



RCC MENA and South Asia

CASE STUDY: “Establishing Institutional Arrangements for Article 6 in Iraq”

Iraq requested technical support from RCC MENA and South Asia to establish ‘institutional arrangements for the operationalization of Article 6’ of the Paris Agreement and to enable participation in international carbon markets. As a country at an early stage of readiness, Iraq faced the absence of a dedicated legal and institutional framework to manage authorization, accounting, and reporting of mitigation outcomes.

RCC MENA SA provided targeted technical advisory support, including institutional gap assessment and the development of practical guidelines for Article 6 operationalization in 2025. Key results include the formulation of a government approved publication “Article 6 - Operationalization in Iraq Institutional Setup - Guidelines”. This institutional setup framework defines governance structures, roles and responsibilities, and authorization processes. This support is significant as it establishes a foundational pathway for Iraq to engage in high-integrity carbon markets, with relevance for other countries at similar stages of readiness seeking to operationalize Article 6; and this support could be widely replicated to other countries in the region.

Country Context and Rationale for Support

Iraq is in the early stages of developing its carbon market framework under Article 6 of the Paris Agreement, with increasing interest in leveraging international cooperation to support NDC implementation. However, the country lacks a formalized legal and institutional framework for managing participation in carbon markets. The institutional landscape involves multiple ministries and agencies, including the Ministry of Environment and sectoral institutions, but without clearly defined mandates, coordination mechanisms, or procedural guidance for Article 6 activities.

In this context, Iraq requested technical support to assess its current institutional arrangements, identify key gaps, and develop a structured framework to guide decision-making, authorization, and coordination for carbon market participation.

Support design – the RCC operational reality

The objective of the support was to establish a clear and practical institutional framework to enable Iraq to operationalize Article 6 and participate in international carbon markets. The theory of change was based on the premise that strengthening institutional clarity,



governance structures, and decision-making processes is a prerequisite for effective and credible participation in carbon market mechanisms.

RCC MENA SA delivered the support through a structured technical advisory approach, combining institutional assessment and the development of a knowledge product. The format of support included desk-based analytical review of the existing policy and institutional landscape, identification of governance and administrative gaps, and targeted stakeholder consultations with relevant ministries, including the Ministry of Environment and sectoral institutions. RCC MENA SA led the technical work, while national stakeholders provided inputs to ensure alignment with country priorities and ownership of the process, through two stakeholder consultation processes.

The support was implemented over a defined engagement period and resulted in the development of Institutional Setup Guidelines for Article 6 operationalization, serving as a practical roadmap. Key deliverables included options for governance structures, clearly defined roles and responsibilities across institutions, proposed authorization procedures for mitigation activities, and recommended coordination mechanisms. The guidance document provides a structured foundation for institutionalizing Article 6 processes and advancing Iraq's readiness for participation in international carbon markets¹.

Results and outcomes

The support enhanced Iraq's capacity for informed decision-making on carbon market participation by providing a clear and structured institutional roadmap for Article 6 operationalization. Government stakeholders improved their understanding of authorization processes, institutional roles, and requirements for accounting and reporting of emission reductions accounted in Article 6, enabling more coherent and coordinated policy-level decisions.

The development of institutional setup guidelines directly supports the government institutions to proceed with evidence-based decision-making by translating complex Article 6 requirements into a practical, country-specific framework. This has laid the foundation for establishing governance structures necessary for carbon market participation and improved Iraq's readiness to identify, assess, and authorize mitigation activities. The support aligned well with national expectations by providing actionable guidance, thereby strengthening the country's ability to engage in cooperative approaches and advancing implementation of its climate commitments under the NDC.

¹ https://unfccc.int/sites/default/files/resource/CiACA_Iraq_Article_6_Institutional_Setup_2025.pdf



Lessons learned and follow-up

The case highlights that the absence of a dedicated legal and institutional framework is a key bottleneck for Article 6 implementation in countries at an early stage of readiness. This gap limited clarity on roles, responsibilities, and decision-making processes, leading to potential delays in operationalization. The support demonstrated that early-stage institutional assessment and the development of structured guidance are effective in addressing these challenges by providing a clear starting point for governments.

A critical lesson learned is the importance of strong inter-ministerial coordination, as fragmented institutional mandates can hinder effective implementation. The need for clear and transparent authorization procedures also emerged as essential to ensure consistency and build confidence among stakeholders. While the development of institutional guidelines worked well in establishing a foundation, the absence of formal legal backing and limited technical capacity remain constraints, indicating the need for follow-up support focused on capacity building and legal formalization.

The approach is highly replicable and transferable to other countries facing similar institutional and governance gaps, particularly those at an early stage of Article 6 readiness. The added value of RCC support lies in its ability to translate complex international requirements into practical, country-specific frameworks, thereby bridging the gap between policy intent and implementation and enabling countries to take concrete steps toward participation in carbon markets and this guide can serve as a replicable model for supporting Article 6 readiness across other countries.