

Capacity-Building Workshop: Advancing Article 6 Implementation in Papua New Guinea

5th March 2025 & 6th March 2025 | Hotel Hilton, Port Moresby, Papua New Guinea

I. Background

Article 6 of the Paris Agreement is established to facilitate countries in voluntarily adopting it as a tool for implementing climate action in the host country and achieving emission reduction targets set in their Nationally Determined Contributions (NDCs). Operationalizing Article 6 requires targeted capacity-building efforts to enable stakeholders at various levels to effectively leverage market and non-market approaches under Articles 6.2, 6.4, and 6.8 for climate action. Carbon markets play a crucial role in mobilizing finance at scale, supporting meaningful climate action.

Recognizing the opportunity, the Government of Papua New Guinea (PNG), through the Climate Change and Development Authority (CCDA), has requested tailored capacity-building on Article 6 aiming towards strengthen PNG's participation in international carbon markets and enhance its climate action initiatives.

II. PNG's Climate Action & Policy Framework

The Climate Change and Development Authority (CCDA), established under the Climate Change Management Act 2015, develops policies to address climate change in Papua New Guinea (PNG). The country has set ambitious targets, including achieving carbon neutrality in the energy industries sub-sector by 2030, increasing renewable energy in on-grid electricity from 30% (2015) to 78% (2030), and introducing a fossil fuel emission offsetting framework to support the transition while financing nature-based solutions. In the transport sector, PNG is exploring emission reduction strategies to align with its broader climate goals. In the LULUCF sector, it aims to reduce annual emissions by 10,000 Gg CO₂e through a 25% reduction in deforestation and degradation, avoiding 8,300 ha of deforestation and 43,300 ha of degradation annually, alongside strengthened reforestation efforts and improved data quality for better reporting and integration into future NDCs.

To support these efforts, PNG seeks to monetize emission reductions through result-based payments via mechanisms such as the Green Climate Fund (GCF), bilateral agreements, and Article 6 market and non-market approaches. The country remains committed to operationalizing Article 6, leveraging international carbon markets to achieve its NDC targets and drive sustainable development.

III. PNG's Engagement in Carbon Markets and Article 6 Implementation

PNG has actively engaged in carbon markets, have 12 Clean Development Mechanism (CDM) projects, five of which are eligible for transition to the Article 6.4 mechanism. In the voluntary carbon market, PNG has established four Gold Standard and eight Verra-certified projects across key sectors, including methane recovery in wastewater, biomass energy, afforestation and reforestation, REDD+ initiatives, and improved cookstove programs. These efforts reflect PNG's commitment to leveraging international carbon markets to enhance climate action, support its Nationally Determined Contributions (NDCs), and drive sustainable development.

a. Article 6 Implementation in Papua New Guinea

As outlined in PNG's latest Nationally Determined Contributions (NDCs), the country is considering to operationalizing Article 6; leveraging international carbon markets to support its climate goals and drive

sustainable development. To advance this objective, the Government of Papua New Guinea (PNG), through the Climate Change and Development Authority (CCDA), has requested targeted capacity-building support on Article 6 of the Paris Agreement. This initiative aligns with PNG's broader efforts to strengthen the country participation in international carbon markets, enhance climate action, and effectively implement its NDC commitments; and to support the successful design and implementation of Article 6-related activities in PNG.

The requested training program aims to build a strong foundation in Article 6 for key stakeholders, including:

- Board of Directors and Senior Management of CCDA;
- Senior officials from key ministries (e.g., Energy, Environment, Planning, and Finance);
- Technical officers and project developers, with hands-on training through case studies and group discussions.
- Private sector representatives, focusing on their role in implementing mitigation measures.

IV. Workshop Objectives

The workshop aims to strengthen stakeholders' capacity to engage in market and non-market mechanisms under Article 6, equipping them with the knowledge and technical expertise to effectively navigate these mechanisms and support PNG's NDC targets. The specific objectives include:

- Enhancing understanding of Article 6 provisions, including participation requirements under Articles 6.2 and 6.4, and clarifying roles and responsibilities, such as CDM transition.
- Establishing institutional frameworks for implementing Articles 6.2 and 6.4, defining the private sector's role in advancing PNG's NDCs through sectoral assessments.
- Showcasing existing Article 6 programs and initiatives, identifying strategic opportunities and risks in cooperative approaches, and enabling informed decision-making and prioritization of Article 6 activities in PNG.
- Raising awareness of Article 6.8, its background, and relevant experiences.

