

A6.4-SBM013-AA-A05

Draft Procedure

Transition of CDM activities to the Article 6.4 mechanism

Version 03.0

DRAFT



COVER NOTE

1. Procedural background

1. Based on requests of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its third and fourth sessions, the Supervisory Body, at its sixth meeting, adopted the “Standard for the transition of CDM activities to the Article 6.4 mechanism” (hereinafter referred to as the transition standard) and the “Procedure for the transition of CDM activities to the Article 6.4 mechanism” (hereinafter referred to as the transition procedure) to operationalize the process for transition of project activities and programmes of activities (PoAs), registered under the clean development mechanism (CDM), or listed as provisional as per the temporary measures adopted by the Executive Board of the CDM, to the Article 6.4 mechanism. The Supervisory Body, at its eighth meeting, revised the transition standard and the transition procedure to further elaborate some of their provisions to make them fully operational.
2. The Supervisory Body, at its eleventh meeting, considered an unsolicited letter from a stakeholder¹ seeking an exemption from the requirement in the transition procedure that approvals of a transition request be submitted by all host Parties in a multi-country PoA (i.e. a PoA hosted by more than one country), specifically to be exempt from having to obtain approvals from inactive host Parties. Other stakeholders, in response to a structured call for inputs on the regulatory documents for A 6.4 PoAs,² also suggested exemption from the restrictive rule for multi-country PoAs.

2. Purpose

3. The purpose of this revision of the transition procedure is to provide flexibility in the requirements for the transition of multi-country PoAs, as well as to provide provisions for revising and withdrawing a transition request.

3. Key issues and proposed solutions

3.1. Transition requests of multi-country programmes of activities

4. A total of 119 transition requests of CDM PoAs were received by the secretariat by the deadline (31 December 2023). Of these, 20 requests are for multi-country PoAs, of which:
 - (a) 14 are with all host Parties in Africa;
 - (b) 2 are with host Parties in Africa and Asia;
 - (c) 1 is with host Parties in Africa and Latin America;
 - (d) 1 is with host Parties in Africa, Asia and Latin America;

¹ Available at: https://unfccc.int/sites/default/files/resource/CQC_Host_Party_Exemption_Letter.pdf.

² Available at: <https://unfccc.int/process-and-meetings/the-paris-agreement/paris-agreement-crediting-mechanism/calls-for-input/cfi-poa-package>

- (e) 1 is with all host Parties in Latin America;
- (f) 1 is with host Parties in Asia and Latin America.

3.2. Host Party approval

5. In accordance with paragraph 73(b) of the annex to decision 3/CMA.3 (hereinafter referred to as the rules, modalities and procedures for the Article 6.4 mechanism, or the RMPs), the provision of an approval of transition by the host Party of a transitioning CDM project activity or PoA is a prerequisite for transition and such approval shall be provided to the Supervisory Body by no later than 31 December 2025. With regard to the transition of multi-country CDM PoAs, the transition procedure requires that all host Parties shall submit such approval by the deadline.
6. However, for a multi-country PoA, not all host Parties may intend to, or be ready to, submit a host Party approval of the transition to the Supervisory Body by the deadline for various reasons, including, but not limited to:
 - (a) No intention to participate in the Article 6.4 mechanism;
 - (b) Consideration of the alignment of their policies on sectors they intend to promote for emission reductions under the Article 6.4 mechanism in the implementation of their nationally determined contributions;
 - (c) Consideration of the impact on the implementation of their nationally determined contributions arising from the corresponding adjustment requirement to the accounting of associated emission reductions after the transition;
 - (d) Lack of capacity in determining whether to approve the transition and submitting an approval by the deadline.
7. It should be further noted that, in relation to the possible reasons referred to in paragraph 6 above, the transition procedure clarifies that the host Party may submit an approval of transition only after it has fulfilled the requirements for participating in the Article 6.4 mechanism referred to in paragraph 26 of the RMPs (hereinafter referred to as the participation requirements), which includes the specification of activity types that the host Party intends to approve as Article 6.4 activities. To date, only three Parties have fulfilled the participation requirements, and it is not known whether and when other Parties will fulfil the participation requirements.
8. Under these circumstances, the project participants requesting the transition of multi-country CDM PoAs are facing greater uncertainty and complexity in obtaining host Party approvals of transition by the deadline compared to those requesting transition of CDM project activities, as the latter always have only one host Party. The current provision in the transition procedure referred to in paragraph 5 above implies that some multi-country CDM PoAs that are eligible for transition to the Article 6.4 mechanism may not be able to transition due to this uncertainty.
9. It should also be noted that, for multi-country CDM PoAs, the timing of obtaining a host Party approval differs from country to country, which would further complicate the situation by keeping the component project activities (CPAs) in a country that has provided a host Party approval stranded until all other countries provide host Party approvals. Such a situation may not be fair for the stranded CPAs.

10. Therefore, it is proposed to revise the transition procedure to allow a multi-country CDM PoA to transition to the Article 6.4 mechanism if at least one host Party provides an approval of transition for the PoA. In this case, only the CPAs in the countries that provided host Party approvals should be allowed to transition.

