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**Conference of the Parties serving as the meeting  
of the Parties to the Paris Agreement**

**Third session**

**Glasgow, 31 October to 12 November 2021**

Agenda item 12(a)

**Matters relating to Article 6 of the Paris Agreement**

**Guidance on cooperative approaches referred to in Article  
6, paragraph 2, of the Paris Agreement**

**Matters relating to Article 6 of the Paris Agreement**

**Proposal by the President**

**Draft decision -/CMA.3**

**Guidance on cooperative approaches referred to in Article 6,  
paragraph 2, of the Paris Agreement**

*The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,*

*Recalling* the Paris Agreement,

*Also recalling* the tenth preambular paragraph of the Paris Agreement, which takes into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities,

*Further recalling* the eleventh preambular paragraph of the Paris Agreement, acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity,

*Recalling* Article 2 of the Paris Agreement and decision 1/CP.21,

*Also recalling* Article 4, paragraph 2 of the Paris Agreement,

*Further recalling* Article 6 of the Paris Agreement and decision 1/CP.21, paragraph 36, decision 8/CMA.1 and decision 9/CMA.2,

*Cognizant* of decision -/CMA.3,<sup>1</sup>

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<sup>1</sup> Draft decision entitled “Guidance operationalizing the modalities, procedures and guidelines for the enhanced transparency framework referred to in Article 13 of the Paris Agreement” proposed under agenda item 5 of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its third session.

1. *Adopts* the guidance on cooperative approaches referred to in Article<sup>2</sup> 6, paragraph 2, as contained in the annex;
2. *Clarifies* that the annex requires information to be reported in the structured summary pursuant to decision 18/CMA.1 (Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement), annex, paragraph 77(d), including the information to be reported as per paragraph 77(d)(iii);
3. *Requests* the Subsidiary Body for Scientific and Technological Advice to undertake the following work, on the basis of the guidance in the annex, to develop recommendations for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session (November 2022) on:
  - (a) The special circumstances of the least developed countries and small island developing States;
  - (b) Elaboration of further guidance in relation to corresponding adjustments for multi-year and single-year nationally determined contributions, in a manner that ensures the avoidance of double counting, on:
    - (i) Methods for establishing an indicative trajectory, trajectories or budgets and for averaging, including with respect to relevant indicators, and for calculating cumulative emissions by sources and removals by sinks;
    - (ii) Methods to demonstrate the representativeness of averaging for corresponding adjustments by quantifying how much the yearly transaction volume differs from the average for the period;
  - (c) Consideration of whether internationally transferred mitigation outcomes could include emission avoidance;
4. *Invites* submissions from Parties on options for the tables and outlines for the information required pursuant to chapter IV of the annex (Reporting), by 31 March 2022 via the submission portal;<sup>3</sup>
5. *Requests* the secretariat to organize a technical workshop, ensuring broad participation of Parties, to develop options for the tables and outlines for the information required pursuant to chapter IV of the annex (Reporting), including the agreed electronic format referred to in chapter IV.B of the annex (Annual information), on the basis of the information in those chapters, for consideration by the Subsidiary Body for Scientific and Technological Advice at its fifty-sixth session (June 2022);
6. *Also requests* the Subsidiary Body for Scientific and Technological Advice to develop tables and outlines for the information required pursuant to chapter IV of the annex (Reporting), including the agreed electronic format referred to in chapter IV.B of the annex (Annual information), on the basis of the submissions referred to in paragraph 4 above and taking into account the options developed pursuant to paragraph 5 above for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session;
7. *Further requests* the Subsidiary Body for Scientific and Technological Advice to develop recommendations for guidelines for the reviews pursuant to chapter V of the annex (Review), including in relation to the Article 6 technical expert review team, in a manner that minimizes the burden on Parties and the secretariat, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session that include:
  - (a) Provisions ensuring that the reviews assess consistency of the information provided on the cooperative approach with that in the annex;

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<sup>2</sup> “Article” refers to an Article of the Paris Agreement, unless otherwise specified.

