



**Report on the technical expert review under Article 6,
paragraph 2, of the Paris Agreement of the initial report
referred to in chapter IV.A (Initial report) of the annex to
decision 2/CMA.3 of Malawi**

Addendum

Summary

This addendum to the report on the technical expert review under Article 6, paragraph 2, of the Paris Agreement of the initial report referred to in chapter IV.A (Initial report) of the annex to decision 2/CMA.3 of Malawi, conducted by an Article 6 technical expert review team in accordance with chapter V (Review) of the annex to decision 2/CMA.3, the guidelines for the Article 6 technical expert review, contained in annex II to decision 6/CMA.4, and chapter VII (Process for identifying, notifying and correcting inconsistencies) of decision 4/CMA.6, contains the results of the review of the consistency of the information submitted by the Party with the reporting requirements in paragraph 18 of the annex to decision 2/CMA.3 and, as relevant, with the supplementary elements of information listed in annex I to decision 4/CMA.6. It presents the recommendations of the Article 6 technical expert review team relating to the areas it has identified for improvement of consistency with the reporting requirements as well as any capacity-building needs identified by the Article 6 technical expert review team in consultation with Malawi during the review, including the review week that took place from 8 to 12 December 2025 in Bonn.



Abbreviations and acronyms

2019 Refinement to the 2006 IPCC Guidelines	<i>2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories</i>
BTR	biennial transparency report
CARP	centralized accounting and reporting platform
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
CO ₂	carbon dioxide
CO ₂ eq	carbon dioxide equivalent
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
fNRB	fraction of non-renewable biomass
FOLU	forestry and other land use
IPCC	Intergovernmental Panel on Climate Change
ITMO	internationally transferred mitigation outcome
LT-LEDS	long-term low-emission development strategy(ies)
NDC	nationally determined contribution
TERT	technical expert review team

I. Recommendations¹ relating to the areas for improvement identified during the technical expert review of the Party's initial report

1. Tables 1–2 present the recommendations of the Article² 6 TERT relating to the areas for improvement,³ identified during the technical expert review under Article 6, paragraph 2, of the initial report⁴ of Malawi, of the consistency of the information submitted by the Party with the requirements in paragraph 18 of the annex to decision 2/CMA.3 and, as relevant, with the supplementary elements of information listed in annex I to decision 4/CMA.6.⁵

2. The recommendations are to be implemented for the Party's next relevant submission of information as per chapter IV (Reporting) of the annex to decision 2/CMA.3, unless otherwise specified. Recommendations for future reporting assume the submission of relevant and up-to-date information at the time of that reporting.

3. The recommendations may also be considered by the Party in the context of reporting the information referred to in paragraph 18(g–i) of the annex to decision 2/CMA.3 for any further Article 6, paragraph 2, cooperative approaches in which it is a participating Party as per paragraph 19 of the annex to the same decision, as relevant.

Table 1

Recommendations relating to identified areas for improvement of the consistency of the general information included in Malawi's initial report with the requirements in paragraph 18(a–f) of the annex to decision 2/CMA.3 and, as relevant, with the supplementary elements of information listed in annex I to decision 4/CMA.6

<i>ID#</i>	<i>Element of information to be reported</i>	<i>Description of area for improvement with recommendation</i>
18.A/4.A	The Party is a Party to the Paris Agreement (decision 2/CMA.3, annex, para. 4(a))	<p>Malawi reported that it ratified the Paris Agreement on 26 September 2017. However, the Party reported information that is not consistent with data in the United Nations Treaty Collection, which indicate the Party ratified the Paris Agreement on 29 June 2017.</p> <p>During the review, the Party provided additional information that clarified that the correct date is 29 June 2017.</p> <p>The Article 6 TERT acknowledges the additional information provided by Malawi and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that the Party include the information in its future reporting.</p>
18.A/4.B	The Party has prepared, communicated and is maintaining an NDC in accordance with Article 4, paragraph 2 (decision 2/CMA.3, annex, para. 4(b))	<p>The Party reported that it submitted an updated first NDC on 30 July 2021 with a mitigation target of 17.7 Mt CO₂ eq by 2040, of which 46 per cent is conditional.</p> <p>However, the information reported by Malawi was not found to be sufficiently transparent or complete owing to an inconsistency regarding the conditional NDC target. In its updated first NDC, and in sections 2(f) and 3(a) of the initial report, the Party reported on its target of reducing emissions by 51 per cent by 2040 compared with a 'business as usual' scenario, of which a 45 per cent reduction relative to the 'business as usual' scenario is conditional (representing 15.6 Mt CO₂ eq).</p> <p>During the review, the Party provided additional information relating to the conditional NDC target and clarified that it has set a target to reduce emissions by 51 per cent in 2040 relative to a 'business as usual' scenario, of which 45 percentage points are conditional. The overall target is 17.7 Mt CO₂ eq by 2040.</p>

¹ As referred to in decision 6/CMA.4, annex II, para. 5(a).

² "Article" in this report refers to an Article of the Paris Agreement.

³ Referenced in document FCCC/A6/IRTERR.1/2025/MWI, tables 2–3.

⁴ Referred to in decision 2/CMA.3, annex, chap. IV.A (Initial report).

⁵ Such supplementary elements, as referred to in this report, are requested, but not required, to be incorporated in the (updated) initial report as per para. 18 of decision 4/CMA.6. The supplementary elements of information to be reported are written in italics in the tables in this report.