11. It is further proposed to revise the transition procedure to allow phased transitions of CPAs in batches anytime after the respective host countries have provided host Party approvals.

3.3. Change to selection of component project activities

12. The transition procedure requires project participants, when requesting the transition of an eligible CDM PoA, to specify which of the eligible component project activities (CPAs) they wish to transition in conjunction with the PoA. The transition requests of CDM PoAs submitted by the deadline include:

- (a) 72 requests specifying all included CPAs eligible for transition;
- (b) 11 requests specifying some but not all included CPAs eligible for transition;
- (c) 17 requests specifying no included CPAs despite the PoAs having CPAs that are eligible for transition;
- (d) 19 requests specifying no CPAs because the PoA has no CPAs included under the CDM;
- (e) 1 request with no eligible CPAs for transition.

13. Specifying CPAs at the time of submitting a transition request for a CDM PoA, as required by the transition procedure, means that at the very beginning of the transition process, project participants must choose CPAs for transition. It is not clear from the requests listed in paragraph 12 above how project participants have selected specific CPAs eligible for transition or have intentionally not selected any CPAs despite there being eligible CPAs, and if so, for what reason.

14. However, project participants may wish to change the selection of CPAs after the submission of the transition request for various reasons, including changes in business plan. Also, for multi-country PoAs, if the requirement for obtaining host Party approvals is revised as proposed in paragraph 10 above, changing the selection of CPAs would allow project participants to further streamline the transition process by voluntarily limiting the CPAs for transition to those in a country that is likely to or has already provided a host Party approval of transition.

15. For this reason, it is proposed to revise the transition procedure to allow project participants to change the selection of (i.e. add or remove) CPAs for transitioning CDM PoAs and proceed with the submission of additional documentation in accordance with the transition procedure based on the changed selection of CPAs.

3.4. Other

16. Withdrawal of a request for transition is envisaged as a possible voluntary action by project participants in the current provisions of the transition procedure. However, the actual process for requesting and processing a withdrawal of a transition request is not provided. Therefore, it is proposed to include such a provision by revising the transition procedure.

4. Impact

17. The proposed revision of the transition procedure would provide flexibility for the transition of CDM PoAs, particularly multi-country PoAs, to the Article 6.4 mechanism.

5. Subsequent work and timelines

18. Upon adoption by the Supervisory Body of a revised transition procedure, the secretariat will work on adjusting and developing further the IT infrastructure for processing the transition requests.

6. Recommendations to the Supervisory Body

19. The Supervisory Body may wish to adopt the proposed revised transition procedure.

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1. Background

1. The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), at its third session, adopted rules, modalities and procedures (RMPs) for the mechanism established by Article 6, paragraph 4, of the Paris Agreement (the Article 6.4 mechanism).¹ Chapter XI.A of the RMPs contains provisions that allow transition of project activities and programmes of activities (PoAs) registered under the clean development mechanism (CDM) under Article 12 of the Kyoto Protocol or listed as provisional as per the temporary measures adopted by the Executive Board of the CDM² (hereinafter referred to as provisional requests) to the Article 6.4 mechanism.
2. The CMA, at its fourth session, elaborated key conditions and processes for such transition.³ At the same session, the CMA also requested⁴ the Supervisory Body to facilitate the tasks related to the transition of CDM activities to the Article 6.4 mechanism by:
 - (a) Developing and operationalizing a procedure for requesting transition, which includes relevant forms, by no later than June 2023;
 - (b) Developing and operationalizing the transition process and reporting back to the CMA at its fifth session.
3. Pursuant to its mandate from the CMA to operationalize the transition process, the Supervisory Body has adopted the “Standard: Transition of CDM activities to the Article 6.4 mechanism” (hereinafter referred to as the transition standard) and the “Procedure: Transition of CDM activities to the Article 6.4 mechanism” (hereinafter referred to as this procedure) and relevant forms as contained in this document.

2. Scope

4. This procedure sets out procedural steps for CDM project activities, PoAs and component project activities (CPAs) therein to transition to the Article 6.4 mechanism, as well as corresponding procedural steps for provisional requests to be finalized under the Article 6.4 mechanism.

3. Entry into force

5. This version of this procedure enters into force on 1 January 2024 except for the process of submission of transition requests to the secretariat, which is 30 June 2023.

¹ Decision 3/CMA.3, annex, 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 At its 108th meeting (see paragraphs 7–8 of the meeting report) and later clarified in the document entitled “Clarification: Regulatory requirements under temporary measures for post-2020 cases” available at http://cdm.unfccc.int/sunsetcms/storage/contents/stored-file-20220314132358671/Reg_Clar03v02.pdf.

³ Decision 7/CMA.4, annex I, chapter I, in document FCCC/PA/CMA/2022/10/Add.2 (Advance Version) available at: https://unfccc.int/sites/default/files/resource/cma2022_10a02_adv.pdf#page=33.

⁴ Decision 7/CMA.4, paragraph 23.