<sup>3</sup> <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

- (b) That reviews are desk reviews or centralized reviews (as per the descriptions in paras. 152 and 154 of the annex to decision 18/CMA.1) and are conducted at regular intervals each year;
  - (c) Development of modalities for reviewing information that is confidential;
  - (d) That the reviews ensure consistency between the reporting of all of the Parties participating in a cooperative approach, in respect of that cooperative approach;
  - (e) That the reviews specify recommended action to be taken when inconsistencies are identified, and provisions on how a Party should respond to those recommendations and the implications of non-responsiveness, if any;
  - (f) The composition of the Article 6 technical expert review team, how the team interacts with the participating Party when undertaking the review, the implications of paragraph 176, annex to decision 18/CMA.1 in respect of composition of Article 13 review teams, and the training programme for the Article 6 technical experts;
  - (g) Coordination of the Article 6 technical expert review with the technical expert review referred to in chapter VII of the annex to decision 18/CMA.1, including ensuring that Article 6 technical expert reviews in a given review cycle are completed in advance of, and the relevant reports are provided to, the technical expert review referred to in chapter VII of the annex to decision 18/CMA.1;
8. *Invites* submissions from Parties on options for implementing the infrastructure requirements referred to in chapter VI of the annex (Recording and tracking), by 31 March 2022;
  9. *Requests* the secretariat to organize a technical workshop, ensuring broad participation of Parties to develop options for implementing the infrastructure requirements, including guidance for registries, the international registry, the Article 6 database and the centralized accounting and reporting platform referred to in chapter VI of the annex (Recording and tracking) for consideration by the Subsidiary Body for Scientific and Technological Advice at its fifty-sixth session;
  10. *Also requests* the Subsidiary Body for Scientific and Technological Advice, on the basis of the submissions referred to in paragraph 8 above and taking into account the options developed pursuant to paragraph 9 above to make recommendations relating to infrastructure, including guidance for registries, the international registry, the Article 6 database and the centralized accounting and reporting platform referred to in chapter VI of the annex (Recording and tracking) for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session;
  11. *Affirms* that the guidance will not infringe on the nationally determined nature of nationally determined contributions;
  12. *Requests* the secretariat to design and, following consultation with Parties, implement a capacity-building programme, including through its regional collaboration centres, to assist Parties, particularly developing country Parties, intending to participate in cooperative approaches including to:
    - (a) Support the development of institutional arrangements, including in relation to reporting, in order to enable Parties to engage in cooperative approaches;
    - (b) Help Parties ensure that cooperative approaches in which they participate support ambition;
    - (c) Assist the least developed countries and small island developing States in meeting the participation requirements, as set out in chapter II of the annex (Participation);
  13. *Also requests* the secretariat to prepare annually a compilation and synthesis of the results of the Article 6 technical expert review, including identification of recurring themes and lessons learned, for consideration by the Conference of the Parties serving as the meeting

of the Parties to the Paris Agreement, including in the context of its review of the guidance;

14. *Decides* to review the guidance at its tenth session (2028) and to complete the review by no later than at its twelfth session (2030) in order to coordinate the timing of the review with that of the review undertaken in accordance with paragraph 18 of decision 4/CMA.1;
15. *Requests* the Subsidiary Body for Scientific and Technological Advice to commence its work in 2028 to develop recommendations in relation to the review referred to in paragraph 14 above, and *decides* that the relevant work of the Subsidiary Body for Scientific and Technological Advice shall include, but is not limited to:
  - (a) Participation responsibilities in chapter II of the annex (Participation);
  - (b) Implementation of chapter III of the annex (Corresponding adjustments), including consideration of other methods in addition to those set out in chapter III.B of the annex (Application of corresponding adjustments) and elaboration of guidance to provide for a single method for corresponding adjustments, to be applied from 2031 onward;
  - (c) Implementation of chapter IV of the annex (Reporting);
  - (d) Implementation of chapter V of the annex (Review);
  - (e) Consideration of any need for safeguards and limits in addition to those already operationalized through the annex;
16. *Requests* the secretariat to support the forum on the impact of the implementation of response measures (referred to in para. 33 of decision 1/CP.21) in considering ways to address negative social or economic impacts, especially on developing country Parties, resulting from activities under Article 6, paragraph 2, as requested by the forum;
17. *Invites* the Adaptation Fund to report in its annual reports to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement on funding related to participation in cooperative approaches pursuant to paragraph 36 of chapter VII of the annex (Ambition in mitigation and adaptation actions);
18. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in this decision;
19. *Requests* that the actions called for in this decision be undertaken subject to the availability of financial resources;
20. *Invites* Parties to make contributions to the Trust Fund for Supplementary Activities for operationalizing the guidance and for supporting the workshops referred to in paragraphs 5 and 9 above, and the capacity-building programme referred to in paragraph 12 above.

