



Subsidiary Body for Scientific and Technological Advice

20 November 2023

**SBSTA Chair informal document, including textual proposals, for consideration by the SBSTA in recommending a draft decision on further guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement for consideration and adoption at CMA 5**

**Informal document by the SBSTA Chair**

## I. Introduction

### A. Mandate

1. The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its fourth session requested the Subsidiary Body for Scientific and Technological Advice (SBSTA) to continue its work on the draft version of the agreed electronic format contained in annex VII to decision 6/CMA.4, taking into consideration the submissions from Parties on this matter, with a view to finalizing a recommendation on the agreed electronic format for consideration and adoption at CMA 5.<sup>1</sup>

2. CMA 4 also requested the SBSTA to develop, or continue its work to develop, on the basis of the guidance in the annex to decision 2/CMA.3 and the further guidance in the annexes to decision 6/CMA.4, recommendations for consideration and adoption at CMA 5 on:<sup>2</sup>

(a) The special circumstances of the least developed countries (LDCs) and small Island developing states (SIDS);

(b) The modalities for reviewing information that is confidential;

(c) The reviews specifying recommended action to be taken when inconsistencies are identified, and provisions on how a Party should respond to those recommendations and the implications of non-responsiveness, if any;

(d) The sequencing and timing of the submission of the initial report, the completion of the Article 6 technical expert review of that report and the submission of the agreed electronic format;

(e) The process of authorization pursuant to decision 2/CMA.3, annex, paragraphs 2, 18(g) and 21(c), notably the scope of changes to authorization of internationally transferred mitigation outcomes towards use(s), and the process for managing them and for authorization of entities and cooperative approaches with a view to ensuring transparency and consistency;

(f) The application of decision 2/CMA.3, annex, paragraph 2, on mitigation outcomes authorized by a participating Party for use towards achievement of a nationally determined contribution and for other international mitigation purposes in accordance with decision 2/CMA.3, annex, paragraph 1(d) and (f);

(g) Tables for submitting annual information as part of the regular information, as referred to in decision 2/CMA.3, annex, paragraph 23(j);

(h) Consideration of possible implications for the reporting of annual information pursuant to decision 2/CMA.3, annex, paragraphs 20 and 23, from the application of methods for converting the non-greenhouse gas metric into tonnes of carbon dioxide equivalent in accordance with decision 2/CMA.3, annex, paragraph 22(d), with a view to ensuring that the amount of internationally transferred mitigation outcomes in a non-greenhouse gas metric acquired by a participating Party does not exceed the amount of internationally transferred mitigation outcomes in the non-greenhouse gas metric of the participating Party initiating the transfer;

(i) The process of identifying, notifying and correcting inconsistencies in data on internationally transferred mitigation outcomes in the Article 6 database, in accordance with decision 2/CMA.3, annex, paragraph 33, and its dependence on the agreed electronic format;

(j) The need for additional functionalities and procedures for the international registry to allow for transfer of Article 6, paragraph 4, emission reductions to the international registry and to provide services for cooperative approaches if voluntarily requested by Parties participating in a cooperative approach, including, inter alia, additional technical functionalities and administrative arrangements, for authorizing account access, and further guidance on procedures for reporting and review for the cooperative approaches of the

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<sup>1</sup> Decision 6/CMA.4, para. 4.

<sup>2</sup> Decision 6/CMA.4, paras. 16(a) and 17.

participating Parties requesting such services, which may be required in addition to the relevant guidance in decision 2/CMA.3 and annex I to decision 6/CMA.4;

(k) The accounts of the international registry and the role of the international registry administrator, in accordance with the guidance contained in annex I to decision 6/CMA.4;

(l) The submission of information by Parties using the international registry as the basis for tracking internationally transferred mitigation outcomes;

(m) The common nomenclatures referred to in decision 6/CMA.4, annex I, chapter II.B, including for cooperative approaches reported by participating Parties, first transferring Party, sectors, activity types, non-greenhouse gas metrics and their units of measurement, registries that track internationally transferred mitigation outcomes from cooperative approaches and action types; first transfer specifications; and purposes towards which use of internationally transferred mitigation outcomes is authorized.

3. With a view to facilitating deliberations at SBSTA 59 on the recommendations outlined in paragraphs 1–2 above in relation to further guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement, SBSTA 58 requested the Chair of the SBSTA to prepare, on the basis of the intersessional work referred to in paragraphs 92–93 of document FCCC/SBSTA/2023/4, an informal document, including textual proposals and a revised draft version of the agreed electronic format, for consideration at SBSTA 59 with a view to it recommending a draft decision for consideration and adoption at CMA 5.<sup>3</sup>

## B. Structure

4. Annex I contains a draft CMA decision on matters relating to the cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement, while annexes II–III contain proposed draft reporting formats for the agreed electronic format and the information referred to in decision 2/CMA.3, annex, paragraph 23(j).<sup>4</sup>

5. Curly brackets containing italicized text have been used to provide clarifying information on the matter at hand or to indicate on how to read a certain option, namely:

(a) For major options: an option number and curly brackets are used with clarifying text;

(b) For minor options: an option number is indicated within a (sub)paragraph;

(c) For short straightforward options: square brackets are used within a paragraph.

## C. Approach

6. The SBSTA Chair has prepared this informal document, under his own responsibility, in response to the request outlined in paragraph 3 above with a view to:

(a) Presenting a consistent and holistic approach to operationalizing the guidance on matters relating to the cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement;

(b) Compiling all relevant information related to each mandate referred to in paragraphs 1–2 above and presenting those areas in a logical order, to the extent possible, which may differ from the order in which they appear in the relevant mandates;

(c) Providing options pertaining to each mandate, developed on the basis of views expressed by Parties, and specifying the potential further elements to be considered.

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<sup>3</sup> FCCC/SBSTA/2023/4, para. 94.

<sup>4</sup> Annexes II–III would be annexes to the proposed draft decision included in annex I.

## Annex I

### Draft decision -/CMA.5

#### Matters relating to cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement

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

*Recalling* decision 2/CMA.3 and its annex,

*Also recalling* decision 6/CMA.4 and its annexes,

#### I. Scope and definition of a cooperative approach

##### **Option 1: {guidance on the scope and definition of a cooperative approach}**

1. *Decides* that a cooperative approach, as referred to in Article 6, paragraph 2, of the Paris Agreement, is a set of mutually agreed standards and procedures that govern:

(a) The voluntary participation of Parties in a cooperative approach in respect of a mutually agreed scope of activities and the international transfer of mitigation outcomes between the participating Parties, including with consistency with the relevant CMA decisions relating to Article 6, paragraph 2;

(b) The relationship of the cooperative approach with any underlying mechanism(s) standard(s) or approach(es);

##### **Option 2: {No guidance on the scope and definition of a cooperative approach}**

{No text required}

#### II. Process for managing common nomenclatures

2. *Notes* that the secretariat, as the administrator of the centralized reporting and accounting platform (CARP), is responsible for managing common nomenclatures pursuant to decision 6/CMA.4, annex I, paragraph 28;

3. *Requests* the secretariat to establish common nomenclatures for all specific information attributes pertaining to cooperative approaches for which there is an international standard or established practice under the UNFCCC process;

4. *Also requests* the secretariat to establish common nomenclatures for the following specific information attributes pertaining to the agreed electronic format:

- (a) Cooperative approaches;
- (b) Sectors;
- (c) [Activity types;]
- (d) [Mitigation types;]
- (e) Metrics (GHG and non-GHG);
- (f) Units of measurement;
- (g) [Authorized and using entities;]
- (h) Unique identifier of the ITMO;

5. *Notes* that the secretariat will assign a unique identifier to each cooperative approach sequentially in order of submission to the CARP using the naming convention “CA{NNNN}”;

6. *Also notes* that the secretariat will assign the identifier “CA0001” to the mechanism established by Article 6, paragraph 4, of the Paris Agreement;

7. *Requests* the secretariat to establish an initial list of sectors in accordance with the *IPCC Guidelines for National Greenhouse Gas Inventories* for all cooperative approaches;

8. *Also requests* the secretariat to establish an initial list of activity types for all cooperative approaches based on:

(a) **Option 1:** Those defined as categories in *IPCC Guidelines for National Greenhouse Gas Inventories* and adopted by the CMA;