The workshop aims to provide stakeholders with a comprehensive understanding of Article 6 implementation and its implications for PNG's climate and sustainable development objectives by addressing these topics.

V. Modality

The workshop will be held over two days in Papua New Guinea, with distinct focus areas for each day:

Day 1: Aimed at government executives, the sessions will focus on enhancing policy understanding, clarifying roles, and exploring strategic opportunities for implementing Article 6 in alignment with PNG's NDCs.

Day 2: Targeted at technical experts and project developers, this session will provide in-depth discussions on the practical aspects of Article 6 mechanisms, sectoral assessments, and cooperative approaches, with a focus on project development and technical implementation.

VI. Program Outline

Proposed Agenda - Day 1 (05 March 2025)

Time	Session Title & Details
08:00 - 08:30	Registration
08:30 - 09:00	Welcome and Introduction
09:00 - 10:00	Introduction to Article 6: Cooperative Approaches This session will provide an overview of Article 6, covering its key mechanisms—Cooperative Approaches (6.2), Market Mechanism (6.4), and Non-Market Approaches (6.8). It will highlight how Article 6 frameworks can establish an effective international market for carbon credits and facilitate global cooperation. Additionally, the session will address the <ul style="list-style-type: none"> • status of negotiations and key milestones achieved at COP 29, including roles and responsibilities outlined in Baku. • emerging trends in carbon markets and carbon pricing instruments strategies. • distinction between climate finance and carbon finance, specifically in relation to NDC linkages. • current status of Article 6 and future scenarios for its role in global climate action.
10:00 - 10:45	Managing Risks & Unlocking Opportunities in Article 6 for NDC Implementation This session will provide an in-depth understanding of Article 6 mechanisms under the Paris Agreement, emphasizing their role in enhancing NDC implementation. It will cover linkages between NDCs and Article 6, key risks, safeguards, and best practices for effective engagement. Participants will also explore challenges and mitigation strategies for both market and non-market approaches.
10:45 - 11:00	Break
11:00 – 11:45	Decision-Making Frameworks & Institutional Engagement for Article 6.2 This session will equip stakeholders with a structured decision-making approach to ensure effective governance and maximize climate and economic benefits under Article 6. It will cover considerations for effective institutional frameworks, and authorization processes essential for successful implementation. Key Topics <ol style="list-style-type: none"> 1. Institutional Frameworks – Establishing transparent governance structures for project authorization and implementation. 2. Economic Implications – Assessing incentives, trade-offs, and synergies between Article 6 projects and national development strategies. 3. Strategic Decision-Making – Defining leadership roles, inter-ministerial coordination, and regulatory alignment. 4. Corresponding Adjustments & ITMO Transfers – Fundamentals of cooperative approaches with real case studies, including an in-depth training module on ITMOs and case studies showcasing successful transactions. 5. Authorization Processes – Key steps in approving and operationalizing Article 6 transactions.