## Annex

### Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement

#### I. Internationally transferred mitigation outcomes

1. Internationally transferred mitigation outcomes (ITMOs) from a cooperative approach are:
  - (a) Real, verified, and additional;
  - (b) Emission reductions and removals, including mitigation co-benefits resulting from adaptation actions and/or economic diversification plans or the means to achieve them, when internationally transferred;
  - (c) Measured in metric tonnes of carbon dioxide equivalent (t CO<sub>2</sub> eq) in accordance with the methodologies and metrics assessed by the Intergovernmental Panel on Climate Change and adopted by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) or in other non-greenhouse gas (GHG) metrics determined by the participating Parties that are consistent with the nationally determined contributions (NDCs) of the participating Parties;
  - (d) From a cooperative approach referred to in Article<sup>4</sup> 6, paragraph 2, (hereinafter referred to as a cooperative approach) that involves the international transfer of mitigation outcomes authorized for use towards an NDC pursuant to Article 6, paragraph 3;
  - (e) Generated in respect of or representing mitigation from 2021 onward;
  - (f) Mitigation outcomes authorized by a participating Party for use for international mitigation purposes other than achievement of an NDC (hereinafter referred to as international mitigation purposes) or authorized for other purposes as determined by the first transferring participating Party (hereinafter referred to as other purposes) (international mitigation purposes and other purposes are hereinafter referred to together as other international mitigation purposes);
  - (g) Article 6, paragraph 4, emission reductions issued under the mechanism established by Article 6, paragraph 4, when they are authorized for use towards achievement of NDCs and/or authorized for use for other international mitigation purposes;
2. A “first transfer” is:
  - (a) For a mitigation outcome authorized by a participating Party for use towards the achievement of an NDC or for the first international transfer of the mitigation outcome;
  - (b) For a mitigation outcome authorized by a participating Party for use for other international mitigation purposes, either the authorization, the issuance or the use or cancellation of the mitigation outcome, as specified by the participating Party.

#### II. Participation

3. Each Party participating in a cooperative approach that involves the use of ITMOs (hereinafter referred as a participating Party) shall ensure that its participation in the cooperative approach and the authorization, transfer and use of ITMOs is consistent with this guidance and relevant decisions of the CMA and that it applies this guidance to all corresponding adjustments and cooperative approaches in which it participates.
4. Each participating Party shall ensure that:

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<sup>4</sup> “Article” refers to an Article of the Paris Agreement, unless otherwise specified.

- (a) It is a Party to the Paris Agreement;
  - (b) It has prepared, communicated and is maintaining an NDC in accordance with Article 4, paragraph 2;
  - (c) It has arrangements in place for authorizing the use of ITMOs towards achievement of NDCs pursuant to Article 6, paragraph 3;
  - (d) It has arrangements in place that are consistent with this guidance and relevant decisions of the CMA, for tracking ITMOs;
  - (e) It has provided the most recent national inventory report required in accordance with decision 18/CMA.1;
  - (f) Its participation contributes to the implementation of its NDC and long-term low-emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement.
5. In relation to the least developed countries and small island developing States, pursuant to Article 4, paragraph 6, their special circumstances shall be recognized where this guidance relates to NDCs, and other aspects of their special circumstances may be recognized in further decisions of the CMA relating to this guidance.

### **III. Corresponding adjustments**

#### **A. Internationally transferred mitigation outcome metrics**

6. For all ITMOs (ITMOs in a non-GHG metric determined by the participating Parties and ITMOs measured in t CO<sub>2</sub> eq), each participating Party shall apply corresponding adjustments, consistently with this guidance and relevant future decisions of the CMA.