(b) **Option 2:** Those defined as methodologies in the [mechanism established by Article 6, paragraph 4, of the Paris Agreement][the clean development mechanism];

(c) **Option 3:** Those defined as categories in *IPCC Guidelines for National Greenhouse Gas Inventories* and adopted by the CMA, with the possibility for participating Parties in a cooperative approach to include a second definition based on the specific needs and requirements of the cooperative approach, previous inclusion of the activity type in the CARP through the process referred to in paragraph 13 below;

9. *Requests* the secretariat to establish an initial list of mitigation types, including the specific categories of emission reductions, removals[, permanent removals][avoidance];

10. *Decides* that participating Parties may request the inclusion of new sectors, activity types and mitigation types, as needed, following the process referred to in paragraph 13 below;

**Option 1: {Process for assigning an to authorized and using entities ID}**

11. *Decides* that authorized and using entities will obtain a unique identifier after having been registered in the CARP during the registration process of the entity. The participating Party registering an entity shall specify, at a minimum:

(a) The host country in which the entity’s headquarters are located;

(b) The official name of the entity;

(c) The government-issued identifier of the entity;

**Option 2: {No process for assigning an ID to authorized and using entities }**

*{No text required}*

**Option 1: {Adding agreed informative fields to the unique ITMO ID}**

12. *Decides* to include the following additional information in the unique identifier for the ITMO, for information-only purposes, using user-friendly codes identified as part of the common nomenclatures:

(a) *{Further elaboration required}*

**Option 2: {No additional fields added to the unique ITMO ID}**

*{No text required}*

13. *Requests* the secretariat, as the administrator of the CARP, to implement the following process for requesting the establishment of and changes to common nomenclatures, pursuant to decision 6/CMA.4, annex I, paragraph 29:

(a) At the request of a participating Party in a cooperative approach, on behalf of all participating Parties of the cooperative approach, regarding the establishment of a new common nomenclature or the extension of a common nomenclature, the secretariat shall:

(i) Ensure that the proposed new common nomenclature or the extension of a common nomenclature is compatible, and not inconsistent, with any common nomenclature that has already been established in the CARP;

(ii) Subsequently establish the proposed new common nomenclature or the extension of common nomenclature in the CARP provided it is found to be

compatible, and not inconsistent, with any existing common nomenclature, ensuring its availability for future reference and use by all participating Parties;

(b) The secretariat may initiate the process for requesting the establishment of a new common nomenclature or the extension of a common nomenclature if needed;

14. *Invites* participating Parties to submit the details of a cooperative approach for registration in the CARP as soon as practicable following the establishment of the cooperative approach, at the latest prior to the submission of the first initial report by a participating Party in that cooperative approach, with a view to ensuring consistency in the submission of initial reports and establishment of the unique identifier of the cooperative approach;

### **III. Authorization**

#### **A. Authorization of cooperative approaches**

15. *Acknowledges* that determination of the architecture of NDCs and LT-LEDS in line with the Paris Agreement and provision of support for cooperation to increase mitigation action is a national prerogative and that the process and content of authorization shall be fit for purpose and flexible so as to accommodate various modes of cooperation under Article 6 of the Paris Agreement;

##### **Option 1 {Standardized cooperative approach authorization form}**

16. *Decides* that a participating Party in a cooperative approach shall submit the copy of authorization in a standardized form and contain, at a minimum, the following details:

- (a) Unique identifier of the cooperative approach, as obtained from the CARP, where available;
- (b) Name and parameters of the cooperative approach;
- (c) Participating Parties;
- (d) Registries involved in tracking ITMOs from the cooperative approach;
- (e) Activity types;
- (f) Metrics;
- (g) Units of measurement;
- (h) Types of authorization that may be given;
- (i) Sectors;
- (j) Account types used in tracking ITMOs according to the respective common nomenclature;
- (k) Actions or transaction types;
- (l) [Contribution of resources for adaptation];
- (m) [Contribution to deliver overall mitigation in global emissions];

17. *Requests* the secretariat, as the administrator of the CARP, to develop and publish a standardized and user-friendly cooperative approach authorization form for a participating Party to submit the information referred to in paragraph 1616 above;

##### **Option 2: No standardized CA authorization form**

18. *Decides* that a participating Party may use a format of its choosing for the copy of the authorization of the cooperative approach to the secretariat as part of its initial report, pursuant to decision 2/CMA.3, annex, paragraph 18(g);

## B. Authorization of internationally transferred mitigation outcomes

19. *Decides* that a copy of the authorization of ITMOs, as well as any revision thereto or revocation thereof, shall be entered into the registry of the authorizing Party and delivered to all registries that track ITMOs under the same cooperative approach. The delivery shall be organized in a way that the delivery is completed no later than the authorization, a revision or revocation thereof, becomes applicable for any subsequent action involving the ITMO;

### 1. Timing of the authorization of internationally transferred mitigation outcomes

20. *Clarifies* that the first transferring Party effects the authorization of ITMOs through the recording of the authorization in respect of those ITMOs in its registry; any such authorization shall be reported in the agreed electronic format;

21. *Also clarifies* that the action of authorization in respect of ITMOs may be recorded in the first transferring Party registry:

(a) **Option 1:** At any time;

(b) **Option 2:** Prior to the achievement of the mitigation outcomes being authorized;

(c) **Option 3:** After to the achievement of the mitigation outcomes being authorized;

(d) **Option 4:** Prior to or at the time of the recording of the first transfer in the registry of the first transferring Party;

(e) **Option 5:** After the participating Party has provided its assessment of the achievement of its NDC in accordance with decision 18/CMA.1, annex, paragraph 70;

*{end of options for the moment of authorization, options are combinable to the extent they don't contradict each other}*

22. *Further clarifies* that the recording of the action of authorization of ITMOs in the registry of the first transferring Party must occur prior to the recording of any other action in respect of those ITMOs in the AEF;

### 2. Content of the authorization of internationally transferred mitigation outcomes

23. **Option 1:** *Decides* that only mitigation outcomes achieved and subsequently uniquely identified may be authorized;

24. **Option 2:** *Decides* that Parties may specify a set of conditions under which achieved and future mitigation outcomes can be authorized once uniquely identified. The authorization describing the conditions may take the form of a uniquely identified document recorded in the registry of the authorizing Party. The applicability of a specific authorization to specific ITMOs being generated in the registry shall be specified for each ITMO. All such ITMOs shall refer to one authorization identifier;

*{end of option 2}*

25. *Decides* that the authorization of ITMOs shall be normalized, machine-readable and have a unique identifier comprising at a minimum the elements listed in decision 6/CMA.4, annex I, paragraph 5, and the list of authorized uses of the ITMOs;

26. *Requests* the secretariat, in cooperation with RSAs through the RSA Forum, to develop the standardized data structure for ITMO authorizations, implement this structure in the international registry and include the specification of the data structure in the standards and recommended practices for recording of data and information related to internationally transferable mitigation outcomes referred to in decision 6/CMA.4, paragraph 32 for use by registries that connect to the international registry;

### 3. Revisions to the authorization of internationally transferred mitigation outcomes

27. **Option 1:** *Decides* that the authorizing Party<sup>1</sup> may revise its authorization of ITMOs when at least one of the following conditions is met:

- (a) The ITMOs remain within the holding of the authorizing Party;
- (b) The ITMOs have not been first transferred, cancelled or used for any purpose;

28. *Clarifies* that participating Parties in a cooperative approach may agree on further limitations under which the authorization of ITMOs from this cooperative approach may be revised;

29. **Option 2:** *Decides* that the first transferring Party may revise the authorization of ITMOs at any time in accordance with the arrangements agreed for a cooperative approach by participating Parties;

*{end of option 2}*

30. *Decides* that any revision to the authorization of ITMOs shall be made by the first transferring Party through a new version of the authorization for a particular ITMO in its registry and that all versions of the authorization shall be reported in the agreed electronic format in which the authorization is reported to the Article 6 database;

### 4. Revocation of the authorization of internationally transferred mitigation outcomes

31. **Option 1:** *Decides* that the first transferring Party may revoke the authorization of ITMOs that continue to be held by it if the following conditions are met:

- (a) The ITMOs have not been first transferred;
- (b) The ITMOs have not been used or cancelled by the first transferring Party for any purpose;