4. Terms and definitions

6. The following terms apply in this procedure:
- (a) “Shall” is used to indicate requirements to be followed;
 - (b) “Should” is used to indicate that among several possibilities, one course of action is recommended as particularly suitable;
 - (c) “May” is used to indicate what is permitted;
 - (d) “The project participant” shall be read as the focal point entity designated by the project participants of the CDM project activity or PoA for scope (c) as communicated to the secretariat in the modalities of communication in accordance with the relevant provisions in the “CDM project cycle procedure for project activities” and the “CDM project cycle procedure for programmes of activities”, respectively”.⁵

5. Process for transition

5.1. Submission of transition request

7. The project participant of a CDM project activity or PoA that is eligible for transition to the Article 6.4 mechanism in accordance with the relevant provisions in the transition standard shall, if it wishes for such transition, submit a request for transition to indicate the wish of transition to the secretariat through a dedicated interface on the UNFCCC website, providing the information in the form contained in appendix 1,⁶ by 31 December 2023, 24:00 (Central European Time).
8. In requesting the transition of a CDM PoA that had included CPAs under the CDM, the project participant shall specify which of the included CPAs that are eligible for transition to the Article 6.4 mechanism in accordance with the relevant provisions in the transition standard it wishes to transition to the Article 6.4 mechanism. CPAs included in a PoA under the CDM may transition to the Article 6.4 mechanism **only** in conjunction with, **or subsequent to**, the transition of the PoA to the Article 6.4 mechanism.
9. The secretariat shall check the completeness of the information provided in the submitted request for transition and, if found complete, publish the request on the UNFCCC website providing the web link to the project information page of the CDM project activity or CDM PoA on the UNFCCC CDM website, and assigning a unique reference number(s) that enable(s) the identification of the CDM project activity, or PoA and CPAs therein, transitioned to the Article 6.4 mechanism, distinguishing them from new activities

⁵ In accordance with paragraph 42 of the “CDM project cycle procedure for project activities” (version 03.0) and paragraph 33 of the “CDM project cycle procedure for programmes of activities” (version 03.0), the focal point entities designated by the project participants for scope (c) are granted the authority to communicate on their behalf with the Board and the secretariat on all other project-related matters not covered by: (a) communication in relation to requests for forwarding of certified emission reductions to individual accounts of the project participants; or (b) communication in relation to requests for addition and/or voluntary withdrawal of the project participants and focal points, as well as changes to company names, legal status, contact details and specimen signatures.

⁶ The secretariat may convert the form into an electronic interface.

registered under the Article 6.4 mechanism. If found incomplete, the secretariat shall promptly notify the reason for the incompleteness to the project participant. The project participant shall submit a corrected request for transition within 14 days of the notification; otherwise the secretariat shall reject the request.

10. After publishing the request for transition on the UNFCCC website, the secretariat shall promptly inform the DNA for the Article 6.4 mechanism and the DNA for the CDM of the host Party of the CDM project activity or PoA of the receipt of the request. If the host Party has not yet established the DNA for the Article 6.4 mechanism, the secretariat shall inform its national focal point to the UNFCCC (hereinafter collectively referred to as the DNA for the Article 6.4 mechanism) of the request.⁷ With this, the request for transition shall be deemed as having been submitted by the project participants to both the secretariat and the host Party in accordance with paragraph 73(a) of the RMPs.

5.2. Global stakeholder consultation

11. Parties, stakeholders and UNFCCC admitted observer organizations may submit comments, in English, on the transition of the CDM project activity, or PoA and CPAs therein, to the secretariat through a dedicated interface on the UNFCCC website within 28 days of the publication of the request for transition on the UNFCCC website. The submitters of the comments shall provide the names and contact details of the individuals or organizations on whose behalf the comments are submitted. Comments from stakeholders shall:

- (a) Be specific to the CDM project activity, or PoA and CPAs therein, being requested for transition;
- (b) Be related to the compliance with applicable rules and regulations for transition.

12. The secretariat shall make the comments that meet the requirements in paragraph 11 above publicly available on the UNFCCC website where the transition request is displayed and inform ~~the publication of the comments to~~ the Supervisory Body and the DNAs of the host Party and other Parties involved ~~that the comments have been made public~~.

- 12_{bis}. For a CDM PoA being requested for transition, after the global stakeholder consultation but before the approval by the host Party of the transition in accordance with section 5.3 below, the project participants may:

- (a) Add eligible CPAs not specified in the initial transition request referred to in paragraph 7 above; and/or
- (b) Remove from the transition request any CPAs specified in the initial transition request.

- 12_{ter}. For the cases referred to in paragraph 12_{bis} above, the project participants shall submit a revised transition request to the secretariat through the dedicated interface on the UNFCCC website referred to in paragraph 7 above, reflecting the addition and/or removal of CPAs that they wish to transition to the Article 6.4 mechanism in conjunction with or subsequent to the transition of the PoA. The secretariat shall check the completeness of the revised transition request and, if it is found to be complete, shall publish it on the

⁷ The contacts of national focal points of Parties to the UNFCCC are listed at:
<https://unfccc.int/process/parties-non-party-stakeholders/parties/national-focal-point>.

UNFCCC website, replacing the initial transition request, and promptly inform the DNAs for the Article 6.4 mechanism and the DNAs for the CDM of the host Parties of the receipt of the revised transition request. The revised transition request is not required to undergo a new global stakeholder consultation.

