



**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 Palau**

Summary

This report presents the results of 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 Palau, 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. The review week took place from 8 to 12 December 2025 in Bonn.

This report will be forwarded for consideration in the technical expert review referred to in chapter VII of the annex to decision 18/CMA.1 in accordance with paragraph 28 of the annex to decision 2/CMA.3.



Statement submitted by Palau on the final report*

Palau would like to thank the Article 6 technical expert review team for their work on the review of its first initial report and welcomes the conclusions and recommendations contained in the report. Palau will reflect these findings and recommendations in its future reporting to further strengthen the clarity and transparency of the information reported.

* The statement submitted by Palau is presented verbatim.

Abbreviations and acronyms

Article 6 TER guidelines	“Guidelines for the Article 6 technical expert review referred to in decision 2/CMA.3, annex, chapter V (Review)”
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
CO ₂ eq	carbon dioxide equivalent
GHG	greenhouse gas
ITMO	internationally transferred mitigation outcome
LT-LEDS	long-term low-emission development strategy(ies)
NA	not applicable
NDC	nationally determined contribution
NIR	national inventory report
TERT	technical expert review team

I. Introduction

A. General information¹

1. This report covers the technical expert review under Article² 6, paragraph 2, of the initial report³ of Palau. The review was organized by the secretariat and conducted by an Article 6 TERT in accordance with chapter V (Review) of the annex to decision 2/CMA.3, the Article 6 TER guidelines⁴ and chapter VII (Process for identifying, notifying and correcting inconsistencies) of decision 4/CMA.6.

2. This report is to be read in conjunction with its addendum,⁵ an integral part of the report, which contains assessment tables that present the findings and recommendations of the Article 6 TERT relating to the areas it has identified for improvement of the consistency of the information submitted by Palau with the reporting requirements⁶ as well as the capacity-building needs identified by the Article 6 TERT in consultation with Palau during the review.

3. A draft version of this report was transmitted to the Government of Palau, which provided comments that were taken into account, as appropriate, in this final version of the report.⁷ This report has been made publicly available on the centralized accounting and reporting platform.⁸

4. The centralized review, including the review week that took place from 8 to 12 December 2025 in Bonn, was conducted by the following team of nominated experts from the UNFCCC roster of experts: Rogelio Humberto Campos García (Peru), Dawa Chhoedron (Bhutan), Géraud De Lassus St-Genies (Canada), Eloïse Anastasia Guidi (Democratic Republic of the Congo), Uğur Gürel (Türkiye), Ana Lucía Moya Mora (Colombia), Hyun Jung Park (Republic of Korea), Orlando Ernesto Rey Santos (Cuba) and Mkhuthazi Steleki (South Africa). Géraud De Lassus St-Genies and Ana Lucía Moya Mora were the lead reviewers. The review was coordinated by Perumal Arumugam, Baasansuren Jamsranjav, Ayami Kabaya, Peck Wei Lam and Yuanyuan Qin (secretariat).

5. Palau considers itself a small island developing State under the Paris Agreement.

B. Scope of the technical expert review

6. The Article 6 TERT conducted a technical expert review of the information reported in the initial report of Palau, within the scope of the review as defined in chapter II of the Article 6 TER guidelines and applying the guiding principles set out in paragraph 1 of those guidelines, consisting of:

(a) Reviewing the consistency of the information, including on each cooperative approach under Article 6, paragraph 2, in which the Party is participating, submitted in the initial report 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.6⁹ (see chap. II.A below);

¹ This section incorporates the introduction, process overview and summary referred to in the report outline set out in annex III to decision 6/CMA.4.

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

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

⁴ Contained in decision 6/CMA.4, annex II.

⁵ FCCC/A6/IRTERR.1/2025/PLW/Add.1.

⁶ Set out in decision 2/CMA.3, annex, para. 18.

⁷ As per para. 21(f) of the Article 6 TER guidelines.

⁸ As per para. 21(h) of the Article 6 TER guidelines; see <https://unfccc.int/process-and-meetings/the-paris-agreement/article-6/article-62/carp/reports>.

⁹ 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.

(b) Specifying recommended actions to be taken by the Party, including recommendations on how to improve the consistency of the information reported with the requirements in the annex to decision 2/CMA.3, the supplementary elements of information listed in annex I to decision 4/CMA.6 and any future relevant decisions of the CMA (see the addendum to this report);

(c) Identifying capacity-building needs in consultation with the Party (see chap. II.B below).¹⁰

7. The Article 6 TERT based its determination of inconsistencies in the information reported with the requirements in the annex to decision 2/CMA.3, including whether they are significant, on the information reported in the originally submitted initial report.

8. Any additional information provided by the Party during the review in accordance with paragraph 21(e) of annex II to decision 6/CMA.4 was reviewed and summarized in relation to the recommended action(s) for the respective reporting requirement, including a recommendation for inclusion in future reporting, if applicable.