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	MRV & Reporting – Emphasizing the role of MRV in Article 6 effectiveness, best practices for robust MRV systems, and the latest tools and technologies for accurate monitoring and reporting.
11:45 – 12:30	<p>Understanding Article 6.4: Framework, Governance, and Implementation</p> <p>This session will provide a comprehensive understanding of Article 6.4, emphasizing its role in ensuring environmental integrity and fostering international cooperation through market-based mechanisms. Participants will explore its design, operational framework, and key distinctions from the Clean Development Mechanism (CDM). Additionally, the session will outline the responsibilities of Designated National Authorities (DNAs) and the eligibility criteria for participation in Article 6.4 activities.</p> <p>Key Topics</p> <ol style="list-style-type: none"> 1. Establishing a Designated National Authority (DNA) – The role of DNAs in Article 6.4 governance and project approvals. 2. Overview of Article 6.4 – Key features, objectives, and its role in global carbon markets. 3. Transition from CDM to Article 6.4 – Lessons learned and procedural advancements. 4. Challenges & Opportunities – Key considerations for effective implementation. 5. Article 6.4 Activity Cycle – Host country approval processes and mitigation activity registration. 6. Sectoral & Technological Eligibility – Criteria for selecting eligible activities. 7. Institutional Roles & Responsibilities – Defining government oversight and private sector engagement. <p>The session will conclude with a moderated discussion on the pathway for operationalizing Article 6.4, followed by a group activity using the A6.4-FORM-GOV-001 framework to develop host party participation requirements, ensuring practical insights into real-world implementation.</p>
12:30 – 1:30	Lunch
01:30 – 2:30	<p>Country context: Operationalizing Article 6.2 in Papua New Guinea</p> <p>This session will provide a roadmap for the operationalization of Article 6 in Papua New Guinea (PNG), outlining key milestones, participation requirements, institutional and procedural prerequisites for successful implementation. Session will equip participants with a clear understanding of eligibility criteria, project development, compliance, and private sector engagement.</p> <p>Key Topics</p> <ol style="list-style-type: none"> 1. Policy & Political Considerations – Understanding how national climate goals and political factors influence Article 6 project approvals. 2. Participation Requirements – Understanding eligibility criteria and the interplay between Articles 6.2 and 6.4. 3. Positive List & Project Development – Identifying eligible activities and designing high-quality Article 6 projects. 4. Approval & Compliance – Navigating the Article 6 project cycle, including documentation (e.g., MAIN, MADD) and approval processes.

	<p>5. MRV & Reporting – Strengthening monitoring, reporting, and verification systems to meet international requirements.</p> <p>Private Sector Engagement – Exploring the roles of project developers and buyers in cooperative approaches (JCM, Singapore).</p>
02:30 – 3:00	<p>Embedding Workshop Learnings into National Strategies</p> <p>This session will provide a platform for stakeholders to assess PNG’s position on Article 6 and identify key tools to accelerate its integration into national climate strategies.</p> <p>Participants will identify immediate actions and responsibilities for advancing Article 6 in PNG while drafting a basic framework or action plan to integrate Article 6 into PNG’s NDCs over the next five years, ensuring alignment with national priorities and institutional capacities.</p> <p>This will involve:</p> <ul style="list-style-type: none"> Identifying key aspects for policy design. Assessing current capacity gaps and implementing targeted capacity development activities to enhance institutional, technical (policy and regulatory) capabilities for Article 6 engagement. Identifying potential sectors and project activities in the context of PNG to leverage carbon markets and align with the NDC. Identifying potential risks related to mitigation activities and highlighting available resources for their development under Article 6.
03:00 – 03:15	Break
03:15 - 04:00	<p>Expert Clinic: Addressing Key Concerns</p> <p>Q&A</p>
04:00 - 04:15	Closing Session

Proposed Agenda - Day 2 (06 March 2025)

Time	Session Title & Details
08:30 - 09:00	Recap Day 1
09:00 - 10:00	<p>Introduction and Context Setting – Article 6 of Paris Agreement</p> <p>This session will provide a foundational understanding of market-based mechanisms, their role in global carbon markets, and the evolving landscape post-COP29. It will explore the status and trends of current carbon markets, along with an overview of NDC commitments in the region. The discussion will then focus on Article 6.2, highlighting the role of private sector participation in cooperative approaches.</p> <p>The session will also cover Article 6.4, explaining how it differs from the Clean Development Mechanism (CDM) and outlining key aspects of the CDM transition. This includes participation requirements, baseline approaches, and crediting periods under Article 6.4. Additionally, the session will address the CDM transition process, discussing ongoing projects and the implications of shifting to the new framework.</p>
10:00 - 10:45	<p>Beyond COP29: Unlocking the Potential of Carbon Markets & Article 6</p> <p>This session will explore strategies for integrating Article 6 mechanisms and carbon markets into national climate policies, emphasizing innovation, collaboration, and long-</p>