5.3. Submission of host Party approval

13. The host Party of the CDM project activity, or PoA and CPAs therein, regarding which a request for transition has been published on the UNFCCC website shall, if it approves such transition, submit an approval of transition from its DNA for the Article 6.4 mechanism to the Supervisory Body through a dedicated interface on the UNFCCC website, providing the information in the form contained in appendix 2,⁸ by 31 December 2025, 24:00 (Central European Time). ~~If there is more than one host Party for a transitioning CDM PoA,⁹ all host Parties shall submit such approval by the deadline.~~
- 13_{bis}. A multi-country PoA may transition to the Article 6.4 mechanism provided that at least one host Party has provided approval within the deadline referred to in paragraph 13 above. If there is more than one host Party for a CDM PoA¹⁰ being requested for transition, only the CPAs in the host Parties that have submitted an approval of transition by the deadline may transition to the Article 6.4 mechanism in conjunction with, or subsequent to, the transition of the PoA.
- 13_{ter}. The project participant or DOE (hereinafter collectively referred to as the proponent) may proceed with the submission of the additional documentation referred to in section 5.4 below after at least one host Party has submitted an approval of transition. If the proponent wishes to transition any of the CPAs specified in the transition request subsequent to the transition of the CDM PoA, the proponent shall prepare the additional documentation referred to in section 5.4 below for each such transition request of CPAs.
14. The host Party may submit an approval of transition only after it has fulfilled the requirements for participating in the Article 6.4 mechanism referred to in paragraph 26 of the RMPs by demonstrating the fulfilment in accordance with the relevant provisions in the “Article 6.4 activity cycle procedure for projects” or the “Article 6.4 activity cycle procedure for programmes of activities”, as applicable.
15. *[Placeholder for possible provisions on the submission of the statement of authorization on the use of A6.4ERs that will be issued for the proposed A6.4 project]*¹¹
16. The secretariat shall publish the host Party approval of transition on the UNFCCC website and promptly inform the project participant of the receipt of such approval.

⁸ The secretariat may convert the form into an electronic interface.

⁹ ~~Under the CDM, a PoA may be designed beyond the border of a country and thus could have more than one host Party, while a project activity shall be designed within the border of a country and thus will always have only one host Party.~~

¹⁰ ~~Under the CDM, a PoA may be designed beyond the border of a country and thus could have more than one host Party, while a project activity shall be designed within the border of a country and thus will always have only one host Party.~~

¹¹ This placeholder may be developed based on the relevant guidance of the CMA.

5.4. Submission of additional documentation

17. If the project participant continues to apply the currently applied CDM methodology to the transitioning CDM project activity, or PoA and CPAs therein, in accordance with the relevant provisions in the transition standard, it shall, within 180 days of the publication of the host Party approval of transition in accordance with paragraph 16 above, submit to the secretariat, through a dedicated interface on the UNFCCC website, an addendum to the respective project design document (PDD), or PoA design document (PoA-DD) and CPA design documents (CPA-DDs), using the form contained in appendix 3¹² to attest that the CDM project activity, or PoA and CPAs therein, have been implemented in accordance with the registered PDD, or PoA-DD and CPA-DDs, as well as to demonstrate the compliance with additional requirements for registration under the Article 6.4 mechanism in accordance with the relevant provisions in the transition standard. With the attestation in the addendum, the relevant PDD, or PoA-DD and CPA-DDs, shall be deemed submitted by the project participant.
18. If the project participant voluntarily replaces, or is required to replace, the CDM methodology currently applied to the transitioning CDM project activity, or PoA and CPAs therein, with an Article 6.4 mechanism methodology (hereinafter referred to as mechanism methodology) in accordance with the relevant provisions in the transition standard, it shall revise the PDD, or PoA-DD and CPA-DDs, accordingly, using the corresponding forms developed for Article 6.4 mechanism activities, and request a designated operational entity (DOE) accredited in the relevant sectoral scope under the Article 6.4 mechanism to validate them to demonstrate appropriate application of the mechanism methodology and the compliance with additional requirements for registration under the Article 6.4 mechanism in accordance with the relevant provisions in the transition standard. If the validation outcome is positive (i.e. the mechanism methodology is appropriately applied and the compliance with additional requirements for registration under the Article 6.4 mechanism is demonstrated), the DOE shall, within one year of the publication of the host Party approval of transition in accordance with paragraph 16 above or within one year after the applicable mechanism methodology becomes available, whichever is later, submit to the secretariat, through a dedicated interface on the UNFCCC website, the revised PDD, or PoA-DD and CPA-DDs, as well as the validation report.

5.5. Processing of transition request

19. The secretariat shall, upon receipt of the additional documentation referred to in paragraph 17 or 18 above, issue a statement of the transition fee due, determined based on the following principles, and shall communicate it to the project participant or the DOE who submitted the additional documentation (hereinafter collectively referred to as the proponent):
 - (a) Requests for transition of CDM project activities, PoAs and CPAs are subject to the share of proceeds applicable to requests for registration of projects and PoAs and inclusion of component projects (CPs), respectively, under the Article 6.4 mechanism;¹³

¹² The secretariat may convert this form into an electronic interface for the submission of the addendum.

