

A6.4-SB006

Meeting report

Sixth meeting of the Article 6.4 mechanism Supervisory Body

Version 01.0

Date of meeting: 10 to 13 July 2023

Place of meeting: Bonn, Germany



United Nations
Framework Convention on
Climate Change

TABLE OF CONTENTS		Page
AGENDA ITEM 1.	AGENDA AND MEETING ORGANIZATION	3
Agenda item 1.1.	Opening.....	3
Agenda item 1.2.	Adoption of the agenda.....	3
AGENDA ITEM 2.	GOVERNANCE AND MANAGEMENT MATTERS	4
Agenda item 2.1.	Membership issues	4
Agenda item 2.2.	Strategic planning and direction	4
Agenda item 2.3.	Matters related to the Article 6.4 mechanism	4
AGENDA ITEM 3.	RELATION WITH STAKEHOLDERS	9
AGENDA ITEM 4.	OTHER MATTERS	10
AGENDA ITEM 5.	CONCLUSION OF THE MEETING	10
ANNEXES TO THE REPORT.....		11

Agenda item 1. Agenda and meeting organization

Agenda item 1.1. Opening

1. Ms. Olga Gassan-zade, Chair of the Supervisory Body, opened the meeting and asserted that the quorum requirement was met.
2. The Supervisory Body noted that Mr. Duan Maosheng was unable to attend this meeting and had provided proper justification for his absence.
3. The table below shows the attendance of members and alternate members at this meeting.

Table. Attendance

Members	Presence	Alternates	Presence
Mr. Benedict Chia ^a	In-person	Ms. Kristin Qui ^a	Virtual
Mr. Felipe De León Denegri ^b	Virtual	Mr. Eduardo Calvo ^b	In-person
Mr. El Hadji Mbaye Diagne ^a	In-person	Mr. Tirivanhu Muhwati ^a	In-person
Mr. Piotr Dombrowicki ^b	In-person	Mr. Imre Bányász ^b	In-person
Ms. Olga Gassan-zade ^a	In-person	Ms. Maia Tskhvaradze ^a	Virtual
Mr. Charles Hamilton ^a	Virtual	Mr. Derrick Oderson ^a	In-person
Mr. Martin Hession ^a	In-person	Ms. Emily Mathias ^a	Virtual
Mr. Gebru Jember ^b	In-person	Mr. Manjeet Dhakal ^b	In-person
Mr. Duan Maosheng ^a	Absent	Ms. Maria AlJishi ^a	In-person
Mr. Daegyun Oh ^b	In-person	Mr. Kazuhisa Koakutsu ^b	In-person
Ms. Molly Peters-Stanley ^b	Virtual	Mr. Simon Fellermeier ^b	In-person
Mr. Mkhuthazi Steleki ^b	In-person	Mr. Alick Muvundika ^b	In-person

^(a) Term: two years, i.e. ending immediately before the first meeting in 2024.

^(b) Term: three years, i.e. ending immediately before the first meeting in 2025.

Agenda item 1.2. Adoption of the agenda

4. The Supervisory Body adopted the agenda of the meeting, which was published as document A6.4-SB006-AA.¹

¹ See https://unfccc.int/sites/default/files/resource/a6.4-sb006-aa_0.pdf.

Agenda item 2. Governance and management matters

Agenda item 2.1. Membership issues

5. Members and alternate members of the Supervisory Body made available statements of actual, potential or perceived conflicts of interest with respect to the issues on the agenda of this meeting, as reflected on the UNFCCC website.²

Agenda item 2.2. Strategic planning and direction

6. The Supervisory Body took note of the preparation of its annual report to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its fifth session (CMA 5) to be considered at its next meeting. In this regard the Supervisory Body requested the report to focus on the work undertaken during the reporting period.
7. The Supervisory Body took note of the update on the status of its work, noting the changes in its workplan for 2023.
8. The Supervisory Body considered the work undertaken on various areas, as part of the outcomes of its strategy session.

Agenda item 2.3. Matters related to the Article 6.4 mechanism

9. The Supervisory Body adopted the “Standard for the transition of CDM activities to the Article 6.4 mechanism” and the “Procedure for the transition of CDM activities to the Article 6.4 mechanism”, as contained in [annex 1](#) and [annex 2](#), respectively, to this meeting report. The Supervisory Body agreed to make them effective from 1 January 2024, subject to the availability of detailed regulatory elements to enable the operationalization of the transition process referred to in this standard and the transition procedure, to be developed by the Supervisory Body, with the exception of the provisions on the submission of requests for transition, which was made effective on 30 June 2023 in accordance with the agreement of the Supervisory Body at its last meeting. These detailed regulatory elements include:
 - (a) A decision on identifying the projects having a risk of non-permanence;
 - (b) Approval by the Supervisory Body of the addendum, detailing the information to be supplied, including the templates for:
 - (i) A summary of analysis of non-permanence risks for activities determined to be at risk of non-permanence;
 - (ii) A summary of the analysis of environmental and social impacts;
 - (iii) Confirmation that the activities continue to apply the CDM methodology currently applied to the PDD, or PoA-DD and CPA-DDs, with an associated attestation of the project participants.
10. The Supervisory Body requested the secretariat to present draft detailed regulatory elements referred to in paragraph 9 above at the next meeting for its consideration. The Supervisory Body further requested the secretariat to develop the necessary IT

