

A6.4-SB004-AA-A11

Information note

Decision and documentation framework

Version 01.0



United Nations
Framework Convention on
Climate Change

COVER NOTE

1. Procedural background

1. Decision 3/CMA.3, annex, paragraph 21 requests the Supervisory Body to ensure transparency of decision-making and make publicly available its decision-making framework and decisions, including standards, procedures and related documents.¹

2. Purpose

2. The purpose of this document is to:
 - (a) Respond to the mandate of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its third session, as contained in decision 3/CMA.3, annex, paragraph 21;
 - (b) Describe the hierarchical relationship between decisions taken by the CMA and the decisions taken by the Supervisory Body; the different classes of decisions of the Supervisory Body; the types of documents issued by the Supervisory Body and the hierarchical relationship between them; and, the control and limitation of these documents;
 - (c) Ensure transparency, consistency and clarity within the body of documents and decisions issued by the Supervisory Body, allowing for stakeholders² to locate requirements for the mechanism established by Article 6, paragraph 4, of the Paris Agreement (Article 6.4 mechanism) in a timely and efficient manner to facilitate the successful operationalization of the mechanism.

3. Proposed approach to respond to mandate

3. Since 2015, the secretariat has applied a decision and documentation framework to the clean development mechanism (CDM) and joint implementation (JI). This framework is a living framework that has been adjusted over time during its application in support of the decisions and documentation of the CDM Executive Board, the JI Supervisory Body and their supporting panels and working groups. It is tried, tested and available for use in support of the body of documents and decisions issued by the Supervisory Body.
4. The framework is adjustable and updateable and has the advantage of an active community of stakeholders, of which many stakeholders familiar with the framework may participate in the Article 6.4 mechanism. Stakeholder familiarity with the existing framework could be advantageous in complying with the rules and regulations of the Article 6.4 mechanism. Thus, the application of the existing framework may be advantageous in expediting the operationalization of the Article 6.4 mechanism, allowing

¹ See document FCCC/PA/CMA/2021/10/Add.1 available at: <https://unfccc.int/documents/460950>.

² Stakeholder refers to the entities, groups, fora, communities or individuals that have a role in the implementation of the functions of the Supervisory Body or that may affect or be directly affected by the recommendations and actions of the Supervisory Body.

the Supervisory Body to focus its efforts on other essential elements that need to be put in place.

5. The secretariat has been applying the framework to the decisions and documentation issued by the Supervisory Body to date and proposes to: (i) continue using the framework, adjusted to the needs of the Supervisory Body; and (ii) bring to the attention of the Supervisory Body issues in relation to its application, as required over time, for their consideration.

4. Impacts

6. The document will contribute to ensuring the efficiency and effectiveness of regulatory management under the Supervisory Body.

5. Subsequent work and timelines

7. The secretariat will apply the decision and documentation framework when preparing documentation for consideration by the Supervisory Body, ensuring that the decision and document framework remains valid. If required, the secretariat shall bring to the attention of the Supervisory Body issues in relation to the application of the framework for their consideration.

6. Recommendations to the Supervisory Body

8. The secretariat recommends that the Supervisory Body: (i) provide adjustments it deems required to apply the decision and documentation framework to the documentation of the Supervisory Body; and, (ii) to make publicly available the framework on the UNFCCC website.

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1. Introduction

1.1. Background

1. The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), at its third session, requested the Supervisory Body for the mechanism established by Article 6, paragraph 4, of the Paris Agreement (Article 6.4 mechanism) to ensure transparency of decision-making and make publicly available its decision-making framework and decisions, including standards, procedures and related documents.³
2. This document addresses the mandate of the CMA. It will be updated, as required, should changes to the classes of decisions and types of documents be requested by the Supervisory Body.

1.2. Objective

3. The objectives of this document are to:
 - (a) Ensure transparency, consistency and clarity within the body of decisions and documents issued by the Supervisory Body;
 - (b) Contribute to the efficiency and effectiveness of regulatory management under the Supervisory Body and assist stakeholders in locating requirements of the Article 6.4 mechanism in a timely and efficient manner;
 - (c) Facilitate the successful operationalization of the Article 6.4 mechanism.

2. Scope

4. This document describes:
 - (a) The hierarchical relationship between decisions taken by the CMA and decisions of the Supervisory Body;
 - (b) The different classes of decisions taken by the Supervisory Body;
 - (c) The different document types containing these decisions;
 - (d) The hierarchical relationship between Supervisory Body document types;
 - (e) The relationship between Supervisory Body decision classes and document types;
 - (f) The control and limitation of documents issued by the Supervisory Body.