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	<p>term impact. Participants will gain insights into embedding these frameworks into NDCs, leveraging transformative approaches, and enhancing global cooperation for effective implementation.</p> <ol style="list-style-type: none"> 1. Strategic Integration – Aligning carbon markets and Article 6 with national climate strategies. 2. Innovation & Ambition – Driving transformative approaches to meet NDC targets. 3. Collaboration & Readiness – Strengthening regional and global cooperation for enhanced implementation.
10:45 - 11:00	Break
11:00 – 11:45	<p>Role of Private Sector Participation in Article 6 of the Paris Agreement</p> <p>This session will explore the role of the private sector in engaging under Article 6, highlighting opportunities, key requirements for participation, and alignment with national climate goals.</p> <p>It will begin with an overview of market-based mechanisms, examining the status and trends in global carbon markets, as well as the role of private sector engagement in supporting regional NDC commitments. The discussion will then focus on Article 6.2, exploring how businesses can participate in cooperative approaches, structure agreements, and align with host country priorities to enhance market readiness.</p> <p>The session will also address best practices, challenges, and strategic pathways for leveraging Article 6 mechanisms to drive climate action and sustainable development.</p>
11:45 – 12:30	<p>Development of Mitigation Activities under the Paris Agreement Crediting Mechanism (PACM)</p> <p>This session will provide a structured approach to developing mitigation activities under PACM, ensuring alignment with international best practices, compliance requirements, and national climate priorities.</p> <p>Key Topics</p> <ol style="list-style-type: none"> 1. PACM Cycle: Step-by-step overview of the phases involved in mitigation activity development, ensuring a systematic and transparent approach. 2. Critical Timelines and Requirements: Importance of adhering to prior consideration timelines to prevent delays, including key milestones such as activity start dates, necessary approvals, and compliance checkpoints. 3. Integration into PNG's Climate Strategy: Aligning mitigation activities with national priorities while meeting PACM eligibility criteria.
12:30 – 01:30	Lunch
01:30 – 02:30	<p>Article 6: A Tool for Implementing Mitigation Actions Towards Climate Goals</p> <p>This session will provide an overview of market-based mechanisms under Article 6, emphasizing their role in advancing PNG's climate objectives. Participants will explore how carbon markets can drive emissions reductions, drawing lessons from the Clean</p>



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	<p>Development Mechanism (CDM) and voluntary carbon markets. The session will conclude with a hands-on exercise to reinforce practical applications.</p> <p>Key Topics</p> <ol style="list-style-type: none"> 1. Overview of Market-Based Mechanisms: Understanding Article 6's role in international carbon markets and its application in PNG. 2. Mitigation Project Opportunities in PNG: Identifying sectoral priorities and potential projects under Article 6 to support PNG's NDCs. 3. Insights from CDM and voluntary markets on integrating carbon finance into mitigation strategies. <p>The interactive exercise will guide participants through the process of identifying and structuring potential mitigation projects within the Article 6 framework.</p>
02:30 – 03:00	<p>Article 6 and Its Role in the Voluntary Carbon Market (VCM)</p> <p>Session will explore, linkages between Article 6 and the Voluntary Carbon Market (VCM) in ensuring high-integrity mitigation outcomes. It will examine the current status, opportunities, and evolving VCMs, highlighting how they can mobilize additional climate finance while upholding environmental integrity and aligning with host country approval requirements.</p> <p>Key Topics</p> <ol style="list-style-type: none"> 1. VCM Status & Potential: Examining market trends, key sectors, and emerging opportunities. 2. Role of Article 6 in Voluntary Carbon Markets: Alignment with Host Country Priorities and Regulatory Frameworks
03:00 – 03:15	Break
03:15 - 04:00	<p>Article 6.8 Background and Experiences</p> <p>This session will feature a presentation by UNFCCC which will provide an overview of Article 6.8, including its definition, purpose, and how it differs from the market-based approaches of Articles 6.2 and 6.4. It aims to enhance participants' awareness of non-market approaches and their contribution to the goals of the Paris Agreement. The session will also include a discussion on potential non-market opportunities in participants' respective countries.</p>
03:15 – 04:00	Closing Session