

Informal note by the co-facilitators

on

SBSTA 56 agenda item 12
Guidance on cooperative approaches referred to
in Article 6, paragraph 2, of the Paris Agreement and in decision 2/CMA.3

Version at 14 June 2022 (18:00)

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This informal note has been prepared by the co-facilitators of the informal consultations on this agenda item under their own responsibility, drawing on interventions of Parties made during the fifty-sixth session of the Subsidiary Body for Scientific and Technological Advice (SBSTA). The views reflected in this note are not exhaustive and may diverge. The note has no formal status and should not be considered final in any way. It is intended to assist Parties in advancing discussions on this matter and does not prejudice further work or prevent Parties from expressing other views at any time. Parties' views on intersessional work that may be needed before SBSTA 57 are not covered in this note.

I. Elements discussed at the informal consultations

1. The informal consultations on Subsidiary Body for Scientific and Technological Advice (SBSTA) agenda item 12 on guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement and in decision 2/CMA.3 were held during the fifty-sixth session of the SBSTA. The informal consultations were co-facilitated by Moekti Handajani Soejachmoen (Indonesia) and Peer Stiansen (Norway). The paragraphs below summarize the interventions made by Parties.

2. Parties considered the following six elements for which CMA 3 requested the SBSTA, in decision 2/CMA.3, to develop recommendations for adaption at CMA 4:

- Review;
- Recording and tracking infrastructure, including the registries, the international registry, the Article 6 database and the centralized accounting and recording platform;
- Reporting;
- Special circumstances of the least developed countries and small island developing States;
- Elaboration of further guidance in relation to corresponding adjustments for multi-year and single-year NDCs, in a manner that ensures the avoidance of double counting, including for averaging;
- Emissions avoidance.

3. The last three elements above were considered jointly.

4. Parties acknowledged the importance of a strong capacity-building programme with timelines. Capacity-building is an important element, including how it relates to the application of corresponding adjustments, registries, institutional arrangements for the authorization process, elaboration of baselines, supporting legislative frameworks and contractual templates. Capacity-building relates to both the mechanics and the analytical capacity required to implement Article 6.2.

5. Parties acknowledged that various elements had a relation to the rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement. In their interventions, Parties made references to interventions on SBSTA agenda item 13, “Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement and referred to in decision 3/CMA.3”.

6. Interventions on SBSTA agenda item 13 that Parties linked to SBSTA agenda item 12, and vice versa, are not replicated by the co-facilitators in the informal notes to the respective agenda item. Readers of this informal note may wish to consider it in conjunction with the informal note prepared by the co-facilitators of agenda item 13.

II. Views of Parties provided at the informal consultations on the six elements

A. Review

7. General views:

- The secretariat has extensive experience with different review processes and the Article 6 TER guidelines should draw upon that experience;
- An outline of, or principles for, the outcomes of the review is needed;
- Guidelines are needed for the review;
- The review process is the closest process Article 6 has to international oversight and is a way to support transparency, credibility and confidence in cooperative approaches;
- The review process needs to be objective, and guidance to assess descriptive narrative information is desirable;
- There is a need for a systematic way of sharing information so that recommendations to one Party can help other Parties, thus avoiding inconsistencies;
- There is a need to define what needs to be reviewed, how it is going to be reviewed, the timing and the specific outcome of the review of the information provided by the Party at every stage of the reporting cycle;
- Procedures are needed in order to avoid reviewing the same information twice in one reporting or biennial cycle.

8. Objectives:

- The objectives of the Article 6 TER aim to deliver integrity and trust in the system by ensuring the avoidance of double counting, the environmental integrity of cooperative approaches and the high quality of ITMOs;
- The reviews¹ and recommendations of the reviews are to help Parties build capacity and to help avoid and address inconsistencies in the future;
- The review should also provide an exchange of information on cooperative approaches to support the establishment and improvement of national arrangements;
- The reviews must facilitate improved reporting and transparency over time and avoid duplication of work and undue burden on Parties and the secretariat;
- The Article 6 TER is to provide input for consideration to the Article 13 TER.