¹³ In accordance with decision 7/CMA.4, annex I, paragraph 14(a).

- (b) All fees for requests for registration, issuance, renewal and post-registration changes to project activities and PoAs as well as inclusion of CPs under the Article 6.4 mechanism are waived for activities in least developed countries and small island developing States.¹⁴
20. The project participant shall pay the transition fee by bank transfer, quoting the unique reference number(s) referred to in paragraph 9 above. The project participant shall submit a proof of payment (e.g. bank transfer record) through a dedicated interface on the UNFCCC website.
21. The paid transition fee may be reimbursed in full or partially if the request for transition is withdrawn by the proponent **in accordance with section 7 below** or rejected by the Supervisory Body in line with the corresponding provisions on the reimbursement of the registration fee as contained in the “Article 6.4 activity cycle procedure for projects” or the “Article 6.4 activity cycle procedure for programmes of activities”.
22. The secretariat shall, upon receipt of the proof of payment of the transition fee if it is due, or upon receipt of the additional documentation if the transition fee is not due, commence the completeness check of the additional documentation. To commence the completeness check, the secretariat shall prioritize requests for transition for small-scale CDM project activities and CDM PoAs.
23. The secretariat shall conclude the completeness check within seven days of its commencement. If, during the completeness check, the secretariat identifies issues of an editorial nature or of consistency in the documentation, it shall request the proponent to submit revised documents to correct them. In this case, the proponent shall submit the requested documents within two days of receipt of the request. Upon receipt of the revised documents, the secretariat shall resume the completeness check. If the proponent does not submit the requested documents by this deadline, the secretariat shall conclude that the request submission is incomplete and inform the proponent that the request for transition cannot be processed any further. The proponent may restart the process by submitting the additional documentation again with the revised documents in accordance with section 5.4 above, which is subject to a new transition fee.
24. Upon positive conclusion of the completeness check, the secretariat shall commence the substantive check of the additional documentation to determine whether the transitioning CDM project activity, or PoA and CPAs therein, complies with the relevant requirements for transition contained in the transition standard within 21 days of its commencement. Upon conclusion of the substantive check, the secretariat shall publish the additional documentation and indicate the completion of the substantive check on the UNFCCC website and notify the host Party and the Supervisory Body of the completion of the substantive check to initiate the review process in accordance with section 5.6 below. If, during the substantive check, the secretariat identifies substantive issues that may be resolved by revising the additional documentation, it shall request the proponent to submit revised documents to resolve them. In this case, the proponent shall submit the requested documents within four days of receipt of the request. Upon receipt of the revised documents, the secretariat shall resume the substantive check. If the proponent does not submit the requested documents by this deadline, the secretariat shall conclude that the request submission is incomplete.

¹⁴ In accordance with decision 7/CMA.4, annex I, paragraph 58.

25. The secretariat shall prepare and send to the Supervisory Body a summary note on the transition request, summarizing its findings in respect of the compliance with the relevant requirements for transition contained in the transition standard and including its recommendation whether to approve the requested transition within 14 days of the date of publication of the additional documentation.

5.6. Requesting review of transition request

26. The host Party of the transitioning CDM project activity or PoA, or any member or alternate member of the Supervisory Body, may request a review of the request for transition within 28 days of receipt of the notification of the completion of the substantive check in accordance with paragraph 24 above, through a dedicated interface on the UNFCCC website, providing reasons for requesting a review.
27. If a review of the request for transition is requested by the host Party or any member or alternate member of the Supervisory Body, the secretariat shall notify the proponent that the request is under review, indicate such status on the UNFCCC website, and present the case to the Supervisory Body at its next meeting or electronically.

5.7. Finalizing transition request

28. If no review of the request for transition is requested by the deadline referred to in paragraph 26 above, the request for transition shall be deemed approved by the Supervisory Body.
29. If a review of the request for transition is requested, the Supervisory Body shall review the request and take one of the following decisions, taking into account the presentation on the case by the secretariat:
- (a) Approve the request as in the additional documentation;
 - (b) Approve the request with modifications to the additional documentation, pending the proponent's agreement with the modifications;
 - (c) Reject the request.
30. For the case referred to in paragraph 29(b) above, if the proponent does not agree with the modification within seven days of the decision, the request shall be deemed rejected by the Supervisory Body.
31. The secretariat shall notify the decision of the Supervisory Body to the proponent and the host Party, and indicate it on the UNFCCC website.
32. If the decision of the Supervisory Body is to reject the request for transition, the proponent may not resubmit a request for transition of the same CDM project activity, or PoA and CPAs therein.
33. If the decision of the Supervisory Body is to approve the transition of the CDM project activity, or PoA and CPAs therein, the secretariat shall inform the Executive Board of the CDM of the decision. The secretariat shall register the activity under the Article 6.4 mechanism, to be effective on the day it is deregistered from the CDM.