ID#	<i>Element of information to be reported</i>	<i>Description of area for improvement with recommendation</i>
18.A/4.C	The Party has arrangements in place for authorizing the use of ITMOs towards achievement of NDCs pursuant to Article 6, paragraph 3 (decision 2/CMA.3, annex, para. 4(c))	<p>The Article 6 TERT acknowledges the additional information provided by the Party and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that Malawi include the information on its NDC target, in particular on the component that is conditional, in its future reporting, while ensuring consistency with information reported in its NDC and its BTR.</p> <p>The Party reported information on the designated national authority that is responsible for authorizing and tracking the use of ITMOs, which is the Environmental Affairs Department within the Ministry of Natural Resources and Climate Change. The Party also referred to a draft framework that guides its voluntary participation under Article 6.</p> <p>However, the Party did not report specific information on how the authorization process works. For example, it was not clear whether the draft framework referred to in the initial report has been adopted or is a draft, and whether it contains a description of the arrangements in place for authorizing the use of ITMOs. The Party did not include a link or clear reference to the framework.</p> <p>In addition, the information reported in the initial report does not clearly distinguish between the three components of authorization as defined in paragraph 3 of decision 4/CMA.6: authorization of the cooperative approach, authorization of ITMOs and authorization of entities.</p> <p>The Article 6 TERT has determined this inconsistency to be significant, considering that having authorization arrangements in place, including for authorizing cooperative approaches, ITMOs and entities, consistently with relevant decisions of the CMA, is a requirement for participating in cooperative approaches and essential for ensuring environmental integrity, particularly in order to avoid double counting and prevent any impact on the emissions balance and/or adjusted indicator.</p> <p>During the review, the Party provided additional information relating to the distinction between the three levels of authorization. It clarified that the cooperative approach referred to in the initial report relates to Article 6, paragraph 2; that the entity is an individual, company or organization that would like to participate in the Article 6 process as a project developer, owner, validation/verification body, consultant, investor or other stakeholder; and that the ITMOs have been achieved as mitigation outcomes (reductions and removals) and have been authorized but not yet transferred by a host Party to an acquiring Party, and a corresponding adjustment will be made in chapter 2.0 of the BTR.</p> <p>Malawi also provided additional information relating to the authorization process, including that its framework that guides its voluntary participation under Article 6 recognizes the participation principles thereunder, which include demonstration of (1) alignment of the project with the conditional targets of the NDC and contribution to achieving them, (2) the additionality of the project and (3) alignment of the project with Malawi’s sustainable development goals and contribution to achieving them. Malawi confirmed that its framework (i.e. the Carbon Market Framework) has been adopted and is no longer a draft, and shared it during the review.</p> <p>The Article 6 TERT noted that, in section 5.5.5.1 of the Carbon Market Framework, although the Party has defined clear eligibility criteria for the authorization of mitigation activities, including projects, and of ITMOs, the eligibility criteria for authorization of cooperative approaches and authorization of entities appear to be missing. The Article 6 TERT also noted that table 2 of the Framework summarizes the process for authorization and refers to the registration of participants in the mitigation activity.</p> <p>The Article 6 TERT acknowledges the additional information provided by the Party and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that the Party include the information in its future reporting.</p> <p>However, the Article 6 TERT identified several issues for which it did not consider the information reported to be sufficiently complete or transparent, as it remains unclear:</p>

ID#	Element of information to be reported	Description of area for improvement with recommendation
18.A/4.D	The Party has arrangements in place that are consistent with the guidance in the annex to decision 2/CMA.3 and relevant decisions of the CMA for tracking ITMOs (decision 2/CMA.3, annex, para. 4(d))	<p>(a) Where in the Carbon Market Framework the arrangements for the authorization of cooperative approaches and entities are described, and what the criteria for those authorizations would be;</p> <p>(b) What the role of an acquiring Party would be if ITMOs are used for international mitigation purposes (not NDCs), considering that, according to paragraph 1 of decision 2/CMA.3, ITMOs can be used for other international mitigation purposes without having to be transferred to an acquiring Party;</p> <p>(c) How the principles of participation relating to Article 6 included in the Carbon Market Framework will be applied during the authorization process.</p> <p>Therefore, the Article 6 TERT also recommends that the Party include additional information in its future reporting to clarify the above-mentioned issues.</p> <p>The Party reported that all credits generated by the activity under the Party's cooperative approach are listed in the Gold Standard Impact Registry. It also reported that it will work towards establishing a national carbon registry (i.e. the Malawi Carbon Registry System) that will be used to track all ITMOs transacted, and that it will explore the possibility of linking the national carbon registry with international carbon standard registries.</p> <p>However, the Party did not report information on how it will use the Gold Standard Impact Registry to track ITMOs under the cooperative approach. For example, there is no clear information on how the national authorities responsible for tracking ITMOs will use the Gold Standard Impact Registry to perform the actions listed in paragraph 1(b) of annex I to decision 6/CMA.4 (authorization, first transfer, transfer, acquisition, use towards NDCs, authorization for use towards other international mitigation purposes and voluntary cancellation).</p> <p>In addition, the Party did not report information to explain how the Gold Standard Impact Registry and the planned Malawi Carbon Registry System fulfil the requirements related to registries established in annex I to decision 6/CMA.4, including requirements regarding form, functions and processes (including tracking and recording methods, and actions and records), and interoperability.</p> <p>The Article 6 TERT has determined this inconsistency to be significant, considering that having arrangements in place for tracking ITMOs, consistently with relevant decisions of the CMA, is a requirement for participating in cooperative approaches and essential for ensuring environmental integrity, particularly in order to avoid double counting and prevent any impact on the emissions balance and/or adjusted indicator.</p> <p>During the review, the Party identified the need for capacity-building in this area and indicated that it is ready to use the international registry under Article 6, paragraph 2, to ensure that all systems for tracking ITMOs are established in a fully transparent and accountable manner and will seek secretariat guidance on how best the national registry can be linked to the international registry under Article 6, paragraph 2.</p> <p>The Party also informed the Article 6 TERT that detailed provisions for tracking ITMOs are included in section 5.7 of its Carbon Market Framework and that section 5.7.1.1 has the provision that all mitigation activities seeking to generate authorized ITMOs under Article 6, paragraph 2, shall be registered in the Malawi Carbon Registry System. The Article 6 TERT confirmed that section 5.7 of the Framework includes detailed provisions for tracking ITMOs. However, the Article 6 TERT noted that, according to section 5.7.3 of the Framework, the requirement for registration in the Malawi Carbon Registry System does not apply to activities registered in a Voluntary Carbon Market registry.</p> <p>The Article 6 TERT acknowledges the additional information provided by the Party and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that the Party include the additional information in its future reporting.</p>

