A6.4-SB006-AA-A10

Concept note

Availability of Article 6.4 mechanism designated operational entities

Version 01.0



United Nations Framework Convention on Climate Change

TABLE OF CONTENTS

Page

1.	PROCEDURAL BACKGROUND				
2.	PURPOSE				
3.	KEY ISSUES AND PROPOSED SOLUTIONS				
	3.1.	Overview of the accreditation status of clean development mechanism designated operational entities and applicant entities under the current accreditation term	3		
	3.2.	Key issue	4		
	3.3.	Temporary solutions to address the availability of Article 6.4 mechanism designated operational entities	4		
	3.4.	Proposed solutions	6		
4.	IMPAC	TS	7		
5.	SUBSE	EQUENT WORK AND TIMELINES	7		
6.	RECO	MMENDATION TO THE SUPERVISORY BODY	7		
APPI	ENDIX 1	LISTS OF DESIGNATED OPERATIONAL ENTITIES AND APPLICANT ENTITIES	8		
APPENDIX 2.		2. ANALYSIS OF THE PROPOSED OPTIONS TO INCREASE CLARITY ON HOW TO OPERATIONALIZE THESE OPTIONS ALONG WITH PROS AND CONS AND JUSTIFICATIONS	11		

1. Procedural background

- 1. Paragraph 5(e) of decision 3/CMA.3, adopted by 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 of the mechanism established by Article 6, paragraph 4, of the Paris Agreement (Article 6.4 mechanism) to expeditiously accredit operational entities as designated operational entities (DOEs).¹
- 2. At its fifth meeting (SB 005), the Supervisory Body considered the concept note titled "Development of Article 6.4 mechanism accreditation standards and procedures" (version 02.0),² and requested that the secretariat develop a concept note on temporary solutions to address the lack of DOEs for the Article 6.4 mechanism for consideration by the Supervisory Body at SB 006, taking into account the following feedback:
 - (a) Further elaborate options to increase clarity on how to operationalize the proposed options in the concept note "Development of Article 6.4 mechanism accreditation standards and procedures" (version 02.0);
 - (b) Provide pros and cons of and justification for the proposed options.

2. Purpose

3. This concept note is intended to further elaborate on the options for temporary solutions, including the pros and cons of, and justifications for, the proposed options to address the lack of availability of DOEs during the operationalization of the Article 6.4 mechanism activity cycle.

3. Key issues and proposed solutions

3.1. Overview of the accreditation status of clean development mechanism designated operational entities and applicant entities under the current accreditation term

- 4. A clean development mechanism (CDM) applicant entity (AE) is an entity that has applied for accreditation by the CDM Executive Board (hereinafter referred to as the Board) and designation by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) as a DOE. A CDM DOE is an entity designated by the CMP, based on a recommendation by the Board, as being qualified to validate proposed CDM project activities and programmes of activities, as well as to verify and certify reported greenhouse gas (GHG) emission reductions and net anthropogenic GHG removals by sinks.
- 5. There are 28 CDM DOEs currently in different accreditation stages within their five-year accreditation term, and four CDM AEs currently in the application stage of the initial

¹ Decision 3/CMA.3, paragraph 5(e), as contained in document FCCC/PA/CMA/2021/10/Add.1 available at: https://unfccc.int/sites/default/files/resource/cma2021_10_add1_adv.pdf#page=25.

² As contained in document A6.4-SB005-AA-05 available at: https://unfccc.int/sites/default/files/resource/a64-sb005-aa-a04_.pdf.

accreditation assessment.³ Details on the 28 CDM DOEs and four CDM AEs, along with their current accreditation statuses, are provided for in appendix 1.

3.2. Key issue

6. The Supervisory Body's workplan in 2023 aims to operationalize the Article 6.4 mechanism activity cycle process and the process of transitioning CDM activities to the Article 6.4 mechanism by the end of 2023. In both cases, the validation and/or verification/certification roles of the Article 6.4 mechanism DOEs are crucial. Given the current absence of Article 6.4 mechanism DOEs and the time required to accredit entities in accordance with the yet-to-be-developed and approved Article 6.4 mechanism accreditation to ensure the availability of a reasonable number of Article 6.4 mechanism DOEs when the Article 6.4 mechanism activity cycle becomes operational.

