination of their commitments, which allows for a diversity of responses to address climate change. Parties were called on to establish nationally determined contributions (NDCs) to communicate the domestic and, where applicable, international actions they intend to take to mitigate climate change, adapt to its effects, and support other countries in their mitigation and adaptation efforts by means of financial, technology development and transfer, and capacity-building initiatives. These efforts are then tracked through the Enhanced Transparency Framework, which assesses whether Parties are meeting their goal, and the collective sum of individual contributions is on track to meet the overall purpose and goals of the Agreement.
3. The Paris Agreement recognized that Parties could be more ambitious in their collective efforts by working together. Article 6 provides for this cooperation, enabling Parties pursue voluntary cooperation in the implementation of their NDCs to allow for higher ambition in their mitigation and adaptation actions and to promote sustainable development and environmental integrity. Article 6.2 of the Paris Agreement provides accounting requirements for such cooperation as internationally transferred mitigation outcomes are used towards NDCs and therefore reported through the Enhanced Transparency Framework (see Article 6.2 Manual<sup>2</sup> for more information). Article 6.4 provides a voluntary mechanism to contribute to the mitigation of GHG and support sustainable development. This voluntary mechanism is the Paris Agreement Crediting Mechanism (PACM).

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<sup>1</sup> See <https://unfccc.int/process/the-paris-agreement/status-of-ratification>.

<sup>2</sup> See [https://unfccc.int/sites/default/files/resource/Article\\_6.2\\_Reference\\_Manual.pdf](https://unfccc.int/sites/default/files/resource/Article_6.2_Reference_Manual.pdf).

## 1.2. Purpose of the manual

4. This manual has been prepared to assist Parties to better understand and fulfil their roles and responsibilities for participation in the PACM. Where Party participation in the PACM involves the use of authorized Article 6.4 emissions reduction units (A6.4ERs), this manual should be read alongside the Article 6.2 manual.
5. Neither this manual nor the Article 6.2 manual should be read as a substitute for the rules and regulations of the PACM.
6. The regulations considered in the formulation of this manual (version 1.0) are:
  - (a) Decision 3/CMA.3: Rules, Modalities and Procedures of the Article 6.4 mechanism;
  - (b) Decision 7/CMA.4: Guidance on the mechanism established by Article 6, paragraph 4 of the Paris Agreement
  - (c) Article 6.4 activity cycle procedure for projects (ACP);
  - (d) Article 6.4 activity standard for projects (AS);
  - (e) Procedure on Development, revision, clarification and modification of methodologies and methodological tools (PDRCM);
  - (f) Procedure: Transition of clean development mechanism (CDM) activities to the Article 6.4 mechanism (PTCDM);
  - (g) Article 6.4 validation and verification standard for projects (VVS).
7. Note, due to the significant number of roles and responsibilities for host Parties in relation to standardized baselines, the Procedure: Development, revision, clarification and update of standardized baselines was not considered for the purposes of this manual. Host Parties should refer to the regulation directly to understand their roles and responsibilities in relation to standardized baselines<sup>3</sup>.

## 1.3. Terms

8. The following terms apply in this manual:
  - (a) “Host Parties” refers to the Party to the Paris Agreement hosting a registered project or in the process of registering to the Article 6.4 mechanism;
  - (b) “Roles” refers to where there is an **optional** role for a host Party (e.g. host Party may determine a more ambitious baseline at its discretion), or where the regulation requires the activity to take into account information provided by a host Party, if such information has been provided (e.g. stakeholder communications must be

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<sup>3</sup> Standardized baselines are a methodological tool to set a standardized level of baseline emissions against which reductions or removals may be calculated against for activities. Standardized baselines may be developed by the host Party, a group of Parties, entities or organizations, or the Supervisory Body, and must be approved by the host Party, as with all methodological components of PACM participation.

undertaken consistent with relevant national law – a host Party may wish to provide information on the relevant national laws).

- (c) “Responsibilities” refers to where the regulation requires the host Party to **take action for the activity to go ahead** (e.g. renewal of a crediting period requires host Party approval). Importantly, this does not bind the host Party to fulfil the requirement, or predetermine what the outcome of the host Party role shall be.
- (d) “SBM” is used to refer to the Supervisory Body of the Article 6.4 mechanism;
- (e) “LT-LEDS” is used to refer to a Party’s long-term low GHG emission development strategy;
- (f) “CMA4” is used to refer to Decision 7/CMA.4 Annex I;
- (g) “ACP” is used to refer to the Procedure: “Article 6.4 activity cycle procedure for projects”;
- (h) “DOE” is used to refer to a Designated Operational Entity;
- (i) “PDRCM” is used to refer to the Procedure: “Development, revision, clarification and modification of methodologies and methodological tools”;
- (j) “PTCDM” is used to refer to the Procedure “Transition of CDM activities to the Article 6.4 mechanism”;
- (k) “VVS” is used to refer to the “Article 6.4 Validation and verification standard for projects”;
- (l) “AS” is used to refer to the “Article 6.4 Activity standard for projects”.

## 2. Overview of Paris Agreement Crediting Mechanism

9. The PACM was established by Article 6.4 of the Paris Agreement, as a mechanism to contribute to the mitigation of GHG emissions and support sustainable development. The Rules, Modalities and Procedures of the mechanism are provided by decision 3/CMA.3,<sup>4</sup> which were then elaborated on by decision 7/CMA.4.<sup>5</sup> The Supervisory Body is the PACM’s supervising authority and produces the rules and regulations by which the mechanism operates. The Supervisory Body is designated by, and accountable to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA).
10. The PACM is a centralized avenue for cooperation. Through the PACM, Parties can approve registered activities which mitigate emissions, represented in the PACM registry by A6.4ERs. These A6.4ERs can be traded between Parties and other entities which are authorized by Parties to generate finance, thereby funding the enhanced ambition which

<sup>4</sup> Decision 3/CMA.3. Available at: [https://unfccc.int/sites/default/files/resource/cma2021\\_10a01E.pdf](https://unfccc.int/sites/default/files/resource/cma2021_10a01E.pdf).

<sup>5</sup> Decision 7/CMA.4. Available at [https://unfccc.int/sites/default/files/resource/cma2023\\_10a02E.pdf#page=33](https://unfccc.int/sites/default/files/resource/cma2023_10a02E.pdf#page=33).



the PACM has enabled. The PACM can issue two forms of A6.4ERs, which represent two different types of cooperative action:

- (a) **Mitigation Contribution A6.4ERs.** These represent mitigation which will contribute to the host Party's NDC. This also means that a purchasing Party cannot count these types of A6.4ERs towards their NDC since that would be double counting and therefore in breach of the no double counting requirements of Article 6.
  - (b) **Authorized A6.4ERs.** These represent mitigation which the host Party has authorized, meaning that the host Party has undertaken to make an adjustment to its accounting, so the mitigation does not contribute towards the achievement of the host Party's NDC. Since the host Party makes this corresponding adjustment for mitigation represented by the authorized A6.4ERs, Parties acquiring the authorized A6.4ERs can contribute the mitigation they represent towards their own NDC. These authorized A6.4ERs are Internationally Transferred Mitigation Outcomes (ITMOs) according to Article 6.2.
11. Activities undertaken through the PACM provide funding towards adaptation to the impacts of climate change via contributions to the Adaptation Fund. This is done through:
- (a) A portion of 5 per cent of the A6.4ERs issued being automatically forwarded to an account held for the Adaptation Fund. The Adaptation Fund makes the A6.4ERs available for purchase, and directs the profits generated towards adaptation activities that it funds;
  - (b) A monetary contribution of 3 per cent of the issuance fee paid for each activity (see paragraph 13 below);
  - (c) A periodic monetary contribution of remaining funds from administrative expenses, after setting aside operating costs and an operating reserve for the mechanism.
12. The PACM is also designed to contribute to an overall mitigation of global emissions through a mandatory cancellation of 2 per cent of all A6.4ERs issued. As with the share of proceeds for adaptation, these A6.4ERs are automatically forwarded at the point of issuance, in this instance to a cancellation account where they cannot be transacted any further.
13. In addition, the PACM seeks to be self-financing, achieved through a share of the proceeds for administrative expenses and fees charged through the activity cycle and for the use of the registry.
14. These fees are detailed in the fee schedule of the PACM. These fees are waived for activities developed in least developed countries, and small island developing states.

### 3. Overview of the roles and responsibilities of Parties in activity cycle

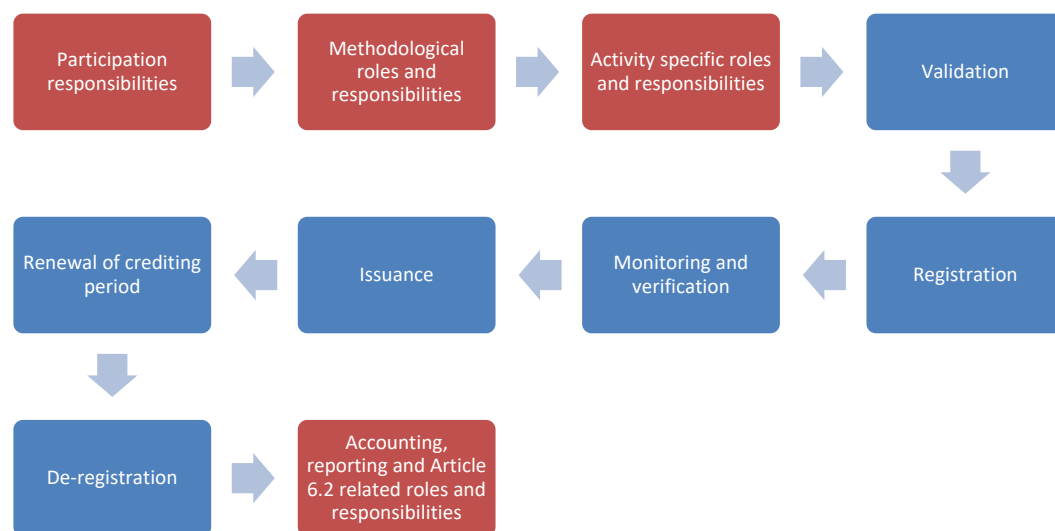
15. As discussed above, the PACM was established to support Parties in voluntarily cooperating to mitigate emissions and foster sustainable development. The rules and regulations of the PACM provide the roles (optional opportunities to influence, see definition in paragraph 8 above) and responsibilities (required action, see definition in paragraph 8 above) of participating Parties to support the PACM to deliver these. These are set out in the various regulatory documents of the Article 6.4 mechanism according to

the stage at which roles or responsibility influences the activity. These roles and responsibilities can be broadly divided into four categories:

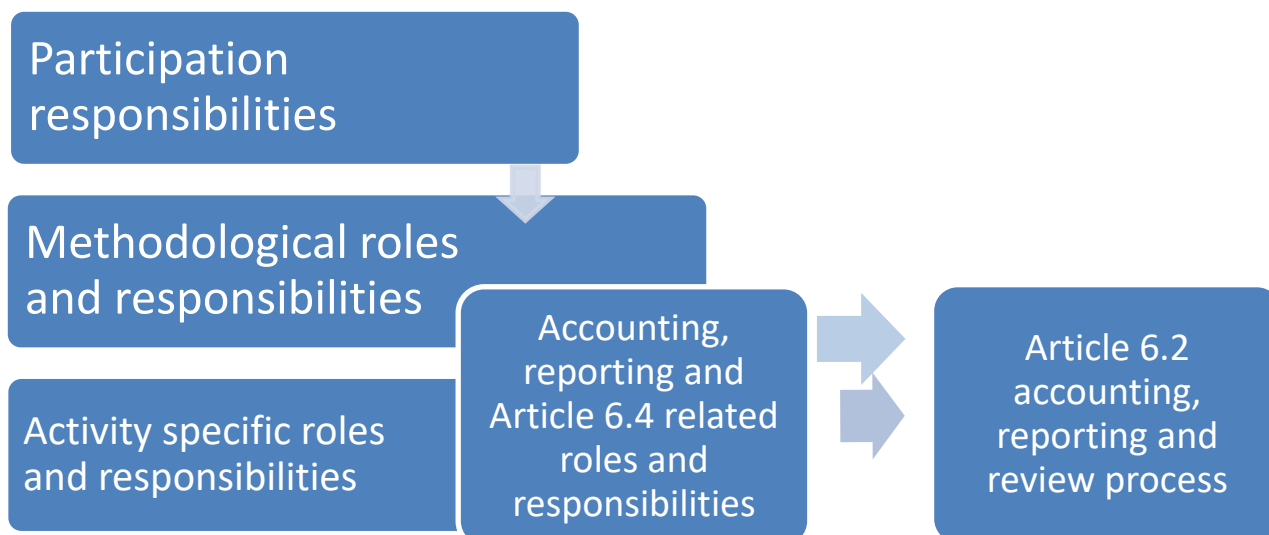
- (a) **Category I - Participation responsibilities:** These are the responsibilities which Parties **must** fulfil to participate in the Article 6.4 mechanism, which must be communicated prior to any activity proposals. These responsibilities are high level- for example, a Party communicating that they are a Party to the Paris Agreement, and how their involvement in the Article 6.4 mechanism supports them in their low-emission, sustainable development transition. For a host Party, this level of participation will also inform the methodological roles and responsibilities they are subject to, as provided in category II below;
  - (b) **Category II - Methodological roles and responsibilities:** These are potential roles a host Party may **exercise to influence** the methodologies of activities in their jurisdiction, to ensure that activities support their low-emission, sustainable development transition, as described in their participation requirements. While these may relate to various stages of the activity design process, they also must be communicated prior to activity proposals, in order to ensure that activities take them into account in their design phase. The information that host Parties provides as part of this role will inform the activity-specific roles and responsibilities they are subject to, as provided in category III below.
  - (c) **Category III - Activity-specific roles and responsibilities:** It is the responsibility of a host Party to approve specific activities within its jurisdiction, through which the host Party indicates that the specific activity complies with its methodological requirements, and any guidance the host Party provided relevant to those activities;
  - (d) **Category IV - Accounting, reporting and Article 6.2 related roles and responsibilities:** Where a host Party, or other participating Party's participation in the PACM involves authorized A6.4ERs, they have roles and responsibilities pursuant to Article 6.2.
16. Host Parties have roles and/or responsibilities in each of these four categories, whereas other participating Parties only have roles and responsibilities in categories (a) and (d). This is because most rules and regulations of the PACM are focused on the design and development of the activities in the host Party, to which categories II and III relate. Through the methodological and activity-specific roles and responsibilities, the host Party can determine the extent to which its involvement in the PACM will catalyze its low-emissions transformation and sustainable development. For example, identifying what types of activities the host Parties will approve for participation in the PACM, and providing additional methodological requirements on those activities as to ensure alignment to its long-term low-emissions development, and social and environmental safeguards.
17. The reporting and Article 6.2 roles and responsibilities apply only when a Party's participation in the PACM involves authorized A6.4ERs. These responsibilities pertain to the accounting, reporting and review of these authorized A6.4ERs, as they constitute ITMO. These roles and responsibilities are primarily detailed in Article 6.2 of the Paris Agreement, and subsequent guidance of the CMA, however, few are provided by the rules and regulations of the PACM. These are focused on the PACM registry as it acts as an Article 6.2 registry, and therefore the information it provides participating Parties to fulfil their obligations in relation to Article 6.2.

18. The flow chart (figure 1) below demonstrates where roles and responsibilities fit in the activity cycle, illustrating where each role or responsibility is triggered or communicated. This is explained further below.

**Figure 1. roles and responsibilities of host Parties in the activity cycle**



19. The flow chart below (figure 2) demonstrates how these different categories inform one another.
20. The participation responsibilities sit across all of a Party's participation in the PACM, thereby influencing its methodological roles and responsibilities, through to its activity specific roles and responsibilities. The methodological roles and responsibilities are the next tier down, informed by the participation responsibilities, and informing the activity-specific roles and responsibilities. The activity-specific roles and responsibilities is the final tier in relation to activity development, which are informed by the participation and methodological roles and responsibilities. The accounting, reporting and Article 6.2 related roles and responsibilities relate to the outcomes of the activity design process, providing the roles and responsibilities of Parties regarding the authorization and use of any authorized A6.4ERs issued from the activities and facilitating the information flow through to the Article 6.2 process.

**Figure 2. Information flow**

### 3.1. Methodological responsibility on baselines to align to the host Parties NDC, if applicable, and its LTLEDS, if it has submitted one

21. According to paragraph 33 of the rules, modalities and procedures (RMPs) for the Article 6.4 mechanism (below), the methodologies of activities must meet several requirements, as set out that “*mechanism methodologies shall encourage ambition over time; encourage broad participation; be real, transparent, conservative, credible and below ‘business as usual’; avoid leakage, where applicable; recognize suppressed demand; align with the long-term temperature goal of the Paris Agreement; contribute to the equitable sharing of mitigation benefits between the participating Parties; and, in respect of each participating Party, contribute to reducing emission levels in the host Party, and align with its NDC, if applicable, its long-term low GHG emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement.*”
22. The Supervisory Body is in the process of developing methodological guidance to support the implementation of this paragraph. Some requirements relate expressly to the host Parties wider context of its NDC and LT-LEDS. Subject to the guidance to come from the Supervisory Body, host Parties will need to consider what this means for activities in their jurisdiction. This relates closely to other responsibilities of host Parties, including the participation responsibilities elaborated in the tables below. Host Parties may wish to consider how they will be implementing these responsibilities consistently and in a way that supports their participation and the implementation of activities.
23. For example, host Parties will need to provide information how their participation in the PACM will contribute to their sustainable development, NDC, and LT-LEDS (see paragraph 26 of the RMPs below). They may consider how the information they provide to fulfil this responsibility (for example, data and analysis and policy pathways) could then be used to inform baseline setting that is their participation may seek accelerate the sustainable transition of a particular sector in their economy by reducing emissions beyond the anticipated by their NDC pathway, the data of projected emissions and impacts of policy interventions which underlay the NDC pathway may then inform the levels for

baseline setting as to align to their NDC and LT-LEDS (per the requirements of paragraph 33 of the RMPs above).

24. The relationship between these responsibilities is elaborated in the table below and demonstrated by the case study (see below) where possible. As mentioned above, the guidance on requirements for development and assessment of methodologies, currently under development, will further support host Parties in implementing these responsibilities.

### **3.2. Case study**

25. This manual explores a case study of an activity to demonstrate how many of these roles or responsibilities may relate at the activity level. This is a fictional example. Party A seeks to participate in the PACM to drive low emissions development in its transport sector. The sector currently forms 13 per cent of their emissions. In its LT-LEDS, the sector is noted as undertaking a slow transition to low emissions, as there is a high marginal abatement cost. They have determined that by engaging in cooperation to reduce emissions in their transport sector and pricing the mitigation at a high enough price which reflects the high marginal abatement cost, they could potentially authorize 50 per cent of the resulting A6.4ERs, with the other 50 per cent of them issued as MCUs; use the revenue to advance their energy sector transition which has a lower marginal abatement cost; and the 50 per cent of the mitigation which would count towards their NDC (represented by the MCUs) would exceed that which they had anticipated achieving in the absence of cooperation. They will be looking to incentivize activity developers to develop transport-based activities of the sort they have identified as useful, via the PACM. Party A already hosts a number of CDM activities, including one in the transport sector which has sought transition to the PACM. They recognize that this activity could be useful, but it needs to update its baseline to be more stringent, to ensure that the finance it generates is going towards mitigation beyond what would have happened anyway. If the activity delivers beyond what Party A has anticipated in their NDC (recognizing that the transport sector is not anticipated to reduce emissions significantly in current NDC policy and projections), they will authorize the A6.4ERs.
26. Party B set an NDC which seeks to contribute more to the global effort to reduce emissions than their domestic transition can deliver at this stage as they seek to ensure a just and equitable transition. They are looking to invest in mitigation towards their NDC via authorized A6.4 through the PACM.
27. The roles and responsibilities of Party A and Party B are elaborated throughout the tables below, which detail the rules and regulations of the PACM as they relate to Parties.

#### **3.2.1. Participation responsibilities**

28. To host PACM activities, Parties must fulfil their participation responsibilities. These are the broad responsibilities, which are non-activity-specific and overarching in nature. They include, for example, the responsibility to demonstrate they are a Party to the Paris Agreement. These participation responsibilities, how to fulfil them, and any related information are detailed in Table 1 below.