32. *Decides* that any revocation of the authorization of ITMOs shall be effected in the registry of the first transferring Party and reported in a separate action account in its agreed electronic format for the calendar year in which the authorization was revoked, and that the mitigation outcomes for which the authorization was revoked will no longer be included in the holdings of that Party;

33. **Option 2:** *Decides* that the first transferring Party may revoke the authorization of ITMOs at any time[, except in cases in which the ITMOs have already been reported as used towards the achievement of an NDC or cancelled for any purpose];

34. *Also decides* that a participating Party, following receipt of the notice of revocation from the first transferring Party in its registry according to the process specified in paragraph 19 above, shall report the revocation in a separate action account in its agreed electronic format for the calendar year in which the notice of revocation was received;

## C. Authorization of entities

35. **Option 1:** *Decides* that a participating Party shall provide and regularly update the list of authorized entities to the secretariat [for publication in the CARP];

36. **Option 2:** *Decides* that a participating Party shall make publicly available a list of authorized entities;

*{End of options for provision of the list of entities}*

37. *Clarifies* that the Party may add entities to or remove entities from the list of authorized entities in the same manner as described in paragraph [3536] above;

38. *Decides* that the authorization of entities shall be in the context of a cooperative approach;

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<sup>1</sup> An authorizing Party is the Party for which the mitigation outcome is achieved and that is providing authorization of use.



## IV. Application of first transfer

39. *Recalls* that ITMOs are authorized for use towards NDCs pursuant to Article 6, paragraphs 2–3, of the Paris Agreement but may additionally be authorized for other international mitigation purposes pursuant to decision 2/CMA.3, annex, paragraph 1(f);

40. *Decides* that, to avoid double counting pursuant to paragraph 36 of 1/CP.21, an ITMO must have been first transferred prior to being used towards achievement of an NDC or used for other international mitigation purposes, or at the same time as use where use or cancellation is the definition of first transfer for other international mitigation purposes pursuant to decision 2/CMA.3, annex, paragraph 2(b);

41. **Option 1:** *Further clarifies* that the first transfer of an ITMO shall be the earlier point in time between the first international transfer of the mitigation outcome pursuant to decision 2/CMA.3, annex, paragraph 2(a), and the first transfer of an ITMO as specified by the first transferring Party pursuant to decision 2/CMA.3, annex, paragraph 2(b);

42. *Clarifies* that the first international transfer of a mitigation outcome is effected through the recording of the action of first transfer by the first transferring Party in its agreed electronic format and the action of acquisition by another participating Party in its agreed electronic format;

43. *Also clarifies* that a first transfer pursuant to decision 2/CMA.3, annex, paragraph 2(b), applies to an ITMO that has not been internationally transferred;

{*End of Option 1*}

44. **Option 2:** *Decides/Takes note* that the definitions of first transfer in decision 2/CMA.3, annex, paragraph 2, may be applied at the discretion of the participating Parties in a cooperative approach, and that such Parties shall include the information on the relevant trigger for the first transfer in the copy of the authorization of the cooperative approach, submitted with the initial report or updated initial report;

45. *Also decides* that definitions of first transfer shall be applied:

(a) **Option A:** consistently by all participating Parties in that cooperative approach;

(b) **Option B:** consistently by a participating Party for all cooperative approaches in which it participates;

(c) **Option C:** consistently by a participating Party within a cooperative approach but at its discretion between cooperative approaches in which it participates;

46. *Further decides* that, if an ITMO is only authorized for OIMP, the definition of first transfer selected by the first transferring Party pursuant to decision 2/CMA.3, annex, paragraph 2(b), is cancellation or use, and if the ITMO has been internationally transferred to another Party, that Party shall notify the first transferring Party when the ITMO has been cancelled or used towards OIMP;

{*End of Option 2*}

## V. Agreed electronic format {*see Annex II for tables*}

47. *Adopts* the contained tables in the annex II, as the AEF referred to in decision 2/CMA.3, annex, paragraph 20;

{*Note: actions and sub-action listed below might also be included as an appendix to the AEF once agreed.*}

48. *Agrees* that the following actions and sub-actions shall be reported in the AEF:

(a) Acquisition:

(i) Acquisition: Acquisition from another Party.

(b) Authorization:

- (i) Authorization: Assignment of authorization to a mitigation outcome pursuant to decision 2/CMA.3, annex, paragraph 1(d) and (f);
- (ii) Change to authorization: Change to the authorization of an ITMO;
- (iii) [Revocation of authorization: Revocation of authorization of the ITMO;]
- (c) Transfer:
  - (i) Transfer to another Party: Transfer to another Party;
  - (ii) Voluntary transfer to the Adaptation Fund Voluntary transfer of ITMOs to an account of the Adaptation Fund pursuant to decision 2/CMA.3, annex, paragraph 37;
- (d) Use:
  - (i) Use towards NDC: Use of an ITMO towards NDC targets pursuant to decision 2/CMA.3, annex, paragraph 7;
  - (ii) Retirement for use towards NDC (Article 6.4): Retirement of A6.4ERs for use towards NDC in accordance with decision 7/CMA.4, annex I, paragraph 44;
  - (iii) Use towards other purposes: Use of ITMOs towards other purposes as per decision 2/CMA.3, annex, paragraph 1(f);
  - (iv) Use towards IMP: Use of ITMOs for international mitigation purposes as per decision 2/CMA.3, annex, paragraph 1(f);
- (e) Cancellation:
  - (i) Cancellation towards other purposes: Cancellation of ITMOs authorized for other purposes as per decision 2/CMA.3, annex, paragraph 1(f);
  - (ii) Voluntary cancellation to deliver OMGE: Voluntary cancellation of ITMOs to deliver OMGE pursuant to decision 2/CMA.3, annex, paragraph 39;
  - (iii) Administrative cancellation: Cancellation of ITMOs needed for administrative reasons;
  - (iv) Other cancellation purposes: Cancellation of ITMOs for purposes not included in the preceding sub-actions in paragraph 49(e)(i-iii) above;
- (f) First transfer:
  - (i) First transfer to another Party First transfer to another Party as per decision 2/CMA.3, annex, paragraph 2(a);
  - (ii) First transfer for OIMP / issuance: Issuance that is a first transfer of ITMOs authorized for OIMP as per decision 2/CMA.3, annex, paragraph 2(b);
  - (iii) First transfer for OIMP / authorization: Authorization for OIMP that is a first transfer of ITMOs as per decision 2/CMA.3, annex, paragraph 2(b);
  - (iv) First transfer for OIMP / Use towards IMP: Use of ITMOs for international mitigation purposes authorized for OIMP that is a first transfer as per decision 2/CMA.3, annex, paragraph 2(b);
  - (v) First transfer for OIMP / Use towards other purposes: Use of ITMOs for other purposes authorized for OIMP that is a first transfer as per decision 2/CMA.3, annex, paragraph 2(b);
  - (vi) First transfer for OIMP / Cancellation towards other purposes: Cancellation of ITMOs for other purposes authorized for OIMP that is a first transfer as per decision 2/CMA.3, annex, paragraph 2(b);
  - (vii) Mandatory transfer to the Adaptation Fund (Article 6.4): Mandatory transfer of authorized A6.4ERs to the Adaptation Fund pursuant to decision 3/CMA.2, paragraph 58, and decision 7/CMA.4, annex I, paragraph 39;
  - (viii) Voluntary transfer to the Adaptation Fund: Voluntary transfer of ITMOs to an account of the Adaptation Fund pursuant to decision 2/CMA.3, annex, paragraph 37

(only applicable to ITMOs that have not yet been transferred from the first transferring Party to another Party);

(ix) **Mandatory cancellation to deliver OMGE (Article 6.4):** Mandatory cancellation of authorized A6.4ERs to deliver OMGE pursuant to decision 3/CMA.3, annex, paragraphs 59 and 69, and decision 2/CMA.3, annex, paragraph 40;

(x) **Voluntary cancellation to deliver OMGE:** Voluntary cancellation of ITMOs to deliver OMGE pursuant to decision 2/CMA.3, annex, paragraph 40 (applicable to ITMOs that have not yet been first transferred);