² See [6th meeting of the Article 6.4 Supervisory Body \(SB006\) | UNFCCC](#).

- infrastructure to support the transition process, to be ready for operation by the effective date of the procedure.
11. The Supervisory Body agreed to use the draft “Article 6.4 mechanism activity cycle procedure for projects”, as contained in annex 3 to this meeting report, for focused and inclusive stakeholder interactions on this document to be conducted in accordance with its agreement at its last meeting³ and may revise the document thereafter. The Supervisory Body requested the secretariat to start developing the necessary IT infrastructure to support the activity cycle process on the basis of the draft procedure, noting that modifications to the IT infrastructure may be necessary in the future.
 12. The Supervisory Body considered the draft “Article 6.4 mechanism activity standard for projects” and agreed to continue considering the draft at the next meeting, particularly in the following areas:
 - (a) Avoidance of double registration and issuance of same emission reductions or removals with other or overlapping schemes;
 - (b) Start of the crediting period in relation to the effective date of registration;
 - (c) Environmental and social impacts, sustainable development benefits and integrity safeguards;
 - (d) Measures to support small and micro businesses;
 - (e) Local stakeholder consultation;
 - (f) Post-registration change of scale increase and start of the crediting period.
 13. The Supervisory Body adopted the procedure “Development, revision and clarification of methodologies and methodological tools” and the procedure “Development, revision, clarification and update of standardized baselines”, as contained in annex 4 and annex 5 to this meeting report, respectively.
 14. Further, the Supervisory Body requested the secretariat to start preparing necessary arrangements, such as developing the necessary IT infrastructure for the process and preparing forms for submitting methodological requests, with the aim to operationalize such arrangements during the first quarter of 2024.
 15. The Supervisory Body also requested the secretariat to develop a concept note that includes the draft terms of references for the Methodological Expert Panel (MEP) and working groups, as well as the proposed process to establish the MEP, including drawing on the existing roster of experts, for consideration by the Supervisory Body at a future meeting. In this regard, the Supervisory Body requested the secretariat to include in the proposal a calibration workshop to orient the members of the MEP and working groups to ensure that they have a common understanding of the scope of work, A6.4 mechanism methodology requirements and priorities and type of substantive inputs that are needed by the Supervisory Body.

³ See paragraph 13 of SB 005 meeting report.

16. Taking into account stakeholders' inputs, the Supervisory Body also clarified that:
 - (a) Stakeholders may propose modifications to existing clean development mechanism (CDM) methodologies and submit them as new A6.4 mechanism methodologies to the Supervisory Body under the bottom-up process;
 - (b) As per the workplan of the Supervisory Body, a review of CDM methodologies for application to the A6.4 mechanism is being considered as a top-down work, and further progress is expected once the methodological requirements are adopted by the CMA (see paragraph 17 below). In this regard, stakeholders will be invited to provide inputs through structured call for inputs in due course.
17. The Supervisory Body considered the concept note "Proposals and options to operationalize baseline contraction factor, avoid 'lock-in levels of emissions' and address leakage in the draft recommendation on requirements for the development and assessment of mechanism methodologies", as contained in annex 7 to the annotations, and the draft recommendations on "Requirements for the development and assessment of mechanism methodologies", as contained in annex 8 to the annotations.
18. The Supervisory Body agreed that an informal working group on this matter comprising its members and alternate members as well as the secretariat would work prior to its next meeting to prepare the updated draft recommendation, for consideration of the Supervisory Body at the next meeting.
19. The Supervisory Body also agreed to launch a call for structured public consultation to invite stakeholders to provide comments, based on the draft recommendation which will be prepared by the informal working group, and requested the secretariat to prepare a compilation of all public inputs received. The Supervisory Body also requested the secretariat to inform Article 6.4 designated national authorities (DNAs) of the opening of the call and organize a specific interaction with DNA on this matter prior to the next meeting, in line with paragraph 29 below. The call will be open from 3 to 16 August 2023. Comments are invited to cover the following aspects:
 - (a) Addressing options laid out in the text for implementation of baseline, additionality and leakage assessment requirements;
 - (b) Addressing pros and cons of the different options;
 - (c) Addressing the balance in the text between substantive guidance in the draft recommendation text and further guidance to be elaborated in the tools;
 - (d) Addressing clarity, structure and understanding of text, with proposals for improvement.
20. The Supervisory Body requested the secretariat, in consultation with the informal working group, to undertake further work to:
 - (a) Provide a concept note building on the note referred under paragraph 17 above, addressing considerations with respect to options in the draft recommendation, including assessment of pros and cons;
 - (b) Advise on the balance between substantive guidance in the recommendation, and further guidance by the Supervisory Body to activity participants, and guardrails for development of further guidance and tools;