**Table 1. Participation responsibilities of host Parties**

Role or responsibilities	Role / responsibility of the host Party	Operationalizing this role / responsibility	Case study example
<b>Responsibility</b>	<p>RMPs, paragraph 26: Each host Party of Article 6, paragraph 4, activities shall, prior to participating in the mechanism, ensure that it:</p> <ul style="list-style-type: none"> <li>(a) Is a party to the Paris Agreement;</li> <li>(b) Has prepared, has communicated, and is maintaining an NDC in accordance with Article 4, paragraph 2;</li> <li>(c) Has designated a national authority for the mechanism and has communicated that designation to the secretariat;</li> <li>(d) Has indicated to the SBM how participation in the mechanism contributes to sustainable development, while acknowledging that the consideration of sustainable development is a national prerogative;</li> <li>(e) Has indicated to the Supervisory Body the type of Article 6, paragraph 4 activities that it would consider approving, and how such types of activities, and any associated emission reductions would contribute to the achievement of its NDC, if applicable, its long-term low GHG emission development strategy if it has submitted one, and the long-term goals of the Paris Agreement</li> </ul>	<p>Once this information is communicated to the secretariat via the online UNFCCC interface, the secretariat shall publish the information provided by host Parties on the UNFCCC website (as per paragraph 11 of the A6.4 ACP).</p> <p>Decision 7/CMA.4 clarified this responsibility further (as elaborated below in this table). This provided that the information on the status of the Party under the Paris Agreement is deemed to have been provided if the instruments of ratification, acceptance, approval or accession have been deposited with the Depositary in accordance with Article 20 of the Paris Agreement. Parties may demonstrate this by providing a link to the <a href="#">United Nations Treaty Repository</a>, highlighting its ratification, acceptance, approval and/or accession date. To demonstrate they have prepared, communicated, and are maintaining an NDC, Decision 7/CMA.4 provided that this will be deemed provided if the Party's NDC has been communicated to the secretariat and is still valid.</p> <p>To assist Parties in fulfilling this responsibility, the secretariat has developed a form which can be submitted through the UNFCCC website (Form: Host party participation requirements for the Article 6.4 mechanism (HPP Form)). Parties may wish to provide a link to the most recent NDC in the UNFCCC <a href="#">NDC Registry</a>.</p>	<p>Party A will need to fulfil this responsibility by submitting the HPP Form through the UNFCCC website. On the HPP Form, Party A <b>it provides</b> a link to the United Nations Treaty Repository, and a link to <b>its</b> latest NDC, published earlier this year. <b>Party A</b> also provides information contact for <b>its</b> Ministry of the Environment, which <b>serves as its</b> DNA. On the HPP Form, <b>it</b> describes how <b>the Party</b> intend to use the PACM to incentivize low-emissions development in <b>its</b> transport sector (which is identified as a long-term objective in its LT-LEDs), and how this will enable <b>the Party</b> to achieve more mitigation than otherwise possible – some of which <b>it</b> will authorize to be issued as authorized A6.4ERs through the PACM, and some of which <b>it</b> will</p>

Role or responsibilities	Role / responsibility of the host Party	Operationalizing this role / responsibility	Case study example
		<p>Note, requirements (a) and (b) are also requirements more broadly for Parties to participate in cooperative approaches.</p> <p>This information will inform activity participants on the type of activities eligible for development in the host Party, and how those activities must support the host Party's sustainable development and NDC, LTLEDS and long-term goals of the Paris Agreement. This information correlates to the requirement on mechanism methodologies to the host Party's NDC, LTLEDs and the long-term goals of the Paris Agreement (per paragraph 33 of the RMPs). Where such information relates to the emissions baseline calculation of activities, this should also correlate to any information that host Parties' may provide per paragraph 27 of the RMPs, as below.</p>	<p>require to be issued as MCUs which <b>it</b> will count towards their own NDC.</p>
<b>Responsibility</b>	<p>RMPs, paragraph 28: Each host Party shall ensure that, on a continuing basis:</p> <p><b>(a)</b> It is maintaining an NDC in accordance with Article 4, paragraph 2</p> <p><b>(b)</b> Its participation in the mechanism contributes to the implementation of its NDC and its long-term low GHG emission development strategy, if it has submitted one.</p>	<p>There is no <b>need for a separate</b> communication requirement for this responsibility. Parties may wish to consider this responsibility <b>as ongoing</b> responsibility in relation to the responsibility of paragraph 26 above.</p>	<p>Party A will need to fulfil this responsibility on an ongoing basis. Overtime, <b>it</b> will continually review <b>its</b> participation in the PACM to ensure that the activities underway and new proposed activities continue to advance its NDC and LT-LEDS.</p>
<b>Responsibility</b>	<p>Decision 7/CMA.4 paragraph 25: Host Parties shall provide to the Supervisory Body the information referred</p>	<p>As discussed above, this elaborates on the requirement of paragraph 26 of the RMPs.</p>	<p>No additional action.</p>



Role or responsibilities	Role / responsibility of the host Party	Operationalizing this role / responsibility	Case study example
	<p>to in paragraphs 26–28 of the RMPs relating to the participation responsibilities of host Parties in accordance with the modalities to be specified by the Supervisory Body. The Supervisory Body shall promptly make the received information publicly available on the UNFCCC website. In this context:</p> <p>(a) The information on the status as a Party under the Paris Agreement referred to in paragraph 26(a) of the RMPs is deemed to have been provided if the instruments of ratification, acceptance, approval or accession have been deposited with the Depositary in accordance with Article 20 of the Paris Agreement;</p> <p>(b) The information on the preparation, communication and maintenance of NDCs referred to in paragraphs 26(b) and 28(a) of the RMPs is deemed to have been provided if it has been communicated to the secretariat in accordance with Article 4, paragraph 2 of the Paris Agreement and is still valid.</p>		

### 3.2.2. Methodological roles and responsibilities

Table 2. Methodological roles and responsibilities of host Parties

Role or responsibility	Role / responsibility of the host Party	Operationalising this role / responsibility	Case study example
Role	<p>RMPs, paragraph 27: A host Party may specify to the SBM, prior to participating in the mechanism:</p> <p>(a) Baseline approaches and other methodological requirements, including additionality, to be applied for Article 6, paragraph 4 activities that it intends to</p>	<p>Once this information is communicated to the secretariat via the online UNFCCC interface, the secretariat shall publish the information provided by host Parties on the UNFCCC website (as per paragraph 11 of the ACP).</p>	<p>Party A recognizes that its participation in the PACM is only useful if it goes beyond the current NDC projections for the transport sector. To ensure that activities can deliver this, it</p>



Role or responsibility	Role / responsibility of the host Party	Operationalising this role / responsibility	Case study example
	<p>host, in addition and subject to and consistent with these rules, modalities and procedures, under the supervision of the Supervisory Body, and subject to further relevant decisions of the CMA, with an explanation of how these approaches and requirements are compatible with its NDC and, if it has submitted one, its long-term low GHG emission development strategy.</p> <p>(b) Crediting periods to be applied for Article 6.4 activities that it intends to host, including whether the crediting periods may be renewed, subject to these rules, modalities and procedures and under the supervision of the SBM, and in accordance with further relevant decisions of the CMA, with an explanation of how these crediting periods are compatible with its NDC and, if it has submitted one, its LT-LEDs.</p>	<p>This information will inform activity participants of any required baseline approaches, other methodological requirements, and crediting periods which must be applied to any eligible activities within the host party. This is an opportunity for the host Party to specify more specific, or more ambitious requirements than those required by the rules and regulations of the PACM. For example, a host Party may wish to communicate a minimum level of emission reductions that activities in a particular sector must deliver in order to be eligible, as to align to their low-emissions trajectory for that sector. If provided, this information should be consistent, or directly correlate, as applicable, with the information provided by the host Party per paragraph 26 above with regard to the host Party's NDC and LTLEDs. Additionally, if provided, this information correlates to the requirement for methodologies to align to the host Party's NDC and LTLEDs (per paragraph 33 of the RMPs).</p> <p>When the activity reaches the stage of being approved by the Supervisory Body for registration, it will be checked to ensure that it meets all rules and regulations, and any requirements specified by host Parties, including any provided pursuant to this provision.</p>	<p>provides detailed information on how the transport sector's emissions are projected to change through the NDC and LT-LEDs policies, and to provide baseline approaches and crediting periods which should be applied. In developing these baseline approaches, the Party has ensured compliance with the guidance on methodologies produced by the Supervisory Body (still under development). The Party provides the information and baseline approaches via the additional information box on the HPP Form.</p> <p>In addition to baseline and crediting period information, Party A also provides information on its requirements for stakeholder consultation, which reflect its best -practice arrangements with the local community.</p>

<b>Role or responsibility</b>	<b>Role / responsibility of the host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
<b>Role</b>	<p>RMPs, paragraph 31: The activity: (...)</p> <p>(a) Shall undergo local and, where appropriate, subnational stakeholder consultation consistent with applicable domestic arrangements in relation to public participation and local communities and Indigenous Peoples, as applicable;</p>	<p>Once this information is communicated to the secretariat via the online UNFCCC interface, the secretariat shall publish the information provided by host Parties on the UNFCCC website.</p> <p>This information will inform activity participants of any required domestic arrangements which must be complied with in relation to public participation and local communities and Indigenous Peoples. This is an opportunity for the host Party to provide a centralized source of information on domestic arrangements, so as to facilitate activity development.</p> <p>When the activity reaches the stage of being approved by the Supervisory Body for registration, it will be checked to ensure that it meets all rules and regulations, and any requirements specified by host Parties, including any provided pursuant to this provision.</p>	<p>The information that Party A provided in the HPP Form will inform this requirement for activity developers.</p>
<b>Role</b>	<p>RMPs, paragraph 35:</p> <p>Mechanism methodologies may be developed by activity participants, host Parties, stakeholders or the SBM. Mechanism methodologies shall be approved by the SBM where they meet the requirements of these rules, modalities and procedures and the requirements established by the SBM.</p>	<p>Host Parties may communicate methodologies they have developed, or an intention to develop a methodology, including any assistance sought from the Supervisory Body via the online UNFCCC interface. If the methodology includes a standardized baseline, this must be developed in accordance with the Procedure: Development, revision, clarification and update of standardized baselines. This paragraph is subject to the wider requirements on methodologies, as provided in paragraph 33 of the RMPs. This includes requirements for mechanism methodologies to encourage</p>	<p>Party A recognizes that it could build confidence in and facilitate activities in the activity development market in its transport sector by providing a methodology which makes use of their baseline requirements provided. When activities are developed using the methodology, developers can have certainty that the activity will be approved by Party A.</p>

