Article 6 of the Paris Agreement: Informal technical expert dialogues

Reporting and review under Article 6.2

September and October 2021
Guiding questions for this informal technical expert dialogue

• What further **dates and details** are needed in the 6.2 decision to ensure sequencing is clear?

• **By when** do reporting formats and tables and review guidance need to be ready?

• What is **the relationship with the ETF**, including the structured summary, and how should the 6.2 decision reflect this?

• **How do these issues relate to the rest of the package** (Article 6/the wider Glasgow outcome) and **how could resolving these issues contribute to reaching consensus?**
Contents of this informal technical information slide pack

• Visual representation of the Enhanced Transparency Framework (Article 13/18.CMA.1) reporting and review cycle

• Visual representation of the draft Article 6.2 reporting and review arrangements per COP25 3rd Presidency Text and interaction with the ETF cycle

• Visual representation of national inventory report timing compared to draft Article 6.2 reporting and review arrangements (COP25 3rd Presidency text)

• Visual representation of in Article 6.2 infrastructure related arrangements per COP25 3rd Presidency Text

• Summary of relevant points made in informal technical expert dialogues so far and “to do” list per the cover decision Article 6.2 COP25 3rd Presidency Text

• Visual representation of possible links with other discussion items in Article 6

All slides are without prejudice to the outcome of Article 6 negotiations
Procedures and timelines under 18/CMA.1

**Process**

- **Party’s BTR submission**
  - Dec 2024

- **Technical expert review team established**
  - (10 weeks prior to review week)
  - March 2025

- **Preliminary questions sent to Party**
  - (4 weeks prior to review week)
  - April 2025

- **Party responds to preliminary questions**
  - (two weeks prior to review week)
  - July 2025

- **Review Week**
  - (findings communicated to Party at end of the week)
  - August 2025

- **Draft report sent to Party**
  - (2 months after review week)

- **Review date agreed with Party at least 14 weeks prior to review taking place**

- **Technical expert review team drafts final report**
  - (within one month of receipt of report)

**Sample Timeline**

- **Dec 2024**
  - Party’s BTR submission

- **March 2025**
  - Technical expert review team established

- **April 2025**
  - Preliminary questions sent to Party

- **July 2025**
  - Review Week

- **August 2025**
  - Draft report sent to Party

**Flexibility for those developing countries that need it in light of their capacities**

- LDCs and SIDS

- May choose a centralized review in lieu of an in-country review

- One additional week to respond to technical expert review team questions

- Two additional months to comment on report

- May choose to participate in large centralized review as a group
**Article 6.2 reporting and review: COP25 3rd Presidency text**

**When?**
- No later than authorization/first transfer, if practical in conjunction with next due BTR
- Annual basis (but when and for which period?), in agreed electronic format
- In (or with?) the BTR (part of regular information) (31 December)

**What?**
- Participation requirements, information in 64 of 18/CMA.1 if no BTR, ITMO metrics and method for CA, quantification (as applicable)
- Authorizations and transactions: ITMO auth, first transfer, transfer, acquisition, holdings, cancellation, use for NDC, auth for other purpose, voluntary cancellation, plus supporting information (cooperative approach, participating Parties, vintage, sector, activity...)
- Annual and cumulative data: emissions and removals from sectors/gases covered by NDC, ITMOs first transferred, MOs auth for other IMP, used towards NDC, plus supporting information (as above) and annual emissions balance (GHG) annual adjustments (non-GHG)
- Participation information: requirements, updates to initial report, authorizations, how corresponding adjustments are representative and ensure no net increase, how ensure used ITMOs not further used.
- Information on each cooperative approach: how contributes to mitigation and NDC, ensures environmental integrity, how approach ensures accordance with IPCC/CMA, further info for non-GHG, co benefits, limits, sustainable development, adaptation financing, OMGE

**Where?**
- Article 6 database (?)
- Article 6 database, CARP (description of cooperative approach), non-confidential information
- Article 6 database, CARP: non-confidential information
- In/with BTR Article 6 database, CARP: non-confidential information
- In/with BTR

**Tasks of review (A6 TER) of reports**
- check consistency of information with guidance
- prepare report
- may include recommendations, including addressing inconsistencies in quantified information

*Italics indicates detail is not in COP25 3rd Presidency text or may benefit from further clarification*
Procedures and timelines for ETF and A6: early initial report

Scenario: BTR at latest point per 18/CMA.1, **A6 initial report at earliest point** per COP25 3rd Presidency text