C. Information submitted by the Party pursuant to chapter IV.A (Initial report) of the annex to decision 2/CMA.3

9. Palau submitted its initial report on 16 September 2025, including information on cooperative approach CA0014, “The Joint Crediting Mechanism between the Government of Palau and the Government of Japan”, in which Japan and Palau are the participating Parties.

D. Inconsistencies determined as significant by the Article 6 technical expert review team

10. The Article 6 TERT assessed the inconsistencies of the information submitted in the initial report with the reporting requirements and has determined that those summarized in table 1 are significant and would have an impact on the emissions balance and/or adjusted indicator.¹¹

Table 1

Summary of significant inconsistencies, as determined by the Article 6 technical expert review team, in the information submitted in Palau’s initial report with the reporting requirements

<i>Table in this report</i>	<i>ID# for area for improvement^a</i>	<i>Significant inconsistency related to the initial report</i>	<i>Cross-Party inconsistency^b</i>
Table 2: results of the review of the general information	18.A/4.C	Yes	No
Table 2: results of the review of the general information	18.A/4.D	Yes	Yes
Table 3: results of the review of the information on cooperative approach CA0014	18.H.1	Yes	Yes
Table 3: results of the review of the information on cooperative approach CA0014	18.H.2	Yes	Yes

^a For further information, see document FCCC/A6/IRTERR.1/2025/PLW/Add.1.

^b In this column, “No” means that the inconsistency is a single-Party inconsistency in the sense of para. 38 of decision 4/CMA.6. In the context of cooperative approaches with more than one participating Party, “No” therefore means that the inconsistency relates to the reporting participating Party only or that the other participating Parties have not yet submitted corresponding information.

¹⁰ As per paras. 2(a), 5(a) and 7 of the Article 6 TER guidelines.

¹¹ As per decision 4/CMA.6, paras. 41–42(a).

II. Results of the technical expert review¹²

A. Consistency of the submitted information with the reporting requirements and the supplementary elements

11. The Article 6 TERT reviewed the information submitted by Palau in its initial report and identified areas for improvement of consistency with the reporting requirements and the supplementary elements, which are referenced in tables 2–3. Table 2 summarizes the results of the review of the general information included in Palau’s initial report and table 3 presents the results of the review of the information provided on cooperative approach CA0014.

12. The Article 6 TERT noted that Palau had not provided the most recent national inventory report in accordance with decision 18/CMA.1 or a biennial transparency report by the end of the review week.¹³

Table 2

Review of the consistency of the general information included in Palau’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>Requirement in the annex to decision 2/CMA.3</i>	<i>Element of information to be reported^a</i>	<i>ID# for area for improvement identified^b</i>	<i>Significant inconsistency related to the initial report</i>
Demonstrate that the Party fulfils the participation responsibilities referred to in paragraph 4 for participating in a cooperative approach (para. 18(a))	Information demonstrating that:		
	The Party is a Party to the Paris Agreement	No inconsistencies identified	NA
	The Party has prepared, communicated and is maintaining an NDC in accordance with Article 4, paragraph 2	No inconsistencies identified	NA
	The Party has arrangements in place for authorizing the use of ITMOs towards achievement of NDCs pursuant to Article 6, paragraph 3	18.A/4.C	Yes
	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	18.A/4.D	Yes
	The Party has provided the most recent NIR required in accordance with decision 18/CMA.1	18.A/4.E	No
Provide a description of the NDC, as referred to in paragraph 64 of the annex to decision 18/CMA.1, where the participating Party has not yet submitted a biennial transparency report (para. 18(b))	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	18.A/4.F	No
	Target(s) and description, including target type(s)	No inconsistencies identified	NA
	Target year(s) or period(s), and whether they are single-year or multi-year target(s)	No inconsistencies identified	NA
	Reference point(s), level(s), baseline(s), base year(s) or starting point(s), and their respective value(s)	No inconsistencies identified	NA
	Time frame(s) and/or periods for implementation	No inconsistencies identified	NA

¹² Included in this report as per para. 51 of the Article 6 TER guidelines.

¹³ See decision 2/CMA.3, annex, paras. 4(e) and 18(b).