3.3. Temporary solutions to address the availability of Article 6.4 mechanism designated operational entities

- 7. Considering that the role of Article 6.4 mechanism DOEs is expected to be similar to that of CDM DOEs, there are three options proposed earlier in the concept note titled "Development of Article 6.4 mechanism accreditation standards and procedures" (version 02.0) to address the urgent need for Article 6.4 mechanism DOEs in time for the operationalization of the Article 6.4 mechanism activity cycle as follows:⁴
 - (a) Option 1: Allow CDM DOEs to serve as Article 6.4 mechanism DOEs without requiring any additional accreditation assessment. These DOEs would be authorized to perform validation and/or verification/certification activities under the Article 6.4 mechanism. However, once the Article 6.4 mechanism accreditation process is operational, these DOEs will be subject to accreditation assessments under the Article 6.4 accreditation process, beginning with an initial accreditation assessment, if they intend to continue their involvement in Article 6.4 mechanism activities;
 - (b) Option 2: Allow CDM DOEs to serve as Article 6.4 mechanism DOEs, upon successfully completing a simplified accreditation assessment (e.g., a desk review focusing on the distinctions between CDM and Article 6.4 accreditation standards). Subsequently, when the Article 6.4 accreditation process is operational, these DOEs will undergo accreditation assessments under the Article 6.4 accreditation process, beginning with an initial accreditation assessment if they intend to continue their involvement in Article 6.4 mechanism activities;
 - (c) **Option 3**: Allow CDM DOEs to serve as Article 6.4 mechanism DOEs, throughout the duration of their existing accreditation term under the CDM. During this period, their status and accreditation assessments under the CDM accreditation process

³ Among the 28 CDM DOEs, the expiration dates of the current CDM accreditation term are between June and November 2023 (5 DOEs), May 2024 and April 2025 (10 DOEs) and March 2027 and May 2028 (13 DOEs). Out of the four CDM AEs, three CDM AEs are in the initial accreditation assessment stage (i.e., on-site assessment conducted) and one CDM AE is in the application stage (i.e., additional documents requested during completeness check stage).

⁴ Editorial revisions are incorporated in the original language of these three options proposed in the concept note titled "Development of Article 6.4 mechanism accreditation standards and procedures" (version 02.0) to enhance clarity.

will serve as the basis. Once their current term under the CDM expires, these DOEs shall apply for the Article 6.4 accreditation process, beginning with an initial accreditation assessment, if they intend to continue their involvement in Article 6.4 mechanism activities.

- 8. Appendix 2 further elaborates on these three options, to enhance clarity regarding the implementation of each option, including an analysis of the advantages, disadvantages, and justifications for each option.
- 9. The figure below illustrates the possible scenarios for the proposed options against in relation to the estimated timeline of key steps. In the figure, the notations D1, D2, and D3 represent the anticipated dates for the operationalization of the Article 6.4 mechanism activity cycle, adoption of the Article 6.4 mechanism accreditation standard and procedure by the Supervisory Body, and the commencement of the Article 6.4 mechanism accreditation process, respectively.⁵ Based on the figure, it can be concluded that:
 - (a) Option 1 can be implemented just before the operationalization of the Article 6.4 mechanism activity cycle (i.e., D1). The initial accreditation assessments for the Article 6.4 mechanism are planned to take place within 15 months after the Article 6.4 mechanism accreditation process becomes operational (i.e., D3);
 - (b) Option 2 can be implemented only after the adoption of the Article 6.4 mechanism accreditation standard and procedure by the Supervisory Body (i.e., D2). The initial accreditation assessments for the Article 6.4 mechanism are planned to be conducted within 15 months after the Article 6.4 mechanism accreditation process becomes operational (i.e., D3);
 - (c) Option 3 can be implemented just before the operationalization of the Article 6.4 mechanism activity cycle (i.e., D1). The initial accreditation assessments for the Article 6.4 mechanism are planned to be conducted gradually, depending on the expiry dates of the DOEs under the current CDM accreditation term. Considering that the expiry dates of those DOEs under Option 3 are most likely until April 2029, therefore the Article 6.4 mechanism initial accreditation assessments are proposed to be completed for all DOEs under Option 3 between March 2026 and June 2027.⁶

⁵ As per Supervisory Body's 2023 workplan, the timeline to operationalize the Article 6.4 mechanism activity cycle and to adopt the Article 6.4 mechanism accreditation standard and procedure is until December 2023. As per concept note "Development of Article 6.4 mechanism accreditation standards and procedures" (A6.4-SB005-AA-A04), paragraph 6, revisions of the accreditation related documents other than the Article 6.4 mechanism accreditation standard and procedure will be prepared once the Supervisory Body adopts the Article 6.4 mechanism accreditation standard and procedure; therefore, the possible operationalization date of the Article 6.4 accreditation process would be in September 2024.

