

A6.4-SB004-AA

Annotated agenda

Fourth meeting of the Supervisory Body

Version 01.0

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Annotations to the agenda

Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Opening

1. ► **Action:** The Secretary to the Article 6.4 mechanism Supervisory Body (hereinafter referred to as the Supervisory Body) shall ascertain whether: (a) the members present constitute a quorum; and (b) “proper justification” has been provided for the absence of any member or alternate member.

Background: Paragraph 33 of the “Rules of procedure of the Supervisory Body (RoP)”¹ stipulates that the Secretary of the Supervisory Body shall preside over the opening of the first meeting of a calendar year and conduct the election of the new Chair and Vice-Chair. In addition, paragraph 46 of the RoP, stipulate that at least three fourths of the members, including alternate members only when they are acting as members, shall constitute a quorum for meetings of the Supervisory Body.

Agenda item 1.2. Adoption of the agenda

2. ► **Action:** The Supervisory Body may wish to adopt the proposed agenda for the meeting.

Background: The proposed agenda for the meeting of the Supervisory Body will be presented for adoption.

Agenda item 2. Governance and management matters

Agenda item 2.1. Membership issues

3. ► **Action:** The Supervisory Body may wish to welcome Mr. Daegyun Oh, a member nominated by the Asia-Pacific regional group² and elected by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its third session (CMA.3), and take note of the composition of membership in 2023.

Background: In accordance with paragraph 4 of the RoP, the CMA shall elect members and an alternate for each member of the Supervisory Body on the basis of nominations by the respective groups and constituencies.

¹ Annex II to decision -/CMA.4.

² In a communication dated 16 June 2022, the Chair of the Asia-Pacific Group informed the secretariat of the rotation of the candidates serving in the positions of member and alternate member of the Supervisory Body based on the understanding reached within the Asia-Pacific Group.

4. ► **Action:** The Supervisory Body may wish to elect its Chair and Vice-Chair for the year 2023.

Background: In accordance with paragraph 32 of the RoP, each year the Supervisory Body shall elect a Chair and a Vice-Chair from among its members, taking fully into account the consideration of regional and gender balance.

5. ► **Action:** Members and alternate members of the Supervisory Body may wish to declare whether they have any conflict of interest relating to any issues on the agenda of the meeting.

Background: As per paragraph 26 of the RoP, members and alternate members of the Supervisory Body shall avoid actual, potential and perceived conflicts of interest and shall declare any actual, potential or perceived conflict of interest at the start of a meeting.

Agenda item 2.2. Guidance by the CMA

6. ► **Action:** The Supervisory Body may wish to consider the outcomes of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session (CMA.4) and other related decisions adopted at the UNFCCC sessions, discuss their implications, and take appropriate action, including signing of the oath of service, in accordance with relevant decisions of the CMA.

Background: At its fourth session, the CMA took note of the annual report for 2022 of the Supervisory Body to the CMA and its addendum and adopted decision -/CMA.4, “Guidance on the mechanism established by Article 6, paragraph 4, of the Paris Agreement”. All decisions and conclusions relevant for the Article 6.4 mechanism are available on the UNFCCC website.³ In addition, the Supervisory Body, at its first meeting, agreed that the signing of the oath of service would occur after the adoption of the rules of procedure by the CMA.

7. ► **Action:** The Supervisory Body may wish to approve its workplan 2023, as contained in annex 1 to these annotations.

Background: The Supervisory Body, at its second meeting, approved its workplan 2022–2023 and agreed to consider its workplan for 2023 at the first meeting in 2023.

8. ► **Action:** The Supervisory Body may wish to consider the concept note “Consideration of the special circumstances of LDCs and SIDS”, as contained in annex 2 to these annotations.

Background: The CMA, through decision 3/CMA.3, paragraph 5(f), requested the Supervisory Body to ensure the implementation of the requirements referred to in paragraph 29 of the annex in relation to the least developed countries and small island developing States.

³ <https://unfccc.int/cop27/auv>.

9. ► **Action:** The Supervisory Body may wish to consider the concept note “Participation by small and micro businesses in the Article 6.4 mechanism”, as contained in annex 3 to these annotations.

Background: The CMA, through decision 3/CMA.3, paragraph 5(g), requested the Supervisory Body to consider ways to encourage participation by small and micro businesses in the mechanism, in particular in the least developed countries and small island developing States.

Agenda item 3. Matters relating to rules, modalities and procedures for the Article 6.4 mechanism

10. ► **Action:** The Supervisory Body may wish to consider the information note “Removal activities under the Article 6.4 mechanism”, as contained in annex 4 to these annotations.