ID#	<i>Element of information to be reported</i>	<i>Description of area for improvement with recommendation</i>
18.A/4.F	<p>The Party’s participation in any cooperative approach contributes to the implementation of its NDC and LT-LEDS, if it has submitted one, and the long-term goals of the Paris Agreement (decision 2/CMA.3, annex, para. 4(f))</p>	<p>However, the Article 6 TERT identified several issues for which it did not consider the information reported to be sufficiently complete or transparent, as it remains unclear whether:</p> <p>(a) Malawi has in place provisions to ensure that all ITMOs generated under a given cooperative approach are comprehensively tracked through a registry, in accordance with paragraph 1 of annex I to decision 6/CMA.4. The Article 6 TERT noted that, while Malawi’s Carbon Market Framework (sections 5.7.3 and 5.7.4) refers to the use of registries operated by international carbon standards and by the mechanism established by Article 6, paragraph 4, in addition to the national carbon registry system, it is not evident whether these registries would be used for distinct cooperative approaches or concurrently for the same cooperative approach, and thus whether all ITMOs under each cooperative approach would ultimately be recorded in a single registry of a nominated Party;</p> <p>(b) The planned Malawi Carbon Registry System will be able to perform all the actions listed in paragraph 1(b) of annex I to decision 6/CMA.4;</p> <p>(c) The international carbon standard registries that Malawi plans to use will comply with all the requirements noted in annex I to decision 6/CMA.4, including requirements regarding form, functions and processes (including tracking and recording methods, and actions and records), and interoperability.</p> <p>Therefore, the Article 6 TERT also recommends that the Party include additional information in its future reporting to clarify the above-mentioned issues.</p> <p>The Party reported on various efforts it is making to achieve its climate goals and to contribute to the long-term goals of the Paris Agreement. It also referred to its NDC implementation plan and national LT-LEDS (in plural referring to strategies, noting that it has not developed an LT-LEDS). The Party also reported that its participation in cooperative approaches has the potential to achieve a mitigation target of reducing emissions to 14.4 Mt CO₂ eq by 2040 by allowing the private sector, civil society and other non-State actors to participate in carbon markets.</p> <p>However, the information reported by Malawi was not found to be sufficiently transparent or complete because the Party did not provide information on how it determined that participation in cooperative approaches has the potential to achieve the stated mitigation target. The Party also did not provide additional information on how participation in cooperative approaches will contribute to its NDC implementation plan or the various efforts reported and did not provide a link or a clear reference to its NDC implementation plan.</p> <p>During the review, the Party provided additional information relating to how its participation in any cooperative approach contributes to the implementation of its NDC, namely that the Carbon Market Framework contains a positive list of Article 6 activities that will contribute to the implementation of NDC mitigation policies and measures. An example of such an activity is the distribution of efficient cookstoves in the energy sector: Malawi understands that implementing this activity will contribute to reductions in emissions and forest degradation, as well as reducing indoor air pollution and the cost of fuelwood that communities use for open fires.</p> <p>Malawi also clarified that its mitigation target is to reduce emissions to 17.7 Mt CO₂ eq by 2040 compared with the ‘business as usual’ scenario, which is a 51 per cent reduction, of which a 45 per cent reduction relative to the ‘business as usual’ scenario is conditional, and that the target of 14.4 Mt CO₂ eq reported in the initial report is an error.</p> <p>Finally, Malawi clarified that it has not yet submitted an LT-LEDS but it shared its plan for NDC implementation during the review.</p> <p>The Article 6 TERT acknowledges the additional information provided by the Party and considers it relevant to the reporting requirement. Therefore, the</p>

ID#	<i>Element of information to be reported</i>	<i>Description of area for improvement with recommendation</i>
18.B/64.B	Target year(s) or period(s), and whether they are single-year or multi-year target(s) (decision 18/CMA.1, annex, para. 64(b))	<p>Article 6 TERT recommends that the Party include the information in its future reporting.</p> <p>The Party reported in section 3(b) of the initial report that the single-year target is for 2040, with a base year of 2019.</p> <p>However, the information reported by Malawi was found to be inconsistent with the information reported in its updated first NDC, in which the target is measured against a ‘business as usual’ scenario in 2040 and no base year is mentioned. In addition, this information differs from that reported in section 3(c) of the initial report, in which the base year is 2020 and the base period is 2016–2020.</p> <p>During the review, the Party provided additional information, highlighting the need for capacity-building in this area and welcoming additional guidance on this matter. Malawi clarified that the correct information is that the base year of the target is 2021, the reference year for the target is 2040 and the base period is 2020–2040.</p> <p>The Article 6 TERT, while taking note of the Party’s identified need for capacity-building, noted that it is unclear what Malawi intends to communicate by providing definitions of base year, reference year and base period, given that its NDC target is set against a ‘business as usual’ scenario in 2040. The relationship and the differences between the base year, the reference year and the base period are unclear.</p>
18.B/64.C	Reference point(s), level(s), baseline(s), base year(s) or starting point(s), and their respective value(s) (decision 18/CMA.1, annex, para. 64(c))	<p>The Article 6 TERT acknowledges the additional information provided by Malawi. The Article 6 TERT notes that any updates to the description of the NDC made by the Party pursuant to paragraph 64 of the annex to decision 18/CMA.1 will be reported in the BTR and reviewed as part of the Article 13 technical expert review. Therefore, the Article 6 TERT recommends that Malawi ensure that any updates to the information on the NDC provided in relation to this Article 6 reporting requirement (including in relation to para. 21(b) of the annex to decision 2/CMA.3) are either consistent with the description of the NDC in its latest BTR or clearly explained if they differ from that description.</p> <p>The Party reported in section 3(c) of the initial report the base year of its target as 2020 and the base period as 2016–2020.</p> <p>However, the information reported by Malawi was found to be inconsistent with the information reported in its updated first NDC, in which a base year is not mentioned. In addition, this information differs from that reported in section 3(b) of the initial report, in which the base year is 2019.</p> <p>During the review, the Party provided additional information, highlighting the need for capacity-building in this area and welcoming additional guidance on this matter. Malawi clarified that the correct information is that the base year of the target is 2021, the reference year for the target is 2040 and the base period is 2020–2040.</p> <p>The Article 6 TERT, while taking note of the Party’s identified need for capacity-building, noted that it is unclear what Malawi intends to communicate by providing definitions of base year, reference year and base period, given that its NDC target is set against a ‘business as usual’ scenario in 2040. The relationship and the differences between the base year, the reference year and the base period are unclear.</p> <p>The Article 6 TERT acknowledges the additional information provided by Malawi. The Article 6 TERT notes that any updates to the description of the NDC made by the Party pursuant to paragraph 64 of the annex to decision 18/CMA.1 will be reported in the BTR and reviewed as part of the Article 13 technical expert review. Therefore, the Article 6 TERT recommends that Malawi ensure that any updates to the information on the NDC provided in relation to this Article 6 reporting requirement (including in relation to para. 21(b) of the annex to decision 2/CMA.3) are either consistent with the description of the NDC in its latest BTR or clearly explained if they differ from that description.</p>

