



HOST PARTY PARTICIPATION REQUIREMENTS FOR ARTICLE 6.4 MECHANISM (Version 01.0)

1 SECTION 1: GENERAL INFORMATION

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3 SECTION 2: PARTICIPATION RESPONSIBILITIES

Is your country a Party to the Paris Agreement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has your country prepared, communicated, and is it maintaining a Nationally Determined Contribution (NDC) in accordance with Article 4, paragraph 2 of the Paris Agreement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has your country designated a Designated National Authority (DNA) for the Article 6.4 mechanism and communicated that designation to the UNFCCC secretariat?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Please describe how your country's participation in the Article 6.4 mechanism contributes to sustainable development, while acknowledging that the consideration of sustainable development is a national prerogative.

Bhutan is a part to 2030 Agenda for sustainable development adopted in 2015 and has been identified as a Sustainable Development Goals (SDGs) priority country/early mover for the implementation of SDGs¹. All 17 SDGs are relevant to Bhutan and plays a significant role in guiding our developmental interventions through integration of our national policies, plans and programs. For example, one of the strategic objectives of Bhutan's 13th Five Year Plan (FYP) is to become high-income country driven by innovation and sustainability by 2029.²

Bhutan's participation in the Article 6.4 mechanism of the Paris Agreement will contribute to Bhutan's sustainable development efforts as presented below;

Development of clean renewable energy projects will contribute to SDG 7, 8, 9 and 13

- The A6.4 mechanism of the PA provides an avenue for Bhutan to harness renewable energy potentials thereby enhancing access to clean, reliable and affordable energy; increase GDP contribution from the trade of surplus energy in the region while generating gainful employment opportunities. The potential feasibility studies of the renewal sector in Bhutan reveal hydropower with 23,760 MWh³, solar 12,018 MWh and wind 761 MWh.⁴
- Additionally, the development of renewable energy projects under the A6.4 mechanism will directly contributes to the regional mitigation action through the reduction of emissions from hard to abate sectors in the region (as in the case of India and Bhutan inter-governmental hydropower projects under CDM of Kyoto regime).

Implementation of forestry projects including REDD+ activities will contribute to SDG 6, 13 and 15

- Participation in the A6.4 mechanism supports and aligns with Bhutan's constitutional commitment to protect 60% of land under forest cover and Bhutan's international pledge to maintain carbon-neutral status to perpetuity. Protection of existing forest land and implementation of forestry removal projects can improve the health of forest, soil, aquifers, watersheds and biodiversity including terrestrial and aquatic lives enhancing ecosystem services such as clean water supply, timber and non-wood forestry products and clean air that improves the lives of local people.
- The promotion of agro-forestry, climate-smart agriculture, sustainable land management land, and manure management activities shall contribute to Bhutan's food and nutrition security contributing to SDG 1, 2 and 3.

¹ [Voluntary national report for the implementation of agenda 2030 for Bhutan](#)

² [Thirteenth five year plan \(2024-2029\) of Bhutan](#)

³ [Power System Masterplan of Bhutan 2040](#)

⁴ [Renewable Readiness Assessment of the Kingdom of Bhutan 2019](#)

Decarbonization of transport sector will contribute to SDG 7 and 11

- Participation in the mechanism will contribute in greening the transport sector through promotion of electric vehicles, hydrogen vehicle, hybrid transport facilities and constructing EV charging stations. Bhutan completely relies on imported fuels to run the transport sector and transitioning to low-carbon transport will reduce the fuel imports while greening the transport sector. This initiatives shall contribute to building sustainable cities and communities.

Energy efficiency projects will contribute to SDGs 3,4,8,9, 11 and 13

- The energy efficiency projects such as EE cookstoves, energy efficient buildings and infrastructures, process improvements in the industries and greening of the urban infrastructure will contribute to SDGs 3,7,8 9, 11 and 13.

Waste management projects will contribute to SDG 11, 12, 13 and 15

- Emissions from the waste sector represent only 5% of the total GHG emission in Bhutan⁵. However, emission from these sector has increased to 126% compared to 1994 level and is considered as emerging environmental challenges and critical area of mitigation needs⁶. The development of mitigation projects under A6.4 mechanism such as establishment of Integrated Waste Management Facilities (IWMF)⁷ will contribute to the SDGs 3, 11, 12, 13 and 15.

Therefore, Bhutan's participation in the Article 6.4 mechanism have a direct contribution towards achievement of SDG targets and indicators.

Please provide detailed information on the types of activities under Article 6, paragraph 4 (A6.4 activities) that your country would consider approving pursuant to chapter V.C (Approval and Authorization) of the Rules, Modalities and Procedures (RMPs).

Additionally, explain how these activities, and any associated emission reductions or removals, would contribute to the achievement of your country's NDC, if applicable, its long-term low GHG emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement?

Activity types that Bhutan may consider authorizing under Article 6.4

1. Positive list (draft) of A6.2 cooperative approach may also consider under A6.4 mechanism.
 - Development of renewable electricity projects including but not limited to Hydropower, Solar PV, and Wind;
 - Development of geothermal energy projects;
 - Development and installation of renewable and energy-efficient technology systems (such as EE cookstoves, and thermal and electrical efficient systems in buildings), and process improvement (in industry sectors);
 - Development of green infrastructures;
 - Development of integrated solid waste management projects, such as

⁵ BUR 2022

⁶ Bhutan Country Environmental Analysis 2023

⁷ Zero Waste Bhutan

- waste-to-energy, MRF, sanitary landfills;
- Development and promotion of sustainable transport (alternative fuel vehicles, electric and hydrogen-based) and related activities;
 - Development and use of alternative fuels such as biofuels, green hydrogen and derivatives;
 - Projects in agroforestry and sustainable paddy cultivation;
 - Afforestation, Reforestation and Restoration (wetlands included) Projects.
2. All mitigation activities having emission reduction and removal potential within NDC⁸ (Mitigation activities outside NDC may consider on case by case bases).
 3. All activities included in the Long-term Low GHG Emission and Climate Resilient Development Strategy of Bhutan.⁹
 4. All mitigation activities within National Adaption Plan of Bhutan that have emission reduction and removal potential.¹⁰
 5. All the CDM projects¹¹ of Bhutan transitioning to A6.4 mechanism

Implementation of mitigation projects under A6.4 will be a cornerstone for Bhutan to achieve our climate ambitions and national developmental goals through unlocking carbon finance. The prospective activities listed above are in line with Bhutan's NDC, LTS and NAP and are well aligned with our domestic climate policies. The revenue generated through this mechanism shall be reinvested further into mitigation projects to raise climate ambition while supporting sustainable development and overall development ambitions of Bhutan.

Please provide any additional information that the host Party may deem necessary.

Please note that the information provided herein including prospective list of A6.4 activities are not legally binding and it is subject to change.

Document information

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⁸ [Second Nationally Determined Contribution of Bhutan](#)

⁹ [Long-term Low Emission and Climate Resilient Development Strategy of Bhutan](#)

¹⁰ [National Adaption Plan of Bhutan](#)

¹¹ [CDM projects eligible for transitioning to A6.4](#)