<b>Role or responsibility</b>	<b>Role / responsibility of the host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
		<p>ambition overtime, align to the long-term temperature goal of the Paris Agreement, recognize suppressed demand, contribute to the equitable sharing of mitigation benefits between participating Parties, and align to a host Parties NDC, among other requirements. The Supervisory Body has yet to provide guidance on developing and assessing mechanism methodologies, which is anticipated to provide guidance which will apply to setting baselines. This section will be updated when this guidance is provided.</p> <p>The secretariat shall communicate any methodologies developed by a host Party to the Supervisory Body for approval, and/or facilitate arrangements for any assistance sought. If approved by the Supervisory Body following an assessment to ensure that the methodology complies with the rules, modalities and procedures of the PACM, the secretariat shall publish the methodology on the UNFCCC website.</p> <p>The host Party may wish to develop methodologies so as to ensure that activities developed in its jurisdiction drive the transformational climate action they seek in accordance with their NDC and LT-LEDs. Developing methodologies may also facilitate activity development as developers could have confidence in host Party support for the activities which applied the methodologies.</p> <p>While it is not a role or responsibility of Parties, they should be aware that the "Procedure for</p>	<p>Party A develops a methodology for transport-based activities (ensuring compliance with the guidance on methodologies provided by the Supervisory Body) and submits this to the Supervisory Body for approval.</p>

		<p>the transition of CDM activities” provides the following guidance to support the Supervisory Body in priorities its work in developing and approving methodologies:</p> <p>Paragraph 25: The Supervisory Body may prioritize, as needed, the development or approval of a new methodology or methodological tool, based on factors such as relevance for least developed countries and small island developing States, host Party priorities communicated to the SBM, potential for transformative climate action at a global or regional scale, potential for programmatic approaches, and participation of small and micro businesses.</p> <p>Paragraph 36: The Supervisory Body may decide to develop a new methodology (including a new consolidated methodology) or methodological tool at any time. The Supervisory Body may consider giving priority to the development of a new methodology or methodological tool based on various factors. These factors include its relevance for least developed countries and small island developing States, host Party prioritise communicated to the Supervisory Body, potential for transformative climate action at a global or regional scale, potential for programmatic approaches, and participation of small and micro businesses.</p> <p>Paragraph 69: The SBM may prioritize, as needed, the revision of an approved methodology or methodological tool, based on factors such as relevance for least developed</p>	
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<b>Role or responsibility</b>	<b>Role / responsibility of the host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
		<p>countries and small island developing States, host Party priorities communicated to the SBM, potential for transformative climate action at a global or regional scale, potential for programmatic approaches, and participation of small and micro businesses.</p> <p>Paragraph 81: The Supervisory Body may, taking into account the appendix to this procedure, decide to revise an approved methodology (including an approved consolidated methodology) or methodological tool at any time. The Supervisory Body may consider giving priority to the revision of an approved methodology or methodological tool based on various factors. These factors include its relevance for least developed countries and small island developing States, host Party priorities communicated to the Supervisory Body, potential for transformative climate action at a global or regional scale, potential for programmatic approaches, and participation of small and micro businesses.</p>	
<b>Role</b>	<p>RMPs, paragraph 36: Mechanism methodologies shall require the application of one of the approach(es) below to setting the baseline, while taking into account any guidance by the SBM, with justification for the appropriateness of the choices, including information on how the proposed baseline approach is consistent with paragraphs 33 and 35 above, and recognizing that a host Party may determine a more ambitious level at its discretion:</p> <p>A performance-based approach, taking into account:</p>	<p>As set out in this paragraph, mechanism methodologies must apply one of the listed approaches to setting their baseline, and a host party may determine a more ambitious baseline level for activities within its jurisdiction. This paragraph is subject to the wider requirements on methodologies, as provided in paragraph 33 of the RMPs. This includes requirements for mechanism methodologies to encourage ambition overtime, align to the long-term temperature goal of the Paris Agreement,</p>	<p>As above, when Party A developed <b>its</b> methodology <b>it</b> ensured compliance with the guidance on methodologies, including this requirement.</p>

<b>Role or responsibility</b>	<b>Role / responsibility of the host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
	<p>(a) Best available technologies that represent an economically feasible and environmentally sound course of action, where appropriate;</p> <p>(b) An ambitious benchmark approach where the baseline is set at least at the average emission level of the best performing comparable activities providing similar outputs and services in a defined scope in similar social, economic, environmental and technological circumstances;</p> <p>(c) An approach based on existing actual or historic emissions, adjusted downwards to ensure alignment with paragraph 33 above.</p>	<p>recognize suppressed demand, contribute to the equitable sharing of mitigation benefits between participating Parties, align to a host Parties NDC, among other requirements. The Supervisory Body is yet to provide guidance on developing and assessing mechanism methodologies, which is anticipated to provide guidance which will apply to setting baselines. This section will be updated when this guidance is provided. The secretariat shall communicate any methodologies developed by a host Party to the Supervisory Body for approval, and / or facilitate arrangements for any assistance sought. The Supervisory Body will assess the methodology to ensure that it complies with the rules, modalities and procedures of the PACM, and if approved, the secretariat shall publish the methodology on the UNFCCC website.</p> <p>A host Party will have the opportunity to consider the approach to setting the baseline, compliance with their guidance, and any possible activity specific revisions through the activity approval process, detailed in the summary table of roles and responsibilities of specific activities.</p>	
<b>Role</b>	<p>RMPs, paragraph 37: Standardized baselines may be developed by the SBM at the request of the host Party or may be developed by the host Party and approved by the SBM. Standardized baselines shall be established at the highest possible level of aggregation in the relevant sector of the host Party and be consistent with paragraph 33 above.</p>	<p>Standardised baselines are a methodological tool that host Parties may wish to develop, so as to ensure that activities they host advance their NDC and LTLEDs, and to facilitate activity development in their jurisdiction, as discussed above. These can be developed by a host Party at any time in accordance with the "Procedure for the Development, revision, clarification and</p>	<p>Not applicable.</p>

<b>Role or responsibility</b>	<b>Role / responsibility of the host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
		update of standardized baselines". The secretariat shall communicate any methodologies developed by a host Party to the Supervisory Body for approval, and/or facilitate arrangements for any assistance sought. The Supervisory Body will assess the standardized baseline to ensure that it complies with the rules, modalities and procedures of the PACM, and if approved, the secretariat shall publish the standardized baseline on the UNFCCC website.	
<b>Role</b>	Procedure: development revision, and clarification of methodologies and methodological tools, paragraph 53: The project participants of a planned project, the coordinated managing entity of a planned programme of activities(PoA) a host Party, a DOE or any other stakeholder ... may, taking into account the appendix to this procedure, request the Supervisory Body to revise an approved methodology or methodological tool by submitting the following documents to the secretariat through a specific interface on the UNFCCC website: (...)	This paragraph recognizes that a host Party, and any others that may be involved in developing or applying methodologies, may request updates to those methodologies. A host Party may wish to do this to ensure that the methodologies <b>remain</b> relevant and fit for purpose. Host Parties should be aware of the Supervisory Body's guidance for prioritizing their work in relation to methodologies, as laid out above (see RMPs paragraph 35 elaboration above).  Any updates to methodologies or methodological tools will be published by the secretariat on the UNFCCC website.	Not applicable.
<b>Role</b>	Procedure: development revision, and clarification of methodologies and methodological tools, paragraph 105: The project participants of a planned project or PoA, the coordinating managing entity of a planned PoA, a host Party, a DOE or any other stakeholder ... may, taking into account the appendix to this procedure, request clarification of an approved methodology or methodological tool, by submitting, through a specific	This paragraph recognises that a host Party, and any others that may be involved in developing or applying methodologies, may request clarification to those methodologies. A host Party may wish to do this to ensure the methodologies remains relevant and fit for purpose. Host Party's should be aware of the Supervisory Body's guidance for prioritising	Not applicable.

<b>Role or responsibility</b>	<b>Role / responsibility of the host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
	interface on the UNFCCC website, the duly completed “Form: Approved baseline and monitoring methodology/methodological tool clarification request” to the secretariat.	<p>their work in relation to methodologies, as laid out above (see RMPs paragraph 35 elaboration above).</p> <p>Any updates or clarifications to methodologies or methodological tools will be published by the secretariat on the UNFCCC website.</p>	

### 3.2.3. Roles and responsibilities of a host Party in the approval of specific activities

**Table 3. Roles and responsibilities of a host Party in the approval of specific activities**

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
<b>Responsibility</b>	<p>RMPs, paragraph 40: The host Party shall provide to the SBM an approval of the activity, prior to a request for registration. The approval shall include:</p> <p>(a) Confirmation that and information on how the activity fosters sustainable development in the host Party;</p> <p>(b) Approval of any potential renewal of the crediting period, if the Party intends to allow the activity to continue beyond the first crediting period, where the Party has specified that the crediting periods of Article 6.4 activities that it intends to host may be renewed pursuant to paragraph 27(b) above.</p> <p><b>Appendix 1.</b> Explanation of how the activity relates to the implementation of its NDC and how the expected emission reductions or removals contribute to the host Party’s NDC and the purposes referred to in Article 6.1.</p>	<p>This responsibility is elaborated in the ACP, as below. In summary, the host Party will be informed of proposed activities through notification by the secretariat that a Project Design Document (PDD) has been received. The host Party has full discretion over whether to provide their approval for the activity to proceed with its development process. Note: after the host Party provides an approval, the activity will still be assessed by the Supervisory Body for consistency with the rules and regulations of the PACM. The details on the process for providing the approval are elaborated below (see paragraphs 15, 19, 20 and 21 and 23 of the ACP).h</p> <p>This responsibility to approve activities correlates to the methodological roles and responsibilities elaborated in the table above. The approval should correlate to anything the host Party has specified via their roles and responsibilities relating to methodologies, from any baseline and crediting period requirements, through to stakeholder engagement requirements. The more consistency between how the host Party has described</p>	<p>Party A receives notification from the secretariat that an activity is proposed using the methodology that Party A developed. Party A provides, through the UNFCCC interface, an approval of the activity and one renewal of its crediting period, providing a brief explanation as to how this activity specifically fosters sustainable development, how it</p>