34. Irrespective of the effective date of transition, the crediting period of the transitioned project activity and CPAs as well as the PoA period of the transitioned PoA under the Article 6.4 mechanism shall start from 1 January 2021.
35. Once registered under the Article 6.4 mechanism, the transitioned project activities, PoAs and CPAs shall be subject to all relevant requirements under the Article 6.4 mechanism at all subsequent steps in the activity cycle of the Article 6.4 mechanism, taking into account the relevant provisions in the transition standard.

6. Process for finalizing provisional requests

36. Process for finalization of provisional requests shall follow the provisions in section 5 above, mutatis mutandis, with the following modifications:
- (a) The project participant may submit a request for finalization of a provisional request for issuance under the transition procedure if the underlying CDM project activity or PoA continues to apply the currently applied CDM methodology at transition, and only after the Supervisory Body has approved the transition of the underlying CDM project activity, or PoA and CPAs therein, to the Article 6.4 mechanism. In this case, the deadline for submission for the transition request referred to in paragraph 7 above is not applicable and additional documentation to be submitted in accordance with paragraph 17 above shall be a revised monitoring report instead of an addendum to the PDD, or PoA-DD and CPA-DDs, applying the global warming potentials for the period from 1 January 2021 as specified in the transition standard;
- (b) Provisional inclusion of CPAs may be finalized if the underlying CDM PoA continues to apply the currently applied CDM methodology at transition, and only in conjunction with the transition of the CDM PoA to the Article 6.4 mechanism. For this reason, the project participant shall include provisionally included CPAs in the request for transition of the underlying CDM PoA in accordance with section 5 above;
- (c) For finalization of the provisional request for issuance¹⁵ and the provisional inclusion of CPAs¹⁶ referred to in subparagraphs (a) and (b) above, respectively, an approval of the finalization by the host Party shall not be required;¹⁷ therefore, section 5.3 above shall be skipped;

¹⁵ A request for finalization of a provisional request for issuance, for which the host Party approval has been provided, may be finalized after the underlying CDM project activity, or after the underlying PoA and CPAs therein, has successfully transitioned to the Article 6.4 mechanism in accordance with paragraph 36(a)36(b) above.

¹⁶ A request for finalization of a provisional inclusion of a CPA, for which the host Party approval has been provided, may be finalized only in conjunction with or subsequent to the underlying PoA has successfully transitioned to the Article 6.4 mechanism in accordance with paragraph 36(a)36(b) above.

¹⁷ This is due to the fact that a request for finalization of a provisional request for issuance or provisional inclusion of a CPA may be submitted only after the underlying CDM project activity, or after or in conjunction with the underlying PoA and CPAs therein, have successfully transitioned to the Article 6.4 mechanism in accordance with paragraph 36(a)–(b), for which the host Party approval has been provided.

- (d) The project participant may not submit a request for finalization of the following provisional requests, noting that the corresponding requests may be submitted under the Article 6.4 mechanism in accordance with the relevant requirements and processes applicable to any Article 6.4 mechanism activities, after the Supervisory Body has approved the transition of the underlying CDM project activity, or PoA and CPAs therein, to the Article 6.4 mechanism:
- (i) Provisional requests for issuance if the underlying CDM project activity, or PoA and CPAs therein, voluntarily replaced, or were required to replace, the currently applied CDM methodology with a mechanism methodology in accordance with paragraph 18 above;
 - (ii) Provisional requests for renewal;
- (e) The fee for finalization of a provisional request shall be determined based on the following principles:¹⁸
- (i) Requests for finalization of provisional requests for registration of project activities and PoAs are subject to the share of proceeds applicable to requests for registration of projects and PoAs, respectively, under the Article 6.4 mechanism;
 - (ii) Requests for finalization of provisional inclusion of CPAs are subject to the share of proceeds applicable to inclusion of CPs in a registered PoA under the Article 6.4 mechanism;
 - (iii) Requests for finalization of provisional requests for issuance are subject to the share of proceeds applicable to requests for issuance under the Article 6.4 mechanism;
 - (iv) All fees for requests for registration, issuance, renewal and post-registration changes to project activities and PoAs as well as inclusion of CPs under the Article 6.4 mechanism are waived for activities in least developed countries and small island developing States.

7. Withdrawal of transition request

7.1. Submission of request for withdrawal

37. The proponent may submit a request for withdrawal of a request for transition to the secretariat through a dedicated interface on the UNFCCC website.

7.2. Processing of request for withdrawal

38. Upon receipt of the request for withdrawal of a request for transition, the secretariat shall check the information provided in the request as soon as possible, and if the request is


¹⁸ Pursuant to decision 7/CMA.4, annex I, paragraphs 14(b)-(e) and 58.

complete, the secretariat shall reimburse the transition fee, if applicable, and take the following actions:

- (a) If the proponent requests the withdrawal prior to the publication of the additional documentation made in accordance with paragraph 24 above, the secretariat shall not mark the transition request as “withdrawn” on the UNFCCC website;
- (b) If the proponent requests the withdrawal after the publication of the additional documentation made in accordance with paragraph 24 above, the secretariat shall mark the transition request as “withdrawn” on the UNFCCC website.