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18.B/64.D	Time frame(s) and/or periods for implementation (decision 18/CMA.1, annex, para. 64(d))	<p>The Party reported in section 3(d) of the initial report an implementation period between 1 January 2021 and 31 December 2040.</p> <p>However, the information reported by Malawi was found to be inconsistent with the information reported in its updated first NDC, in which the NDC implementation period starts from 2020. In addition, this information differs from that reported in section 3(c) of the initial report, in which the time frames for implementation are 2020–2025, 2025–2030 and 2030–2040.</p> <p>During the review, the Party provided additional information and clarified that the correct implementation period is 2020–2040.</p> <p>The Article 6 TERT acknowledges the additional information provided by Malawi and considers it relevant to the reporting requirement. The Article 6 TERT notes that any updates to the description of the NDC made by the Party pursuant to paragraph 64 of the annex to decision 18/CMA.1 will be reported in the BTR and reviewed as part of the Article 13 technical expert review. Therefore, the Article 6 TERT recommends that Malawi ensure that any updates to the information on the NDC in relation to this Article 6 reporting requirement (including in relation to para. 21(b) of the annex to decision 2/CMA.3) are either consistent with the description of the NDC in its latest BTR or clearly explained if they differ from that description.</p>
18.B/64.E	Scope and coverage, including, as relevant, sectors, categories, activities, sources and sinks, pools and gases (decision 18/CMA.1, annex, para. 64(e))	<p>The Party reported that its NDC covers energy, agriculture, FOLU, waste, and industrial processes and product use for the three main greenhouse gases: CO₂, methane and nitrous oxide.</p> <p>However, the information reported by Malawi was found to be inconsistent with the information reported in the updated first NDC, in which FOLU is explicitly excluded from the scope of the NDC.</p> <p>During the review, the Party acknowledged that FOLU was not covered because the updated first NDC was developed during the coronavirus 2019 pandemic, and the FOLU data available at the time were inadequate. In addition, Malawi clarified that in its updated NDC (‘NDC 3.0’) the Party has considered FOLU to be included in the scope.</p> <p>The Article 6 TERT acknowledges the additional information provided by Malawi and considers it relevant to the reporting requirement. The Article 6 TERT notes that any updates to the description of the NDC made by the Party pursuant to paragraph 64 of the annex to decision 18/CMA.1 will be reported by in the BTR and reviewed as part of the Article 13 technical expert review. Therefore, the Article 6 TERT recommends that Malawi ensure that any updates to the information on the NDC provided in relation to this Article 6 reporting requirement (including in relation to para. 21(b) of the annex to decision 2/CMA.3) are either consistent with the description of the NDC in its latest BTR or are clearly explained if they differ from that description.</p>
18.C.2	Method for applying corresponding adjustments as per chapter III.B (Application of corresponding adjustments) of the annex to decision 2/CMA.3 (decision 2/CMA.3, annex, para. 18(c))	<p>Malawi reported that its designated national authority will be in charge of applying corresponding adjustments for all authorized ITMOs and emission reductions under Article 6, paragraph 4, first transferred. It also reported that information regarding the method for applying corresponding adjustments for its single-year NDC target is in the Party’s updated first NDC and that corresponding adjustments will be maintained in the NDC registry. It further reported that the method for applying corresponding adjustments is through letters of authorization, with first transfer occurring on issuance and other transfers on use.</p> <p>However, the Party did not clearly specify which method for applying corresponding adjustments, as outlined in paragraph 7 in chapter III.B of the annex to decision 2/CMA.3, will be applied, considering that Malawi has a single-year NDC target. This information could not be found in the updated first NDC or in the letter of authorization, despite the reference to it in the initial report.</p> <p>The Article 6 TERT has determined this inconsistency to be significant, considering that providing complete and transparent information on the method for applying corresponding adjustments is essential for ensuring environmental</p>

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18.D	Quantification of the Party's mitigation information in its NDC in t CO ₂ eq, including the sectors, sources, greenhouse gases 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, provision of the methodology for the quantification of the NDC in t CO ₂ eq (decision 2/CMA.3, annex, para. 18(d))	<p>integrity, particularly in order to avoid double counting and prevent any impact on the emissions balance and/or adjusted indicator.</p> <p>During the review, the Party provided additional information clarifying that the averaging method for a single-year target will be applied until an update of the information contained in the initial report provides a different method.</p> <p>The Article 6 TERT acknowledges the additional information provided by the Party and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that the Party reflect this additional information in its future reporting.</p> <p>Malawi reported information on the quantification of its NDC in section 3(c) of the initial report. The Party reported that its NDC covers energy, agriculture, FOLU, waste, and industrial processes and product use, and that its NDC covers 2020–2040.</p> <p>However, the information reported by Malawi is not consistent with information contained in its updated first NDC, which excludes the FOLU sector. It is also not consistent with the information reported in section 3(d) of the Party's initial report, which states that the NDC implementation period is 2021–2040.</p> <p>During the review, the Party provided additional information clarifying that the NDC implementation period is 2020–2040, and clarified the scope and coverage as outlined under ID# 18.B/64.E in table 1.</p> <p>The Article 6 TERT acknowledges the additional information provided by the Party and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that the Party reflect this additional information in its future reporting.</p>

Table 2

Recommendations relating to identified areas for improvement of the consistency of the information included in Malawi's initial report with the requirements in paragraph 18(g–i) of the annex to decision 2/CMA.3 and, as relevant, with the supplementary elements of information listed in annex I to decision 4/CMA.6 for cooperative approach CA0013, "Biomass Energy for Conservation Programme (GS11677)"

ID#	<i>Element of information to be reported</i>	<i>Description of area of improvement with recommendation</i>
18.G.1	Copy of the authorization by the participating Party (decision 2/CMA.3, annex, para. 18(g))	<p>The Party provided in the initial report a link to the Gold Standard Impact Registry, where the Article 6 TERT found three documents related to authorization: the authorization letter, a Gold Standard authorization checklist and a document providing clarifications to the authorization letter. The Party also submitted the authorization letter and the clarification document to the secretariat, which are available on the CARP.</p> <p>However, the information reported by the Party in its authorization documents was not found to be sufficiently complete and transparent with regard to all three components of authorization listed in paragraph 3 of decision 4/CMA.6, in particular the authorization of the cooperative approach. In addition, the Party did not report all the elements listed in paragraph 5 of decision 4/CMA.6, as explained below. The Article 6 TERT noted that the date of the letter of authorization is prior to the adoption of decision 4/CMA.6, which lays out the content of authorizations. The Party was therefore not aware when it drafted the letter of authorization that it would need to include the following elements:</p> <p>(a) The date and duration of the authorization, including the final date for mitigation outcomes to be issued, or to be used or cancelled, in connection with the first transfer specified by the Party as per paragraph 2(b) of the annex to decision 2/CMA.3, as applicable. The letter clearly authorizes ITMOs for reductions or removals that occur between 1 January 2021 and 31 December 2030. However, the letter does not make clear whether the final date for</p>