³ See decision 3/CMA.3, annex, paragraph 21 contained in document FCCC/PA/CMA/2021/10/Add.1 available at: <https://unfccc.int/documents/460950>.

3. Decision hierarchy between the CMA and the Supervisory Body

5. The CMA is the ultimate decision-making body of the Article 6.4 mechanism. The CMA has authority over and provides guidance to the Supervisory Body through the adoption of decisions, which are published in reports of the CMA. The decisions of the CMA outline formal expectations with respect to the Article 6.4 mechanism. They set direction and establish precedents which serve as reference for future decision-making and the basis for operationalizing the Article 6.4 mechanism. CMA decisions are treated as mandatory requirements or rules intended to ensure the successful implementation of the Paris Agreement.⁴
6. The Supervisory Body is the regulatory body of the Article 6.4 mechanism. Acting under the authority and guidance of the CMA, it is fully accountable to the CMA. The Supervisory Body has authority over and provides guidance to the activities and processes of the Article 6.4 mechanism. All decisions taken by the Supervisory Body elaborate upon and must be consistent with decisions of the CMA.
7. Decisions of the Supervisory Body are recorded in the meeting reports of the Supervisory Body and their accompanying annexes, which together form the official record of the proceedings of the Supervisory Body meetings. The authoritative set of documents containing regulatory decisions is published in the *Article 6.4 Supervisory Body* section of the United Nations Framework Convention on Climate Change (UNFCCC) website.

4. Supervisory Body decision classes

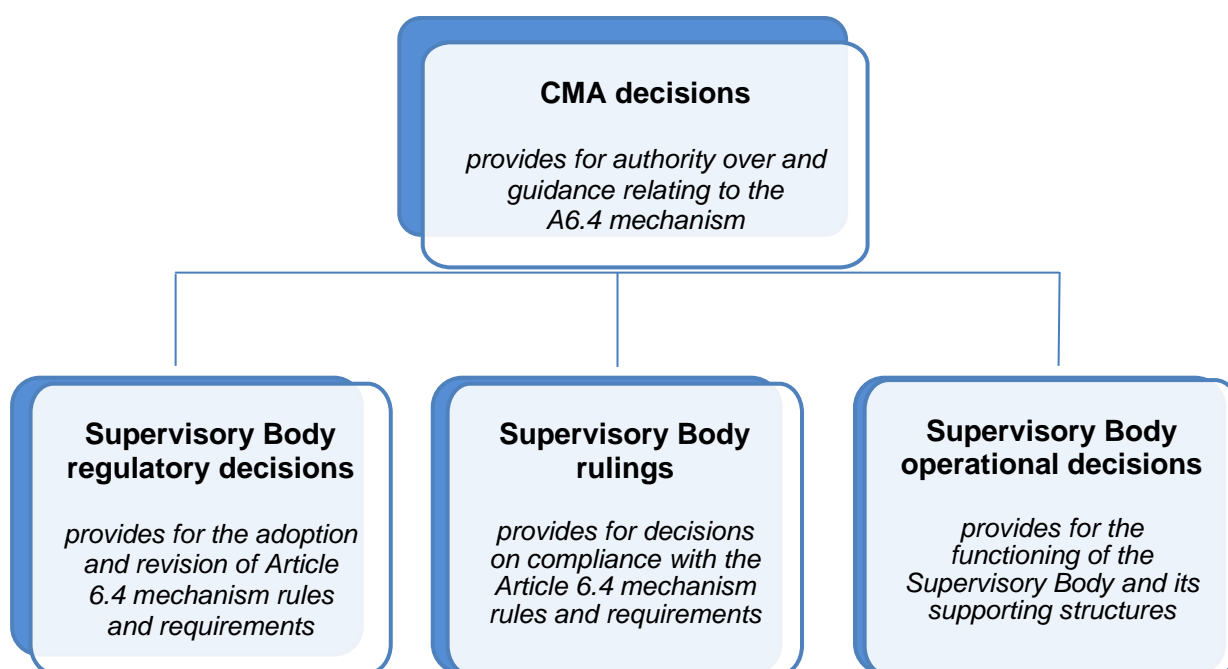
8. Taking into account both the rule-making and rule-enforcing roles of the Supervisory Body, decisions of the Supervisory Body are divided into three classes:
 - (a) **Regulatory decisions:** relate to the adoption of, or revision to, the Article 6.4 mechanism rules and requirements developed under the direction of the Supervisory Body, to be followed by the Supervisory Body, its support structure and stakeholders.⁵ Regulatory decisions are reflected in the adoption of, or revisions to, standards (including policy standards, methodologies and standardized baselines), procedures, tools (including policy and methodological tools), guidelines and clarifications (including policy and methodological clarifications), as recorded in and/or annexed to the meeting reports of the Supervisory Body;

⁴ The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 Parties at the twenty-first session of the Conference of the Parties in Paris, on 12 December and entered into force on 4 November 2016. Information on the Paris Agreement, including the text of the agreement, is available at <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>.