ETF sample timeline

- **Dec 2023**: Party submits Initial Report (stand-alone)
- **Dec 2023**: A6TER of Initial Report for consistency and makes recs. Produces A6TER Report
- **Dec 2024**: Secretariat check plus Annual Info. (1) to A6TER
- **Dec 2024**: A6TER of Annual Info (1). (But when? Wait for review in context of BTR?)
- **Dec 2024**: A6TER review report goes to TER
- **August 2025**: A6TER draft report notes conclusions of A6 TER report
- **August 2025**: A13 TER final report notes conclusions of A6 TER report

A6TER sample timeline

- **Dec 2023**: Party submits First BTR
- **Dec 2023**: TER team established
- **Dec 2023**: Party responds to prelim. questions
- **Dec 2023**: Draft report sent to Party
- **Dec 2023**: Review date agreed with Party
- **Dec 2023**: Prelim. questions to Party
- **Dec 2023**: TER team Review Week
- **Dec 2023**: Party comments on draft report
- **Dec 2024**: Draft report sent to Party
- **Dec 2024**: TER team drafts final report

(italics indicate step not in 3rd Madrid text)

United Nations Climate Change Secretariat

Italics indicates detail is not in COP25 3rd Presidency text or may benefit from further clarification
Procedures and timelines for ETF and A6: initial report with BTR

Scenario: BTR at latest point per 18/CMA.1, A6 initial report with BTR per COP 25 3rd Presidency text

ETF sample timeline
- Party submits FIRST BTR
- Review date agreed with Party
- TER team established
- Prelim. questions to Party
- Party responds to prelim. questions
- TER team Review Week
- Draft report sent to Party
- Party comments on draft report
- TER team drafts final report

Aug 2025

Article 6 sample timeline
- A6 TER team established
- A6TER. Produces A6TER Report
- A6TER review report goes to TER
- A13 TER draft report notes conclusions of A6 TER report
- A13 TER final report notes conclusions of A6 TER report

Dec 2024

(italics indicate detail is not in COP25 3rd Presidency text or may benefit from further clarification)
Correlating NIR and emission balances (GHG)/annual adjustments (non-GHG).

**Illustrative only. Party A: Developed, submitting annual NIR submissions under Convention/KP, five-year NDC, first BTR 2024**

<table>
<thead>
<tr>
<th>Submission/Review</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Article 6.2 Annual information (NB. under SEF tables, 2020 information is submitted in 2021) What is due date?</td>
<td>Data for 2021 transactions, if submitted annually</td>
<td>Data for 2022 transactions, if submitted annually</td>
<td>Data for 2023 transactions, if submitted annually</td>
<td>Data for 2024 transactions, if submitted annually</td>
</tr>
<tr>
<td>Article 6.2 Annual information report (part of Regular information in BTR) 31/12 due date</td>
<td>No</td>
<td>No</td>
<td>Annual emissions balance for 2021 and 2022* Total of annual or indicative corresponding adjustments Annual adjustments in buffer registry for non-GHG **</td>
<td>No</td>
</tr>
<tr>
<td>National inventory report</td>
<td>Data for 2020</td>
<td>Data for 2021</td>
<td>Data for 2022 as part of BTR</td>
<td>Data for 2023</td>
</tr>
<tr>
<td>Biennial Transperency Report 31/12 due date</td>
<td>No</td>
<td>No</td>
<td>Information to track progress, including structured summary, relevant to 2021 and 2022</td>
<td>No</td>
</tr>
<tr>
<td>Article 13 Review</td>
<td>No</td>
<td>No</td>
<td>BTR received by secretariat</td>
<td>Review by TER of 2024 BTR containing NIR covering 1990 - 2022 data And BTR information for 2021 and 2022 with A6 review report covering 2021/2022? ***</td>
</tr>
</tbody>
</table>

* by adding ITMOs authorized and first transferred/subtracting ITMOs used, to emissions and removals from sectors and GHG covered by NDC

** by additions to/subtractions from annual level of relevant non-GHG indicator used to track progress towards implementation and achievement of NDC