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Appendix 1. Form for transition request

 CDM activity transition request form¹ (Version 01.0)	
Type of transition request (Tick box(es))	<input type="checkbox"/> Transition of CDM activity <input type="checkbox"/> Finalization of provisional request ² <input type="checkbox"/> For registration <input type="checkbox"/> For issuance
Type of activity (Tick box(es))	<input type="checkbox"/> Project activity <input type="checkbox"/> Programme of activities (PoA) <input type="checkbox"/> Including component project activities (CPAs) ³
Title and UNFCCC reference number of activity	
Host Party(ies)	
Crediting period type and expiry date of the current crediting period (for a project activity or PoA) (Tick box(es)) (Indicate the hypothetical expiry date under the CDM rules in the DD/MM/YYYY format)	<input type="checkbox"/> Renewable <input type="checkbox"/> In the first crediting/PoA period expiring on _____ <input type="checkbox"/> In the second crediting/PoA period expiring on _____ <input type="checkbox"/> In the third crediting/PoA period expiring on _____ <input type="checkbox"/> In the fourth PoA period expiring on _____ <i>(applicable only for PoAs)</i> <input type="checkbox"/> Fixed, expiring on _____

¹ This form is to be filled, signed and submitted by the person authorized for scope (c) by the project participants of the CDM project activity or PoA as indicated in the modalities of communication submitted in accordance with the “CDM project cycle procedure for project activities” or “CDM project cycle procedure for programmes of activities” to the secretariat and to the host Party(ies) of the project activity or PoA by no later than 31 December 2023. The secretariat may convert this form into electronic interface for submission of transition requests, in which case, the signature will be replaced with electronically secure means.

² Provisional requests for renewal will not be finalized under the transition process. Therefore, this form is not relevant.


³ CPAs already included in a CDM PoA may transition to the Article 6.4 mechanism only in conjunction with the transition of the PoA. Therefore, this box must be ticked if the project participant wishes the CPAs to also transition to the Article 6.4 mechanism.

Crediting period type and duration of activity (for CPAs) (Tick box(es)) (Add rows as needed)	CPA ref. #	Crediting period type (renewable or fixed)	Expiry date of the current crediting period
Applied methodology (Tick boxes)	<input type="checkbox"/> Continue to apply the currently applied CDM methodology at transition <input type="checkbox"/> Replace the currently applied CDM methodology with an Article 6.4 mechanism methodology at transition <ul style="list-style-type: none"> <input type="checkbox"/> For project activity <input type="checkbox"/> For both PoA and all CPAs <input type="checkbox"/> For only PoA⁴ 		
I confirm that the crediting period or the PoA period of the activity was active as of 1 January 2021 and hereby submit request for transition to the Article 6.4 mechanism	Date (DD/MM/YYYY):		
	Names of the entity and the representative of the project participants: ⁵		
	Signature:		

⁴ For a PoA requesting transition, it is possible to voluntarily replace the currently applied CDM methodology with an Article 6.4 mechanism methodology at transition only for the PoA, while continuing to apply the currently applied CDM methodology for CPAs until either the end of the current crediting period or 31 December 2025, whichever is earlier.

⁵ Please write the name of the focal point entity designated by the project participants of the CDM project activity or PoA for scope (c) and the name of its representative as communicated to the secretariat in the modalities of communication in accordance with the relevant provisions in the “CDM project cycle procedure for project activities” or the “CDM project cycle procedure for programmes of activities”, respectively.

Appendix 2. Form for host Party approval

 CDM activity transition approval form¹ (Version 01.0)	
Type of transition request (Tick box(es))	<input type="checkbox"/> Transition of CDM activity <input type="checkbox"/> Finalization of provisional request ² <ul style="list-style-type: none"> <input type="checkbox"/> For registration <input type="checkbox"/> For issuance
Type of activity (Tick box(es))	<input type="checkbox"/> Project activity <input type="checkbox"/> Programme of activities (PoA) <ul style="list-style-type: none"> <input type="checkbox"/> Including component project activities (CPAs)³
Title and UNFCCC reference number of activity	DRAFT
Confirmation of receipt of transition request (Tick box to confirm)	<input type="checkbox"/> The transition request for this activity(ies) has been received by the host Party by 31 December 2023
Confirmation on activity type (Tick box to confirm)	<input type="checkbox"/> The type of activity in the transition request is among the activity types that the host Party intends to approve as Article 6.4 mechanism activities ⁴
Approving host Party	

¹ This form is to be filled, signed and submitted by the representative of the designated national authority for the Article 6.4 mechanism as notified to the UNFCCC secretariat by no later than 31 December 2025. The secretariat may convert this form into an electronic interface for the submission of the host Party approval, in which case, the signature will be replaced with electronically secure means.

² Provisional requests for renewal will not be finalized under the transition process. Therefore, this form is not relevant.


³ CPAs already included in a CDM PoA may transition to the Article 6.4 mechanism only in conjunction with the transition of the PoA. Therefore, this box must be ticked if the host Party also approves the transition of the CPAs to the Article 6.4 mechanism.