<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
		their PACM participation as supporting their NDC and sustainable development (participation responsibilities), any methodological requirements they have specified, and the approvals they provide, the more straightforward this responsibility will be to fulfil, and the more certainty will be provided for activity developers. Note, as provided by paragraph 224 of the ACP (elaborated below), host Parties may withdraw their approval at any time.	relates to the NDC, and how it will contribute to the NDCs, making reference to the information that party A has provided on the Form.
<b>Responsibility</b>	RMPs, paragraph 41: The host Party shall provide to the Supervisory Body the Article 6.4(b) authorization of public or private entities to participate in the activity as activity participants under the mechanism.	<p>This paragraph reflects the requirement that activity participants must be authorized by the host Party. This is elaborated in paragraph 19 of the ACP which specifies that the host Party will be informed by the secretariat of the proposed project developers. The host Party may provide this authorisation through the dedicated interface on the UNFCCC website, with the details required by paragraph 19.</p> <p>By providing this authorization of the entities, the host Party is authorizing their relationship with the activity participants for reporting purposes. This means that if authorized A6.4ERs are involved, the host Party is undertaking to provide the required information on any authorised A6.4ERs held in their authorized entity accounts to the 6.2 reporting, tracking and review process. This relationship between them and their authorized entities will be reflected in the PACM registry.</p> <p>As detailed in the ACP, if the host Party authorizes entities as activity participants, the activity participants will be informed via the secretariat.</p>	Party A authorizes the activity developer 'Clean Buses Inc' to participate in the PACM. In doing this, they recognize that any authorized A6.4ERs which sit in Clean Buses Inc's accounts at the time of reporting to the Article 6.2 process, will need to be included in their reporting. They can see this relationship through the mechanism registry interface online.
<b>Responsibility</b>	RMPs, paragraph 42: The host Party shall provide a statement to the Supervisory Body specifying whether it authorizes A6.4ERs issued for the activity for use towards achievement of NDCs and/or for other international	As discussed above, the PACM enables two types of A6.4ERs to be issued, authorized A6.4ERs which are ITMOs, and MCUs. When the host Party provides its approval, it must provide whether it authorizes any	Party A provides a statement to accompany its approval specifying

Role or responsibility	Role / responsibility of host Party	Operationalising this role / responsibility	Case study example
	<p>mitigation purposes as defined in decision 2/CMA.3. If the host Party authorizes any such uses, the Party may provide relevant information on the authorization, such as any applicable terms and provisions. If the host Party authorizes A6.4ERs for use for other international mitigation purposes, it shall specify how it defines “first transfer” consistently with paragraph 2(b) of the annex to decision 2/CMA.3.</p>	<p>A6.4ERs issued from that activity, and for what uses they are authorized, and how they define first transfer. This requirement is reflected in this paragraph. Once a statement is provided, the statement will be made publicly available on the UNFCCC website.</p> <p><b><u>Providing authorization for A6.4ERs</u></b></p> <p>A statement providing authorization for A6.4ERs from an activity has significant consequences, as the host Party will need to undertake a corresponding adjustment for any authorized A6.4ERs which are first transferred (elaborated further below). In practice for the host Party, this corresponding adjustment is an accounting practice whereby the reductions demonstrated by their emissions inventory (which correspond on a tonne by tonne basis to the A6.4ERs) are then adjusted in their NDC accounting so those reductions do not count towards their NDC. Instead, the reductions count towards whatever the purchaser uses the reductions towards, which may include their NDC. A host Party making a corresponding adjustment will make their NDC harder to achieve as they will need to deliver additional mitigation which they can count towards their NDC to make up for the shortfall. This does not mean that cooperation is a net-negative for a host Party. For example, host Parties may wish to consider how their existing NDC policies could be accelerated or enhanced by international cooperation, and then splitting the mitigation (only correspondingly adjusting for a portion which goes beyond what their NDC policies had contemplated) or seeking to identify new mitigation opportunities which were not otherwise possible (i.e., due to a financial barrier), which the revenue from agreeing to undertake a corresponding adjustment could fund. These arrangements could be reflected in the statement made by host Parties and may</p>	<p>that it will authorize 50 per cent of any resulting A6.4ERs for use towards the achievement of NDCs or other purposes, under the terms that a fee of USD \$35, inflation adjusted, is paid from the proceeds of any purchases to Party A for each A6.4ER authorized. This fee corresponds to the additional energy sector abatement they will fund as a result of the cooperation. They undertake to fulfil the requirements of Article 6 for each authorized A6.4ER, with the authorised A6.4ERs deemed first transferred upon issuance from the pending account into the authorized activity participants account. They have decided to define first transfer at this point as the activity</p>

Role or responsibility	Role / responsibility of host Party	Operationalising this role / responsibility	Case study example
		<p>need to be elaborated in accordance with the ACP (see below).</p> <p><b><u>Providing the uses for which A6.4ERs are authorized</u></b>  When providing authorization of A6.4ERs, a host Party must specify the uses for which they are authorized. The host Party has discretion over this, and may choose to make their authorization specific, or broad. For example, the uses the host Party authorizes the A6.4ERs for could reflect arrangements the host Party has made with another Party as a bilateral arrangement; or could relate to a voluntary carbon market scheme they are a participant in (i.e., their authorized A6.4ERs are made available only to entities purchasing to surrender them as part of a national carbon neutral scheme). Regardless of how the authorized A6.4ERs are used, the host Party must undertake a corresponding adjustment for them, so as to ensure against double counting in accounting.</p> <p><b><u>Defining first transfer</u></b>  When providing authorization of any A6.4ERs, a host Party must specify how they define first transfer. This can be understood as acknowledging that they will not be used towards the host Party's NDC, and able to be used towards other NDCs or purposes (as their specified uses above allow for). For example, they may define first transfer as the point of issuance into entities' accounts, whereby they undertake to make a corresponding adjustment for all authorized A6.4ERs, even if those are still held in accounts of their authorized entities which they will be required to report on (see authorized entity requirements above). This needs to be undertaken consistent with the account, reporting and review requirements of Article 6.2. See the Article 6.2 manual for more information.</p>	<p>participants will have already paid the fee to them to compensate for the corresponding adjustment, and this saves them needing to interact with the activity participants or further trace the authorized A6.4ERs as would be required if defining first transfer at a later stage of their life cycle. Party A specifies that the authorized A6.4ERs are authorized for any use, as consistent with the rules and regulations of the Paris Agreement. They have provided this broad authorization with a view to ensuring that the activity participants have a wide range of potential purchasers, hopefully translating to high demand for the authorized A6.4ERs and</p>

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
			encouraging further activity development in their jurisdiction.
<b>Responsibility</b>	RMPs, paragraph 43: A6.4ERs may only be used towards NDCs or towards international mitigation purposes if they are authorized in accordance with paragraph 42 above. The host Party shall apply corresponding adjustments for such A6.4ERs first transferred in accordance with chapters IX (Avoiding the use of emission reductions by more than one Party) and X (Use of emission reductions for other international mitigation purposes) below and shall apply corresponding adjustments for the associated A6.4ERs levied for a share of proceeds in accordance with chapter VII below (Levy of share of proceeds for adaptation and administrative expenses) and cancelled for overall mitigation of global emissions in accordance with chapter VIII below (Delivering overall mitigation in global emissions).	This paragraph reflects the responsibilities of host Parties to undertake a corresponding adjustment for authorized A6.4ERs, as discussed above.	As above.
<b>Responsibility</b>	RMPs, paragraph 44: The host Party shall apply a corresponding adjustment for A6.4ERs that are authorized for other purposes, in accordance with chapter X below (Use of emission reductions for other international mitigation purposes), and shall apply corresponding adjustments for the associated A6.4ERs levied for a share of proceeds in accordance with chapter VII below (Levy of share of proceeds for adaptation and administrative expenses) and cancelled for overall mitigation of global emissions in accordance with chapter VIII below (Delivering overall mitigation in global emissions).	This paragraph reflects the responsibilities of host Parties to undertake a corresponding adjustment for authorized A6.4ERs, as discussed above.	As above.
<b>Responsibility</b>	CMA4, paragraph 26: Pursuant to paragraphs 40, 41 and 45 of the RMPs, host Parties and other participating	This paragraph reiterates the RMP requirements discussed above.	As above.

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
	Parties shall provide to the Supervisory Body the information referred to in these paragraphs relating to the approval of specific activities by a host Party, authorization of specific activity participants by a host Party, and authorization of activity participants by another participating Party, respectively, in accordance with the modalities to be specified by the Supervisory Body.		
<b>Responsibility</b>	AS, paragraph 80: The activity participants of a registered A6.4 project may request a change to the start date of the crediting period of the project if no request for issuance for the project has been submitted yet and if the host Party approves the change in accordance with the activity cycle procedure.	This paragraph reflects the importance of the host Party approval of projects, recognizing that any changes made after such approval must be reconsidered by the host Party. The host Party will be notified by the secretariat of the changes. The host Party should provide their response as to whether the changes are approved to the secretariat, which will inform the activity participants. The Supervisory Body will also assess the requested changes to the activity, so as to ensure continued compliance with the rules and regulations of the PACM.	If the activity participants request a change to the start date of their activity, Party A will need to consider the changed start date and decide whether to approve. This consideration will include assessing whether the revised start date changes their assessment that the activity is delivering action that would not have happened otherwise (i.e., accelerating their transport sector transition).
<b>Responsibility</b>	AS, paragraph 85: Changes to a registered A6.4 project may include:	This paragraph elaborates on changes that activity participants may seek to make to their activities after their approval, for which they will need to obtain host Party approval, as discussed above.	If the activity participants change the activity, Party A will need to consider the changes and

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
	<p>(a) Increasing the capacity specified in the registered PDD with the following conditions:</p> <p>(i) Increasing the capacity that would result in the increase of GHG emission reductions or net GHG removals more than the respective thresholds referred to in subparagraph (i), subject to the approval of such an increase by the host party.</p> <p>(c) Adding new components or extending/adding technologies/measures, subject to the approval of the host Party, that introduce...</p>		decide whether to approve as above.
<b>Responsibility</b>	AS, paragraph 111: the crediting period of a registered A6.4 project may be renewed if the host Party has approved the renewal when approving the project prior to its registration in accordance with the activity cycle procedure.	As discussed above, when approving an activity, the host Party must provide whether the crediting period may be renewed. This paragraph corresponds to what the host Party has provided.	As above, information that Party A provided on crediting periods provided on the Form, and in the activity's, approval will determine whether activity participants can renew the activity.
<b>Responsibility</b>	ACP, paragraph 15: the secretariat shall, upon publication of the prior consideration notification on the UNFCCC website, inform the host Party of the receipt of such notification. The host Party may indicate through the dedicated interface on the UNFCCC website that it has no objection for the proposed A6.4 project to proceed with requesting registration under the A6.4 mechanism.	All activities registered under the PACM must meet the methodological requirements, including additionality requirements. The prior consideration notification contributes to the demonstration of additionality by showing that the financial revenue from participation in the PACM was considered at the inception of the activity, suggesting that the activity would not have occurred in the absence of the PACM. The prior consideration notification also acts as an opportunity for the host Party to indicate their willingness to host an activity. This is reflected in this paragraph, which provides that the host	Party A receives the notification of the proposed activity and approves via the UNFCCC website that it has no objection for the activity to proceed with registration.