#### **B. Application of corresponding adjustments**

7. Each participating Party shall apply corresponding adjustments in a manner that ensures transparency, accuracy, completeness, comparability and consistency; that participation in cooperative approaches does not lead to a net increase in emissions across participating Parties within and between NDC implementation periods; and that corresponding adjustments shall be representative and consistent with the participating Party's NDC implementation and achievement. Each participating Party shall apply one of the following methods consistently throughout the NDC period:
- (a) Where the participating Party has a single-year NDC:
    - (i) Providing an indicative multi-year emissions trajectory, trajectories or budget for the NDC implementation period that is consistent with implementation and achievement of the NDC, and annually applying corresponding adjustments for the total amount of ITMOs first transferred and used for each year in the NDC implementation period;
    - (ii) Calculating the average annual amount of ITMOs first transferred and used over the NDC implementation period, by taking the cumulative amount of ITMOs and dividing by the number of elapsed years in the NDC implementation period and annually applying indicative corresponding adjustments equal to this average amount for each year in the NDC implementation period and applying corresponding adjustments equal to this average amount in the NDC year;
  - (b) Where the participating Party has a multi-year NDC, calculating a multi-year emissions trajectory, trajectories or budget for its NDC implementation period that is consistent with the NDC, and annually applying corresponding adjustments for the total amount of ITMOs first transferred and used each year in the NDC

implementation period and cumulatively at the end of the NDC implementation period.

8. Each participating Party with an NDC measured in t CO<sub>2</sub> eq shall apply corresponding adjustments pursuant to paragraph 7 above, resulting in an emissions balance as referred to in decision 18/CMA.1, annex, paragraph 77(d)(ii) of the annex to decision 18/CMA.1, reported pursuant to paragraph 23 of this guidance, for each year, by applying corresponding adjustments in the following manner to the anthropogenic emissions by sources and removals by sinks from the sectors and GHGs covered by its NDC consistently with this chapter III and relevant future decisions of the CMA:
  - (a) Adding the quantity of ITMOs authorized and first transferred, for the calendar year in which the mitigation outcomes occurred pursuant to paragraph 7 above;
  - (b) Subtracting the quantity of ITMOs used pursuant to paragraph 7 above for the calendar year in which the mitigation outcomes are used towards the implementation and achievement of the NDC, ensuring that the mitigation outcomes are used within the same NDC implementation period as when they occurred.
9. Each participating Party with an NDC containing non-GHG metrics determined by the participating Parties engaging in a cooperative approach involving ITMOs traded in non-GHG metrics shall apply corresponding adjustments pursuant to paragraph 7 above, on the basis of ITMOs recorded in a metric-specific registry account, resulting in an annual adjusted indicator, reported pursuant to paragraph 21 of this guidance, by applying corresponding adjustments to the annual level of the relevant non-GHG indicator that was selected pursuant to paragraph 65 of the annex to decision 18/CMA.1 and is being used by the Party to track progress towards the implementation and achievement of its NDC, consistently with this chapter and relevant future decisions of the CMA, in the following manner:
  - (a) Subtracting the quantity of ITMOs authorized and first transferred, for the calendar year in which the mitigation outcomes occurred, pursuant to paragraph 7 above;
  - (b) Adding the quantity of ITMOs used pursuant to paragraph 7 above for the calendar year in which the mitigation outcomes are used towards the implementation and achievement of the NDC, ensuring that the mitigation outcomes are used within the same NDC implementation period as when they occurred.
10. Each participating Party with a first or first updated NDC consisting of policies and measures that are not quantified shall apply corresponding adjustments pursuant to paragraph 7 above, resulting in an emissions balance, as referred to in decision 18/CMA.1, reported pursuant to paragraph 21 below for each year, by applying corresponding adjustments in the following manner to the anthropogenic emissions by sources and removals by sinks for those emission or sink categories affected by the implementation of the cooperative approach and its mitigation activities and by those policies and measures that include the implementation of the cooperative approach and its mitigation activities, as applicable, consistently with this chapter and relevant future decisions of the CMA:
  - (a) Adding the quantity of ITMOs authorized and first transferred, pursuant to paragraph 7 above;
  - (b) Subtracting the quantity of ITMOs used pursuant to paragraph 7 above.
11. Where, in this annex, the terms sectors and GHGs apply in relation to an NDC, for the case referred to in paragraph 10 above, that provision shall be read as referring to sectors and GHGs, or categories in the case referred to in paragraph 10 above.
12. Additions and subtractions for an NDC implementation period shall be considered final, prior to the initiation of the review of the first biennial transparency report that contains information on the end year or end of the period of the NDC, by a date to be determined by the CMA.
13. A participating Party that first transfers ITMOs from emission reductions and removals covered by its NDC shall apply corresponding adjustments consistently with this guidance.

14. A participating Party that first transfers ITMOs from emission reductions and removals that are not covered by its NDC shall apply corresponding adjustments consistently with this guidance.
15. This chapter shall not require a participating Party to update its NDC.