⁶ March 2026 is the earliest CDM re-accreditation assessment application date amongst all CDM DOEs; therefore, it is proposed to apply the date March 2026 as the milestone for all CDM DOEs under Option 3 to conduct initial accreditation assessments for the Article 6.4 mechanism. Additionally, the period of 15 months proposed in Options 1 and 2 is also applied under this Option 3; therefore, initial accreditation assessments for the Article 6.4 mechanism.



Figure. Possible scenarios on the proposed options against timeline¹

- ¹ This figure is not to scale. The term "A6.4 IA assessment" refers to the initial accreditation established by the Article 6, paragraph 4, of the Paris Agreement. The table in Appendix 2 of this document summarizes the current clean development mechanism (CDM) designated operational entities (DOEs) and applicant entities (AEs) in five categories (from A to E based on their CDM accreditation status.
- ^{2,3}A6.4 IA assessments contain a desk review for these 5 DOEs under category A. A6.4 IA assessments contain desk review and/or an on-site assessment for those 10 DOEs under category B (i.e., depending on the actual CDM assessment status). A6.4 IA assessments contain a desk review and an on-site assessment for those 13 DOEs under category C. A6.4 IA assessments contain a desk review and/or an on-site assessment for those four AEs under categories D and E (i.e., depending on the actual CDM assessment status).
- ⁴ The A6.4 IA assessments containing a desk review and an on-site assessment for all entities under five categories within Option 3 are proposed to be completed between March 2026 and June 2027.
- 10. The Table below summarizes the anticipated numbers of CDM DOEs which could serve and be accredited as Article 6.4 mechanism DOEs as per different milestones within the three proposed options.⁷

Table. Anticipated numbers of CDM DOEs allowed to serve and to be accredited as Article 6.4 mechanism DOEs

No. of CDM DOEs allowed to serve as Article 6.4 mechanism DOEs			No. of CDM DOEs accredited as Article 6.4 mechanism DOEs			
Option no.	Dec. 2023	Sep. 2024	Dec. 2025	Mar. 2026	June 2027	
1	32	32	32	32	32	
2	0	32	32	32	32	
3	32	32	0	0	32	

3.4. **Proposed solutions**

11. Given the similarities in the roles of DOEs under the CDM and the Article 6.4 mechanism, three options have been proposed in paragraph 7 above to address the absence of Article

⁷ It is assumed that all CDM AEs are accredited as CDM DOEs.

6.4 mechanism DOEs. These options aim to ensure their availability and facilitate progress within the Article 6.4 mechanism activity cycle.

4. Impacts

12. The proposal above provides information for the Supervisory Body to consider regarding the options for addressing the availability of Article 6.4 mechanism DOEs and advancing the work relating to the Article 6.4 mechanism activity cycle.

5. Subsequent work and timelines

13. The secretariat will prepare a proposed transition plan detailing the process of enabling CDM DOEs to serve as Article 6.4 mechanism DOEs, based on the option approved by the Supervisory Body. This plan will be presented to the Supervisory Body at its seventh meeting for its consideration.

6. Recommendation to the Supervisory Body

14. The secretariat recommends that the Supervisory Body consider the information and proposal presented in section 3.3 above and provide guidance on the approach to enable CDM DOEs to serve as Article 6.4 mechanism DOEs.

Appendix 1. Lists of designated operational entities and applicant entities

1. Table 1 and table 2 below provide a list of 28 designated operational entities (DOEs) and four applicant entities (AEs), respectively, under the clean development mechanism (CDM). These tables include the sectoral scopes applied for by the AEs and accredited for by the DOEs, the country location of the entities' central office, and the accreditation application dates for AEs and the accreditation expiry dates for DOEs.