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
		<p>Party may provide that it has “no objection” to the activity proceeding to seek registration. At this stage, the activity has not been assessed in detail by the host Party or the Supervisory Body; this will occur at the point of request for registration. The host Party indication at the point of the prior consideration notification is non-binding.</p> <p>The host Party can provide its indication of no objection via the UNFCCC website, as noted in the provision.</p>	
<b>Responsibility</b>	<p>ACP, paragraph 19: the secretariat shall, upon publication of the PDD on the UNFCCC website, inform the host Party of the receipt of the PDD, and request the host Party, based on the project information contained in the PDD, the implications of hosting the project on the implementation of its NDC, and, if the host Party wishes to do so, taking into account the comments submitted during the global stakeholder consultation and published on the UNFCCC website in accordance with section 4.3 above, to respond to the publication, through a dedicated interface on the UNFCCC website any time after it has fulfilled the requirements for participating in the Article 6.4 mechanism referred to in paragraph 7 above by:</p> <p>(a) Approving the project to be registered under the A6.4 mechanism, noting that the registration of the project is subject to a positive validation outcome by a DOE and approval by the Supervisory Body; or</p> <p>(b) Rejecting the project to be registered under the A6.4 mechanism, providing the reason for rejection.</p>	<p>As discussed above, the host Party must provide approval of all activities within its jurisdiction. This provision further elaborates on how the host Party shall fulfil its responsibilities discussed above in relation to paragraph 40 of the RMPs. As detailed, the host Party shall communicate its response through the UNFCCC website, which will be actioned by the secretariat and communicated to the activity participant accordingly.</p>	<p>As above, Party A provides its approval for the activity to be registered to the PACM via the UNFCCC website.</p>



<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
<b>Responsibility</b>	ACP, paragraph 20: The host Party, through its DNA, should promptly respond to the publication but no later than 60 days of the notification or in any longer timeframe to be indicated by the host Party through the dedicated interface on the UNFCCC website. Before responding, the host Party, through its DNA, may request the activity participants to provide additional information of the proposed A6.4 project to support its consideration on whether to approve the project or authorize the activity participants.	As discussed above, the host Party must provide approval of all activities within its jurisdiction and must authorize all activity participants. This provision further elaborates on how the host Party shall fulfil its responsibilities discussed above in relation to paragraph 40 of the RMPs and provides that a host Party may request additional information to support its consideration. As detailed, the host Party shall communicate its response through the UNFCCC website, which will be actioned by the secretariat and communicated to the activity participants accordingly. The host Party may through its DNA, contact the activity participants directly to seek further information. The contact details of the activity participants will be provided in the Mode of Communication (MoC) statement, alongside the PDD.	Party A provides its approval and authorization of the activity participants within the 60 days, [unless a longer timeframe is specified via the dedicated interface on the UNFCCC website] Party A may contact the activity participants directly via the contact information provided to seek more information on the stakeholder communication process, which supports its decision.
<b>Responsibility</b>	ACP, paragraph 21: if the host Party approves the project, the approval shall include:  (a) Confirmation that, and information on how, the project fosters sustainable development in the host Party;  (b) Approval of any potential renewal of the crediting period, if the Party intends to allow the project to continue beyond the first crediting period, where the Party has specified that the crediting periods of A6.4 activities that it intends to host may be renewed pursuant to paragraph 27(b) of the RMPs;	As discussed above in relation to paragraph 40 of the RMPs, when providing their approval for an activity, a host Party must provide specific information, including how that activity supports its sustainable development, any crediting period renewals approved, and how the activity will relate to the implementation of its NDC. This paragraph elaborates on this responsibility. Much of this information should be readily available from the information that the host Party provided pursuant to paragraph 26 of the RMPs, as to how their participation in the mechanism supports their sustainable development and the implementation of their NDC. In addition, their process of deciding whether to approve the	As above in relation to paragraph 40 of the RMPs, Party A provides information on how the proposed activity supports its sustainable development, and NDC implementation. Additionally, Part A provides that the activity may renew its crediting period once



Role or responsibility	Role / responsibility of host Party	Operationalising this role / responsibility	Case study example
	<p>(c) Explanation of how the project relates to the implementation of its NDC and how the expected GHG emission reductions or net GHG removals contribute to the host Party's NDC and the purposes referred to in Article 6, paragraph 1;</p> <p>(d) Authorization of the activity participants.</p>	<p>activity would have included an assessment of how the specific activity contributed to this wider objective of their participation in the mechanism. This information or analysis is what this provision is seeking to make publicly available as part of the approval.</p> <p>The host Party must provide this information as part of their approval which they communicate to the secretariat via the UNFCCC website, which the secretariat will publish on the UNFCCC website.</p>	<p>and authorizes activity participants</p>
Responsibility	<p>ACP, paragraph 54: The secretariat shall notify the activity participants, the DNAs of the host Party and other participating Parties, and the DOE: that the SBM has received the request for registration for its consideration; that the secretariat has published the request for registration on the UNFCCC website; and of the last day by which members and alternate members of the Supervisory Body, and the host Party and other participating Parties, may request a review of the request for registration.</p>	<p>The request for registration of an activity comes after the host Party has already provided no objection to the prior consideration notification; its approval for the activity to be developed; a statement regarding the authorization of any A6.4ERs issued; and authorization of the activity participants, among other responsibilities elaborated above. At the point of requesting registration, the host Party is asked to consider the activity again and may request a review of the request for registration, as is further provided in paragraphs 150 and 152 of the ACP, detailed below. If a review is requested, paragraph 63 of the ACP shall apply, with the activity participants notified, the request for review made publicly available on the UNFCCC website, and an expert review team established to undertake the review and deliver an assessment report. Per paragraph 73 of the ACP, the Supervisory Body shall take this report into consideration, alongside a summary note prepared by the secretariat and decide whether to register the activity or reject. If the host Party is unhappy with the outcome, they may withdraw their approval of the activity at any time, per paragraph 220 of the ACP.</p>	<p>Party A receives notification of the request for registration. It makes no request to review as the request for registration is consistent with its expectations of how the activity would be developed.</p>

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
		If no review of the registration request is made, the Supervisory Body shall approve the activity to be registered.	
<b>Role</b>	ACP, paragraph 56: The host Party and any other participating Party, and any member or alternate member of the Supervisory Body, may request a review of the request for registration within 28 days of the date of publication of the request for registration. If the host Party or other participating Party wishes to request a review, its DNA shall submit the request through a dedicated interface on the UNFCCC website. If a member or alternate member of the Supervisory Body wishes to request a review, he/she shall submit the request through a dedicated interface on the UNFCCC website.	This paragraph elaborates on the process for reviewing the request for registration, which may be made by a host Party, or a member or alternate member of the Supervisory Body, per paragraph 54 above.	Not applicable.
<b>Responsibility</b>	ACP, paragraph 122: For [references paragraph 121(a) regarding post-registration changes relating to the addition of an activity participant and changes related to entity names or legal status], the secretariat shall notify the DNA of the host Party or any other relevant Party participating in the A6.4 project of the requested change, and request them to respond whether to approve the change through the dedicated interface on the UNFCCC website referred to in paragraph 19 above.	As discussed above, all post-registration changes must be approved by the host Party. This provision elaborates on the process of an activity participant seeking approval for a post-registration change, and the host Party providing this.	Party A receives the notification from the secretariat that an additional activity participant has been added. Party A considers this change to ensure that the changed composition of responsible entities does not reflect any changes to the functioning of the activity, and they ensure that they maintain the correct

Role or responsibility	Role / responsibility of host Party	Operationalising this role / responsibility	Case study example
			contact details for activity participants. Once assured <b>that</b> this will not cause any difficulties in relation to the activity, <b>Party A</b> approves the post-registration change.
<b>Role</b>	ACP, paragraph 150: The secretariat shall notify the activity participants, the DNAs of the host Party and other participating Parties, and the DOE: that the Supervisory Body has received the request for issuance for its consideration; that the secretariat has published the request for issuance on the UNFCCC website; and of the last day by which members and alternate members of the Supervisory Body and the host Party and other participating Parties may request a review of the request for issuance, as referred to in paragraph 152 below.	<p>The request for issuance of an activity comes after the activity has been registered to the PACM, and after all the prior steps outlined above. The host Party may request a review of the request for issuance, as provided by this section. The secretariat will notify the host Party of the request, and the last possible day by which they may request a review. As with the process above, requesting review of the registration, if a review is requested, the activity participants shall be notified, the request for review made publicly available, and an expert review team established to prepare a report for decision by the Supervisory Body (paragraphs 161–184 of the ACP, as below).</p> <p>If no review of the registration request is made, the Supervisory Body shall approve the request for issuance.</p>	Party A receives notification from the secretariat that the activity has requested issuance. This is consistent with their expectations of the activity. They do not request a review.
<b>Role</b>	ACP, paragraph 152: The host Party and any other participating Party, and any member or alternate member of the Supervisory Body, may request a review of the request for issuance within 28 days of the date of publication of the request for issuance. If the host Party or other participating Party wishes to request a review, its DNA shall submit the request through a dedicated interface on the UNFCCC website. If a member or an alternate member of the Supervisory Body wishes to	This paragraph elaborates on the process for reviewing the request for issuance, which may be made by a host Party, any other participating Party, or a member or alternate member of the Supervisory Body, per paragraph 150 of the ACP.	Not applicable.