*** 2023 annual information A6 review report – included in A13 TER in 2025 or 2027?
<table>
<thead>
<tr>
<th>Purpose</th>
<th>Registry systems (including international registry)</th>
<th>Article 6 Database</th>
<th>CARP (note, contains international registry and A6 database as subcomponents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Track authorizations, transfers, holdings, use, cancellations etc. of ITMOs</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Record corresponding adjustments</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Calculate emission balances</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Hold information in relation to cooperative approaches</td>
<td>Yes – ITMOs</td>
<td>Yes (quantified information)</td>
<td>Yes (qualitative information)</td>
</tr>
<tr>
<td>To provide information for the A6 technical expert review</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Provide information to the public</td>
<td>No</td>
<td>Yes, through CARP</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Infrastructure per COP 25 3\textsuperscript{rd} Presidency text (plus implementation aspects)

**International registry**

- Registry Party M
- Creation of units
- Buffer registry segment
- Holding
- Use (NDC)
- Cancellation
- Overall mitigation in global emissions

- Registry Party N
- Creation of units

**CARP capabilities**

- Submission portal
- Documents management
- Public information interface

**CARP**

**Consolidated registry Parties X,Y**

- Registry Party A
- Buffer registry segment
- Creation of units
-holding
- Use (NDC)
- Cancellation
- Overall mitigation in global emissions

**Article 6 database**

- Annual info on ITMOS:
  - Source Party
  - Authorization
  - Vintage
  - Activity type/sector
  - Unit type (metric used)
- Prefiling agreed electronic format tables
- Recording of corresponding adjustments and emissions balances
- Identifying inconsistencies

**Mechanism registry**

- Buffer registry Party S
- Creation of units
- SOP
- Holding
- Retirement
- Overall mitigation in global emissions
- Cancellation

- Buffer registry Party T
- Initial reports
- Annual/regular information

- Buffer registry Party A
- Initial reports
- Annual/regular information

**CARP**

**Buffer registry**

- SOP segment

- Connector (optional): API, other

**Meta information/reports**

- Account
- ITMO move

**Optional element**

- Issuance/Creation of ITMO/A6.4ERs
### COP25 3rd Presidency Text (2019) and informal dialogues (2021)

Indicated below are key sections of COP25 3rd Presidency text and comments made in respect of operationalization and improvement of them during dialogues in May and June 2021

<table>
<thead>
<tr>
<th>COP25 3rd Presidency Text</th>
<th>Informal technical expert dialogue comments so far (2021)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cover decision (reporting, review, infrastructure) (work for the SBSTA in year(s) after adoption)</strong></td>
<td></td>
</tr>
</tbody>
</table>
| Outlines for reporting information (initial report, annual information, annual information report, regular information) including agreed electronic format | • Outline for the initial report is a priority, so that Parties can submit an initial report  
• Agreed electronic format for the annual information and outline for regular information are a priority, so that Parties can provide information on ITMO transactions and their cooperative approaches |
| Recommendations for MPGs for review, including in relation to A6 technical expert review team, minimizing burden, coordination with TER under 18/CMA.1 | • Only review of the initial report should be prioritized, other elements can be left to work programme  
• MPG for Article 6 reviews are a priority so that initial reports can be reviewed  
• Relationship of Article 6 to Article 13 review needs to be included in the guidance, not left to work programme  
• Detail on Article 6 technical expert review teams needs to be elaborated in the guidance, not left to work programme |
| MPGs for infrastructure, including registries, international registry, Article 6 database and CARP | • Recording and tracking requirements should be part of the guidance rather than work programme |
| **IV Reporting** |                                            |
| Initial report | • Increase the information to be submitted in the initial report. In particular, include more elements from the draft requirements for regular information  
• Clarify the timing for submission of the initial report for each cooperative approach |
| Annual information | • Be specific about date of submission  
• Include information on OMGE and SOP |
| Annual information report (part of regular information) | • Be specific about date of submission  
• Include information on OMGE and SOP |
| Regular information | • Increase the detail of what is required |
| Review | • Develop the review provisions further in the guidance. |
| **VI Recording and Tracking** |                                            |
| Tracking Article 6 database Centralized accounting and reporting platform (CARP) | • 6.2 infrastructure needs development – including CARP, the Article 6 database and the international registry. |
Possible links to other Article 6 negotiation issues

- Method of corresponding adjustment
- Method for calculating emissions balance
- Operation of buffer registry for non-GHG
- Accounting for Non GHG metrics and ITMOs
- Accounting for outside the NDC in 6.4
- CER use for NDC
- OMGE
- SOP

Issues that may need further development

- Article 6.2 reporting
- Article 6 review

Issues that may be part of reporting (see COP25 3rd Presidency text)

Other issues

Capacity building
The cooperative implementation webpage:

https://unfccc.int/process/the-paris-agreement/cooperative-implementation