- (c) Provide examples of application of adjustments downwards in methodologies of the CDM or other mechanisms;
 - (d) Provide an outline of:
 - (i) Tools for implementation of baseline approaches;
 - (ii) Tools for implementation of additionality.
21. The Supervisory Body considered the information notes “Compilation of the public inputs on removal activities under the Article 6.4 mechanism” and “Draft elements for the recommendation on activities involving removals”, as contained in annexes 9 and 14 of the annotated agenda. The Supervisory Body conducted an in-meeting written consultation among the members of the Supervisory Body regarding options to address key substantive issues and elements, to guide the further development of recommendations for activities involving removals. The survey covered elements pertaining to monitoring, reporting, and addressing reversals, including risk assessment and measures to compensate for reversals. It was agreed that a second part of the written consultation containing questions on other elements, in particular definitions and avoidance of other negative environmental and social impacts, will be conducted between the sixth and seventh meeting of the Supervisory Body.
22. The Supervisory Body further requested the secretariat, in consultation with the co-chairs of the informal working group on removals, to prepare and open a structured call for inputs for 14 days from the week of 17 July 2023, based on the questions included in the presentation shown at this meeting on 13 July 2023.
23. The Supervisory Body further requested the secretariat to:
- (a) Update the information note “Compilation of the public inputs on removal activities under the Article 6.4 mechanism”, to further incorporate submissions to the structured consultations undertaken in June-July 2023, taking into account the guidance for the information note’s compilation and contents provided at the fifth meeting of the Supervisory Body (A6.4-SB005-A02);
 - (b) Update the information note “Draft elements for the recommendation on activities involving removals”, based on guidance from the Supervisory Body at its sixth meeting, including Part I and Part II of the written consultation, and public consultations to inform the Supervisory Body’s consideration of corresponding draft recommendations below at its seventh meeting, following the guidance for the note’s compilation and contents provided at the fifth and sixth meeting of the Supervisory Body;
 - (c) Prepare draft recommendations for consideration at the seventh meeting of the Supervisory Body, based on outputs from the fourth to the sixth meeting of the Supervisory Body, guidance from the sixth meeting of the Body, including Part I and Part II of the written consultation, recommendations on removals from the third meeting of the Body, and guidance from the informal group on removals on preliminary draft recommendations shared prior to the seventh meeting of the Supervisory Body.
24. The Supervisory Body considered the concept note “Availability of Article 6.4 mechanism DOEs”, as contained in annex 10 to the annotations, and provided the following feedback

to be taken into account in the next iteration of the concept note to be considered by the Supervisory Body at its eighth meeting:

- (a) Conduct further analysis and propose suitable measures specific to ensure availability of A6.4 mechanism DOEs for verification of request for issuance from transitioned activities as priority;
 - (b) Include additional competence requirements to the Article 6.4 mechanism accreditation standard, taking into account the relevant provisions in the rules, modalities and procedures, including, among others, the validation and verification of the SD tool for the Article 6.4 mechanism, and 6.4 methodological requirements including removals. Acknowledging that such additional provisions to the Article 6.4 mechanism are still under consideration, these additional competence requirements are to be further addressed under draft accreditation standard and procedure for the Article 6.4 mechanism.
25. The Supervisory Body considered the modalities for operation of the Article 6.4 mechanism registry. In this regard, it requested the secretariat to develop a concept note on the Article 6.4 mechanism registry, covering the overview of the registry's general functional aspects and issues that require decision by Supervisory Body, taking into account inputs provided by the Supervisory Body and any further matters identified by the secretariat relevant for consideration by the Supervisory Body. The note is to be considered at its eighth meeting, with the view to provide guidance for the development of a draft registry procedure to be considered at the first meeting in 2024.
 26. Further, the Supervisory Body requested the secretariat to launch a call for inputs on issues related to account holders and services needed for these holders to inform the concept note mentioned in paragraph 25 above.
 27. The Supervisory Body also requested the secretariat to prepare a concept note on repurposing the CDM voluntary cancellation platform to serve the Article 6.4 mechanism, for consideration at a future meeting.
 28. The Supervisory Body took note that 42 DNAs were established as of 13 July 2023.
 29. The Supervisory Body considered the concept note "Establishment of Article 6.4 mechanism DNA Forum", as contained in annex 11 to the annotations, and requested the secretariat to organize dedicated virtual interactions with Article 6.4 mechanism DNAs on a regular basis to cover various aspects related to the implementation of Article 6.4.
 30. The Supervisory Body further agreed to recommend that the CMA requests the Supervisory Body to establish a DNA Forum of the Article 6.4 mechanism to exchange information and experiences among DNAs, including identifying common challenges at regional and sub-regional levels in the operationalization of the Article 6.4 mechanism.
 31. The Supervisory Body also took note that the Article 6.4 DNAs would be invited to attend a CDM DNA Forum meeting at the side lines of the 2023 UNFCCC Regional Climate Weeks.
 32. The Supervisory Body took note of the update on the status of recruitments in support of the implementation of the Article 6.4 mechanism resource allocation plan.
 33. The Supervisory Body considered the roles and responsibilities of host Parties and encouraged the secretariat to make use of this information in its capacity-building activities