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		<p>mitigation outcomes to be issued, or to be used or cancelled, is also 31 December 2030;</p> <p>(b) The specification of the first transfer of the mitigation outcome, as specified by participating Parties, as per paragraph 2(b) of the annex to decision 2/CMA.3. The authorization letter does not specify the definition of first transfer. However, the clarification document states that first transfer of corresponding adjustments is to be on issuance, making it unclear if the Party is defining the first transfer as the issuance of the Gold Standard verified emission reductions or if the Party is stating that the corresponding adjustment is to be first transferred once the Gold Standard verified emission reductions are issued. The latter interpretation does not align with the possible definitions of first transfer or the methods for applying corresponding adjustments, because a corresponding adjustment cannot be transferred. In addition, in section 4(b)(i) of its initial report (description of the method for applying the corresponding adjustment for multi- or single-year NDCs that will be applied consistently throughout the period of NDC implementation, if applicable), the Party reported that “first transfer is on issuance and other on the use”, which is also unclear and contradicts the information reported in the clarification document. Finally, the clarification document restricts the use of authorized ITMOs towards any other country’s NDC reporting and states that a volume of ITMOs has already been issued (i.e. 1,529,125 t CO₂ eq). It is unclear how and when the corresponding adjustments of these ITMOs will be applied, as the definition of first transfer was not transparently reported;</p> <p>(c) The uses covered by the authorization, consistent with paragraph 1(d) and (f) of the annex to decision 2/CMA.3. The Party did not clearly specify in its letter of authorization the uses covered by the authorization. However, the additional document that provides clarification to the letter of authorization states that the letter of authorization restricts the use of authorized ITMOs towards any other country’s reporting of NDCs, while the Gold Standard authorization checklist stipulates that authorization has been provided for use for other international mitigation purposes. The language used lacks clarity, as the clarification document to the letter of authorization implies that ITMOs can only be used towards NDCs, whereas the Gold Standard authorization checklist indicates their use for other international mitigation purposes;</p> <p>(d) The identification of or cross reference to underlying regulations, frameworks, standards or procedures, including any specific methodologies underpinning the cooperative approach. The authorization letter refers to the use of the Gold Standard. However, it does not indicate which methodology under the Gold Standard is to be used. The methodology is mentioned in the initial report, but not in the letter of authorization;</p> <p>(e) Where changes to the authorization may occur, information on the circumstances in which such changes may occur and a description of the process for managing them in a way that avoids double counting. The authorization documents provided by the Party do not explain where changes to the authorization may occur, information on the circumstances in which such changes may occur or a description of the process for managing them in a way that avoids double counting;</p> <p>(f) The quantity of ITMOs, if applicable. The authorization letter refers to a minimum of 1 million ITMOs to be issued each year. In addition, the clarification document states that the ITMO volume of 1 million is an indicative target rather than a limitation. Therefore, there is a lack of clarity regarding the exact volume of ITMOs authorized;</p> <p>(g) Identification of the registry the participating Party has, or has access to, for the purpose of tracking and recording ITMOs, and identification of the relevant registry(ies) in the underlying regulations, frameworks, standards or procedures that (1) contain mitigation outcomes or inform their calculation by the participating Party(ies) and (2) transparently track the status of underlying mitigation activities and outcomes as well as participation and transactions by entities, as applicable. The authorization letter refers to Gold Standard verified emission reductions. However, the letter does not clearly stipulate</p>

ID#	Element of information to be reported	Description of area of improvement with recommendation
18.G.4	Expected mitigation for each year of the duration of the cooperative approach (decision 2/CMA.3, annex, para. 18(g))	<p>which registry the Party has, or has access to, for the purpose of tracking and recording ITMOs;</p> <p>(h) The sector(s) covered, if applicable. The authorization documents provided by the Party refer to the Biomass Energy for Conservation Programme, but do not include the activity type(s), activity(ies) covered and sector(s) covered.</p> <p>The Article 6 TERT has determined this inconsistency to be significant, considering that providing a copy of authorization, consistently with relevant decisions of the CMA, is a requirement for participating in cooperative approaches and essential for ensuring environmental integrity, particularly in order to avoid double counting and prevent any impact on the emissions balance and/or adjusted indicator.</p> <p>During the review, the Party provided additional information, clarifying that:</p> <p>(a) The end date for mitigation outcomes to be issued and cancelled is 2030;</p> <p>(b) ITMOs will be first transferred to the receiving country and the definition of first transfer by the Party is at issuance;</p> <p>(c) The authorization by the Party is for use for other international mitigation purposes;</p> <p>(d) The standard is the Gold Standard and the methodology authorized is AMS-II.G Small-scale methodology: energy efficiency measures in thermal applications of non-renewable biomass (version 06.0). The Party noted the programme is supported by the Carbon Market Framework and guided by relevant CMA decisions on Article 6;</p> <p>(e) The ITMO metric is t CO₂ eq;</p> <p>(f) The sector is energy.</p> <p>The Article 6 TERT acknowledges the additional information provided by the Party and considers some of it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that the Party include in its future reporting the additional information it provided with respect to the final date for mitigation outcomes to be issued, or to be used or cancelled; the uses covered by the authorization; and the identification of or cross reference to underlying regulations, frameworks, standards or procedures, including any specific methodologies underpinning the cooperative approach.</p> <p>However, some of the additional information provided was not considered to be sufficiently complete and transparent. In particular, it is still unclear whether the definition of first transfer for mitigation outcomes authorized towards other international mitigation purposes is issuance or the first transfer to the receiving country, noting that the latter would be inconsistent with the possible definitions laid out in paragraph 2(b) of the annex to decision 2/CMA.3.</p> <p>Therefore, the Article 6 TERT also recommends that the Party provide further information in its future reporting to clarify the definition of first transfer; whether changes to the authorization may occur, the circumstances in which such changes may occur and the process for managing them in a way that avoids double counting; and whether there is a set maximum quantity of ITMOs authorized under this cooperative approach, and if so what that quantity is.</p> <p>The Party reported expected mitigation only for 2021–2022, and for 2023–2029 reported “inserted expected mitigation” in t CO₂ eq.</p> <p>However, the information reported was not found to be sufficiently transparent or complete, as the Article 6 TERT noted, regarding the authorization documents for Hestian Innovations (an authorized mitigation activity participant), a calculation spreadsheet with emission reductions for 2021–2027, with different values from those reported by the Party, can be reached via the link provided in the initial report.</p> <p>During the review, the Party provided additional information, clarifying that it understood that the request of Hestian Innovations concerned 1.5 million</p>