### **C. Other international mitigation purposes**

16. Where a participating Party authorizes the use of mitigation outcomes for other international mitigation purposes, it shall apply a corresponding adjustment, for the first transfer of such mitigation outcomes consistently with this guidance.

### **D. Safeguards and limits to the transfer and use of internationally transferred mitigation outcomes**

17. Each participating Party shall ensure that the use of cooperative approaches does not lead to a net increase in emissions of participating Parties within and between NDC implementation periods or across participating Parties and shall ensure transparency, accuracy, consistency, completeness and comparability in tracking progress in implementation and achievement of its NDC by applying safeguards and limits set out in further guidance by the CMA.

## **IV. Reporting**

### **A. Initial report**

18. Each participating Party shall submit an Article 6, paragraph 2, initial report (hereinafter referred to as an initial report) no later than authorization of ITMOs from a cooperative approach or where practical (in the view of the participating Party), in conjunction with the next biennial transparency report due pursuant to decision 18/CMA.1 for the period of NDC implementation. The initial report shall contain comprehensive information to:
  - (a) Demonstrate that the participating Party fulfils the participation responsibilities referred to in chapter II above (Participation);
  - (b) Provide, where the participating Party has not yet submitted a biennial transparency report, the information referred to in paragraph 64 of the annex to decision 18/CMA.1;
  - (c) Communicate the ITMO metrics and the method for applying corresponding adjustments as per chapter III.B above for multi- or single-year NDCs that will be applied consistently throughout the period of NDC implementation and where the method is a multi-year emissions trajectory, trajectories or budget, describe the method;
  - (d) Quantify the Party's mitigation information in its NDC in t CO<sub>2</sub> eq, including the sectors, sources, GHGs and time periods covered by the NDC, the reference level of emissions and removals for the relevant year or period, and the target level for its NDC; or where this is not possible, provide the methodology for the quantification of the NDC in t CO<sub>2</sub> eq;
  - (e) Quantify the NDC, or the portion in the relevant non-GHG indicator, in a non-GHG metric determined by each participating Party, if applicable;
  - (f) For a first or first updated NDC consisting of policies and measures that is not quantified, quantify the emission level resulting from the policies and measures that are relevant to the implementation of the cooperative approach and its mitigation activities for the categories of anthropogenic emissions by sources and removals by sinks as identified by the host Party pursuant to paragraph 9 above, and the time periods covered by the NDC;



- (g) Provide, for each cooperative approach, a copy of the authorization by the participating Party, a description of the approach, its duration, the expected mitigation for each year of its duration, and the participating Parties involved and authorized entities;
  - (h) Describe how each cooperative approach ensures environmental integrity, including:
    - (i) That there is no net increase in global emissions within and between NDC implementation periods;
    - (ii) Through robust, transparent governance and the quality of mitigation outcomes, including through conservative reference levels, baselines set in a conservative way and below 'business as usual' emission projections (including by taking into account all existing policies and addressing uncertainties in quantification and potential leakage);
    - (iii) By minimizing the risk of non-permanence of mitigation across several NDC periods and how, when reversals of emission reductions or removals occur, the cooperative approach will ensure that these are addressed in full;
  - (i) Describe how each cooperative approach will:
    - (i) Minimize and, where possible, avoid negative environmental, economic and social impacts;
    - (ii) Reflect the eleventh preambular paragraph of the Paris Agreement, acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity;
    - (iii) Be consistent with the sustainable development objectives of the Party, noting national prerogatives;
    - (iv) Apply any safeguards and limits set out in further guidance from the CMA pursuant to chapter III.E above (Safeguards and limits to the transfer and use of internationally transferred mitigation outcomes);
    - (v) Contribute resources for adaptation pursuant to chapter VII below (Ambition in mitigation and adaptation actions), if applicable;
    - (vi) Deliver overall mitigation in global emissions pursuant to chapter VII below (Ambition in mitigation and adaptation actions), if applicable.
19. For each further cooperative approach, each participating Party shall submit the information referred to in paragraph 18 (g–i) above in an updated initial report and for inclusion in the centralized accounting and reporting platform referred to in chapter VI.C below (Centralized accounting and reporting platform) and include it in the next biennial transparency report due.