Refence no.	Entity	Country	Sectoral scope for validation/verification	CDM accreditation expiry date
E-0001	Japan Quality Assurance Organization (JQA)	Japan	1, 3-5, 10, 13, 14	20 November 2027
E-0005	TÜV SÜD South Asia Private Limited (TÜV SÜD)	India	1, 3-5, 7, 10, 11, 13-15	31 March 2028
E-0006	Deloitte Tohmatsu Sustainability, Co., Ltd. (DTSUS)	Japan	1-3, 5, 10, 12, 13, 15	21 May 2024
E-0009	Bureau Veritas India Pvt. Ltd. (BVI)	India	1-5, 7-10, 12-15	3 June 2023 ¹
E-0021	AENOR INTERNACIONAL, S.A.U. (AENOR)	Spain	1-15	21 May 2024
E-0022	TÜV NORD CERT GmbH (TÜV NORD)	Germany	1-16	4 October 2023
E-0024	Colombian Institute for Technical Standards and Certification (ICONTEC)	Colombia	1-3, 7, 13, 14	21 May 2024
E-0025	Korean Foundation for Quality (KFQ)	Republic of Korea	1-5, 9, 11, 13, 15	20 July 2027

 Table 1.
 List of designated operational entities

A6.4-SB006-AA-A10 Concept note: Availability of Article 6.4 mechanism designated operational entities Version 01.0

Refence no.	Entity	Country	Sectoral scope for validation/verification	CDM accreditation expiry date
E-0032	LGAI Technological Center, S.A. (LGAI Tech. Center S.A)	Spain	1, 3, 13	4 October 2023
E-0034	China Environmental United Certification Center Co., Ltd. (CEC)	China	1-15	11 May 2027
E-0037	RINA Services S.p.A. (RINA)	Italy	1-7, 9-11, 13-15	20 November 2027
E-0039	Korean Standards Association (KSA)	Republic of Korea	1-5, 9, 10, 13-15	20 November 2027
E-0044	China Quality Certification Center (CQC)	China	1-15	20 November 2027
E-0046	China Classification Society Certification Company (CCSC)	China	1-10, 13, 14	28 November 2024
E-0047	CEPREI certification body (CEPREI)	China	1-5, 8-10, 13, 15	8 November 2023
E-0051	KBS Certification Services Pvt. Ltd (KBS)	India	1-5, 7-10, 12-15	28 November 2024
E-0052	Carbon Check (India) Private Ltd. (Carbon Check)	India	1, 3-5, 9, 10, 13, 14	1 June 2024
E-0054	Re Carbon Gözetim Denetim ve Belgelendirme Limited Sirketi (Re Carbon)	Türkiy	1-3, 13, 15	24 March 2027
E-0056	Korea Testing & Research Institute (KTR)	Republic of Korea	1, 3-5, 11, 13	2 March 2027
E-0061	Shenzhen CTI International Certification Co., Ltd (CTI)	China	1-15	30 May 2028
E-0062	EPIC Sustainability Services Pvt. Ltd. (EPIC)	India	1-16	4 October 2023
E-0065	China Building Material Test and Certification Group Co. Ltd. (CTC)	China	1-6, 9-11, 13-16	28 November 2024
E-0066	Earthood Services Private Limited (Earthood)	India	1, 3-7, 9, 10, 13-15	1 August 2024

A6.4-SB006-AA-A10 Concept note: Availability of Article 6.4 mechanism designated operational entities Version 01.0

Refence no.	Entity	Country	Sectoral scope for validation/verification	CDM accreditation expiry date
E-0067	China Certification Center, Inc. (CCCI)	China	1-15	17 April 2025
E-0069	4K Earth Science Private Limited (4KES)	India	1-3, 5, 6, 12-15	14 June 2024
E-0071	Ampere for Renewable Energy (Ampere)	Jordan	1, 3, 13	8 September 2027
E-0072	PONY Testing International Group Co., Ltd. (Pony Test)	China	1-15	24 March 2028
E-0073	Limited Liability Company Small Innovative Enterprise "NES Profexpert" (NES)	Russian Federation	1, 3-5, 10, 14	24 March 2028

Note 1: BVI accreditation expired, and the re-accreditation assessment is on-going.