ID#	<i>Element of information to be reported</i>	<i>Description of area of improvement with recommendation</i>
18.G.5	Participating Parties involved in the cooperative approach (decision 2/CMA.3, annex, para. 18(g))	<p>credits that were reported for the monitoring period 2021–2022. The Party explained that the letter of authorization responded to that request and referenced the letter of request.</p> <p>The Article 6 TERT acknowledges the additional information provided by Malawi, but the additional information provided was not considered to be sufficiently complete and transparent, as the Party, in its authorization letter (available on the CARP), stated that the authorization is for verified emission reductions or removals generated between 2021 and 2030.</p> <p>Therefore, the Article 6 TERT recommends that the Party provide additional information in its future reporting on the expected mitigation for 2023–2029.</p> <p>The Party reported CORSIA and Malawi under this reporting requirement. However, the information reported by Malawi was not found to be sufficiently transparent or complete because CORSIA is not a Party to the Paris Agreement. During the review, the Party explained that this requirement was unclear to the Party.</p> <p>The Article 6 TERT recommends that the Party clarify the information in its future reporting by indicating that no other Party is involved in the cooperative approach, until it finds another Party with which to establish a bilateral cooperative approach. In the absence of another Party, only Malawi should be reported as the participating Party.</p>
18.G.6	Authorized entities for the cooperative approach (decision 2/CMA.3, annex, para. 18(g))	<p>The Party reported one authorized entity: the Ministry of Natural Resources and Climate Change of Malawi.</p> <p>However, the information reported by the Party was not found to be sufficiently transparent or complete because in the authorization letter (available on the CARP) Hestian Innovations was indicated as the authorized mitigation activity participant.</p> <p>During the review, the Party did not provide any additional information.</p> <p>The Article 6 TERT recommends that the Party provide specific information on authorized entities in its future reporting, while ensuring consistency between the authorized entities listed in its authorization letter(s) and the list of authorized entities reported in the initial report.</p>
18.H.1	How the cooperative approach ensures environmental integrity, including that there is no net increase in global emissions within and between NDC implementation periods (decision 2/CMA.3, annex, para. 18(h)(i))	<p>The Party reported that the activity under the cooperative approach meets all requirements of the Gold Standard for Global Goals and applied methodology AMS.II.G. It also reported that the default values for fNRB that were applied during the estimations were based on the values reported in the 2019 Refinement to the 2006 IPCC Guidelines and that a conservativeness factor was also applied. The Party further reported that it has accounted for all ITMOs in its BTR1.</p> <p>However, the information reported by Malawi was not found to be sufficiently transparent or complete because the Party did not explain how the application of the Gold Standard for Global Goals, IPCC default values, a conservativeness factor and AMS.II.G methods and assumptions (including for estimating leakage or addressing the risk of non-permanence) avoids a net increase in global emissions within or between NDC implementation periods.</p> <p>The Article 6 TERT has determined this inconsistency to be significant, considering that demonstrating that the cooperative approach ensures environmental integrity, including that there is no net increase in global emissions within and between NDC implementation periods, is essential to prevent any impact on the emissions balance and/or adjusted indicator.</p> <p>During the review, the Party provided additional information, clarifying that the default values for fNRB that were applied during the estimations were based on the values reported in the 2019 Refinement to the 2006 IPCC Guidelines, from 2022 to the end of 2025, and a conservativeness factor was also applied. The Party also reported that it has accounted for all ITMOs in its BTR.</p>

ID#	Element of information to be reported	Description of area of improvement with recommendation
18.H.2	<p>How the cooperative approach ensures environmental integrity, including 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) (decision 2/CMA.3, annex, para. 18(h)(ii))</p>	<p>The Article 6 TERT acknowledges the additional information provided by Malawi, but this information was not found to be sufficiently transparent or complete, as the Party did not explain what the conservativeness factor is or what it applies to, or how it contributes to ensuring that there is no net increase in global emissions within and between NDC implementation periods.</p> <p>Therefore, the Article 6 TERT recommends that the Party provide additional information in its future reporting to explain how the application of a conservativeness factor contributes to ensuring that there is no net increase in global emissions within and between NDC implementation periods.</p> <p>In line with Article 6, paragraph 2, which states in part that Parties shall ensure environmental integrity and transparency, including in governance, and apply robust accounting to ensure, inter alia, the avoidance of double counting, the Article 6 TERT also recommends that Malawi report complete and transparent information on other reporting requirements relevant to how it ensures that it does not contribute to a net increase in global emissions within and between its NDC implementation periods. Other reporting requirements include those set out in the annex to decision 2/CMA.3: how Malawi’s participation in cooperative approaches contributes to the implementation of its NDC and LT-LEDS, if it has submitted one, and the long-term goals of the Paris Agreement (para. 18(a) in relation to para. 4(f)); communication of ITMO metrics and the method for applying corresponding adjustments (para. 18(c)); description of the delivery of overall mitigation in global emissions (para. 18(i)(vi)); and description of how each cooperative approach ensures environmental integrity (para. 18(h)(ii–iii)), including how ITMOs are real, verified and additional (para. 1(a)). The Article 6 TERT further recommends that Malawi describe how the approaches it has taken in addressing such other reporting requirements contribute to avoiding a net increase in global emissions within and between NDC implementation periods, as relevant.</p> <p>In addition, the Article 6 TERT recommends that Malawi explain in its future reporting how it has applied or will apply the accounting provisions set out in paragraphs 8 and 12 of the annex to decision 2/CMA.3 and paragraph 14 of decision 4/CMA.6 and any accounting approaches to addressing the risk of non-permanence of mitigation, in accordance with paragraph 18(h)(iii) of the annex to decision 2/CMA.3, with a view to ensuring the application of robust accounting in relation to ITMOs during and at the end of each NDC implementation period and the corresponding submission of annual information on ITMOs made in the agreed electronic format and the structured summary^a included in the Party’s BTR.</p> <p>The Party reported that monitoring, reporting and verification is conducted in line with the project design document and in line with monitoring approaches from the clean development mechanism methodology being applied (i.e. AMS.II.G), using IPCC default values. It also reported on capacity-building efforts among activity beneficiaries and the various benefits of the activity, such as health benefits. It included limited information on governance.</p> <p>In addition, the Party included a reference to fNRB values in section 5(g)(i) of its initial report. It reported that these are calculated based on the default values reported in the 2019 Refinement to the 2006 IPCC Guidelines and that a conservativeness factor has also been applied.</p> <p>However, the information reported by Malawi was not found to be sufficiently transparent or complete regarding how the application of the AMS.II.G method and assumptions results in robust and transparent governance, conservative reference levels or the establishment of baselines below ‘business as usual’ emission projections. For example, it is unclear how the use of default IPCC values for fNRB ensures that baselines are set below ‘business as usual’ emission projections or how the conservativeness factor reported in the initial report was applied. Other elements that could be relevant to demonstrating that the baselines were set in a conservative way, such as the quantity of biomass used by the project devices (improved cookstoves) or the efficiency of those devices, are not reported in the initial report. In addition, it is not clear how the submission of “monitoring to the authorizing annually until the retirement of</p>