***{Amendments on the AEF}***

49. **Option 1:** *Requests* the secretariat, as the administrator of the Article 6 database, to continuously review the AEF, in consultation with RSAs through the RSA Forum, and recommend amendments, as required, on the basis of experience and lessons learned for consideration and adoption by the CMA;

**Option 2:** *{No text on the amendments on the AEF}*

***{Adopt AEF for GHG metric ITMOs first and develop reporting of non-GHG after the work programme has been conducted}***

50. **Option 1:** *Decides* to adopt the version of the agreed electronic format contained in annex II for ITMOs in GHG metrics only;

51. **Option 2:** *Decides* that the version of the agreed electronic format adopted will be applicable to ITMOs in both GHG and non-GHG metrics;

## **VI. Tables for submitting annual information as part of the regular information *{see Annex III for tables}***

52. **Option 1:** *Adopts* the tables, contained in annex III, for reporting the information set out in decision 2/CMA.3, annex, paragraph 23(j);

53. *Encourages* participating Parties to provide the information set out in decision 2/CMA.3, annex, paragraph 23(j), for each cooperative approach in which they participate using the tables contained in annex III as appendixes to annex 4 to the biennial transparency report in accordance with the outline contained in annex VI of decision 6/CMA.4;

*{End of option 1}*

54. **Option 2:** *Decides* that participating Parties shall include the information set out in decision 2/CMA.3, annex, paragraph 23(j), in annex 4 to the biennial transparency report in accordance with the outline contained in annex VI of decision 6/CMA.4, in a format to be determined by the participating Party;

*{End of option 2}*

## **VII. Sequencing and timing**

55. *Notes* that the submission of an initial report or updated initial report by a participating Party is a prerequisite for including, in its agreed electronic format, information on actions in respect of ITMOs from that cooperative approach;

56. *Also notes* that, if a participating Party does include in its agreed electronic format information on actions in respect of ITMOs originating from a cooperative approach for which it has not submitted an initial report or updated initial report, the secretariat shall not perform a consistency check in respect of those actions and shall mark them as invalid with the additional notation 'no initial report' in its consistency check report;

57. **Option 1:** *Decides* that the report on the review of the of the initial report or updated initial report of a cooperative approach, as submitted by the participating Party, shall be published prior to that participating Party including in its agreed electronic format information on actions in respect of ITMOs originating from that cooperative approach;

58. *Also decides* that the secretariat shall apply the same consistency check procedures as referred to in paragraph 56 above in the event that a participating Party has included information on actions in its agreed electronic format, from a cooperative approach for which he report on the review of the of the initial report or updated initial report has not been published;

{*End of Option 1*}

59. **Option 2:** *Decides* that a participating Party shall include information in its agreed electronic format on actions in respect of ITMOs originating from a cooperative approach for which it has submitted an initial report or updated initial report, and that the secretariat shall:

(a) **Option A:** Not perform a consistency check in respect of those actions and shall mark them as 'invalid' in its consistency check report, with the additional notation 'initial report review pending' in its consistency check report;

(b) **Option B:** Perform a consistency check in respect of those actions, but for those actions in respect of ITMOs from a cooperative approach for which the report of the review of that initial report or updated initial report has not yet been published, and shall add the additional notation 'initial report review pending' in its consistency check report;

{*End of Option 2*}

## VIII. Process of identifying, notifying and correcting inconsistencies in data

60. *Decides* that inconsistencies in the annual information identified through the Article 6 database consistency check procedure that have an impact on the emissions balance shall be marked as material;

61. *Notes* that the process of correcting inconsistencies in data on ITMOs identified within the AEF of a participating Party or between the AEFs of Parties participating in the same cooperative approach, is achieved through the relevant participating Parties submitting revised agreed electronic formats, as required, until consistency is achieved and verified through performance of another consistency check;

### **Option 1 {Guidance on use of ITMOs identified as inconsistent}**

62. **Option A:** *Decides* that, should any material inconsistencies [or "null" ] in respect of ITMOs be identified in the individual agreed electronic format of a participating Party or between the agreed electronic formats of Parties participating in the same cooperative approach, those ITMOs shall not be used towards NDC achievement or other international mitigation purposes until corrected;

63. **Option B:** *Decides* that, should any material inconsistencies in respect of ITMOs be identified during the consistency check in the individual agreed electronic format of a participating Party or between the agreed electronic formats of Parties participating in the same cooperative approach, those ITMOs may still be used towards NDC achievement or other international mitigation purposes, despite being mark as inconsistent in the output of the consistency check procedure;

### **Option 2: {No guidance on use of ITMOs identified as inconsistent}**

{*No text required*}

{*Options 1 and 2 below relate to the granularity of the publication of consistency check information*}

64. **Option 1:** *Decides* that any inconsistency in respect of ITMOs identified by the Article 6 database will be displayed in the CARP when information regarding that ITMO is presented, including information submitted by participating Parties pursuant to chapter IV of decision 2/CMA.3, as per decision 2/CMA.3, annex paragraph 36(a);

65. **Option 2:** *Decides* that inconsistencies identified by the Article 6 database will be made public solely in the inconsistencies report published in the CARP in accordance with decision 2/CMA.3, annex, paragraph 33(d);

## IX. Inconsistencies identified in Article 6 technical expert reviews

### Option 1 {Further guidance for the conduct of Article 6 technical expert reviews}

66. *Recalls* that, pursuant to decision 6/CMA.4, annex I, paragraph 72(f), the CARP provides the Article 6 technical expert review teams with information submitted by Parties, including the results of the consistency checks referred to in decision 2/CMA.3, annex, paragraph 33(a);

67. *Also recalls* that, pursuant to decision 6/CMA.4, annex II, paragraph 11, the Article 6 technical expert review teams shall review information submitted by Parties relating to participating in cooperative approaches for consistency with all decisions relating to Article 6, paragraph 2, of the Paris Agreement;

68. *Requests* the Article 6 technical expert review teams to take note of the requirements for the application of the results of the consistency checks for the use of ITMOs in paragraph [0][63] above;

69. *Recalls* that, pursuant to decision 6/CMA.4, annex II, paragraph 26, the Article 6 technical expert reviews teams shall adhere to those guidelines for the Article 6 technical expert review contained in decision 6/CMA.4, annex II, and the annex to decision 2/CMA.3 and any future relevant decisions of the CMA;

70. *Also recalls* decision 6/CMA.4, annex II, paragraph 10(a–c), according to which the Article 6 technical expert review teams shall not make political judgments or review the adequacy or appropriateness of a Party's NDC or cooperative approaches in which the Party is participating, including associated descriptions, activities thereunder and authorization thereof or ITMOs therefrom towards use(s);

71. *Further recalls* decision 2/CMA.3, paragraph 13, in which the secretariat was requested to publish annually a compilation and synthesis of the results of the Article 6 technical expert review, and decision 6/CMA.4, paragraph 13, in which the secretariat was requested to also include in that compilation and synthesis any cases of persistent inconsistencies and/or non-responsiveness by a participating Party, as contained in the recommendations arising from the Article 6 technical expert review, including responses, if any, to such recommendations that may be provided by the participating Party concerned;

72. *Recalls* decision 6/CMA.4, paragraph 14, in which the Committee referred to in Article 15, paragraph 2, of the Paris Agreement was invited to liaise with the Article 6 lead reviewers referred to in annex II, chapter XI.C, of that decision, as needed, when cases of significant and persistent inconsistencies are identified and addressed by the Committee in accordance with decision 20/CMA.1, annex, paragraph 22(b);

### {Options A to C below relate to the when an inconsistency is considered persistent}

73. *Encourages* the Committee referred to in Article 15, paragraph 2, of the Paris Agreement to consider the invitation referred to in paragraph 72 above should an inconsistency referred to in paragraph 68 above remain unresolved at the time of completion of the:

(a) **Option A:** initial review of Article 6 technical expert review team in which the inconsistency is identified;

(b) **Option B:** subsequent review following the initial review of the Article 6 technical expert review team in which the inconsistency is identified;

(c) **Option C:** the second subsequent review following the initial review of the Article 6 technical expert review team in which the inconsistency is identified;

### Option 2 {No further guidance for the conduct of Article 6 technical expert reviews}

{No text required}

## X. Modalities for reviewing information that is confidential

74. *Recalls* the provisions for participating Parties to designate information provided to the Article 6 technical expert review team during the review as confidential and the provision relating to the review of such information contained in decision 6/CMA.4, annex II, chapter VII;