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
	request a review, he/she shall submit the request through a dedicated interface on the UNFCCC website.		
<b>Role</b>	<p>ACP, paragraph 220: The host Party of a proposed or registered A6.4 project may, through its DNA, submit a notification to the secretariat to withdraw the approval of the project or the authorization of any of the activity participants made in accordance with paragraphs 20-21 any time through a dedicated interface on the UNFCCC website, providing the following information: The project title and its unique UNFCCC reference number;</p> <p>(a) The type of withdrawal (withdrawal of approval of project or withdrawal of authorization of activity participants);</p> <p>(b) The names of activity participants to whom the withdrawal of authorization applies (applicable if the withdrawal only relates to the authorization of activity participants);</p> <p>(c) The effective date of the withdrawal, which shall be at least 60 days after the date of the notification of the withdrawal unless the host Party specifies an earlier date with justification;</p> <p>(d) The reason(s) for the withdrawal.</p>	<p>As this paragraph provides, host Parties may withdraw their approval of an activity, or authorization of activity participants at any time. To do this, they must provide the information of this withdrawal to the secretariat to be actioned through the UNFCCC website. The secretariat will notify the activity participants. The immediate implications of this are detailed in paragraph 224 of the ACP (below).</p> <p>Paragraph 224 of the ACP details the process which follows a host Party withdrawal of approval or authorization, this is provided below. As activities require host Party approval to be registered to the PACM, the impact of withdrawing this approval is that the activity would no longer be registered to the PACM, and may cease to operate entirely. Similarly, as activity participants require host Party authorization, if this is withdrawn and there is no remaining authorized activity participants for the activity, it may no longer be registered to the PACM.</p>	Not applicable.
<b>Role</b>	<p>ACP, paragraph 224: If the host Party withdraws the approval of the project:</p> <p>(a) If the effective date of the withdrawal is before the submission by a DOE of a request for registration of the project in accordance with paragraph 38 above, such request may not be submitted;</p>	<p>This paragraph elaborates on the process of withdrawal of host Party approval of an activity, providing the specifics of how the activity will be immediately affected.</p> <p>As above, activities require host Party approval to be registered to the PACM. This means that the impact of withdrawing this approval is that the activity would no</p>	Not applicable.

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
	<p>(b) If the effective date of the withdrawal is after the submission by a DOE of a request for registration but before the final decision of the SBM on the request, the request shall be removed from processing the request;</p> <p>(c) If the effective date of the withdrawal is after the final decision of the SBM to register the project, the modalities contained in paragraph 225 below shall apply.</p>	longer be registered to the PACM and may cease to operate entirely.	
<b>Role</b>	ACP, paragraph 225: For a registered A6.4 project from which the host Party withdrew its approval, requests for issuance for GHG emission reductions or net GHG removals achieved by the project in the period prior to the effective date of the withdrawal may continue to be submitted until the date referred to in paragraph 135 above, and consequently A6.4ERs may be issued in accordance with sections 7 and 8 above. In this case, requests for issuance shall not cover a monitoring period from the effective date of the withdrawal of the approval of the project.	This paragraph further elaborates on the process following a host Party withdrawing its approval.	Not applicable.
<b>Role</b>	ACP, paragraph 226: For a registered A6.4 project from which the host Party did not withdraw its approval, but the host Party or other participating Parties withdrew the authorization of one or more activity participants, requests for issuance for GHG emission reductions or net GHG removals achieved by the project may continue to be submitted until the date referred to in paragraph 135 above and consequently A6.4ERs may be issued in accordance with sections 7 and 8 above, as long as one activity participant authorized by the host Party remains. For the purpose of requests for issuance and distribution	This paragraph elaborates on the process following a host party or other participating Parties withdrawing their authorization of the activity participants.	Not applicable.

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
	of A6.4ERs, the activity participants whose authorization was withdrawn shall be treated as if they were still activity participants of the project for the monitoring period prior to the date of the withdrawal of the authorization.		
<b>Role</b>	AS, appendix 2: paragraph 15: If, during the validation of the proposed A6.4 project, complaints submitted to the DNA of the host Party on the handling of the outcome of the local stakeholder consultation are forwarded to the activity participants through the DOE, the activity participants shall take due account of such complaints and modify the PDD as appropriate before the DOE concludes the validation.	Through the stakeholder communication process, the host Party may receive complaints from stakeholders on the handling of outcomes from the local stakeholder consultation which is required by the rules and regulations of the PACM, or which may be required by the host Party per their methodological requirements for activities. This paragraph provides that, if a host Party receives any complaints, they shall be forwarded on so they can inform changes to the activity.	Party A received a complaint from a local bus company that they did not feel adequately engaged with during the stakeholder consultation of the activity. They forward this onto the activity developers, per the contact details provided in the MoC.
<b>Role</b>	VVS, paragraph 55: The DOE shall request the DNA of the host Party of the proposed A6.4 project to forward to the DOE complaints received by the DNA from stakeholders on the handling of the outcome of the local or subnational stakeholder consultation ... if any. In this case, the DOE shall promptly forward such complaints to the activity participants and subsequently determine whether the activity participants have taken due account of the complaints and modify the PDD as appropriate. If the DNA has not forwarded any such complaints to the DOE within 30 days of the request, the DOE shall conclude that there is no such complaint.	The host Party must also forward on any complaints made to them during the stakeholder consultation process to the DOE, so the DOE can ensure these were adequately addressed when it verifies the activity.	Party A forwards on the complaint received to the validating DOE.
<b>Role</b>	ACP, paragraph 104: The authorized signatories or the legal representatives of the activity participants, the focal points, or the DNAs of the host Party or any other	Paragraph is self-explanatory, the host Party may notify of issues with the MoC statement.	Not applicable.

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
	participating Parties participating in the A6.4 project may directly notify the secretariat of any issues regarding the MoC statement through a specified e-mail account made available on the mechanism registry section of the UNFCCC website. In this case, the secretariat may request additional clarifications to the notifier. The secretariat may contact any of the focal points or the activity participants of the respective registered A6.4 project or, in the case of insolvency, liquidators/administrators, in order to request additional clarifications from these entities. The secretariat shall advise on further actions to the parties involved, including those referred to in section 6.3.2 below.		
<b>Role</b>	ACP, paragraph 113: The secretariat may engage the DNAs of the host Party or any other Parties participating in the respective registered A6.4 project whenever issues resulting from insolvency and/or disputes over the designation of the focal points are communicated to the secretariat. The secretariat may provide information, subject to the confidentiality of such information and/or administrative assistance to the DNAs, if so requested by the respective DNAs.	Paragraph is self-explanatory.	Not applicable.
<b>Role</b>	ACP, paragraph 219: During the period from the effective date of deregistration of an A6.4 project until the date that is three calendar years later:  (a) The secretariat shall communicate with the activity participants, the host Party and other participating Parties in order to assist them to settle outstanding matters in relation to the deregistered A6.4 project, including the completion of all issuance requests and forwarding requests in respect of GHG emission reductions or net GHG removals	Paragraph is self-explanatory.	Not applicable.

<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
	achieved prior to the effective date of deregistration, and such other steps as are necessary to ensure the completion of outstanding matters in relation to the deregistered A6.4 project.		
<b>Responsibility</b>	CMA4, paragraph 12: pursuant to paragraph 73(b) of the RMPs, the DNA for the Article 6.4 mechanism of a CDM host Party, if it approves the transition, shall provide the approval to the Supervisory Body by no later than 31 December 2025 in accordance with the procedure to be developed by the Supervisory Body.	This paragraph elaborates on what is provided in the RMPs regarding the transition of CDM activities. As detailed, if a host Party wants to enable CDM activities to transition to the PACM, it shall provide the approval for this no later than the date provided and in accordance with the PTCDM (detailed below).	Party A provides their approval for the existing CDM activity to transition to the PACM, noting the condition for the methodology to be updated, as discussed above.
<b>Responsibility</b>	PTCDM, paragraph 13: The host Party of the CDM project activity, or PoA and CPAs therein, regarding which a request for transition has been published on the UNFCCC website shall, if it approves such transition, submit an approval of transition from its DNA for the Article 6.4 mechanism to the SBM through a dedicated interface on the UNFCCC website, providing the information on the form contained in appendix 2, by 31 December 2025, 24:00 CET. If there is more than one host Party for a transitioning CDM PoA, all host Parties of the PoA shall submit such approval by the deadline.	This paragraph elaborates on the process for Parties providing approval of CDM activities to transition (above). In relation to CDM transitions, this is the third step in the process, coming after the transition request is made by activity participants, and after the global stakeholder consultation. The host Party will have another opportunity to review the proposed transition of the CDM activity at the stage of reviewing the transition request (see below). Paragraph references the form for host Party approval of CDM activity transition requests, which is provided as Annex 2 of the PTCDM.	Party A provides their approval of the transition of the CDM activity they host through the UNFCCC website by completing the form for host Party approval of CDM activity transition requests.
<b>Responsibility</b>	PTCDM, paragraph 14: The host Party may submit an approval of transition only after it has fulfilled the requirements for participating in the Article 6.4 mechanism referred to in paragraph 26 of the RMPs by demonstrating the fulfilment in accordance with the relevant provisions in the “Article 6.4 activity cycle procedure for projects” or the “Article 6.4 activity cycle procedure for programmes of activities”, as applicable.	This paragraph reiterates the requirement for host Parties to have fulfilled the participation responsibilities (detailed above) to be able to provide approval of CDM activities to transition to the PACM.	Party A has fulfilled its participation responsibilities per the relevant sections above.