<i>Requirement in the annex to decision 2/CMA.3</i>	<i>Element of information to be reported^a</i>	<i>ID# for area for improvement identified^b</i>	<i>Significant inconsistency related to the initial report</i>
Provide the ITMO metrics, method for applying corresponding adjustments and method for quantification of the NDC (para. 18(c-f))	Scope and coverage, including, as relevant, sectors, categories, activities, sources and sinks, pools and gases	No inconsistencies identified	NA
	Intention to use cooperative approaches that involve the use of ITMOs under Article 6 towards NDCs under Article 4	No inconsistencies identified	NA
	Any updates or clarifications of previously reported information	NA	NA
	ITMO metrics	No inconsistencies identified	NA
	Method for applying corresponding adjustments as per chapter III.B (Application of corresponding adjustments) of the annex to decision 2/CMA.3	No inconsistencies identified	NA
	Description of the method for applying corresponding adjustments if the method is a multi-year emissions trajectory, trajectories or budget, if applicable	No inconsistencies identified	NA
	How the method for applying corresponding adjustments aligns with paragraph 7 of the annex to decision 2/CMA.3	Not provided	NA
	Methods used for establishing the indicative trajectory, trajectories or budget and the resulting trajectory, trajectories or budget and their relationship to the indicators referred to in paragraph 65 of the annex to decision 18/CMA.1 to which corresponding adjustments will be applied	Not provided	NA
	Quantification of the Party's mitigation information in its NDC in t CO ₂ 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, provision of the methodology for the quantification of the NDC in t CO ₂ eq	No inconsistencies identified	NA
	Quantification of the Party's NDC, or the portion in the relevant non-GHG indicator, in a non-GHG metric determined by each participating Party, if applicable	No inconsistencies identified	NA
For a first or first updated NDC consisting of policies and measures that is not quantified, quantification of the Party's 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 10 of the annex to decision	No inconsistencies identified	NA	

<i>Requirement in the annex to decision 2/CMA.3</i>	<i>Element of information to be reported^a</i>	<i>ID# for area for improvement identified^b</i>	<i>Significant inconsistency related to the initial report</i>
	2/CMA.3, and the time periods covered by the NDC		

^a Supplementary elements of information, which are requested but not required to be reported as per para. 18 of decision 4/CMA.6, are written in italics. Where such information was not provided by the Party, this is indicated as such in the next column.

^b For further information, see document FCCC/A6/IRTErr.1/2025/PLW/Add.1.

Table 3

Review of the consistency of the information included in Palau’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 CA0014, “The Joint Crediting Mechanism between the Government of Palau and the Government of Japan”

<i>Requirement in the annex to decision 2/CMA.3</i>	<i>Element of information to be reported^a</i>	<i>ID# for area for improvement identified^b</i>	<i>Significant inconsistency related to the initial report</i>
Provide information on each cooperative approach (para. 18(g))	Copy of the authorization by the participating Party	18.G.1	No
	Description of the cooperative approach	18.G.2	No
	Duration of the cooperative approach	18.G.3	No
	Expected mitigation for each year of the duration of the cooperative approach	No inconsistencies identified	NA
	Participating Parties involved in the cooperative approach	No inconsistencies identified	NA
	Authorized entities for the cooperative approach	No inconsistencies identified	NA
	<i>Description of any arrangements for authorizing using participating Parties and authorized entities, if applicable</i>	Not provided	NA
Describe how each cooperative approach ensures environmental integrity (para. 18(h))	<i>Type of cooperative approach, if applicable</i>	Not provided	NA
	How the cooperative approach ensures environmental integrity, including that there is no net increase in global emissions within and between NDC implementation periods	18.H.1	Yes
	<i>How the cooperative approach avoids locking in emission levels, technologies or practices that are inconsistent with achieving the long-term goals of the Paris Agreement</i>	Not provided	NA
	<i>How the mitigation outcomes from the cooperative approach are shared between the participating Parties</i>	Not provided	NA
	<i>How it is ensured that decision-making processes in an underlying policy or regulatory framework, and relevant activities, are transparent and inclusive, and whether they include opportunities for public participation and scrutiny, including the standards and procedures for conducting stakeholder consultation, including with civil society organizations, Indigenous Peoples and local communities</i>	Not provided	NA

<i>Requirement in the annex to decision 2/CMA.3</i>	<i>Element of information to be reported^a</i>	<i>ID# for area for improvement identified^b</i>	<i>Significant inconsistency related to the initial report</i>
	<i>How participation in the cooperative approach and the combination of all cooperative approaches in which the Party participates contributes to the implementation of the Party's NDC and LT-LEDS, if it has submitted one, and the long-term goals of the Paris Agreement</i>	Not provided	NA
	<i>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)</i>	18.H.2	Yes
	<i>How any baseline or reference levels have been established, including how the participating Party has taken into account its NDC and LT-LEDS, if it has submitted one, as well as any relevant climate policies, laws, regulations or targets</i>	Not provided	NA
	<i>How baseline and reference levels are established to ensure they are conservative and below 'business as usual' emission projections, and information on what assumptions have been made</i>	Not provided	NA
	<i>Methodological approaches used for quantifying the mitigation outcomes derived from the cooperative approach</i>	Not provided	NA
	<i>How uncertainties in the quantification of emission reductions and removals are assessed and how such uncertainties are taken into account</i>	Not provided	NA
	<i>How the risk of leakage is assessed, and how leakage is prevented or minimized, and how any remaining leakage will be quantified and deducted in the quantification of mitigation outcomes</i>	Not provided	NA
	<i>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</i>	18.H.3	No
	<i>How the risk of non-permanence is assessed under the cooperative approach and minimized across several NDC periods, including the frequency and timing of risk assessments, the methodological approaches used for</i>	Not provided	NA