¹ In their interventions, Parties used the terms ‘reviews’ and ‘review’ interchangeably in relation to the Article 6 technical expert review as per chapter V of the annex to decision 2/CMA.3.

9. Scope:
- The scope of the review is clearly defined in paragraph 7 and in chapter V of the annex to decision 2/CMA.3;
 - The mandate of the Article 6 TER is to review the consistency of the information provided on the cooperative approach in accordance with the guidance and not only internal consistency of the reported information;
 - The reviews should be implemented in a facilitative, non-intrusive and non-punitive manner that is respectful of national sovereignty;
 - The reviews shall not make political judgments;
 - The Article 6 TER addresses consistency and completeness of reported information and is:
 - a. Qualitative, or
 - b. Qualitative and quantitative;
 - The annual information provides supporting data for the review, as does the information from the consistency check performed by the secretariat in the Article 6 database. In the case of the annual information included under regular information, the information itself is also subject to review;
 - The review of the initial report should provide recommendations on the consistency of a specific cooperative approach with paragraphs 18–19 of the annex to decision 2/CMA.3;
 - The Article 6 TER of quantitative information will consider reductions and removals generated under Article 5 (REDD+) and under Article 6.4, if authorized by Parties;
 - Results that have been assessed under Article 5 should not be subject to a second assessment under Article 6.2 to avoid duplication of work. In that context, it has to be ensured that these results are included in the national GHG inventory, that they contribute to the achievement of the NDC and that they come from approved methodologies under the Paris Agreement, which ensures consistency and comparability;
 - All activities under cooperative approaches must comply with Article 6.2 guidance on the basis of the definition of ITMOs;
 - There are no exceptions to the review.
10. Format (desk reviews or centralized reviews):
- The format of the reviews has been agreed on as desk reviews or centralized reviews;
 - Additional definitions of desk reviews and centralized reviews may be required, including in-person and remote variations of both types of review;
 - The guidance could also include a term to denote when only a single Party is being reviewed.
11. Timing and frequency:
- There is a need to specify the timeframe within which the review occurs, including on:
 - a. Conclusion of the review of the initial report in order for a Party to upload information to the database;
 - b. Enabling the Party to reflect its situation in the structured summary;
 - c. Forwarding the Article 6 TER report to the Article 13 TER;

- Reviews should be organized in periodic cycles, at least once or twice a year;
 - Reviews should start with the review of the initial report and be followed by the review of the regular information and annual information;
 - The review of the information after submission should be made without delay and should avoid reviewing the same information twice in the same reporting cycle;
 - The timing of the review for each report (initial, annual and regular), including when the review is to begin and when it is to conclude, should be included in the guidelines;
 - Initial reports and regular information may be submitted and could be reviewed at the same time, as there is a provision for Parties to append the initial reports to their BTR;
 - Initial reports would have to be checked again if regular information is updated.
12. Development of modalities for reviewing confidential information:
- A process for identifying confidential information by Parties is needed, including in supplemental information that is provided to the Article 6 TER team during a review;
 - A process and provisions are needed to ensure confidentiality, including for:
 - a. The review of confidential information, as identified by Parties;
 - b. Requirements for the reviewers to maintain confidentiality;
 - c. Holding and storage of confidential information;
 - Regarding public information, determination needs to be made regarding which data and information are public and which are confidential, considering the transparency principle;
 - In the context of the principle of integrity, the default is that all information to be presented is not confidential and should be reported;
13. Consistency between the reporting of all Parties participating in a cooperative approach in respect of that cooperative approach:
- Reviews should cover information provided by all Parties participating in the same cooperative approaches with the Party under review, but not the information on the other cooperative approaches in which the counterparty of the reviewed Party also participates;
 - Reviews should cover information provided by all Parties participating in the same cooperative approaches with the Party under review, to the extent possible;
 - Reviews for consistency across multiple participating Parties should focus on the information submitted in accordance with a cooperative approach, such as in paragraphs 22 and 23(j) of the annex to decision 2/CMA.3;
 - Some consistency checks could be done independently for reporting requirements, such as participation requirements that are narrative in nature and do not require the review to be paired with a review of the information provided by other Parties involved in the cooperative approach;
 - The reviewers need to compare the information of all Parties involved in a cooperative approach, even if not submitted at the same time, as in the case of information on methods for corresponding adjustment and in relation to evidence that there is no double counting of ITMOs;