75. **Option 1:** *Decides* that the provisions of decision 12/CP.9 shall apply mutatis mutandis to the treatment of confidential information, as identified by participating Parties, in technical expert reviews conducted under Article 6, paragraph 2, of the Paris Agreement and related decisions;

76. *Requests* the secretariat to develop, publish and implement the necessary administrative procedures for treating information identified as confidential by participating Parties in their submissions pursuant to the information required to be reported under Article 6, paragraph 2, of the Paris Agreement and related decisions;

{End of Option 1}

77. **Option 2:** *Requests* the [Subsidiary Body for Implementation][Subsidiary Body for Scientific and Technological Advice] to develop recommendations, for consideration and adoption at CMA 6 (November 2024), on the treatment of information identified as confidential by Parties in their submissions under Article 6, paragraph 2, of the Paris Agreement and related decisions, including with a view to;

(a) Defining which information should be considered confidential and which public so as to avoid risks;

(b) Developing a specific code of conduct for the treatment of confidential information under the Paris Agreement, which could include a requirement for Parties to justify confidentiality on the basis of national laws and regulations, procedures for storing confidential information, rules for access and use of confidential information by the technical expert review teams, and training for technical experts;

(c) Developing a process for dealing with cases in which the basis of confidentiality is not clear or is questionable, or has not been provided, including with regard to the Article 6 technical expert review team concluding whether appropriate justification was provided;

(d) Determining how to address and report on situations in which the Article 6 technical expert review teams identify inconsistencies in information marked as confidential and whether those inconsistencies should be made public;

{End of Option 2}

78. **Option 3:** No text required

## XI. Special circumstances of the least developed countries and small island developing States

79. **Option 1:** *Decides*, in recognition of the special circumstances of the least developed countries (LDCs) and small island developing States (SIDS), that such Parties may submit the information required by decision 2/CMA.3, annex, chapter IV, at their discretion;

80. **Option 2:** *Requests* the secretariat to increase its provision of capacity-building support to the least developed countries (LDCs) and small island developing States (SIDS) relating to Article 6 of the Paris Agreement, while taking into account their special circumstances;

## **XII. Application of methods for converting the non-greenhouse gas metric into tonnes of carbon dioxide**

81. *Recalls* decision 2/CMA.3, annex, paragraph 22(d) regarding the information to be reported by participating Parties transferring ITMOs in non-GHG metrics, determined by the participating Parties, and consistent with the indicators of the participating Parties;

82. **Option 1:** *Decides* that participating Parties transferring ITMOs in non-GHG metrics, consistent with the indicators of the participating Parties, may decide to convert ITMOs in non-GHG metrics into tonnes of carbon dioxide equivalent (t CO<sub>2</sub> eq) at the level of the cooperative approach, using the relevant IPCC emissions factors as used in that Party's national greenhouse gas inventory, as applicable;

83. *Also decides* that participating Parties transferring ITMOs in non-GHG metrics, consistent with the indicators of the participating Parties, shall report the conversion approach applied in the initial report for the cooperative approach;

84. *Takes note* that participating Parties transferring ITMOs in non-GHG metrics, consistent with the indicators of the participating Parties, shall report the method for converting the non-GHG metric into t CO<sub>2</sub> eq in part VI.D of the outline of annex 4 (Information in relation to the Party's participation in cooperative approaches, as applicable) to the biennial transparency report;<sup>2</sup>

{*End of Option 1*}

85. **Option 2:** *Requests* the SBSTA to consideration of the need for any additional guidance on the conversion of ITMOs in non-GHG metrics into tonnes of carbon dioxide equivalent (t CO<sub>2</sub> eq) [with a view to making a recommendation on this matter for consideration at CMA 6 (November 2024)][as part of the review of the guidance referred to in paragraphs 14–15 of decision 2/CMA.3];

86. **Option 3:** No text required;

## **XIII. Additional functionalities and procedures for the international registry**

### **A. Article 6, paragraph 4, emission reductions in the international registry [and participating Party registries]**

**Option 1:** {*A6.4ERs may be transferred between registries*}

87. *Decides* that in addition to the ability to pull and view data and information<sup>3</sup> on holdings and the action history of authorized A6.4ERs, the connection between the international registry and the Article 6.4 mechanism registry shall enable the transfer of authorized A6.4ERs from the Article 6.4 mechanism registry accounts to accounts within the Party-specific sections of the international registry;

**Option 2:** {*A6.4ERs may not be transferred between registries*}

{*no text required*}

### **B. Provision of services to cooperative approaches**

88. *Reiterates* that ensuring transparency shall be the core requirement in establishing accounting rules and interoperability arrangements between registries and *notes* that, pursuant to decision 6/CMA.4, annex I, paragraph 10, any arrangements for interoperability between registries should be implemented in such a way that neither Party to an inter-registry transfer could later repudiate the existence, type, time or content of the transfer;

<sup>2</sup> The outline can be found in annex VI to decision 6/CMA.4.

<sup>3</sup> Pursuant to decision 3/CMA.3, annex, para. 63, and decision 6/CMA.4, annex I, para. 24.

89. *Recalls* that the serial numbers of ITMOs assigned pursuant to decision 6/CMA.4, annex I, paragraph 5, shall remain unchanged throughout the life cycle of the ITMO, including if the ITMO is transferred between Party-specific sections in the international registry or between registries;

90. *Clarifies* that the requirement in paragraph 89 above applies where accounting amounts are used in tracking ITMOs, applies to both the accounting amounts and the underlying units;

**Option 1: {offer the service of pre-authorization accounts}**

91. *Requests* the secretariat, as the administrator of the international registry, to provide pre-authorization accounts as a service to Parties upon request;

**Option 2: {no pre-authorization accounting service}**

{no text required}

{end of option 2}

92. *Requests* the secretariat as the administrator of the international registry in cooperation with RSAs through the RSA Forum, to prioritize the development of functionalities covering the common use cases for registries;

## **XIV. Accounts in the international registry and the role of the international registry administrator**

### **A. Accounts in the international registry**

93. **Option 1:** *Decides* that only accounts operated by the participating Party registry administrator may be created by the participating Party registry administrator within their relevant Party-specific section of the international registry;

94. **Option 2:** *Decides* that participating Party registry administrators may establish sub-accounts within their relevant Party-specific section of the international registry for use by entities authorized to hold and transact ITMOs;

{end of options for the possibility of accounts for entities }

{paras 95-96 apply in the case of option 2 }

95. *Clarifies* that entities that have been so authorized by a Party may hold accounts in the registry of that Party and that revocation of authorization by one Party shall not affect authorization of the same entity by another Party to the same cooperative approach in whose registry the entity may continue to hold an account;

96. *Requests* the secretariat to develop, in cooperation with RSAs through the RSA Forum, guidance on addressing the administrative implications of revoking the authorization of entities in the international registry and the Article 6.4 mechanism registry for consideration by the CMA;

97. *Clarifies* that Parties may develop national procedures for addressing the consequences of revoking the authorization of entities in the participating Party registries;

**Option 1: {pre-authorization accounting service}**

98. *Decides* that the participating Party registry administrator may establish pre-authorization accounts within their relevant Party-specific section of the international registry for the purpose of tracking mitigation outcomes and assign such mitigation outcomes with a unique identifier prior to authorizing the mitigation outcomes for any specific use under one of the cooperative approaches in which the relevant Party is participating, and that mitigation outcomes with a unique identifier in pre-authorization accounts may not be transferred or used in any way prior to being authorized;



**Option 2: {no text / no pre-authorization accounting service}***{no text required}**{end of options on pre-authorization account service}*

99. *Decides* that the types of account that may be established by participating Party registry administrators within their relevant Party-specific section of the international registry [may be determined by participating Party registry administrator and] shall include:

- (a) Party holding account(s);
- (b) [Authorized entity holding account(s);]
- (c) Account for use towards NDC;
- (d) Account for use towards [OIMP][international mitigation purposes and other purposes];
- (e) Voluntary cancellation account;
- (f) Account for voluntary cancellation for OMGE;
- (g) [Administrative cancellation account;]
- (h) [Administrative corrective action account;]
- (i) [Pre-authorization account;]
- (j) [Authorization revocation account;] *{relates paragraph 32/34 above}*