ID#	<i>Element of information to be reported</i>	<i>Description of area of improvement with recommendation</i>
18.H.3	<p>How the cooperative approach ensures environmental integrity, including 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 (decision 2/CMA.3, annex, para. 18(h)(iii))</p>	<p>the project” also ensures conservative reference levels or the establishment of baselines below ‘business as usual’ emission projections.</p> <p>The Article 6 TERT has determined this inconsistency to be significant, considering that demonstrating that the cooperative approach ensures environmental integrity, including through conservative reference levels, baselines set in a conservative way and below ‘business as usual’ emission projections, is essential to prevent any impact on the emissions balance and/or adjusted indicator.</p> <p>During the review, the Party provided additional information related to the conservativeness of the reference level, stating that kitchen performance tests were conducted on a quarterly basis and the minimum sampling percentage was 30 per cent of the total population benefiting from the cooperative approach. Leakage for the project was applied at a 95 per cent confidence level. Capacity-building for the beneficiaries on the importance of using efficient cookstoves was a continuous process. A conservative fNRB value was applied for the region.</p> <p>The Article 6 TERT acknowledges the additional information provided by Malawi, but the information reported by the Party was not found to be sufficiently transparent or complete, as the Party did not clearly explain how these elements result in robust and transparent governance, conservative reference levels and the establishment of baselines below ‘business as usual’ emission projections.</p> <p>Therefore, the Article 6 TERT recommends that the Party provide further information in its future reporting to clearly demonstrate how the use of kitchen performance tests, sampling, leakage, capacity-building and any other elements it considers appropriate will ensure robust, transparent governance, and conservative reference levels and baselines set below ‘business as usual’ emission projections, including by taking into account all existing policies and addressing uncertainties in quantification.</p> <p>The Party reported that the cooperative approach is promoting a shift away from open-fire cooking to efficient, cleaner and more sustainable cooking practices.</p> <p>However, the information reported by the Party was not found to be sufficiently transparent or complete regarding the approaches to minimizing the risk of non-permanence of mitigation across several NDC periods and how to address reversals, particularly in the context of the use or diversion of non-renewable woody biomass saved under the project activity.</p> <p>The Article 6 TERT has determined this inconsistency to be significant, considering that demonstrating that the cooperative approach ensures environmental integrity, including by minimizing the risk of non-permanence of mitigation across several NDC periods, and when reversals of emission reductions or removals occur, ensuring that these are addressed in full, is essential to prevent any impact on the emissions balance and/or adjusted indicator.</p> <p>During the review, the Party provided additional information, explaining that it has established a buffer account so that it can use the credits against the cancellation of about 5 per cent of the mitigation outcomes to cover for the risk of non-permanence and to count towards the achievement of its NDCs.</p> <p>The Article 6 TERT acknowledges the additional information provided by Malawi, but the information reported was not found to be sufficiently transparent or complete because the Article 6 TERT noted that section 5.9 of the Carbon Market Framework, which describes the national buffer account, does not refer to the risk of non-permanence. In addition, section 5.8.11.1(i) indicates that the applicable buffer fee is to be stated in the letter of authorization. However, the letter of authorization (available on the CARP) does not refer to a 5 per cent buffer fee but only to 10 per cent of ITMOs being reserved for Malawi, for which a supplementary authorization document provided by the Party includes a waiver.</p>

ID#	<i>Element of information to be reported</i>	<i>Description of area of improvement with recommendation</i>
18.I.1	How the cooperative approach will minimize and, where possible, avoid negative environmental, economic and social impacts (decision 2/CMA.3, annex, para. 18(i)(i))	<p>Therefore, the Article 6 TERT recommends that the Party provide additional information in its future reporting to clarify whether the national buffer account also serves to address the risk of non-permanence, as well as the exact value of the mitigation outcome from the cooperative approach that will be used to contribute to the buffer account and to ensure that, when reversals of emission reductions or removals occur, the cooperative approach will ensure that these are addressed in full.</p> <p>The Party reported that the cooperative approach has been designed to avoid negative environmental, economic and social impacts and has employed many Malawians, that a safeguard management plan has been developed, and that the Government of Malawi will benefit through fees and shares of proceeds.</p> <p>However, the information reported by the Party was not found to be sufficiently transparent or complete because it did not describe the potential negative impacts and the measures to be taken to minimize, and where possible to avoid, them. Additionally, the information provided lacks detail and clarity regarding the safeguard management plan. Finally, in a supplementary authorization document dated 30 November 2023, submitted to the UNFCCC and available on the CARP, the Ministry of Natural Resources and Climate Change of Malawi states that a waiver is provided to the activity, exempting it from having to provide 10 per cent of issued credits to the Government. It is unclear if this waiver has any impact on the contribution (referred to in the initial report as a share of proceeds) provided by the project to the Government of Malawi.</p> <p>During the review, the Party provided additional information, clarifying that:</p> <p>(a) The Carbon Market Framework includes provisions to minimize and address negative impacts (which the Article 6 TERT was able to confirm appears in section 5.1.2 of the Framework) and that the Malawi Environmental Protection Authority is mandated to enforce these provisions. The Party noted that it had not developed these provisions at the time the project was implemented.</p> <p>The Article 6 TERT acknowledges the additional information provided by the Party and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that the Party include the information in its future reporting.</p> <p>The Article 6 TERT also recommends that the Party include information on the outcome of an assessment of the compliance of the activity against the adopted provisions for minimizing and addressing environmental impacts (to be performed by the Government of Malawi, through the Malawi Environmental Protection Authority or another appropriate body), and on how it has engaged with the project proponent to address any potential areas of non-compliance, to the extent that these can be addressed during project implementation.</p> <p>(b) The share of proceeds the project will share with the host Party is 12.5 per cent of the gross sales, as per the implementation agreement signed between Hestian Innovations and the Government of Malawi.</p> <p>The Article 6 TERT acknowledges the additional information provided by Malawi, but the information reported was not found to be sufficiently transparent or complete since the letter of authorization indicates that 10 per cent of ITMOs are reserved for Malawi, and the supplementary authorization document provides a waiver to the activity participant.</p> <p>Therefore, the Article 6 TERT recommends that the Party provide, in its future reporting, further clarification on whether the activity participant will contribute with financial resources or with ITMOs, to the Government of Malawi, for the purpose of implementing NDC actions and clearly specify the value of these contributions. The Article 6 TERT also recommends that the Party provide a copy of the implementation agreement signed between Hestian Innovations and the Government of Malawi and clarify its status vis-à-vis the authorization letter and the supplementary authorization document that are available on the CARP.</p>