⁵ 'Support structure' refers to, for example, experts, supporting bodies established by the Supervisory Body and/or the secretariat. 'Stakeholder' refers to the entities, groups, fora, communities or individuals that have a role in the implementation of the functions of the Supervisory Body or that may affect or be directly affected by the recommendations and actions of the Supervisory Body.

- (b) **Rulings:** relate to the determination of whether the actions of participants of an activity⁶ under the Article 6.4 mechanism, applicant entities (AEs), or designated operational entities (DOEs) are in compliance with the Article 6.4 mechanism rules and requirements. Rulings of the Supervisory Body are published in the main body of the meeting reports of the Supervisory Body and/or as separate documents;
- (c) **Operational decisions:** relate to the functioning of the Supervisory Body and its support structure (for example, experts, supporting bodies and secretariat) and include decisions on finance; administration; programmes of work; internal operating procedures; and the establishment of supporting bodies. Operational decisions are either published within the main body of the meeting reports of the Supervisory Body or reflected in the adoption of, or revision to, internal standards, procedures and guidelines, or in the publishing of information notes.

Figure 1. Decision classes



5. Document types

- 9. The body of documents developed under the direction of the Supervisory Body that serve to operationalize the Article 6.4 mechanism, includes:
 - (a) **Standards:** Standards are designed to achieve a uniform approach to compliance with the rules, modalities and procedures for the Article 6.4 mechanism (RMP). A standard describes mandatory levels of performance and/or provides mandatory

⁶ The activity may be a project, programme of activities or other type of activity approved by the Supervisory Body, as paragraph 31(b) of the rules, modalities and procedures for the Article 6.4 mechanism.

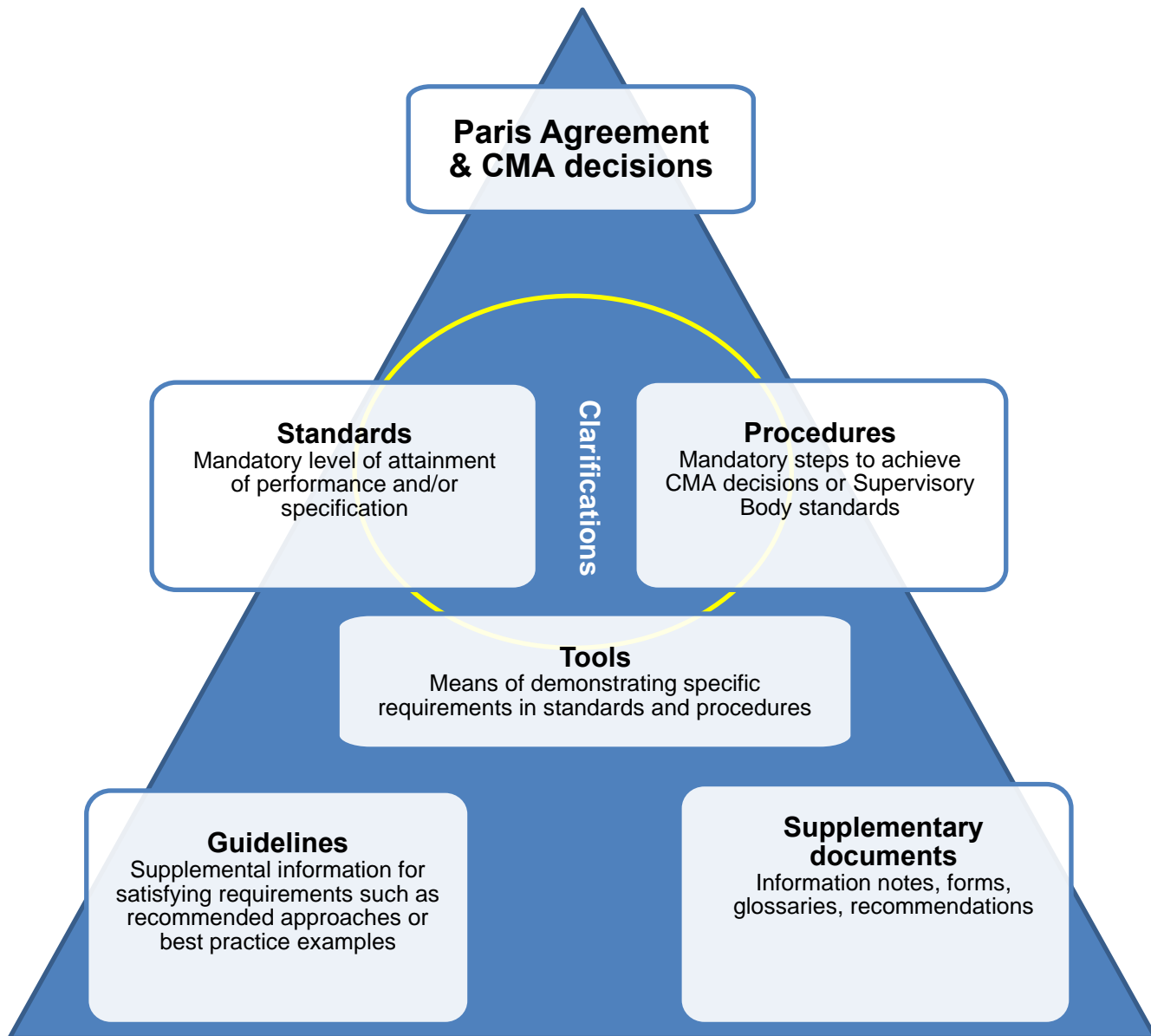
specifications and as such sets out the requirements against which compliance is evaluated. Article 6.4 mechanism standards include:

- (i) **Policy standards**: A standard relating to the activity cycle, accreditation, the development and/or application of methodologies or standardized baselines, or governance of the Article 6.4 mechanism (which is not a methodology or standardized baseline);
 - (ii) **Methodologies**: A baseline and monitoring methodology that prescribes requirements to establish the baseline scenario, demonstrate additionality, define the activity boundary, and calculate and monitor greenhouse gas (GHG) emission reductions⁷ for Article 6.4 mechanism activities;
 - (iii) **Standardized baselines**: A baseline developed for a Party on a sub-national or national basis to facilitate the calculation of GHG emission reductions and/or the determination of additionality for Article 6.4 mechanism activities, while providing assistance for assuring environmental integrity;
- (b) **Procedures**: A procedure contains a mandatory series of actions that must be undertaken to demonstrate in a uniform and consistent way that the Supervisory Body, the secretariat, activity participants, DOEs/AEs, and designated national authorities (DNAs) comply with the RMP and the standards issued by the Supervisory Body. Procedures contain requirements with regard to regulatory processes in the Article 6.4 mechanism activity cycle and in the accreditation of operational entities, and operational processes of the Supervisory Body and its support structure;
- (c) **Tools**: A tool is a means of demonstrating (e.g. by calculating, determining, estimating, elaborating, identifying or testing) that a specific requirement in a standard or procedure is met. A standard or procedure indicates whether the use of a tool is voluntary or mandatory. A voluntary tool cannot be mandatory. Article 6.4 mechanism tools include:
- (i) **Policy tool**: Supports or is a part of a standard or procedure relating to the activity cycle, accreditation, the development of methodologies or standardized baselines, or governance of the Article 6.4 mechanism (which is not a methodological tool);
 - (ii) **Methodological tool**: A standardized, stepwise approach to determine or establish parameters, or identify information, and/or demonstrate requirements relating to, or for application in, Article 6.4 mechanism activities;
- (d) **Guidelines**: A guideline contains supplemental information such as recommended methods for satisfying requirements identified in the RMP or standards and procedures issued by the Supervisory Body or best practice examples. Guidelines are designed to promote a uniform approach to compliance with the applicable standards or procedures;

⁷ 'Emission reductions' – Reducing emissions, increasing removals and mitigation co-benefits of adaptation actions and/or economic diversification plans are collectively referred to as 'emission reductions' in this document.