**Option 1: {account for the Adaptation Fund}**

100. *Also decides* that the secretariat, as the administrator of the international registry, shall establish and maintain accounts in the international registry in which the Adaptation Fund can receive and transact any ITMOs transferred to it as a contribution of a share of proceeds for adaptation under a cooperative approach;

**Option 2: {no account for the Adaptation Fund}***{no text required}*

## **B. Role[s] of the international registry administrator [and the administrators of Party-specific sections in the international registry]**

101. *Clarifies* that the secretariat, as the administrator of the international registry, shall perform, pursuant to decision 6/CMA.4, annex I, paragraphs 17, 19 and 20, the following functions:

- (a) Developing, setting up and operating the registry;
- (b) Administering the life cycle of Party-specific sections;
- (c) Establishing and overseeing arrangements pertaining to access to the international registry and interoperability with secretariat systems, such as the CARP, and other registries;
- (d) Administering centrally held accounts, such as the administrative cancellation and corrective action accounts;
- (e) Administering the arrangements for data security and safety, monitoring the international registry and taking action in response to attempted fraudulent or illegal activities detected in the registry;
- (f) Identifying users within Party-specific sections of the international registry;
- (g) In cooperation with administrators of Party-specific sections, facilitating troubleshooting and recovery in cases where corrective action is required;
- (h) Producing reports for Parties and any required public reporting;
- (i) Representing the international registry in the RSA Forum;

102. *Also clarifies* that the administrators of Party-specific sections shall be appointed by Parties intending to use the international registry to perform the following functions:

(a) In cooperation with the international registry administrator, setting up and maintaining settings for the Party-specific section, in particular accounting settings and settings related to the handling of personally identifiable information in accordance with national legislation;

(b) Opening and maintaining Party accounts;

(c) Entering authorization data for ITMOs and entities[, including data pertaining to changes to and revocation of authorization], as appropriate;

(d) Identifying users, unless this is delegated to the international registry administrator;

103. *Requests* the secretariat, in cooperation with RSAs through the RSA Forum, to develop and implement a procedure for identifying entities permitted to access the international registry or a connected participating Party registry, with the procedure to provide sufficient assurances that:

(a) An entity has a legal personality and is duly registered by the national Government or is an intergovernmental organization;

(b) An entity is fully empowered to conduct business, including holding and operating registry accounts;

(c) All users controlling the entity's accounts have been identified, with all government identifications checked and periodically verified to minimize the risk of impersonation of the entity by unauthorized individuals;

104. *Requests* the secretariat, as the administrator of the international registry, in consultation with RSAs through the RSA Forum, to establish and implement in a timely manner interoperability arrangements for ensuring the consistency of ITMO transactions both within the international registry and between the international registry and connected participating Party registries;

## **XV. Submission of information by Parties using the international registry**

**Option 1: {Guidance for the submission of information by Parties using the international registry}**

105. *Recalls* decision 6/CMA.4, annex I, paragraph 20, according to which the international registry shall enable the automatic pre-filling of the agreed electronic format for Parties participating in cooperative approaches, and therefore *notes* that such Parties performing actions relating to ITMOs in an international registry shall be provided with a pre-filled agreed electronic format for submission to the Article 6 database referred to in the annex to decision 2/CMA.3;

106. *Notes* that Parties participating in cooperative approaches that wish to perform actions relating to ITMOs in a participating Party registry connected to the international registry may be provided with a pre-filled agreed electronic format from the international registry for submission to the Article 6 database;

107. *Also notes* that Parties participating in cooperative approaches that wish to perform actions relating to ITMOs in both the international registry [or a participating Party registry connected to the international registry] and a registry not connected to the international registry shall receive a partially pre-filled agreed electronic format specifying the actions performed in the international registry [or an participating Party registry connected to the international registry] and shall be responsible for recording all actions relating to ITMOs that are performed in a registry not connected to the international registry in the agreed electronic format;

108. *Further notes* that Parties participating in cooperative approaches that wish to perform actions relating to ITMOs in a registry not connected to the international registry shall be responsible for recording those actions in full in their self-generated and -completed agreed electronic format;

**Option 2:** *{No guidance for the submission of information by Parties using the international registry}*

*{No text required}*

## **XVI. Funding secretariat activities relating to Article 6, paragraph 2, of the Paris Agreement**

109. *Takes note* of the urgent need for funding for activities relating to implementation by the secretariat of its mandated tasks relating to Article 6, paragraph 2, of the Paris Agreement and the current shortfall in available funding<sup>4</sup>;

110. *Urgently requests* Parties to make voluntary contributions towards the planning, analysis and development of the components of the infrastructure under Article 6, paragraph 2, of the Paris Agreement;<sup>5</sup>

**Option 1:** *{operational activities funded from core funds}*

111. *Notes* that activities related to Article 6, paragraph 2, of the Paris Agreement are recurring or long-term activities<sup>6</sup> and should be funded from the core budget in the biennium 2026–2027;

**Option 2:** *{operational activities funded from supplementary sources}*

112. *Takes note* of the ongoing resource requirements for the annual operation of the components of the infrastructure under Article 6, paragraph 2, of the Paris Agreement for the biennium 2024–2025;<sup>7</sup>

113. *Strongly encourages* Parties to make voluntary contributions towards the ongoing implementation by the secretariat of its mandated tasks relating to Article 6, paragraph 2, of the Paris Agreement;

114. *Takes note* that the implementation by the secretariat of its mandated tasks relating to Article 6, paragraph 2, of the Paris Agreement is subject to the availability of adequate financial resources;

**Option 3:** *{operational activities funded from annual fees levied on participating Parties}*

115. *Takes note* of the resource requirements for the annual operation of the components of the infrastructure under Article 6, paragraph 2, of the Paris Agreement for the biennium 2024–2025;<sup>8</sup>

116. *Requests* the secretariat to specify the resource requirements for the annual operation of the infrastructure under Article 6, paragraph 2, of the Paris Agreement for the biennium 2026–2027 for consideration at SBI 60;

117. *Also requests* the SBI to develop an indicative scale of contributions for Parties for the biennium 2026–2027 to fund the annual operation of the components of the infrastructure under Article 6, paragraph 2, of the Paris Agreement, for consideration at SBI 60 with a view to recommending a draft decision thereon for consideration and adoption at CMA 7 (November 2025);

118. *Further requests* the SBI to consider the need for an approach that allows Parties not participating in any activities relating to Article 6, paragraph 2, of the Paris Agreement to opt

<sup>4</sup> FCCC/TP/2023/1.

<sup>5</sup> The relevant budget estimates are set out in table 2 of document FCCC/TP/2023/1.

<sup>6</sup> Recurring or long-term activities are defined in document FCCC/SBI/2019/4, para. 36(b).

<sup>7</sup> The relevant budget estimates are set out in table 3 of document FCCC/TP/2023/1.

<sup>8</sup> The relevant budget estimates are set out in table 3 of document FCCC/TP/2023/1.

out of the payment of annual contributions [for the biennium] [for the NDC implementation period], including a provision for Parties deciding to opt in at a later stage;

119. *Recognizes* that, in order to ensure sufficient and stable funding for activities relating to Article 6, paragraph 2, of the Paris Agreement in the biennium 2024–2025, an interim measure is necessary to meet the resource requirements referred to in paragraph 112 above;

120. *Agrees* as an interim measure, to apply the scale of contributions<sup>9</sup> for [2024] [2025] for the annual operation of the infrastructure related to Article 6, paragraph 2, of the Paris Agreement;

121. *Authorizes* the secretariat to deny or suspend its implementation of any mandated activities in relation to Article 6, paragraph 2, of the Paris Agreement for a Party that has not paid the relevant annual contributions, although not earlier than four months after the beginning of the relevant calendar year and subject to at least two reminders having been given to and, prior to the final reminder, a consultation having taken place with the Party;

**Option 4: {operational activities funded from usage-based fees}**

122. *Decides* that the implementation by the secretariat of mandated activities relating to Article 6, paragraph 2, of the Paris Agreement shall be self-financing and funded through the collection of usage-based fees to be paid by participating Parties in advance of the requested usage;

123. *Requests* the secretariat to prepare a technical paper containing options pertaining to the collection of usage-based fees from participating Parties for consideration at SBI 60 (June 2024);