## **B. Annual information**

20. Each participating Party shall, on an annual basis by no later than 15 April of the following year and in an agreed electronic format, submit for recording in the Article 6 database as referred to in chapter VI.B below (Article 6 database):
- (a) Annual information on authorization of ITMOs for use towards achievement of NDCs, authorization of ITMOs for use towards other international mitigation purposes, first transfer, transfer, acquisition, holdings, cancellation, voluntary cancellation, voluntary cancellation of mitigation outcomes or ITMOs towards overall mitigation in global emissions, and use towards NDCs;

- (b) In respect of the above, the cooperative approach, the other international mitigation purpose authorized by the Party, the first transferring participating Party, the using participating Party or authorized entity or entities, as soon as it is known, the year in which the mitigation occurred, the sector(s) and activity type(s), and the unique identifiers.

### **C. Regular information**

- 21. Each participating Party shall include as an annex to its biennial transparency reports that are submitted in accordance with paragraph 10(b) of the annex to decision 18/CMA.1 and no later than 31 December of the relevant year, the following information in relation to its participation in cooperative approaches:
  - (a) How it is fulfilling the participation responsibilities referred to in chapter II above (Participation);
  - (b) Updates to the information provided in its initial report as per chapter IV.A above, and any previous biennial transparency reports for any information that is not included in the biennial transparency report pursuant to paragraph 64 of the annex to decision 18/CMA.1;
  - (c) Authorizations and information on its authorization(s) of use of ITMOs towards achievement of NDCs and authorization for use for other international mitigation purposes, including any changes to earlier authorizations, pursuant to Article 6, paragraph 3;
  - (d) How corresponding adjustments undertaken in the latest reporting period, pursuant to chapter III above (Corresponding adjustments), ensure that double counting is avoided in accordance with paragraph 36 of decision 1/CP.21 and are representative of progress towards implementation and achievement of its NDC, and how those corresponding adjustments ensure that participation in cooperative approaches does not lead to a net increase in emissions across participating Parties within and between NDC implementation periods;
  - (e) How it has ensured that ITMOs that have been used towards achievement of its NDC or mitigation outcome(s) authorized for use and that have been used for other international mitigation purposes will not be further transferred, further cancelled or otherwise used.
- 22. Each participating Party shall also include, as an annex to its biennial transparency reports that are submitted in accordance with paragraph 10(b) of the annex to decision 18/CMA.1 and no later than 31 December of the relevant year, the following information on how each cooperative approach in which it participates:
  - (a) Contributes to the mitigation of GHGs and the implementation of its NDC;
  - (b) Ensures environmental integrity, including:
    - (i) That there is no net increase in global emissions within and between NDC implementation periods;
    - (ii) Through robust, transparent governance and the quality of mitigation outcomes, including through conservative reference levels, baselines set in a conservative way and below 'business as usual' emission projections (including by taking into account all existing policies and addressing uncertainties in quantification and potential leakage);
    - (iii) By minimizing the risk of non-permanence of mitigation across several NDC periods and when reversals of emission removals occur, ensuring that these are addressed in full;
  - (c) Where a mitigation outcome is measured and transferred in t CO<sub>2</sub> eq, provides for the measurement of mitigation outcomes in accordance with the methodologies and

metrics assessed by the Intergovernmental Panel on Climate Change and adopted by the CMA;

- (d) Where a mitigation outcome is measured and first transferred in a non-GHG metric determined by the participating Parties, ensures that the method for converting the non-GHG metric into t CO<sub>2</sub> eq is appropriate for the specific non-GHG metric and the mitigation scenario in which it is applied, including how the conversion method:
    - (i) Represents the emission reductions or removals that occur within the geographical boundaries and time frame in which the non-GHG mitigation outcome was generated;
    - (ii) Is appropriate for the specific non-CO<sub>2</sub> eq metric, including a demonstration of how the selection of the conversion method and conversion factor(s) applied take into consideration the specific scenario in which the mitigation action occurs;
    - (iii) Is transparent, including a description of the method, the source of the underlying data, how the data are used, and how the method is applied in a conservative manner that addresses uncertainty and ensures environmental integrity;
  - (e) Provides for, as applicable, the measurement of mitigation co-benefits resulting from adaptation actions and/or economic diversification plans;
  - (f) Minimizes and where possible avoids negative, environmental, economic and social impacts;
  - (g) Reflects the eleventh preambular paragraph of the Paris Agreement, acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity;
  - (h) Is consistent with and contributes to the sustainable development objectives of the Party, noting national prerogatives;
  - (i) Applies any safeguards and limits set out in further guidance from the CMA pursuant to chapter III.E above (Safeguards and limits to the transfer and use of internationally transferred mitigation outcomes);
  - (j) Contributes resources for adaptation pursuant to chapter VII below (Ambition in mitigation and adaptation actions), if applicable;
  - (k) Delivers overall mitigation in global emissions pursuant to chapter VII below (Ambition in mitigation and adaptation actions), if applicable.
23. Each participating Party shall submit the following annual information (reported biennially) in a manner consistent with chapter III.B above (Application of corresponding adjustments) and any updates to information submitted for previous years in the NDC implementation period to the Article 6 database pursuant to chapter VI.B below (Article 6 database), and shall include it in the structured summary (required pursuant to paragraph 77(d) of the annex to decision 18/CMA.1, as part of the biennial transparency report):
- (a) Annual anthropogenic emissions by sources and removals by sinks covered by its NDC or, where applicable, for the emission or sink categories as identified by the host Party pursuant to paragraph 9 above (as part of the information referred to in para. 77 (d)(i) of the annex to decision 18/CMA.1);
  - (b) Annual anthropogenic emissions by sources and removals by sinks covered by its NDC or, where applicable, from the portion of its NDC in accordance with paragraph 10 above;
  - (c) Annual quantity of ITMOs first transferred;