Background: The Supervisory Body, at its third meeting, took note of the high-level summary of the public inputs received in response to the calls for public input and requested the secretariat to take these inputs into account while updating the document “Information note: Activities involving removals under the Article 6.4 mechanism” for its consideration at a future meeting.

11. ► **Action:** The Supervisory Body may wish to consider the concept note “Development of activity standard, validation and verification standard and activity cycle procedure”, as contained in annex 5 to these annotations.

Background: The CMA, through decision 3/CMA.3, paragraph 5(a), requested the Supervisory Body to develop provisions for the development and approval of methodologies, validation, registration, monitoring, verification and certification, issuance, renewal, first transfer from the mechanism registry, voluntary cancellation, and other processes pursuant to chapters V.B–L and VIII of the annex (Delivering overall mitigation in global emissions).

12. ► **Action:** The Supervisory Body may wish to consider the concept note “Workplan for developing a sustainable development tool for the mechanism established by Article 6, paragraph 4, of the Paris Agreement”, as contained in annex 6 to these annotations.

Background: The CMA, through decision 3/CMA.3, paragraph 5(c), requested the Supervisory Body to review the sustainable development tool in use for the clean development mechanism and other tools and safeguard systems in use in existing market-based mechanisms to promote sustainable development, with a view to developing similar tools for the mechanism by the end of 2023.

13. ► **Action:** The Supervisory Body may wish to consider the concept note “Development of Article 6.4 mechanism accreditation standards and procedures”, as contained in annex 7 to these annotations.

Background: The CMA, through decision 3/CMA.3, paragraph 5(d), requested the Supervisory Body to review the accreditation standards and procedures of the clean development mechanism with a view to applying them with revisions, as appropriate, for the mechanism by the end of 2023.

14. ► **Action:** The Supervisory Body may wish to consider the concept note “Process for development of methodologies, methodological tools and standardized baselines”, as contained in annex 8 to these annotations.

Background: The CMA, through decision 3/CMA.3, paragraph 5(a), requested the Supervisory Body to develop provisions for the development and approval of methodologies, among others.

15. ► **Action:** The Supervisory Body may wish to consider the concept note “Process for transition of CDM activities to the Article 6.4 mechanism”, as contained in annex 9 to these annotations.

Background: The CMA, through decision -/CMA.4, paragraph 23(a), requested the Supervisory Body to facilitate the tasks related to the transition of clean development mechanism activities to the Article 6.4 mechanism by developing and operationalizing a procedure for requesting transition, which includes relevant forms, by no later than June 2023.

16. ► **Action:** The Supervisory Body may wish to consider the draft recommendation “Requirements for the development and assessment of mechanism methodologies”, as contained in annex 10 to these annotations.

Background: Based on the request of the CMA in decision 3/CMA.3, paragraph 6(d), the Supervisory Body worked to develop recommendations on the application of the requirements referred to in chapter V.B (Methodologies) of the rules, modalities and procedures for adoption by CMA. The Supervisory Body, at its third meeting, agreed to continue the work, on the basis of the work undertaken in the last three meetings, with a view to making a recommendation to the CMA at its next session.

17. ► **Action:** The Supervisory Body may wish to consider the information note “Decision and documentation framework”, as contained in annex 11 to these annotations.

Background: The CMA, through decision 3/CMA.3, annex, paragraph 21, requested 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.

Agenda item 4. Interaction with stakeholders

18. ► **Action:** The Supervisory Body may wish to interact with registered observers.

Background: The Supervisory Body, at its first meeting, agreed to interact with registered observers (in person and virtually) at the end of each meeting.

19. ► **Action:** The Supervisory Body may wish to consider public comments on documentation of this meeting.

Background: The Supervisory Body shall receive public comments, including from stakeholders, on meeting documentation until one week prior to the meeting, unless otherwise decided by the Chair.

20. ► **Action:** The Supervisory Body may wish to consider the concept note “Consideration of unsolicited letters to the Supervisory Body”, as contained in annex 7 to the annotations of the last meeting of the Supervisory Body (SB003)⁴.

Background: Due to lack of time, the Supervisory Body, at its third meeting, deferred this agenda item. The Supervisory Body, at its first meeting, discussed the treatment of letters sent to the the Supervisory Body and requested the secretariat to provide a proposal on the treatment based on the existing practices of other UNFCCC constituted bodies.