124. *Also requests* the SBI to develop and recommend a scale of usage-based fees to be paid by participating Parties for consideration and adoption at CMA 6 (November 2024);

125. *Authorizes* the secretariat to deny or suspend its implementation of any mandated activities in relation to Article 6, paragraph 2, of the Paris Agreement for a Party that has not paid the relevant usage-based fees;

## XVII. Work programme

126. *Requests* the SBSTA to undertake the following work to consider the need to additional guidance, if any, on the following elements, with a view to making a recommendation for consideration at CMA 6 (November 2024):

- (a) The application of decision 2/CMA.3, annex, paragraph 12;
- (b) The application of decision 2/CMA.3, annex, paragraph 18(h)(iii);

127. *Also requests* the SBSTA to complete its consideration of the need for additional guidance, if any, on the following elements, with a view to making a recommendation for consideration at CMA 6 (November 2024):

(a) Elaboration of further guidance in relation to corresponding adjustments for multi-year and single-year nationally determined contributions, in a manner that ensures the avoidance of double counting, on:

- (i) Methods for establishing an indicative trajectory, trajectories or budget and for averaging, including with respect to relevant indicators, and for calculating cumulative emissions by sources and removals by sinks;
- (ii) Methods for demonstrating the representativeness of averaging for corresponding adjustments by quantifying how much the yearly transaction volume differs from the average for the period;

(b) Consideration of whether internationally transferred mitigation outcomes could include emission avoidance;

<sup>9</sup> As set out in the Annex of document FCCC/SBI/L.11/Add.1

128. *Invites* Parties and observers to submit, by 15 March 2024 via the submission portal<sup>10</sup>, their views on the matters referred to in paragraphs 126 and 127 above;

129. *Requests* the SBSTA Chair to prepare an informal document containing possible options and recommendations, including textual proposals, to facilitate deliberations on further guidance on cooperative approaches, drawing on the submissions referred to in paragraph 127 above, for consideration at SBSTA 60 (June 2024);

## **XVIII. Other matters**

130. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in this decision;

131. *Requests* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources.

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<sup>10</sup> <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

## Annex II

### Tables for submitting the agreed electronic format referred to in decision 2/CMA.3, annex, chapter IV.B (Annual information)

A draft version of the tables is available digitally [here](#).

#### A. Table 1: submission

**Table 1: Submission**

<i>Party<sup>a</sup></i>	Party
<i>Version<sup>b</sup></i>	X.Y
<i>Reported year<sup>c</sup></i>	Year
<i>Date of submission</i>	dd/mm/yyyy
<i>Status<sup>d</sup></i>	(Not) reviewed
<i>Validity</i>	(Not) consistent
<i>First year of the NDC implementation period</i>	Year
<i>Last year of the NDC implementation period</i>	Year
<i>Article 6 TER report<sup>e</sup></i>	Hyperlink

<sup>a</sup> Reporting Party as per common nomenclatures.

<sup>b</sup> Version submitted.

<sup>c</sup> The annual period from 1 January to 31 December during which actions occurred.

<sup>d</sup> "Reviewed" if the information in the submission was considered in an Article 6 report as per decision 6/CMA.4, annex II, paragraph 2(c). In all other cases, "Not reviewed" is used. This field is automatically completed by the CARP.

<sup>e</sup> Hyperlink to the Article 6 TER report in which the information in the submission has been considered as per decision 6/CMA.4, annex II, para. 2(d). This field is automatically completed by the CARP.

## B. Table 2: Elements of authorization

**Table 2: Elements of the authorization**

<i>Authorization</i>				
<i>Authorization ID<sup>a</sup></i>	<i>Date of authorization<sup>b</sup></i>	<i>Cooperative approach<sup>c</sup></i>	<i>Version of the authorization</i>	<i>First transferring participating Party<sup>d</sup></i>

(Table continues)

<i>Authorization details</i>											
<i>Metric</i>	<i>Unit[/GWP]<sup>e</sup></i>	<i>Authorized quantity (ITMO unit)</i>	<i>Sector(s)<sup>f</sup></i>	<i>Activity type(s)<sup>g</sup></i>	<i>Purposes for authorization</i>	<i>OIMP authorized by the Party</i>	<i>Authorized Parties/entities for use</i>	<i>Authorized use time frame<sup>h</sup></i>	<i>Authorized terms and conditions<sup>i</sup></i>	<i>Authorization documentation<sup>j</sup></i>	<i>First transfer definition for OIMP<sup>k</sup></i>
GHG					NDC						Authorization
Non-GHG					NDC and OP						Issuance
					NDC and IMP						Use or cancellation
					All						

<sup>a</sup> Authorization ID as assigned by the first transferring participating Party.

<sup>b</sup> Date on which the authorization was issued.

<sup>c</sup> ID of the cooperative approach as per common nomenclatures.

<sup>d</sup> Participating Party in which the mitigation outcome was generated as per common nomenclatures.

<sup>e</sup> GWP for metrics in t CO<sub>2</sub> eq, or unit of measurement in which the ITMOs were generated as per common nomenclatures in the case of non-GHG metrics.

<sup>f</sup> Sector(s) in which the mitigation outcome occurred as per common nomenclatures.

<sup>g</sup> Description of the mitigation activity type(s) as per common nomenclatures.

<sup>h</sup> This field is optional. It may be filled to specify the validity of the authorization, if applicable.

<sup>i</sup> This field is optional. It may be filled to specify the description of the authorized terms and conditions.

<sup>j</sup> This field is optional. It may be filled to include a hyperlink to the documentation relevant for this authorization.

<sup>k</sup> First transfer definition as per decision 2/CMA.3, annex, para. 2(b).

### C. Table 3: Actions

**Table 3: Actions**

Action type		ITMO							Metric and quantity		
		Unique identifiers			Underlying units				Quantity [(ITMO unit)]	[Quantity (t CO <sub>2</sub> eq)]	[Conversion factor (reporting Party) <sup>j</sup> ]
Action type <sup>a</sup>	Action subtype	Cooperative approach <sup>b</sup>	Tracking registry ID <sup>c</sup>	Authorization ID <sup>d</sup>	ITMO unique identifier <sup>e</sup>	Underlying unit unique identifier <sup>f</sup>	Underlying registry ID <sup>g</sup>	[Metric]			
GHG											
Non-GHG											

(Table continues)

ITMO details			Actions								
			Transfer / Acquisition				Use or cancellation				
First transferring participating Party <sup>j</sup>	Mitigation type	Vintage <sup>k</sup>	Action ID <sup>l</sup>	Action date <sup>m</sup>	Transferring participating Party <sup>n</sup>	Acquiring participating Party <sup>o</sup>	Purpose for which the ITMO has been used towards OIMP <sup>p</sup>	Using/cancelling participating Party <sup>q</sup>	ID of using/cancelling authorized entity or entities <sup>r</sup>	Calendar year towards which the ITMOs are used towards NDC <sup>s</sup>	[Result of the consistency checks <sup>t</sup> ]
			Emission reduction								
			Removals								

<sup>a</sup> Action type as per decision 2/CMA.3, annex, para. 20(a).

<sup>b</sup> ID of the cooperative approach as per common nomenclatures.

<sup>c</sup> Unique identifier of the registry in which the reported action has been tracked as per common nomenclatures.

<sup>d</sup> Authorization ID as assigned by the first transferring participating Party.

<sup>e</sup> ID of the ITMO as per decision 6/CMA.4, annex I, para. 5(a).

<sup>f</sup> Underlying unit ID for ITMOs recorded on the basis of cooperative approach units tracked in a registry.

<sup>g</sup> ID of the underlying registry as per common nomenclatures.

<sup>h</sup> GWP for metrics in t CO<sub>2</sub> eq, or unit of measurement in which the ITMOs were generated as per common nomenclatures in the case of non-GHG metrics.



