



SBSTA 59

21 November 2023

Informal document by the SBSTA Chair, including textual proposals, for consideration by SBSTA 59 in recommending a draft decision on further guidance on the rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement for consideration and adoption at CMA 5

I. Mandate

1. The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), at its fourth session, requested¹ the Subsidiary Body for Scientific and Technological Advice (SBSTA) to continue consideration of, and to develop, on the basis of the rules, modalities and procedures for the mechanism established by Article² 6, paragraph 4 (RMPs)³ and elaboration thereon,⁴ recommendations for consideration and adoption at CMA 5 on the:

(a) Consideration of whether Article 6, paragraph 4, activities could include emission avoidance and conservation enhancement activities;

(b) Connection of the Article 6, paragraph 4, mechanism registry to the international registry as per paragraph 63 of the RMPs, as well as to other registries referred to in paragraph 29 of the annex to decision 2/CMA.3, if applicable, including the nature and extent of interoperable features;

(c) Provision of a statement by the host Party of an Article 6, paragraph 4, activity to the Supervisory Body for the Article 6, paragraph 4, mechanism specifying whether it authorizes Article 6, paragraph 4, emission reductions issued for the activity for use towards achievement of nationally determined contributions and/or for other international mitigation purposes, as defined in decision 2/CMA.3, in accordance with paragraph 42 of the RMPs, including its timing, relevant information on the authorization and any revisions.

2. CMA 4 invited Parties and observer organizations to submit by 15 March 2023 views on the matters referred to in paragraph 1 above, and requested the secretariat to prepare a synthesis report on the submissions for consideration at SBSTA 58.⁵

3. CMA 4 also requested the secretariat to organize a technical expert dialogue, to be held between SBSTA 58 and 59, to consider the matters referred to in paragraph 1 above, taking into account the submissions and the synthesis report referred to in paragraph 2 above, ensuring broad participation of Parties.⁶

4. SBSTA 58 considered the matters referred to in paragraph 1 above, taking note of the synthesis report referred to in paragraph 2 above, and invited Parties and observer organizations to submit by 15 September 2023 views on the matters referred to in paragraph 1 above for consideration at SBSTA 59.⁷

5. With a view to facilitating deliberations on further guidance on the RMPs, SBSTA 58 requested the SBSTA Chair to prepare an informal document on the basis of the views expressed by Parties at that session and the outcomes of the technical expert dialogue and the submissions referred to in paragraphs 3 and 4 above respectively, including textual proposals, for consideration at SBSTA 59 with a view to it recommending a draft decision on further guidance on the RMPs for consideration and adoption at CMA 5.⁸

II. Scope

6. Elements for a draft CMA 5 decision on further guidance on the RMPs prepared by the SBSTA Chair on the basis of the above mandate are contained in the annex.

¹ Decision 7/CMA.4, para. 9.

² Articles referred to in this document are Articles of the Paris Agreement.

³ Decision 3/CMA.3, annex.

⁴ Decision 7/CMA.4, annex I.

⁵ Decision 7/CMA.4, para. 10.

⁶ Decision 7/CMA.4, para. 11.

⁷ FCCC/SBSTA/2023/4, paras. 108, 109 and 115.

⁸ FCCC/SBSTA/2023/4, para. 116

III. Approach

7. The SBSTA Chair developed the elements for the draft further guidance on the basis of the informal note prepared by the co-facilitators for the relevant agenda item at SBSTA 58,⁹ technical expert dialogue,¹⁰ as well as submissions from Parties and observer organizations.¹¹

8. The aim of the elements for the draft further guidance is to:

(a) Elaborate on the requirements and processes defined in the RMPs to make them operational, while leaving technical details to be developed by the Supervisory Body, as appropriate;

(b) Present options where Parties have diverging views and potential further elements that may need to be developed by the CMA or the Supervisory Body.

9. In the elements for the draft further guidance, all paragraphs and subparagraphs have been numbered sequentially to make it easier for Parties to identify substantive content when using this informal document to facilitate discussions at SBSTA 59. Also, italicized text within curly brackets has been used to provide relevant information.