and possibly prepare a booklet or a handbook in this regard. Furthermore, the Supervisory Body requested the secretariat to make use of the information compiled to enable timely implementation of elements pertaining to Parties' requirements and roles in the Article 6.4 mechanism, and to update the Supervisory Body on a regular basis.

Agenda item 3. Relation with stakeholders

34. The Supervisory Body considered the concept note "Engagement with the Local Communities and Indigenous Peoples Platform (LCIPP) and its Facilitative Working Group (FWG)", as contained in annex 12 to the annotations, and requested the secretariat to:
 - (a) Extend an expression of interest to the FWG to discuss possible future collaboration;
 - (b) Launch a call for public inputs on how the Article 6.4 mechanism could consider matters related to Indigenous Peoples and local communities; and
 - (c) Organize a dedicated webinar to consider these matters.
35. The Supervisory Body appointed two members as interim focal points on matters related to Indigenous Peoples and local communities to assist the Body in considering these matters in its work.
36. The Supervisory Body considered the concept note "Consideration of the gender action plan", as contained in annex 13 to the annotations, and agreed to provide the secretariat with written inputs on the concept note by 31 July 2023. The Supervisory Body requested the secretariat to update the concept note, taking into account written inputs received, for consideration by the Supervisory Body at a future meeting.
37. The Supervisory Body appointed a member of the Body as an interim gender focal point to assist the Body in gender-related matters, including to champion the integration of gender considerations in its work.
38. The Supervisory Body met with registered observers for an informal interaction on the last day of the meeting. The observers presented views in relation to items on the agenda of this meeting. The Supervisory Body took note of the inputs and thanked the observers for the interaction. The list of the registered observers to this meeting is contained in annex 6 to this report.
39. The Supervisory Body requested the secretariat to prepare a draft procedure to enhance communication with stakeholders for consideration at a future meeting.
40. The Supervisory Body considered public comments on the documentation of this meeting, which were made publicly available on the UNFCCC website, and thanked stakeholders for their comments.⁴
41. Observers to the seventh meeting of the Supervisory Body shall register with the secretariat by 21 August 2023. Any change to this date will be communicated, as appropriate.

⁴ See <https://unfccc.int/process-and-meetings/the-paris-agreement/article-64-mechanism/calls-for-input>.

Agenda item 4. Other matters

42. The Supervisory Body agreed to the provisional agenda for its seventh meeting, to be held in Singapore, from the period of 10 to 15 September 2023, as contained in annex 7 to this report.

Agenda item 5. Conclusion of the meeting

43. The Chair summarized the main conclusions and closed the meeting.
44. The proceedings of the open sessions of the meeting can be accessed via on-demand broadcast.⁵

⁵ <https://unfccc-events.azureedge.net/Article64sixthmeeting>.

Annexes to the report

- Annex 1 - Standard for the transition of CDM activities to the Article 6.4 mechanism (version 01.0)
- Annex 2 - Procedure for the transition of CDM activities to the Article 6.4 mechanism (version 01.0)
- Annex 3 - Procedure: Article 6.4 mechanism activity cycle procedure for projects (version 03.0)
- Annex 4 - Procedure: Development, revision and clarification of methodologies and methodological tools (version 01.0)
- Annex 5 - Procedure: Development, revision, clarification and update of standardized baselines (version 01.0)
- Annex 6 - List of registered observers at the sixth meeting of the Supervisory Body (version 01.0)
- Annex 7 - Provisional agenda: Supervisory Body seventh meeting (version 01.0)

- - - - -

Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	13 July 2023	A6.4-SB006 meeting report. Initial publication.

Decision Class: Operational
Document Type: Meeting report
Business Function: Governance
Keywords: Article 6.4 Supervisory Body, reporting procedures