- <sup>i</sup> Method for or factor for converting non-GHG units in the reporting Party's mitigation scenario as per decision 2/CMA.3, annex, para. 22(d).
- <sup>j</sup> Participating Party in which the mitigation outcome was generated as per common nomenclatures.
- <sup>k</sup> Year in which the mitigation outcome occurred.
- <sup>l</sup> Unique identifier of the action.
- <sup>m</sup> Date on which the action was executed in the tracking registry.
- <sup>n</sup> Transferring participating Party as per common nomenclatures, to be completed when the action type is acquisition.
- <sup>o</sup> Participating Party acquiring the ITMOs as per common nomenclatures, to be completed when the action subtype is transfer to another Party or first transfer to another Party.
- <sup>p</sup> This field is optional. It may be completed to specify the purpose for which the ITMO has been used when the action subtype is use towards other purposes, use towards IMP, cancellation towards other purposes, other cancellation purposes, first transfer for OIMP / use towards IMP, first transfer for OIMP / use towards other purposes, or first transfer for OIMP / cancellation towards other purposes.
- <sup>q</sup> Using or cancelling participating Party as per common nomenclatures, to be completed when the action subtype is use towards other purposes, cancellation towards other purposes, voluntary cancellation to deliver OMGE, first transfer for OIMP / use towards other purposes, or first transfer for OIMP / cancellation towards other purposes.
- <sup>r</sup> ID of using or cancelling authorized entity or entities as per common nomenclatures: To be filled when the action subtype is use towards IMP, use towards other purposes, cancellation towards other purposes, First transfer for OIMP / Use towards IMP, Voluntary cancellation to deliver OMGE, First transfer for OIMP / Use towards other purposes, or First transfer for OIMP / Cancellation towards other purposes.
- <sup>s</sup> The calendar year towards which the ITMOs are used, to be completed when the action subtype is use towards NDC or retirement for use towards NDC (Article 6.4).
- <sup>t</sup> Shows the result of the consistency check on the reported action as per decision 2/CMA.3, annex, para. 33(a). This field will be automatically completed by the CARP.

**D. Table 4: Holdings**

**Table 4: Holdings**

Unique identifier		Metric and quantity				ITMO details		
Underlying units								
Cooperative approach <sup>a</sup>	ITMO unique identifier <sup>b</sup>	Underlying unit unique identifier <sup>c</sup>	Underlying registry ID <sup>d</sup>	Metric	Quantity [(ITMO's unit) [Unit/GWP <sup>e</sup> ]	[Conversion factor (reporting Party) <sup>f</sup>	First transferring participating Party <sup>g</sup>	Vintage <sup>h</sup>
				GHG				
				non-GHG				

- <sup>a</sup> ID of the cooperative approach as per common nomenclatures.
- <sup>b</sup> ID of the ITMO as per decision 6/CMA.4, annex I, para. 5(a).
- <sup>c</sup> Underlying unit ID for ITMOs recorded on the basis of cooperative approach units tracked in a registry.
- <sup>d</sup> ID of the underlying registry as per common nomenclatures.
- <sup>e</sup> GWP for metrics in t CO<sub>2</sub> eq, or unit of measurement in which the ITMOs were generated as per common nomenclatures in the case of non-GHG metrics.

<sup>f</sup> Method for or factor for converting non-GHG units in the reporting Party's mitigation scenario as per decision 2/CMA.3, annex, para. 22(d).

<sup>g</sup> Participating Party in which the mitigation outcome was generated as per common nomenclatures.

<sup>h</sup> Year in which the mitigation outcome occurred.

## Annex III

### Tables for submitting regular information as per decision 2/CMA.3, annex, chapter IV.C (Regular information), paragraph 23(j), as part of annex IV to the biennial transparency report

A draft version of the tables is available digitally [here](#).

#### A. Table 1: submission

**Table 1: Submission**

<i>Party<sup>a</sup></i>	Party
<i>Version<sup>b</sup></i>	X.Y
<i>Reported years<sup>c</sup></i>	Year 1, Year 2
<i>Date of submission</i>	dd/mm/yyyy
<i>Status<sup>d</sup></i>	(Not) reviewed
<i>First year of the NDC implementation period</i>	Year
<i>Last year of the NDC implementation period</i>	Year
<i>Article 6 TER report<sup>e</sup></i>	Hyperlink

<sup>a</sup> Reporting Party as per common nomenclatures.

<sup>b</sup> Version submitted.

<sup>c</sup> The two-year BTR period in which the reported actions occurred.

<sup>d</sup> "Reviewed" if the information in the submission was considered in an Article 6 report as per decision 6/CMA.4, annex II, paragraph 2(c). In all other cases, "Not reviewed" is used. This field is automatically completed by the CARP.

<sup>e</sup> Hyperlink to the Article 6 TER report in which the information in the submission has been considered as per decision 6/CMA.4, annex II, para. 2(d). This field is automatically completed by the CARP.

**B. Table 2: Paragraph 23(j) in relation to paragraph 23(c) “Annual quantity of ITMOs first transferred”**

Reported year <sup>a</sup>	Cooperative approach <sup>b</sup>	Sector(s) <sup>c</sup>	Effected first transfer <sup>d</sup>	Vintage <sup>e</sup>	Metric	Unit <sup>f</sup>	Annual quantity of ITMOs first transferred (ITMO unit)	Annual quantity of ITMOs first transferred (t CO <sub>2</sub> eq)
GHG								
Non-GHG								

<sup>a</sup> The year within the two-year BTR period to which the annual quantity of ITMOs first transferred relates.

<sup>b</sup> ID of the cooperative approach as per common nomenclatures.

<sup>c</sup> Sector(s) in which the mitigation outcome occurred as per common nomenclatures.

<sup>d</sup> Type of first transfer effected. For types of first transfer as per para. 2(a) of decision 2/CMA.3, use “First international transfer”, and for types of first transfer as per para. 2(b), use “authorization”, “issuance” or “use or cancellation”.

<sup>e</sup> The calendar year in which the underlying mitigation occurred.

<sup>f</sup> The unit of measurement in which the ITMOs were generated as per common nomenclatures.

**C. Table 3: Paragraph 23(j) in relation to paragraph 23(d) “Annual quantity of mitigation outcomes authorized for use for other international mitigation purposes and entities authorized to use such mitigation outcomes, as appropriate”**

Reported year <sup>a</sup>	Cooperative approach <sup>b</sup>	Sector(s) <sup>c</sup>	OIMP <sup>d</sup>	Authorized participating Parties or authorized entities <sup>e</sup>	Vintage <sup>f</sup>	Metric	Unit <sup>g</sup>	Annual quantity of mitigation outcomes authorized for use for other international mitigation purposes (ITMO unit)	Annual quantity of mitigation outcomes authorized for use for other international mitigation purposes (t CO <sub>2</sub> eq)
GHG									
non-									
GHG									

<sup>a</sup> The year within the two-year BTR period to which the annual quantity of ITMOs first transferred relates.

<sup>b</sup> ID of the cooperative approach as per common nomenclatures.

<sup>c</sup> Sector(s) in which the mitigation outcome occurred as per common nomenclatures.

<sup>d</sup> Specific OIMP towards which the ITMOs can be or were used for.

<sup>e</sup> Authorized participating Parties and authorized entities that used or will use the mitigation outcome for OIMP as per common nomenclatures.

<sup>f</sup> The calendar year in which the underlying mitigation occurred.

<sup>g</sup> The unit of measurement in which the ITMOs were generated as per common nomenclatures.

**D. Table 4: Paragraph 23 (j) in relation to paragraph 23 (e) “Annual quantity of ITMOs used towards achievement of NDC”**

<i>Reported year<sup>a</sup></i>	<i>Cooperative approach<sup>b</sup></i>	<i>Sector(s)<sup>c</sup></i>	<i>First transferring participating Party<sup>d</sup></i>	<i>Vintage<sup>e</sup></i>	<i>Metric</i>	<i>Unit<sup>f</sup></i>	<i>Annual quantity of ITMOs used towards achievement of NDC (ITMO unit)</i>	<i>Annual quantity of ITMOs used towards achievement of NDC (t CO<sub>2</sub> eq)</i>
					GHG			
					non-GHG			

<sup>a</sup> The year within the two-year BTR period to which the annual quantity of ITMOs first transferred relates.

<sup>b</sup> ID of the cooperative approach as per common nomenclatures.

<sup>c</sup> Sector(s) in which the mitigation outcome occurred as per common nomenclatures.

<sup>d</sup> Country of the participating Party where the mitigation outcome was generated as per common nomenclatures.

<sup>e</sup> The calendar year in which the underlying mitigation occurred.

<sup>f</sup> The unit of measurement in which the ITMOs were generated as per common nomenclatures.