⁹ Available at <https://unfccc.int/sites/default/files/resource/IN.SBSTA58.i14.4.pdf>.

¹⁰ Available at <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement/cooperative-implementation/events-relating-to-article-6-of-the-paris-agreement-25-to-28-october-2023#Technical-expert-dialogue-on-the-matters-referred-to-in-related-to-Article-64-including-a-joint-session-on-their-relation-to-corresponding-matters-under-the-cooperative-approaches-referred-to-in-Article-6-paragraph-2-of-the-Paris-Agreement>.

¹¹ Available at <https://unfccc.int/submissions-guidance-on-the-mechanism-established-by-article-6-paragraph-4-of-the-paris-agreement>.

Annex

Elements for a draft decision on further guidance on the rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement

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

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

Also recalling decision 3/CMA.3 and its annex, containing the rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement,

Further recalling decision 7/CMA.4 and annex I, containing elaboration of the processes defined in the rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement,

I. Emission avoidance and conservation enhancement activities

Option 1 {*Emission avoidance and conservation enhancement activities are eligible and are to be operationalized by the Supervisory Body*}

1. *Decides* that Article 6, paragraph 4, activities could include emission avoidance and conservation enhancement activities in addition to emission reduction and removal activities;
2. *Requests* the Supervisory Body for the mechanism established by Article 6, paragraph 4, to develop specific requirements and processes for emission avoidance and conservation enhancement activities that are consistent with the rules, modalities and procedures for the mechanism and other relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

Option 2 {*Emission avoidance and conservation enhancement activities are already covered by emission reduction or removal activities*}

3. *Decides* that there is no need for additional activity types of emission avoidance and conservation enhancement, noting that these activity types may be recognized as emission reduction or removal activities;

Option 3 {*Emission avoidance and conservation enhancement activities are not eligible*}

4. *Decides* that emission avoidance and conservation enhancement activities do not qualify as eligible activities under the mechanism established by Article 6, paragraph 4;

Option 4 {*Continuation of consideration of the matter at a future session*}

5. *Requests* the Subsidiary Body for Scientific and Technological Advice to consider, and to develop, on the basis of the rules, modalities and procedures for the Article 6, paragraph 4, mechanism, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

Option 4.1: at its sixth session (November 2024), recommendations on the consideration of whether Article 6, paragraph 4, activities could include emission avoidance and conservation enhancement activities);

Option 4.2: at its tenth session (2028), as part of the recommendations for the review of the rules, modalities and procedures referred to in paragraphs 10–11 of decision 3/CMA.3, recommendations on the consideration of whether Article 6, paragraph 4, activities could include emission avoidance and conservation enhancement activities;

II. Article 6, paragraph 4, mechanism registry

Option 1 {Transfer of authorized A6.4ERs}

6. *Decides* that, in addition to the ability to pull and view data and information¹² on holdings and the action history of authorized A6.4ERs, the connection between the international registry¹³ and the Article 6, paragraph 4, mechanism registry shall enable the transfer of authorized A6.4ERs from the mechanism registry to accounts within the Party-specific sections of the international registry;

7. *Also decides* that connections may be established between the mechanism registry and participating Party registries for the same purposes as for establishing a connection of the mechanism registry with the international registry as referred to in paragraph 6 above, and that Parties that wish to connect their national registry to the mechanism registry shall implement interoperability arrangements and initialize connectivity according to a secure interoperability protocol to be developed by the secretariat in collaboration with the Article 6 registry system administrators forum;

Option 2 {No transfer of authorized A6.4ERs}

{no text required}

III. Authorization of Article 6, paragraph 4, emission reductions

8. *Decides* that, pursuant to paragraph 42 of the rules, modalities and procedures for the Article 6, paragraph 4, mechanism, the host Party of an Article 6, paragraph 4, activity shall provide to the Supervisory Body for the mechanism a statement on the authorization of A6.4ERs that may be issued for the activity when it provides to the Supervisory Body an approval of the activity in accordance with paragraph 40 of the same rules, modalities and procedures;