<i>Requirement in the annex to decision 2/CMA.3</i>	<i>Element of information to be reported^a</i>	<i>ID# for area for improvement identified^b</i>	<i>Significant inconsistency related to the initial report</i>
	<i>those assessments, the types of risk identified, the likelihood, scale and potential impacts of such risks, and the time-horizons considered</i>		
	<i>How reversals are monitored and quantified, and, when they occur, how they are addressed in full, including which methodological approaches are used to address reversals, how the responsibility for addressing reversals is assigned, the duration and frequency of monitoring for reversals, and the measures envisaged in case of failures in monitoring</i>	Not provided	NA
Provide additional description of each cooperative approach (para. 18(i))	How the cooperative approach will:		
	Minimize and, where possible, avoid negative environmental, economic and social impacts	No inconsistencies identified	NA
	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	No inconsistencies identified	NA
	Be consistent with the sustainable development objectives of the Party, noting national prerogatives	No inconsistencies identified	NA
	Apply any safeguards and limits set out in further guidance from the CMA pursuant to chapter III.D (Safeguards and limits to the transfer and use of ITMOs) of the annex to decision 2/CMA.3	NA ^c	NA
	Contribute resources for adaptation pursuant to chapter VII (Ambition in mitigation and adaptation actions) of the annex to decision 2/CMA.3, if applicable	18.I.5	No
	Deliver overall mitigation in global emissions pursuant to chapter VII (Ambition in mitigation and adaptation actions) of the annex to decision 2/CMA.3, if applicable	18.I.6	No

^a Supplementary elements of information, which are requested but not required to be reported as per para. 18 of decision 4/CMA.6, are written in italics. Where such information was not provided by the Party, this is indicated as such in the next column.

^b For further information, see document FCCC/A6/IRTERR.1/2025/PLW/Add.1.

^c This reporting requirement was not applicable at the time of the review as the CMA has not provided further guidance setting out any safeguards or limits.

B. Capacity-building needs relating to areas for improvement

13. The Article 6 TERT, in consultation with Palau, identified capacity-building needs (see table 3 in the addendum to this report) related to implementing the guidance contained in the annex to decision 2/CMA.3.

III. Conclusions and recommendations

14. The Article 6 TERT conducted a technical expert review of the information submitted by Palau in its initial report in accordance with chapter V (Review) of the annex to decision 2/CMA.3, the Article 6 TER guidelines and chapter VII (Process for identifying, notifying and correcting inconsistencies) of decision 4/CMA.6.

15. The Party reported information on one cooperative approach (see para. 9 above).

16. On the basis of the review of Palau's initial report, the Article 6 TERT found that the Party reported information in relation to all of the requirements set out in paragraph 18 of the annex to decision 2/CMA.3. The Article 6 TERT also found that the Party did not report information in relation to supplementary elements. However, some of the information reported was found to be inconsistent with the requirements (see tables 2–3), and some of these inconsistencies are considered to be significant (see table 1). The Article 6 TERT notes that providing information in relation to supplementary elements could help the Party to address the recommendations of the Article 6 TERT and improve the transparency of its reporting.

17. The areas for improvement of consistency and related recommendations identified by the Article 6 TERT, as well as the capacity-building needs identified during the review in consultation with Palau, are presented in the assessment tables referred to in paragraph 2 above.

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

“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 Steve Moruri (Office of Climate Change, Palau), including additional material. The following references were provided by Palau and may not conform to UNFCCC editorial style as some have been reproduced as received:

“Common Specifications of the JCM Registry” assessable through JCM Rules and guidelines. Available at https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_PW_Spec_Registry_ver01.0-1.pdf.

“JCM - Palau projects”. Available at <https://www.jcm.go.jp/jc/pw-projects>.

“JCM Guidelines for Developing Project Design Document and Monitoring Report”. https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_SA_GL_PDD_MR_ver01.0.pdf.

“JCM Guidelines for Developing Proposed Methodology”. Available at [jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_SA_GL_PM_ver01.0-1.pdf](https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_SA_GL_PM_ver01.0-1.pdf).

“JCM Guidelines for Developing Sustainable Development Implementation Plan and Report”. Available at https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_ID_GL_SDIP_IR_ver01.0.pdf.

“Rules of implementation for the Joint Crediting Mechanism (JCM)”. Available at https://www.jcm.go.jp/jc/wp-content/uploads/sites/3/JCM_ID_RoI_ver01.0-1.pdf.