⁴ In accordance with paragraph 26(e) of the annex to decision 3/CMA.3, the host Party shall indicate publicly to the Supervisory Body the types of Article 6.4 mechanism activity that it would consider approving and how such types of activity and any associated emission reductions would contribute to the achievement of its nationally determined contribution, if applicable, its long-term low greenhouse gas emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement. Paragraph 6 of annex I to decision 7/CMA.4 further elaborated that CDM project activities, PoAs and the CPAs therein, and activities in provisional requests that may transition to the Article 6.4 mechanism shall be among the activity types indicated by the host Party.

I hereby approve the transition of the CDM activity to, or finalization of the provisional request under, the Article 6.4 mechanism, subject to approval by the Supervisory Body	Date (DD/MM/YYYY):
	Name of designated national authority organization:
	Name of representative of designated national authority:
	Signature:

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Appendix 3. Form for addendum

 Addendum to design document for CDM activity transition request¹ (Version 01.0)	
Title and UNFCCC reference number of activity	
Environmental and social impacts	<p><i>Provide a summary of the environmental and social impacts and sustainable development benefits of the transitioning clean development mechanism (CDM) activity, and attach to this form a report prepared in accordance with the “Standard: Transition of CDM activities to the Article 6.4 mechanism” (hereinafter referred to as “transition standard”):</i></p> <ol style="list-style-type: none"> 1. Environmental impacts 2. Social impacts 3. Sustainable development benefits
Non-permanence risk	<input type="checkbox"/> The transitioning activity uses fossil fuel for co-firing or as a backup fuel

¹ This form is to be filled in, signed and submitted by the person authorized for scope (c) by the project participants of the clean development mechanism (CDM) project activity or programme of activities, as indicated in the modalities of communication submitted in accordance with the “CDM project cycle procedure for project activities” or “CDM project cycle procedure for programmes of activities” to the secretariat within six months of the publication of the host Party approval of the transition in accordance with the “Procedure: Transition of CDM activities to the Article 6.4 mechanism”. The secretariat may convert this form into an electronic interface for the submission of this document, in which case the signature will be replaced with electronically secure means.

	<p><i>If this box is ticked, describe the monitoring plan to account for emissions from the use of fossil fuel in accordance with the transition standard.</i></p> <p><input type="checkbox"/> The transitioning activity applies one or more of the CDM methodologies listed as having a risk of negative emission reductions in paragraph 29 of the transition standard</p> <p><i>If this box is ticked, describe (i) the outcome of the assessment to determine whether there was any accrual of net negative emission reductions in the past; and (ii) the monitoring plan to take into account such negative emission reductions in emission reductions occurring from 2021 in accordance with the transition standard.</i></p> <p><input type="checkbox"/> The transitioning activity applies one or more of the CDM methodologies listed as having a risk of non-permanence in paragraph 30 of the transition standard</p> <p><input type="checkbox"/> <i>The fraction of non-renewable biomass (fNRB) value and/or discount factor for addressing leakage have been re-evaluated based on the latest information.</i></p> <p><i>Describe the outcome of the re-evaluation:</i></p> <p><input type="checkbox"/> <i>Neither the fNRB nor the discount factor for addressing leakage are re-evaluated.</i></p> <p><input type="checkbox"/> The transitioning activity is none of the above</p>
<p>Compliance with the registered design document, including the application of the currently applied CDM methodology</p> <p><i>Tick the applicable box</i></p>	<p><input type="checkbox"/> No post-registration change (PRC) occurred since 2021:</p> <p>I hereby confirm that the transitioning CDM activity has been implemented and monitored in accordance with the registered project design document (PDD), or programme of activities design document (PoA-DD) and component project activity design documents (CPA-DDs), as displayed on the project</p>

	<p>information page on the UNFCCC CDM website, including the application of the currently applied CDM methodology.</p> <p><input type="checkbox"/> A PRC occurred since 2021:</p> <p>I hereby confirm that I will seek approval of the PRC to the transitioning CDM activity under the mechanism established by Article 6, paragraph 4, of the Paris Agreement (Article 6.4 mechanism) after its transition to the Article 6.4 mechanism, noting that the PRC may not be approved by the Supervisory Body for the Article 6.4 mechanism. This may impact the crediting of Article 6, paragraph 4, emission reductions for the activity occurring after the PRC.</p>
<p>I confirm that the information provided in this form is correct</p>	<p>Date (DD/MM/YYYY):</p>
	<p>Names of the entity and the representative of the project participants:²</p>
	<p>Signature:</p>

² Please write the name of the focal point entity designated by the project participants of the CDM project activity or PoA for scope (c) and the name of its representative as communicated to the secretariat in the modalities of communication in accordance with the relevant provisions in the “CDM project cycle procedure for project activities” or the “CDM project cycle procedure for programmes of activities”, respectively.

Document information

<i>Version</i>	<i>Date</i>	<i>Description</i>
03.0	1 July 2024	Published as an annex to the annotated agenda of SBM 013. This version accommodates flexibility in the requirements for the transition of multi-country PoAs and provides provisions for revising and withdrawing a transition request.
02.0	2 November 2023	SB 008, Annex 8 Revision to: <ul style="list-style-type: none">• Add a form for addendum to be used for submitting additional documentation as part of a transition request;• Make editorial improvement.
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