- (e) **Clarifications:** A clarification is issued to alleviate confusion relating to the application of requirements in a regulatory standard or procedure. Two types of clarifications are issued by the Supervisory Body:
 - (i) **Policy clarification:** A policy clarification is published as an annex to the report of a Supervisory Body meeting. It does not change the scope of the requirement(s) that it is clarifying. A policy clarification is transitory in nature, pending the subsequent revision of the related policy standard or procedure which takes into account and incorporates the clarification;
 - (ii) **Methodological clarification:** A clarification issued in response to an activity participant(s), DOE or other stakeholder wishing to seek clarification on a methodology, standardized baseline, or a methodological tool. A methodological clarification is issued in accordance with the relevant procedure;
- (f) **Information notes:** An information note contains factual and/or analytical information on a particular subject matter relating to the Article 6.4 mechanism rules and requirements, rulings of the Supervisory Body (that is, the reasons for the decision), or the functioning of the Supervisory Body and its support structure. Information notes do not contain requirements and may be published as annexes to the Supervisory Body meeting annotated agendas or reports, and/or directly in the *Article 6.4 Supervisory Body* section of the UNFCCC website in cases where the secretariat is mandated to produce such notes;
- (g) **Forms:** Forms are used to capture data or information required in Article 6.4 mechanism processes. A form contains pre-defined fields to be filled in by activity participants, AEs/DOEs or DNAs. Completing and submitting forms is part of a series of actions (how to) required by the RMP, or a standard or procedure issued by the Supervisory Body. Forms are published directly in the *Article 6.4 Supervisory Body* section of the UNFCCC website;
- (h) **Glossaries:** A glossary is an alphabetical list of terms relating to the Article 6.4 mechanism issued by the Supervisory Body to facilitate a common understanding of terminology used in documentation of the Article 6.4 mechanism;
- (i) **Recommendations:** A recommendation is a document recommending, endorsing or supporting a course of action. Recommendations from support structures to the Supervisory Body are published as annexes to the meeting reports of the support structure, or directly published in the *Article 6.4 Supervisory Body* section of the UNFCCC website. Recommendations from the Supervisory Body to the CMA may be published as annexes to the meeting reports of the Supervisory Body and are included in the Supervisory Body's annual report to the CMA.

Figure 2. Hierarchy of document types



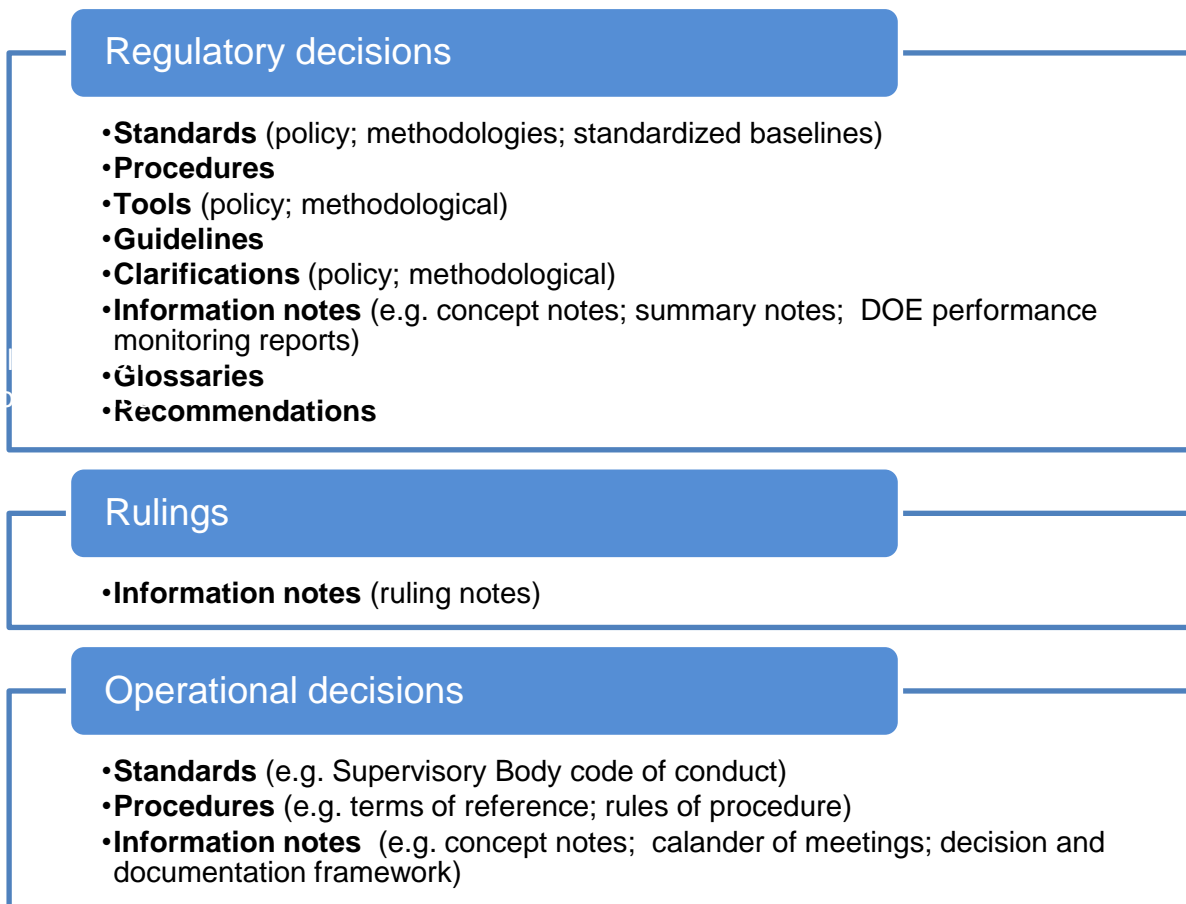
Abbreviation: CMA+ Conference of the Parties serving as the meeting of the Parties to the Paris Agreement.