- If information is not available from all participating Parties in the cooperative approach, the review report should provide for following up on the missing information during future reviews, when such information becomes available.
14. Recommended action to be taken when inconsistencies are identified:
- Provisions are needed in the guidelines for the Article 6 TER to communicate recommended actions to the Party being reviewed;
 - Recommendations need to include ways to improve consistency with the guidance (decision 2/CMA.3) and with respect to inconsistencies in the quantified information as it relates to the information of other Parties.
15. How a Party should respond to recommended actions:
- Provisions are needed in the guidelines for how a Party should respond to recommended actions;
 - Parties should be given time to address the inconsistencies, taking into account that resolving inconsistencies between the quantitative information reported by participating Parties of one cooperative approach could require interactions among those Parties.
16. Implications of non-responsiveness to recommended actions:
- Provisions are needed in the guidelines for addressing situations where a Party is unresponsive to recommendations and has repeatedly resisted undertaking actions;
 - Implications on non-responsiveness should take into account the time that is given to Parties to address the inconsistencies;
 - Inconsistencies identified during the review and cases of non-responsiveness should be made public in the Article 6 TER report;
 - A reference to the inconsistencies from the Article 6 TER report could also be included in the Article 13 TER report;
 - The annual synthesis report of the secretariat should contain explicit information on the Parties that have been unresponsive to the recommendations of the Article 6 TER and on the types of inconsistencies identified;
 - Processes already exist within the Article 13 TER and its relationship to the Paris Agreement Implementation and Compliance Committee (PAICC) established under Article 15, with an agreed approach for addressing inconsistencies that are identified and continually not resolved.
17. Composition of the Article 6 TER team:
- Provisions are needed in the guidelines for:
 - a. The nomination of Article 6 TER experts to the existing roster of experts for Article 13 TER;
 - b. Competency requirements of the experts;
 - c. Addressing conflicts of interest;
 - The Article 6 TER team should contain at least two technical experts and be balanced between developed and developing country experts, geography and gender;
 - LDCs and SIDS are to be represented on the Article 6 TER team;
 - The Article 6 TER team needs to have the collective skills to meet the requirements for review and to provide meaningful recommendations to the reviewed Parties.

18. Article 6 TER interaction with the participating Party when undertaking the review:
 - The secretariat is to facilitate communications between the Article 6 TER team and the Parties being reviewed.
19. Implications of paragraph 176 of the annex to decision 18/CMA.1 in respect of the composition of Article 13 review teams:
 - Guidance is needed for the role of the Article 6 expert in the Article 13 TER team in respect of Article 6 information;
 - Guidance needs to clearly distinguish the functions of the Article 6 TER team from those of the Article 13 TER team and to clarify the implications of their functions;
 - The Article 6 experts would be included in the broader Article 13 roster of experts and can be on the Article 13 TER team for this function.
20. Training programme for the Article 6 technical experts:
 - Experts should undergo appropriate training;
 - Experts should pass an exam at the end of the training programme to become eligible for Article 6 TER;
 - Provisions for the training programme need to be included in the guidelines and can draw on existing training for other reviewers under the UNFCCC;
 - Regarding capacity-building, experts from the Global South should be encouraged to participate in the training programme.
21. Provisions necessary for planning and coordination of the Article 6 TER with the Article 13 TER, including on:
 - Communication between the Article 6 TER and the Article 13 TER should be undertaken by the secretariat;
 - Forwarding the Article 6 TER report to the Article 13 TER should be undertaken by the secretariat.
22. Ensuring that Article 6 TERs in a given review cycle are completed in advance of, and the relevant reports are provided to, the Article 13 TER:
 - There is a need to sequence the Article 6 TER and the Article 13 TER so that the Article 6 TER is completed with sufficient time for the report to be sent to the Article 13 TER;
 - A timely review of Article 6 information will be important to Article 13 reporting;
 - There is a need for guidance on the process for consideration and inclusion of the Article 6 TER conclusions and recommendations in the Article 13 TER report;
 - Preliminary questions by the Article 6 TER team should be prepared in coordination with the Article 13 TER team and sent to Parties as a package; the timeframe for the response would follow that for the Article 13 process;
 - On preliminary questions as per the above point, the timeframe for response should allow Parties sufficient time to address inconsistencies that may not follow the Article 13 processes, as the Article 6 processes require communication between Parties that engage in cooperative approaches;
 - The review of the initial report should be provided to the Party as soon as the Article 6 TER can complete it.
23. Structure of the review guidelines, including procedures and other steps:
 - Set forth the scope of the review;