- (d) Annual quantity of mitigation outcomes authorized for use for other international mitigation purposes and entities authorized to use such mitigation outcomes, as appropriate;
  - (e) Annual quantity of ITMOs used towards achievement of its NDC;
  - (f) Net annual quantity of ITMOs resulting from paragraph 23 (c–e) above;
  - (g) Total quantitative corresponding adjustments used to calculate the emissions balance referred to in paragraph 23 (i–k) below, in accordance with the Party’s method for applying corresponding adjustments consistent with chapter III.B above (Application of corresponding adjustments);
  - (h) The cumulative information in respect of the annual information in paragraph 23 (f) above, as applicable;
  - (i) The annual level of the relevant non-GHG indicator that is being used by the Party to track progress towards the implementation and achievement of its NDC and was selected pursuant to paragraph 65 of the annex to decision 18/CMA.1;
  - (j) For the information referred to in paragraph 23 (b) to (d) above, the amounts per the cooperative approach, sector, transferring Party, using Party and vintage of the ITMO for each cooperative approach (in the annex referred to in para. 22 above);
  - (k) For metrics in:
    - (i) Tonnes of CO<sub>2</sub> eq or non-GHGs, an annual emissions balance consistent with chapter III.B above (Application of corresponding adjustments) (as part of the information referred to in para. 77(d)(ii) of the annex to decision 18/CMA.1);
    - (ii) Non-GHGs, for each non-GHG metric determined by participating Parties, annual adjustments resulting in an annual adjusted indicator, consistently with paragraph 9 in chapter III.B above (Application of corresponding adjustments) and future decisions of the CMA (as part of the information referred to in para. 77(d)(iii) of the annex to decision 18/CMA.1);
  - (l) In biennial transparency reports that contain information on the end year of the NDC implementation period, in its assessment of whether it has achieved the target(s) for its NDC pursuant to decision 18/CMA.1, paragraphs 70 and 77, the application of the necessary corresponding adjustments consistently with chapter III above (Corresponding adjustments) and consistently with future decisions of the CMA.
24. Information submitted by a Party pursuant to this chapter that is not identified by that Party as confidential (non-confidential information) shall be made public on the centralized accounting and reporting platform.

## V. Review

25. An Article 6 technical expert review consists of a desk or centralized review of the consistency of the information submitted by the Party under chapter IV.A and C above (Reporting) with this guidance. An Article 6 technical expert review shall be undertaken in a manner that minimizes burden on Parties and the secretariat.
26. An Article 6 technical expert review team shall review the information submitted pursuant to chapter IV.A and C above (Reporting) in accordance with guidelines adopted by the CMA. To the extent possible, information submitted by all the participating Parties on a cooperative approach shall be reviewed as part of the review.
27. The Article 6 technical expert review team shall prepare a report on its review, pursuant to paragraph 24 above, that shall, if applicable, include recommendations to the participating Party on how to improve consistency with this guidance and relevant decisions of the CMA, including on how to address inconsistencies in quantified information that is reported under chapter IV.B–C above (Reporting) and/or identified by the secretariat as part of the consistency check.