Agenda item 5. Other matters

21. ► **Action:** The Supervisory Body may wish to select experts on the Article 6.4 mechanism roster of experts.

Background: The Supervisory Body, at its third meeting, agreed to establish an Article 6.4 mechanism roster of experts and requested the secretariat to launch the call for experts based on the terms of reference. The Supervisory Body further agreed that all information pertaining to the selection process shall be made available in confidence to the Supervisory Body.

22. ► **Action:** The Supervisory Body may wish to consider the concept note “Capacity-building programme to support the transition of eligible CDM project activities and programmes of activities to the Article 6.4 mechanism”, as contained in annex 12 to these annotations.

Background: Decision 3/CMA.3, paragraph 13, notes with appreciation decision 2/CMP.16, pursuant to which the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) allocated funds from the Trust Fund for the Clean Development Mechanism under Article 12 of the Kyoto Protocol to the Trust Fund for Supplementary Activities for the purpose of expediting implementation of the Article 6.4 mechanism. Through decision 2/CMP.16, paragraph 19, the CMP authorized transfer of funds for the work of the Supervisory Body to provide, through the regional collaboration centres, capacity-building in developing countries for applying the Article 6.4 mechanism, and support for the transition of clean development mechanism project activities and programmes of activities to the Article 6.4 mechanism if they are eligible for transition.

23. ► **Action:** The Supervisory Body may wish to take note of the status of the implementation of the Article 6.4 mechanism Resource Allocation Plan (RAP).

Background: The Supervisory Body, at its third meeting, approved its RAP 2023 and requested the secretariat to expedite the staffing of dedicated resources and ensure that they are adequately deployed to support work, in particular with regard to the strategic direction and the operationalization of the mechanism.

⁴ <https://unfccc.int/sites/default/files/resource/a64-sb003-aa-a07.pdf>.

24. ► **Action:** The Supervisory Body may wish to consider side-event topics and confirm a topic for its side-event at the fifty-eighth Subsidiary Body meeting (SB 58).

Background: The Supervisory Body will confirm side event topics at future Conference of Parties (COPs) and Subsidiary Body sessions at the meeting preceding the meeting taking place in conjunction with the COP or Subsidiary Body.

25. ► **Action:** The Supervisory Body may wish to agree on its calendar of meetings for 2023.

Background: The Supervisory Body, at its third meeting, agreed to its tentative calendar of meetings for 2023. Since the last meeting, the COP decided to change its dates to 30 November 2023 to 12 December 2023.

26. ► **Action:** The Supervisory Body may wish to take note of the 31 designated national authorities established as of 21 February 2023, as listed on the UNFCCC website.⁵

Background: The CMA, in decision 3/CMA.3, annex paragraph 26(c), decided that each host Party of Article 6.4 activities shall, prior to participating in the mechanism, ensure that it has designated a national authority for the mechanism and has communicated that designation to the secretariat.

27. ► **Action:** The Supervisory Body may wish to consider any other business it deems necessary.

Agenda item 6. Conclusion of the meeting

28. ► **Action:** The Supervisory Body may wish to approve the report of the fourth meeting.

Background: The Chair will summarize the meeting and adopt the report, including references to any decisions taken, as per the Rules, modalities and procedures.

⁵ See the webpage <https://unfccc.int/process-and-meetings/the-paris-agreement/article-64-mechanism/national-authorities>.

Annexes to the annotations

- Annex 1 - Information note: Draft workplan of the Supervisory Body 2023
- Annex 2 - Concept note: Consideration of the special circumstances of LDCs and SIDS
- Annex 3 - Concept note: Participation by small and micro businesses in the Article 6.4 mechanism
- Annex 4 - Information note: Removal activities under the Article 6.4 mechanism
- Annex 5 - Concept note: Development of activity standard, validation and verification standard and activity cycle procedure
- Annex 6 - Concept note: Workplan for developing a sustainable development tool for the mechanism established by Article 6, paragraph 4, of the Paris Agreement
- Annex 7 - Concept note: Development of Article 6.4 mechanism accreditation standards and procedures
- Annex 8 - Concept note: Process for development of methodologies, methodological tools and standardized baselines
- Annex 9 - Concept note: Process for transition of CDM activities to the Article 6.4 mechanism
- Annex 10 - Draft recommendation: Requirements for the development and assessment of mechanism methodologies
- Annex 11 - Information note: Decision and documentation framework
- Annex 12 - Concept note: Capacity-building programme to support the transition of eligible CDM project activities and programmes of activities to the Article 6.4 mechanism

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