- List the information to be reviewed;
 - Define the TER format (centralized or desk review);
 - Establish timelines and steps of the review;
 - Explain provisions to ensure confidentiality;
 - Define the role of the Party;
 - Define the role of the Article 6 TER team;
 - Define the role of the secretariat;
 - Provide guidelines for the Article 6 TER report.
24. The role of the Article 6 TER team needs to be elaborated, including in relation to:
- Formation of the Article 6 TER team;
 - Role of Article 6 TER team lead reviewers;
 - Annual meetings to consider how to improve the consistency of reviews.
25. The role of the secretariat needs to be elaborated, including in relation to:
- A preliminary completeness check of information;
 - Organizing the review sessions;
 - Facilitating communications between the Article 6 TER and the Parties;
 - See paragraph 18 above;
 - See paragraph 21 above.
26. Roles of the Parties and of other participating Parties need to be elaborated, including in relation to:
- Addressing inconsistencies.
27. Guidelines for the Article 6 TER report are needed, including on:
- Content of the Article 6 TER report;
 - Recommendations on how to improve consistency with the guidance;
 - Information that is not available for all Parties participating in the cooperative approach. The templates for the Article 6 TER report should provide for following up on missing information during future reviews, when such information becomes available, in order to complete the consistency checks;
 - Communicating the Article 6 TER report to the Article 13 TER;
 - Publication of the Article 6 TER report on the centralized accounting and reporting platform (CARP).
28. Relationship between the Article 6 TER and the Article 6 infrastructure:
- Consistency checks will be made easier if the infrastructure is built with the review in mind;
 - The consistency check on quantitative information may be informed by the guidance on the Article 6 database functionalities;
 - With respect to consistency checks, consideration should be given as to whether national registries are connected to the Article 6 database, the international registry and the CARP;
 - Inconsistencies identified in the Article 6 database should be made available to reviewers;
 - The Article 6 TER team has access to the Article 6 database.

29. Relationship with other types of UNFCCC reviews:
 - The modalities and guidance for the review of REDD+ have been already assessed and reviewed under the COP before they are eligible for Article 6.2 review;
 - The Article 6.2 review of REDD+ assessments is complementary, addressing separate issues;
 - REDD+ assessments are already agreed upon under the UNFCCC, and the same information cannot be reviewed twice.
30. Relationship with other UNFCCC processes:
 - There should be a link to the PAICC established under Article 15 (e.g. the annual synthesis report of the secretariat could be provided to the PAICC);
 - The annual synthesis report of the secretariat could be an input to the global stocktake;
 - Recommendations, and unresponsiveness to the recommendations, of the Article 6 TER could be addressed through the facilitative multilateral consideration of progress;
 - A reference to the PAICC is an alternative to the facilitative multilateral consideration of progress;
 - The link to the PAICC and the facilitative multilateral consideration of progress is through appending the Article 6 TER reports to the Article 13 TER report.