<b>Role or responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Operationalising this role / responsibility</b>	<b>Case study example</b>
<b>Role</b>	PTCDM, paragraph 26: The host Party of the transitioning CDM project activity or PoA, or any member or alternate member of the SBM, may request a review of the request for transition within 28 days of receipt of the notification of the completion of the substantive check in accordance with paragraph 24 above, through a dedicated interface on the UNFCCC website, providing reasons for requesting a review.	This is the second to last step in the process for transitioning CDM activities, coming after the host Party has already provided its approval (see above), and before the transition is finalized. This paragraph provides that a host Party may request a review of the CDM transition request, which would trigger a review by the Supervisory Body, from which they could proceed to approve the activity, approve the activity pending the activity participants agreement to any modifications, or reject the activity. As this paragraph provides, the host Party will receive notification of the completion of the substantive check (the stage in the transition process preceding the review stage) and may communicate their request for review via the UNFCCC website.	Party A receives notification that the substantive check is complete, and the request is consistent with their expectations following their earlier approval. They make no request for review.

#### 4. Reporting and review, including connection to Article 6.2

29. As noted above, these roles and responsibilities are triggered when a Party's participation in the PACM involves the use of authorized A6.4ERs. These roles and responsibilities are only those detailed in the rules and regulations of the Article 6.4 mechanism and generally relate to the functions of the PACM which support Parties to fulfil their Article 6.2 obligations when relevant. These roles and responsibilities should be read alongside the Article 6.2 Manual, which provides an overview of the broader roles and responsibilities of Article 6.2, to which these correspond.

**Table 4. Reporting and review, including connection to Article 6.2**

<b>Role and responsibility</b>	<b>Role / responsibility of host Party</b>	<b>Role of other stakeholders</b>	<b>Case study example</b>
<b>Not applicable</b>	CMA4, paragraph 46. The mechanism registry shall enable, for each participating Party, the automatic prefilling of the agreed electronic format and of other quantitative information requirements pursuant to chapter IV (Reporting) of the annex to decision 2/CMA.3 in relation to authorized A6.4ERs and the creation of records of internationally transferred mitigation outcomes in the accounts of the international registry so as to enable tracking pursuant to chapter VI.A (Tracking) of the annex to decision 2/CMA.3.	Note: this does not provide a specific role or responsibility for Parties but is useful for the fulfilment of Party roles and responsibilities in relation to the reporting, accounting, and review requirements of Article 6.2. As provided in the paragraph, the mechanism registry enables the prefilling of the requirements of the Article 6.2 reporting in relation to the activities registered to the PACM's issued A6.4ERs.	When Party A and Party B come to fulfil their responsibilities according to Article 6.2, the information on the A6.4ERs held in their respective accounts is automatically prefilled into the electronic format. For Party A, this includes the information on the authorized A6.4ERs which are held in their authorized entities accounts. For Party B, this includes the authorized A6.4ERs which they hold in their accounts, purchased from Party A's registered activities.

Role and responsibility	Role / responsibility of host Party	Role of other stakeholders	Case study example
<b>Not applicable</b>	CMA4, paragraph 47: The mechanism registry shall enable the production and dissemination of reports to the DNAs of Parties participating in the Article 6.4 mechanism on the holdings and transaction history in relation to accounts and transactions associated with the respective Party.	Note, this does not provide a specific role or responsibility for Parties but provides information on how the PACM will report to participating Parties. This information may be useful for their own records, including to support them in fulfilling any reporting, accounting, and review requirements according to Article 6.2.	<p>Party A receives the reports on the issued A6.4ERs from their registered activities, which are held in their authorized entities accounts or have been transacted to others. This is useful for their records and management of their participation in the PACM, including, for example, for them to determine the demand for A6.4ERs from any activities they are hosting and may consider hosting in future.</p> <p>Party B also receives information on their accounts, which is useful for their records and management of their participation in the PACM in respect of their plan to deliver on their NDC.</p>
<b>Not applicable</b>	CMA4, paragraph 49: Pursuant to paragraph 63 of the RMPs, the mechanism registry shall be connected to the international registry. The connection shall allow for automated pulling and viewing of data and information on holdings and the action history of authorized A6.4ERs for use by participating Parties that have an account in the international registry.	Similar to above, this does not provide a specific role or responsibility for Parties but provides information on how the PACM will connect to the international registry, and the useful functionality of that connection for Parties with accounts in both.	Party A and Party B both have accounts in the international registry. Information on authorized A6.4ERs from the PACM registry is usefully pulled through to be viewed in the international registry.

Role and responsibility	Role / responsibility of host Party	Role of other stakeholders	Case study example
<b>Role</b>	CMA4, paragraph 42: Account holders may request transfer, cancellation or voluntary cancellation of A6.4ERs or Certified Emissions Reductions (CERs) held in their holding accounts in accordance with relevant requirements and procedures to be adopted by the Supervisory Body.	This paragraph is self-explanatory and applies to Parties as account holders in the PACM registry.	Party B purchases authorized A6.4ERs from Party A and holds them in their holding account. To use the authorized A6.4ERs, they transfer them to their NDC retirement account (see below). Per paragraph 46 above, this information pulls through to support them in completing the reporting information they are responsible for in relation to Article 6.2.
<b>Role</b>	CMA4, paragraph 43: Account holders may acquire A6.4ERs or CERs in the mechanism registry in their holding accounts in accordance with relevant requirements and procedures to be adopted by the Supervisory Body.	This paragraph is self-explanatory and applies to Parties as account holders in the PACM registry.	As above.
<b>Role</b>	CMA4, paragraph 44: Each participating Party may request to open a retirement account, as needed. A retirement account may acquire A6.4ERs authorized for use towards achievement of NDCs or CERs in the mechanism registry only from accounts associated with the participating Party for which the retirement account was opened.	To use authorized A6.4ERs or CERs towards their NDC, a Party must open a retirement account. This account will be separate from their holding account, but specific to their NDC. Information from this account will be automatically prefilled through to the reporting, accounting and review process of Article 6.2, per paragraph 46 above.	Party B requests to open a retirement account for their NDC in accordance with the procedure for the mechanism registry (still under development). Once opened, they transfer authorized A6.4ERs to this account to contribute them towards their NDC, as above.

Role and responsibility	Role / responsibility of host Party	Role of other stakeholders	Case study example
<b>Role</b>	CMA4, paragraph 65: Pursuant to paragraph 70 of the RMPs, Parties, activity participants and stakeholders may request voluntary cancellation of A6.4ERs in the mechanism registry for the purpose of delivering further Overall Mitigation in Global Emissions (OMGE) that has been correspondingly adjusted in accordance with chapter III.B (Application of corresponding adjustments) of the annex to decision 2/CMA.3, in accordance with the procedures to be developed by the Supervisory Body.	This paragraph is self-explanatory and applies to Parties as account holders in the PACM registry.	Party B decides to purchase more A6.4ERs than it needs for its NDC and cancel these towards OMGE. It does this by requesting the transfer of the A6.4ERs from its holding account to the OMGE retirement account in accordance with the procedure for the mechanism registry (still under development).

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## 5. Frequently asked questions<sup>1</sup>

This section provides some frequently asked questions and answers on Article 6.4. The UNFCCC website for the Paris Agreement Crediting Mechanism is frequently updated to maintain accurate, up-to-date and relevant information, see here: <https://unfccc.int/process-and-meetings/the-paris-agreement/article-64-mechanism>.

Stakeholders may contact the secretariat with any outstanding questions by emailing [A6.4mechanism-info@unfccc.int](mailto:A6.4mechanism-info@unfccc.int).

### **What is the difference between Article 6.2 and Article 6.4?**

Article 6.2 provides accounting, reporting and reviewing guidance which applies to all transactions of Internationally Transferred Mitigation Outcomes for Nationally Determined Contributions. Article 6.4 establishes a voluntary mechanism, the Paris Agreement Crediting Mechanism, which Parties can choose to use for cooperation reduce or remove emissions and support sustainable development. Where a Party's cooperation through the mechanism includes the exchange of Internationally Transferred Mitigation Outcomes, the Article 6.2 guidance will apply to that cooperation.

### **Do host Parties have to correspondingly adjust for all 6.4 emission reductions issued from activities they host?**

No, Parties can decide whether to authorise for corresponding adjustment any 6.4 emissions reductions issued from activities they host. If they choose not to authorise for correspondingly adjustment, the 6.4 emissions reductions will be 'Mitigation Contribution Units', which can be sold but will contribute to their own NDC. If they choose to authorise for corresponding adjustment, the 6.4 emissions reductions will be 'Authorised Emissions Reductions', and they will need to follow Article 6.2 guidance for that proportion of mitigation.

### **Where are these roles and responsibilities coming from?**

Article 6 of the Paris Agreement (1/CMA.1) establishes the Article 6.4 mechanism. The Parties provided the mechanisms rules, modalities, and procedures in Decision 3/CMA.3, and have elaborated them in Decision 7/CMA.4. These provide a number of the roles and responsibilities in this manual.

Other roles and responsibilities are provided through the regulatory documents of the Supervisory Body, which is tasked with operationalising the mechanism. This includes Standards, Procedures, Tools, and Guidelines. The secretariat produced a help sheet to assist understanding the various regulatory documents of the Supervisory Body, this can be found here: [https://unfccc.int/sites/default/files/resource/A64\\_document\\_codification\\_system.pdf](https://unfccc.int/sites/default/files/resource/A64_document_codification_system.pdf).

### **Where can I find more information on the transition of CDM activities to the Article 6.4 mechanism?**

The UNFCCC website has a dedicated webpage with all relevant information on the transition of CDM activities to the Article 6.4 mechanism. This website includes a helpful list of frequently asked questions specific to the transition of CDM activities.

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<sup>1</sup> To be further elaborated in 2025 based on feedback to be collected during interactions with stakeholders.

The link to this website is here: <https://unfccc.int/process-and-meetings/the-paris-agreement/paris-agreement-crediting-mechanism/transition-of-cdm-activities-to-article-64-mechanism>.

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### Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
02.1	4 February 2025	Revision in footnote 7 of the cover note to include the link to the draft user-friendly manual.
02.0	27 January 2025	Published as an annex to the annotated agenda of SBM 015. This version takes into account guidance provided by the Supervisory Body at SBM 013 (SBM 013 meeting report, paragraphs 11). Title changes from “Article 6.4 guide or manual for host Parties participation in the mechanism” to “Article 6.4 manual for host Parties participation in the mechanism”.
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