28. The Article 6 technical expert review team shall forward its reports for consideration by the technical expert review referred to in chapter VII of the annex to decision 18/CMA.1 in accordance with the guidelines referred to in paragraph 24 above and the reports shall be made publicly available on the centralized accounting and recording platform.

## **VI. Recording and tracking**

### **A. Tracking**

29. Each participating Party shall have, or have access to, a registry for the purpose of tracking and shall ensure that such registry records, including through unique identifiers, as applicable: authorization, first transfer, transfer, acquisition, use towards NDCs, authorization for use towards other international mitigation purposes, and voluntary cancellation (including for overall mitigation in global emissions, if applicable), and shall have accounts as necessary.
30. The secretariat shall implement an international registry for participating Parties that do not have or do not have access to a registry. The international registry shall be able to perform the functions set out in paragraph 27 above. Any Party may request an account in the international registry.
31. The international registry shall be part of the centralized accounting and reporting platform referred to in chapter VI.C below (Centralized accounting and reporting platform).

### **B. Article 6 database**

32. For transparency in relation to cooperative approaches, to record and compile the information submitted by participating Parties pursuant to chapter IV.B–C above (Reporting) and to support the review referred to in chapter V above (Review), the secretariat shall implement an Article 6 database as part of and integrated with the centralized accounting and reporting platform referred to in chapter VI.C below (Centralized accounting and reporting platform). The Article 6 database shall enable the following:
- (a) Recording of corresponding adjustments and emissions balances and information on ITMOs first transferred, transferred, acquired, held, cancelled, cancelled for overall mitigation in global emissions, if any, and/or used by participating Parties, through identification of ITMOs by unique identifiers that identify, at the minimum, the participating Party, vintage of underlying mitigation, activity type and sector(s);
  - (b) Identifying inconsistencies to be notified to the participating Party or participating Parties, as applicable.
33. The secretariat shall:
- (a) Check the consistency of information reported by a participating Party pursuant to chapter IV above (Reporting) for recording in the Article 6 database, with the requirements of this guidance and including across the participating Parties in a cooperative approach (consistency check);
  - (b) Notify the participating Party(ies) of any inconsistencies identified in the information reported by the Party, including compared with information reported by another participating Party;
  - (c) Provide information relevant to the participating Party's cooperative approach(es) (and other participating Parties, as relevant), including the consistency check to the Article 6 technical expert review team in accordance with the guidelines referred to in paragraph 26 above;
  - (d) Make non-confidential information in the consistency check publicly available on the centralized accounting and reporting platform.

34. Any amendments to the information recorded in the Article 6 database, including in response to any inconsistencies raised by the secretariat through the consistency check or as a result of recommendations arising from the Article 6 technical expert review pursuant to chapter V above (Review), shall be submitted by the participating Party to be recorded in the Article 6 database.

### **C. Centralized accounting and reporting platform**

35. For transparency in relation to cooperative approaches and to support the review referred to in chapter V above (Review), the secretariat shall establish and maintain a centralized accounting and reporting platform for publishing information submitted by participating Parties pursuant to chapter IV above (Reporting).
36. The secretariat shall:
- (a) Maintain public information on cooperative approaches and ITMOs by extracting relevant non-confidential information from the information submitted by participating Parties pursuant to chapter IV above (Reporting);
  - (b) Maintain links to the publicly available information submitted by participating Parties on the cooperative approaches in which they participate;
  - (c) Provide an annual report to the CMA on the activities in relation to this chapter, including information on recorded ITMOs, corresponding adjustments and emission balances.

## **VII. Ambition in mitigation and adaptation actions**

37. Participating Parties and stakeholders using cooperative approaches are strongly encouraged to commit to contribute resources for adaptation, in particular through contributions to the Adaptation Fund, and to take into account the delivery of resources under Article 6, paragraph 4, to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.
38. Each participating Party shall report as part of their reporting in accordance with chapter IV.C above (Regular information) on any contributions made pursuant to paragraph 37 above.
39. Participating Parties and stakeholders are strongly encouraged to cancel ITMOs that are not counted towards any Party's NDC or for other international mitigation purposes, to deliver an overall mitigation in global emissions, and to take into account the delivery of overall mitigation in global emissions under the mechanism established by Article 6, paragraph 4.
40. Each participating Party shall report as part of their reporting in accordance with chapter IV.C above (Regular information) on any delivery of overall mitigation in global emissions related to its participation in cooperative approaches.
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