- Tier 1 – **Paris Agreement** is the supreme text, mandatory; **CMA decisions** contain, inter alia, requests, rules and requirements; rules and requirements are mandatory;
- Tier 2 – **Article 6.4 mechanism standards, procedures and clarifications** contain mandatory requirements (clarifications are incorporated into relevant standard or procedure, exceptions can be applied when the clarification is used to elaborate an existing requirement (for example, an existing methodology requirement); subordinate to tier 1
- Tier 3 – **Article 6.4 mechanism tools**: the relevant standard or procedure indicates whether the tool is voluntary or mandatory; a tool is always applied in conjunction with a standard or procedure (it has no direct application); subordinate to tier 1 and tier 2

Tier 4 – **Article 6.4 mechanism guidelines** and **supplementary documents**: contain non-mandatory, supplemental information; subordinate to tier 1, tier 2 and tier 3

6. Supervisory Body decision classes and document types

Figure 3. Relationship between decision classes and document types



7. Control and limitation of documents issued by the Supervisory Body

10. When considering issuing a new document or revising an existing document, the Supervisory Body keeps in mind the priority to consolidate, streamline and ensure consistency of all its documentation.
11. Documents issued by the Supervisory Body, with the exception of methodological tools, can be amended as described below:
 - (a) **Substantive revision:** When substantive changes are made to a document, the document is replaced with a new document version and issued with a new primary version number;

Example: Version 2.0 of a document is replaced by version 3.0, where the number “3” indicates a substantive change to the information contained in the document.

- (b) **Corrective or editorial revisions:** Corrections or editorial changes do not constitute a substantive revision to the document. When corrections or editorial changes are made to a document, the document is re-issued under the same primary version number;

 Example: Version 2.0 of a document is replaced by version 2.1, where the number “1” indicates a revision due to corrections or editorial changes.
 - (c) **Withdrawal:** Documents are withdrawn from active circulation when the information they contain is no longer applicable, relevant, or correct.
12. To increase transparency and ensure that users are aware of the latest versions of the Supervisory Body’s regulatory documentation:
- (a) The version containing substantive changes will be recorded in and annexed to the meeting report of the Supervisory Body and published in the *Article 6.4 Supervisory Body* section of the UNFCCC website. The latest version of the document becomes effective; unless otherwise stated in the meeting report or in the document itself, on the date of publication of the meeting report in which the document was revised;
 - (b) The version containing the changes of a corrective or editorial nature will be published in the *Article 6.4 Supervisory Body* section of the UNFCCC website and will become applicable on the date of publication. Documents having undergone corrective or editorial revisions will be noted in the next meeting report of the Supervisory Body. Unless otherwise stated in the revised document, a grace period will apply between the date of publication of the version containing the corrective or editorial revisions in the *Article 6.4 Supervisory Body* section of the UNFCCC website and the official notification of the corrective or editorial revisions in the next meeting report of the Supervisory Body;
 - (c) Stakeholders are encouraged to regularly review the *Article 6.4 Supervisory Body* section of the UNFCCC website to ensure that they have the latest versions of documents, especially for forms that are required as part of a submission process in the Article 6.4 mechanism activity cycle.
13. Each published Supervisory Body document includes on its last page a “Document information” box which contains contextual information, including the nature and date of changes made to the document. Readers should routinely consult this information when making use of a document.

Document information

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01.0	21 February 2023	Published as an annex to the annotated agenda of SB 004.

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