Table 2.List of applicant entities

Refence no.	Entity	Country	Sectoral scope for validation/verification	CDM Accreditation application date
E-0074	Instituto Nacional de Tecnología Industrial (INTI)	Argentina	1-16	11 March 2022
E-0075	Beijing Carbon Brilliant Technology Ltd. (CBT)	China	1-3, 14	9 August 2022
E-0076	BSI Pacific Limited (BSI PL)	China	1-16	23 August 2022
E-0077	Beijing United Intelligence Certification Co., Ltd (UICC)	China	1-9, 12, 13	28 September 2022

Appendix 2. Analysis of the proposed options to increase clarity on how to operationalize these options along with pros and cons and justifications

1. Accreditation status of current clean development mechanism designated operational entities and applicant entities

1. There are 28 designated operational entities (DOEs) and four applicant entities (AEs) currently under the clean development mechanism (CDM) as listed in appendix 1. Based on the CDM accreditation assessment status under the current accreditation term, these CDM DOEs and AEs can be summarized in five categories as listed the table and explained in this appendix:

Table. Clean development mechanism accreditation assessment status of current clean development mechanism designated operational entities and applicant entities

Category no.	Number and type of entity	Accreditation term expiry date	Regular surveillance assessment 1	Regular surveillance assessment 2	Re-accreditation assessment
A	5 designated operational entities (DOEs)	Between June and November 2023	Conducted	Conducted	Conducted
В	10 DOEs	Between May 2024 and April 2025	Conducted	Conducted	Earliest re-accreditation application to be made between May 2023 and April 2024 (i.e., Re-accreditation assessments are most likely conducted before September 2024)
С	13 DOEs	Between March 2027 and May 2028	Planned between July 2023 and September 2024	Planned between January 2025 and Mar 2026	Earliest re-accreditation application to be made between Mar 2026 and May 2027(i.e., Re-accreditation assessments are most likely conducted after September 2024)
D	3 applicant entities	Initial accreditation assessment stage (i.e., on-site assessment conducted)			
E	1 applicant entity	Application stage (i.e., additional documents requested during completeness check stage)			

2. Elaboration of the three options to increase clarity on how these would be operationalized and pros and cons of, and justification for, the proposed options

2. This section further elaborates on the three options to increase clarity on how each option would be operationalized. Additionally, it provides the provisions for, pros and cons of, and justifications for the proposed options to address the availability of DOEs for the mechanism established by Article 6, paragraph 4, of the Paris Agreement (Article 6.4 mechanism) by the time the Article 6.4 mechanism activity cycle becomes operational.

2.1. Option 1: Allow CDM DOEs to act as Article 6.4 mechanism DOEs without an Article 6.4 mechanism accreditation assessment

- 3. This option allows CDM DOEs to act as Article 6.4 mechanism DOEs, if they wish to do so, without being subject to the Article 6.4 mechanism accreditation assessment. These DOEs would be permitted to carry out validation and/or verification/certification activities under the Article 6.4 mechanism. However, once the Article 6.4 accreditation process becomes operational, these DOEs would be subject to accreditation assessments under the Article 6.4 accreditation process, beginning with the initial accreditation assessment, should they wish to conduct further work under the Article 6.4 mechanism.
- 4. This option includes the following provisions:
 - (a) The CDM DOE must have a willingness to act as an Article 6.4 mechanism DOE, and the initial accreditation application shall be made to the Supervisory Body when the Article 6.4 mechanism accreditation process becomes operational (i.e., expected by September 2024);
 - (b) No additional Article 6.4 mechanism accreditation assessment is required before allowing such CDM DOEs to act as Article 6.4 mechanism DOEs;
 - (c) Once the Article 6.4 mechanism accreditation process becomes operational, these CDM DOEs shall be subject to accreditation assessments under the Article 6.4 accreditation process, starting with the initial accreditation assessment. Considering that the CDM accreditation assessment stages vary among CDM DOEs, there is a need to further distinguish these CDM DOEs to ensure that the transition process is cost-effective. In this regard, the provisions on the conduct of the Article 6.4 mechanism initial accreditation assessment are further elaborated below for those CDM DOEs and AEs under the different categories as per table above:
 - For CDM DOEs under category A: A simplified Article 6.4 mechanism initial accreditation assessment is proposed (e.g., a desk review focusing on the differences between the CDM and Article 6.4 mechanism accreditation standards), given that these CDM DOEs' re-accreditation assessments were conducted recently;
 - (ii) For the CDM DOEs under category B: Since the second regular surveillance assessments were conducted recently and those DOEs can apply for their CDM re-accreditation assessments until April 2024, the CDM re-accreditation

assessments for those CDM DOEs under this category are expected to be processed before the time when the Article 6.4 mechanism accreditation process is expected to become operational (i.e., September 2024); therefore, the following proposed provisions are to be applied:

- a. If only a desk review of the CDM re-accreditation assessment is conducted before the time when the Article 6.4 mechanism accreditation process becomes operational, then the Article 6.4 mechanism initial accreditation assessment contains only the on-site assessment to assess the entire Article 6.4 mechanism accreditation standard requirements;
- b. If an on-site assessment of the CDM re-accreditation assessment is already conducted before the time when the Article 6.4 mechanism accreditation process becomes operational, then the Article 6.4 mechanism initial accreditation assessment contains only a simplified Article 6.4 mechanism initial accreditation assessment (e.g., desk review focusing on the differences between the CDM and Article 6.4 mechanism accreditation standards);
- c. If a desk review of the CDM re-accreditation assessment is not yet conducted before the time when the Article 6.4 mechanism accreditation process becomes operational, then both a desk review and an on-site assessment of an Article 6.4 mechanism initial accreditation assessment are required to assess the entire Article 6.4 mechanism accreditation standard requirements;
- (iii) For CDM DOEs under category C: Since the earliest applications for CDM reaccreditation assessments are between March 2026 and May 2027, the initial accreditation application shall be made to the Supervisory Body by the time when the Article 6.4 mechanism accreditation process becomes operational, followed by the Article 6.4 mechanism initial accreditation assessment;
- (iv) For the CDM AEs under categories D and E: Those AEs are able to serve as Article 6.4 DOEs only if they are accredited as CDM DOEs. The same operationalization provisions as for category A apply for those AEs which would be granted CDM accreditation status until the Article 6.4 mechanism accreditation process becomes operational. For those AEs which are under the different accreditation stages, the same provisions as per paragraph 4(c)(ii) above apply.¹
- 5. The pros and cons of Option 1 include:
 - (a) The advantages (pros) are as follows:
 - No additional Article 6.4 mechanism accreditation assessment is required before allowing CDM DOEs to act as Article 6.4 mechanism DOEs, thereby reducing the operating cost of DOEs that operate under the Article 6.4 mechanism;

¹ If there is any new application for CDM accreditation before the Article 6.4 mechanism accreditation process becomes operational, the same provisions as per paragraph 4(c)(iv) are applied to any of the new CDM AEs.

- (ii) It ensures the prompt availability of DOEs for the Article 6.4 mechanism;
- (iii) The provisions of the Article 6.4 mechanism initial accreditation assessment are elaborated based on the different stages of the CDM DOEs' accreditation statuses, which can ensure a cost-effective transition process;
- (b) A disadvantage (con) is that since additional Article 6.4 mechanism accreditation requirements might be established by the Supervisory Body, not conducting additional Article 6.4 mechanism accreditation assessments before allowing them to act as Article 6.4 mechanism DOEs as per the Article 6.4 mechanism accreditation standard may result in the risk whereby the Article 6.4 mechanism DOEs may not fully establish the quality management system as per the Article 6.4 mechanism accreditation standard.

2.2. Option 2: Allow CDM DOEs to act as Article 6.4 mechanism DOEs if they pass a simplified accreditation assessment

- 6. This option allows CDM DOEs to act as Article 6.4 mechanism DOEs if they wish to do so and if they pass a simplified Article 6.4 mechanism accreditation assessment (e.g., a desk review focusing on the differences between the CDM and Article 6.4 mechanism accreditation standards). Once the Article 6.4 accreditation process becomes operational, these CDM DOEs will be subject to Article 6.4 mechanism accreditation assessments under the Article 6.4 mechanism accreditation process, starting with initial accreditation assessment.
- 7. This option includes the following provisions:
 - (a) The Article 6.4 mechanism accreditation standard and procedure are developed and approved by the Supervisory Body;
 - (b) The CDM DOE must have a willingness to act as an Article 6.4 mechanism DOE, and the initial accreditation application shall be made to the Supervisory Body by the time when the Article 6.4 mechanism accreditation process becomes operational (i.e., expected by September 2024);
 - (c) CDM DOEs are subject to a simplified Article 6.4 mechanism accreditation assessment, comprising a desk review to assess the differences between the CDM and Article 6.4 mechanism accreditation standard as proposed in paragraph 27 of the concept note "Development of Article 6.4 mechanism accreditation standards and procedures (version 02.0)," considered by the Supervisory Body at its fifth meeting, before allowing such CDM DOEs to act as Article 6.4 mechanism DOEs;
 - (d) Once the Article 6.4 mechanism accreditation process becomes operational, these CDM DOEs will be subject to Article 6.4 mechanism accreditation assessments under the Article 6.4 mechanism accreditation process, beginning with the initial accreditation assessment. Considering that the CDM accreditation assessment stages vary among CDM DOEs, there is a need to further distinguish them to ensure that the transition process is cost-effective. In this regard, the provisions for conducting the Article 6.4 mechanism initial accreditation assessment, as elaborated under Option 1 above in paragraph 4(c), applies mutatis mutandis.