9. *Decides* that the host Party shall state one of the followings in the statement referred to in paragraph 8 above:

- (a) It authorizes A6.4ERs for use towards nationally determined contributions;
- (b) It authorizes A6.4ERs for use towards other international mitigation purposes as defined in decision 2/CMA.3;
- (c) It authorizes A6.4ERs for use towards either of the purposes referred to in subparagraphs (a)(b) above;
- (d) It does not authorize A6.4ERs for use towards either of the purposes referred to in subparagraphs (a)(b) above;

10. *Also decides* that, if the host Party authorizes A6.4ERs for use towards nationally determined contributions and/or other international mitigation purposes in accordance with paragraph 9(a), 9(b) or 9(c) above, it may provide in the statement relevant information on the authorization, including, but not limited to:

- (a) The maximum amount of A6.4ERs that the host Party authorizes for each purpose, as applicable;
- (b) The monitoring period applicable to the authorization and the possibility of extending the period of authorization, as applicable;

11. *Further decides* that if the host Party authorizes A6.4ERs for other international mitigation purposes in accordance with paragraph 9(b) or 9(c) above, it shall specify in the statement how it defines “first transfer” consistently with paragraph 2(b) of the annex to decision 2/CMA.3;

¹² Pursuant to decision 3/CMA.3, annex, para. 63, and decision 6/CMA.4, annex I, para. 24.

¹³ As referred to in decision 2/CMA.3, annex, para. 30

12. *Decides* that the host Party shall provide conditions or circumstances for, and timing of, possible revision of the statement, and the implications thereof;

13. *Decides* that the host Party of an Article 6, paragraph 4, activity may choose to delay the provision of any or all of the information referred to in paragraphs 9 above^{9–12} above by indicating in the statement the timing of the provision of a revised statement containing the information, which shall be any time after the approval of the activity in accordance with paragraph 40 of the rules, modalities and procedures for the Article 6, paragraph 4, mechanism but prior to the submission of the first request for issuance of A6.4ERs for the activity;

14. *Also decides* that the first request for issuance of A6.4ERs for an Article 6, paragraph 4, activity may be submitted to the secretariat only after the host Party has provided such a statement containing all of the information referred to in paragraphs 9, 11 and 12 above, and that the host Party may revise the statement only under the conditions or circumstances referred to in paragraph 12 above, which shall apply;

Option 1: only to the future requests for issuance;

Option 2: to the future requests for issuance and may also apply to the A6.4ERs already issued but not first transferred;

Option 3: to the future requests for issuance and may also apply to the A6.4ERs already issued and first transferred;

IV. Other matters

Option 1 {National arrangements – for consideration at CMA 6}

15. *Reiterates* the request¹⁴ to the Subsidiary Body for Scientific and Technological Advice to continue consideration of, and to develop, on the basis of the rules, modalities and procedures for the Article 6, paragraph 4, mechanism, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its sixth session (November 2024), recommendations on further responsibilities of the Supervisory Body for the mechanism and of Parties that host Article 6, paragraph 4, activities in order for such host Parties to elaborate on and apply national arrangements for the mechanism under the approval and supervision of the Supervisory Body;

16. *Invites* Parties and observer organizations to submit, via the submission portal,¹⁵ by 15 March 2024, their views on the matters referred to in paragraph 15 above, for consideration by the Subsidiary Body for Scientific and Technological Advice at its sixtieth session (June 2024);

Option 2 {National arrangements – for consideration as part of RMPs review at CMA 10}

17. *Requests* the Subsidiary Body for Scientific and Technological Advice to develop, on the basis of the rules, modalities and procedures for the Article 6, paragraph 4, mechanism, as part of the recommendations for the review of the rules, modalities and procedures and for consideration by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its tenth session (2028) referred to in paragraphs 10–11 of decision 3/CMA.3, recommendations on further responsibilities of the Supervisory Body for the mechanism and of Parties that host Article 6, paragraph 4, activities in order for such host Parties to elaborate on and apply national arrangements for the mechanism under the approval and supervision of the Supervisory Body.

¹⁴ Decision 7/CMA.4, para. 8.

¹⁵ <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>