ID#	<i>Element of information to be reported</i>	<i>Description of area of improvement with recommendation</i>
18.I.2	<p>How the cooperative approach will reflect the eleventh preambular paragraph of the Paris Agreement, which acknowledges that climate change is a common concern of humankind and notes that 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 (decision 2/CMA.3, annex, para. 18(i)(ii))</p>	<p>The Party reported that the rights of all people and vulnerable groups will be respected throughout the implementation of the project, and the process for issuing ITMOs will report all risks associated with the project. The Party also reported that a safeguard implementation report was issued and that project activities will undergo screening through the Gold Standard environmental and social screening tool (i.e. the Gold Standard for Global Goals) and will comply with the Guidelines for Environmental Impact Assessment in Malawi.</p> <p>However, the information reported was not found to be sufficiently transparent or complete because it does not include a specific description of how the provisions for minimizing and addressing environmental impacts, the standards and the tools are related and/or could promote and consider each of the specific elements reflected in the eleventh preambular paragraph of the Paris Agreement.</p> <p>During the review, the Party provided additional information, highlighting that it will make sure that the rights of all people and vulnerable groups are respected throughout the implementation of the project. It also indicated that all risks associated with the project, including all concerns of humankind, will be reported during the process for issuing ITMOs, so that the rights of marginalized groups, including Indigenous Peoples, are respected and considered during the planning, implementation and monitoring phases of the project.</p> <p>The Article 6 TERT acknowledges the additional information provided by the Party and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that the Party include the additional information in its future reporting.</p>
18.I.5	<p>How the cooperative approach will contribute resources for adaptation pursuant to chapter VII (Ambition in mitigation and adaptation actions) of the annex to decision 2/CMA.3, if applicable (decision 2/CMA.3, annex, para. 18(i)(v))</p>	<p>The Party reported that the activity under the cooperative approach has the potential for job creation and income transfer from ITMOs. It also reported that the activity will contribute to strengthening coping measures and building resilience.</p> <p>However, the information reported was not found to be sufficiently transparent or complete because it is unclear how all the benefits from the activity will contribute financial resources for adaptation.</p> <p>During the review, the Party provided additional information, clarifying that the information reported in its initial report relates to the potential adaptation co-benefits of the activity and that it will assess and report the actual co-benefits the activity has contributed to adaptation and resilience-building. In addition, the Party reported that it will assess and communicate the actual direct adaptation benefits.</p> <p>The Article 6 TERT acknowledges the additional information provided by the Party and considers it relevant to the reporting requirement. Therefore, the Article 6 TERT recommends that the Party include the additional information, in particular on what type of resources are being contributed for adaptation, in its future reporting.</p>

^a Referred to in decision 18/CMA.1, annex, para. 77(d).

II. Capacity-building needs⁶ identified by the Article 6 technical expert review team in consultation with the Party during the review of its initial report

4. Table 3 presents capacity-building needs identified by the Article 6 TERT in consultation with Malawi during the Article 6 technical expert review of its initial report.

Table 3

Capacity-building needs identified in consultation with the Party

<i>ID#</i>	<i>Element of information to be reported</i>	<i>Area in which capacity-building is needed</i>
1	Tracking of ITMOs and use of registries	Enhancing understanding of how to access and use the international and Article 6.4 mechanism registries, as well as developing and operationalizing the national registry, in particular strengthening understanding of how to connect the national registry to the international registry under Article 6, paragraph 2, and ensuring that tools used on an interim basis, such as the Gold Standard Impact Registry, comply with relevant decisions of the CMA for tracking ITMOs
2	Overall functioning and implementation of cooperative approaches under Article 6	Strengthening understanding of the processes associated with cooperative approaches under Article 6, including the technical expert review process, and complying with the reporting requirements under Article 6, paragraph 2
3	Description of the Party's NDC	Strengthening understanding of the reporting requirements under Article 6 that relate to describing the NDC, as per the elements of a description set out in paragraph 64 of the annex to decision 18/CMA.1
4	Identification and authorization of participating Parties and authorized entities as part of a cooperative approach	Correctly identifying and authorizing entities in the context of CORSIA (noting that Malawi does not know which airlines, if any, will use ITMOs from its cooperative approach)
5	Environmental integrity	Ensuring the environmental integrity of its cooperative approaches, including assessing the conservativeness of baselines and ensuring that baselines are below 'business as usual' emission projections and minimizing and addressing the risk of non-permanence.
6	Reporting and accounting under Article 6	Strengthening the Party's capacity for reporting, namely with regard to initial reports, annual information and regular information, as well as correctly applying the provisions set out in paragraphs 8, 12 and 18(h)(iii) of the annex to decision 2/CMA.3 and paragraph 14 of decision 4/CMA.6, including correctly reporting the results in the agreed electronic format and in the structured summary referred to in paragraph 77(d) of the annex to decision 18/CMA.1 as part of the BTR
7	Monitoring, reporting and verification systems and approaches	Conducting monitoring, reporting and verification of mitigation activities under cooperative approaches at the national level
8	Institutional arrangements for ITMO authorization and positive examination of verification reports	Establishing clear procedures and criteria for authorizing ITMOs and conducting positive examinations of verification reports for mitigation activities prior to issuance to ensure effective implementation of the Carbon Market Framework
9	Corresponding adjustments	Applying corresponding adjustments under Article 6, paragraph 2, correctly and consistently, including by strengthening understanding of the CMA guidance on the methods for applying corresponding adjustments and their reflection in the emissions balance; operationalizing procedures for applying adjustments; and developing quality assurance processes to ensure accurate, transparent and verifiable reporting on adjustments

⁶ As referred to in decision 6/CMA.4, annex II, para. 7.

Annex

Documents and information used during the review

I. Reference documents

“Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement”. Annex to decision 2/CMA.3. FCCC/PA/CMA/2021/10/Add.1. Available at <https://unfccc.int/documents/460950>.

“Guidelines for the Article 6 technical expert review referred to in decision 2/CMA.3, annex, chapter V (Review)”. Annex II to decision 6/CMA.4. FCCC/PA/CMA/2022/10/Add.2. Available at <https://unfccc.int/documents/626570>.

Initial report of Malawi. Available at <https://unfccc.int/process-and-meetings/the-paris-agreement/article-6/article-62/carp/reports>.

IPCC. 2019. 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. E Calvo Buendia, K Tanabe, A Kranjc, et al. (eds.). Geneva: IPCC. Available at <https://www.ipcc-nggip.iges.or.jp/public/2019rf/index.html>.

“Matters relating to cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement”. Decision 4/CMA.6. FCCC/PA/CMA/2024/17/Add.1. Available at <https://unfccc.int/documents/644937>.

“Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement”. Annex to decision 18/CMA.1. FCCC/PA/CMA/2018/3/Add.2. Available at <https://unfccc.int/documents/193408>.

II. Additional information provided by the Party

Responses to questions during the review were received from Jarvis Mwenechanya (Ministry of Natural Resources and Climate Change), including additional material. The following references were provided by Malawi and may not conform to UNFCCC editorial style as some have been reproduced as received:

Government of Malawi (1997) Guidelines for Environmental Impact Assessment in Malawi. Ministry of Forestry, Fisheries and Environmental Affairs.

Government of Malawi (2025) The Carbon Market Framework for Malawi, Ministry of Natural Resources and Climate Change.