- 8. The pros and cons of Option 2 include:
 - (a) The advantages (pros) are as follows:
 - Simplified Article 6.4 mechanism accreditation assessments would expedite the availability of DOEs for the Article 6.4 mechanism while ensuring that CDM DOEs serving the initial needs of the Article 6.4 mechanism have sufficient quality management systems in place as per Article 6.4 mechanism accreditation requirements;
 - Provisions of the Article 6.4 mechanism initial accreditation assessment are elaborated based on the different stages of CDM DOEs' accreditation statuses, which can ensure a cost-effective transition process;
 - (b) The disadvantages (cons) are as follows:
 - Additional operating costs for the CDM DOEs are incurred as these DOEs would be subject to simplified Article 6.4 mechanism accreditation assessments before allowing such CDM DOEs to act as Article 6.4 mechanism DOEs;
 - (ii) There may be a gap in the availability of Article 6.4 mechanism DOEs in the event that the operationalization of the Article 6.4 mechanism accreditation process takes longer than planned.

2.3. Option 3: Allow CDM DOEs to act as Article 6.4 mechanism DOEs until the end of their current accreditation term under the CDM

- 9. This option allows CDM DOEs to act as Article 6.4 mechanism DOEs, if they wish to do so, without undergoing a further Article 6.4 mechanism accreditation assessment, until the expiry date of their current accreditation term under the CDM as listed in appendix 1, table 1. In that time, the accreditation process will fully rely on the CDM accreditation assessments and the DOEs' statuses under the CDM accreditation process. Upon the expiry of their current accreditation term under the CDM, these DOEs shall apply for accreditation under the Article 6.4 mechanism accreditation process, beginning with the initial accreditation assessment, should they wish to conduct further work under the Article 6.4 mechanism.
- 10. This option includes the following provisions:
 - (a) The CDM DOE must have a willingness to act as an Article 6.4 mechanism DOE, and the initial accreditation application shall be made to the Supervisory Body one year before the expiry of the current CDM accreditation term, but no later than March 2026;
 - (b) This operation relies on the CDM accreditation process. A CDM DOE's accreditation status is carried over and recognized by the Article 6.4 mechanism accreditation system as long as the CDM DOE successfully maintains its accreditation status in accordance with the CDM accreditation requirements. CDM AEs are able to act as Article 6.4 DOEs only if they are accredited as CDM DOEs;
 - (c) Upon expiry of the DOE's current accreditation term under the CDM, the CDM DOE shall apply for accreditation under the Article 6.4 mechanism accreditation process

one year before the expiry of the current CDM accreditation term, but no later than March 2026, beginning with the initial accreditation assessment, which contains both a desk review and an on-site assessment of an Article 6.4 mechanism initial accreditation assessment to assess the entire Article 6.4 mechanism accreditation standard requirements. Considering that the expiry dates of those DOE under the option 3 are most likely until April 2029, the Article 6.4 mechanism initial accreditation assessments are proposed to be completed for all DOEs between March 2026 and June 2027.

- 11. The pros and cons of Option 3 include:
 - (a) An advantage (pro) is reducing the operating cost for DOEs that would operate under the Article 6.4 mechanism;
 - (b) Disadvantages (cons) are as follows:
 - (i) Since additional Article 6.4 mechanism accreditation requirements might be established by the Supervisory Body, not conducting any accreditation assessments as per the Article 6.4 accreditation procedure may result in a risk that the Article 6.4 mechanism DOEs may not fully establish the quality management system as per Article 6.4 mechanism accreditation standard;
 - (ii) Although the milestones are proposed so as to conduct Article 6.4 mechanism initial accreditation assessments between March 2026 and June 2027, Option 3 still utilizes the longest period to complete the initial accreditation assessments under the Article 6.4 mechanism until June 2027, whereas under both Option 1 and Option 2, initial accreditation assessments under the Article 6.4 mechanism can be completed by December 2025.

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Document information

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