



# Modalities for operation of the Article 6.4 mechanism registry

Call for input – September 2023

Freiburg, Germany, 15.09.2023



Perspectives Climate Research welcomes the opportunity to provide [input](#) on the modalities for operation of the Article 6.4 mechanism registry. We provide our input on the following:

- Type of registry
- Connection between the international registry, the Article 6.4 mechanism registry, and national registries.

## Type of registry

The Article 6.4 mechanism (A6.4M) registry should take the form of a **transaction registry**, wherein the A6.4M registry tracks and records A6.4ERs and CERs transferred to the A6.4M registry as units in the A6.4M registry (Decision 7/CMA.4, annex I, para 28), with the ability to record information on A6.4ERs that have left the A6.4M registry and moved into Article 6.2 registries. An example of a transaction registry is the CDM registry.

As stated in Decision 7/CMA.4, annex I, para. 32, the A6.4M registry must have the following accounts:

- Pending account, to which all A6.4ERs shall be issued;
- Holding account, which may acquire A6.4ERs or CERs tracked in the mechanism registry;
- Share of proceeds for adaptation account;
- Mandatory cancellation for OMGE account;
- voluntary cancellation for OMGE account;
- Retirement account for A6.4ERs and CERs;
- Account for cancellation of A6.4ERs for other international mitigation purposes;
- Account for voluntary cancellation of A6.4ERs for other purposes;
- Account for administrative cancellation of A6.4ERs and CERs tracked in the mechanism registry for corrective actions and other purposes, as necessary.

The A6.4M registry must allow for the movement of units across the different accounts mentioned above within the A6.4M registry. This can only be done if the A6.4M registry functions as a transaction registry. In addition to this, the A6.4M must have the ability to record information on A6.4ERs that have left the A6.4M registry and moved into Article 6.2 registries, thereby existing primarily as a transaction registry but with the ability to also record information on A6.4ERs.

Furthermore, according to Decision 3/CMA.3, annex, para. 55 and Decision 7/CMA.4, annex I, para. 34, the A6.4M must reflect/tag A6.4ERs authorised for use towards NDC and/or other international mitigation purposes as such and display the authorisation and first transfer status of such A6.4ERs in holding accounts. In relation to these authorised A6.4ERs, the A6.4M registry must enable the automatic prefilling of the agreed electronic format and of other quantitative information required to meet Article 6.2 reporting requirements (Decision 7/CMA.4, annex I, para. 46).

## Connection between the international registry, the Article 6.4 mechanism registry and national registries

As per Decision 3/CMA.3, annex, para. 63 and Decision 7/CMA.4, annex I, para. 49, the A6.4M registry must be connected to the international registry, with the Sharm el-Sheikh decision text further specifying that such a connection must allow for automated pulling and viewing of data and information on holdings and the action history of A6.4ERs authorised for use by participating Parties that have an account in the international registry. Since some Parties may choose to develop their own national Article 6 Party registries (hereafter referred to as 'national registries'; not to be mistaken for domestic carbon registries) instead of using the international registry, it makes sense that this connection to the A6.4M registry should also be extended to the national registries. In other words, the A6.4M registry should also allow for a connection with the national registries, and such a connection must allow for automated pulling and viewing of data and information on holdings and the action history of A6.4ERs authorised for use by participating Parties that have their own national registries. National registries and the international registry should be treated in the same manner as they are two alternatives for registries under Article 6.2 and should have the same functionalities, including interconnection with the A6.4M registry. Lack of similar treatment of the different registries under Article 6.2 with respect to A6.4M can have implications on reporting of information and application of corresponding adjustments and could thus ultimately jeopardise environmental integrity.

Furthermore, we support the coexistence of both forms of connection between the A6.4M registry and the international and national registries, namely 'pulling and viewing of data and information' as well as 'transfer of units' between registries. Allowing both forms of connection enables transferring authorised A6.4ERs as assets and/or related information to be recorded in the international and/or national registry. An international transaction log (ITL) would help to ensure data consistency during data and/or unit exchange, as demonstrated under the CDM.



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