B. Infrastructure

31. General views:
 - Recommendations for the functionalities and interrelationships that are referred to in Article 6.2, annex, chapter VI, on recording and tracking are a priority;
 - Reporting and infrastructure cannot be discussed independently. The infrastructure should respond to meeting the reporting requirements;
 - The importance of capacity-building for Parties with little or no experience is vital and should be expedited;
 - The Article 6 infrastructure will have to be able to include information on all Article 6.2 cooperative approaches and on Article 6.4 activities, as appropriate;
 - It is necessary to have a general view of all infrastructure, what it will look like and the linkage among elements of infrastructure;
 - The Article 6.2 infrastructure is centralized and decentralized, composed of discrete and distinct systems. Hybrid approaches should also be possible;
 - The text makes no reference to electronic linkages between Party registries and with the Article 6 database, the Article 6.4. mechanism registry and the CARP;
 - The registry models outlined in the informal report on the intersessional workshop on infrastructure are broadly confirmed as relevant;
 - For the registry models as per the point above, it is necessary to clarify what are the triggers and how corresponding adjustments and reconciliation occur;
 - Article 6.2 registries are for tracking ITMOs which is not the same as the Article 6.4 registry, which has the full range of functionalities to issue and track A6.4ERs units;

- The following principles were mentioned and should be documented:
 - a. Traceability;
 - b. Robustness;
 - c. Integrity;
 - d. Flexibility;
 - e. TACCC principles;
 - f. Fit-for-purpose;
 - g. Minimized transaction cost;
 - h. Highest degrees of electronic integration and automation, including over time;
 - i. Security;
 - j. Immutability of data.
- Real-time integration should be possible for Parties that wish so;
- It may be useful to provide flexibility to Parties to report information on authorizations, transfers and other transactions in real time;
- A key element, and a starting point, to ensure integrity of information over time is authorization by Parties;
- The scope of the infrastructure should be limited to activities authorized by Parties under Article 6.2 and Article 6.4;
- There should be synergy with the infrastructure for transparency for Article 6.4. A link between the A6.4 registry and national registries will be needed to track A6.4ERs. This is to ensure consistency of the information between the registries and the information reported by Parties to the Article 6 database;
- Relevant accounts should be available in all registries to enable Parties to declare their uses, for OIMP and for entities;
- The infrastructure should allow for different levels of participation of different actors;
- There is a need to clarify concepts and terms;
- The guidance should include high-level design specifications for all elements of the system, depending on their respective purpose and functions;
- For unique identifiers it is necessary to:
 - a. Clarify which registries assign them;
 - b. Clarify which identifiers will be assigned by which systems and how identifiers will be shared, as needed, throughout the system;
 - c. Explain how they will be shared within a cooperative approach;
 - d. Establish a format for identifiers, which could be as follows: NDC, type of unit, vintage, project number or purpose of use;
 - e. Reflect the authorization and the definition of first transfer;
 - f. Reflect the deadline for using units;
 - g. Establish one cooperative approach to have the same unique identifier;
- A link between national registries and the Article 6 database would facilitate the translation of the mandated national unique identifiers on the level of

registries (para. 29) or accounts in the international registry (para. 30) into unique international identifiers within the Article 6 database (para. 32(a));²

- The infrastructure needs to clearly track and maintain quantitative information on the contribution of resources for adaptation under paragraph 37 of the annex to decision 3/CMA.2 and on ITMOs cancelled for OMGE under paragraph 39 of the annex to the same decision, distinctly from SOP and OMGE under Article 6.4, and the associated corresponding adjustment.

32. Registries:

- The guidance should:
 - a. Include general technical specifications, including minimum functions, for the registries, namely accounts and identification of units, including in relation to vintage;
 - b. Clarify how each registry will be operating, including in relation to public information;
 - c. Be based on functional requirements without constraining the architecture or suggesting a particular solution;
 - d. Include minimum requirements for communication between registries;
 - e. Clarify how the national registries interface with the international registry and the corresponding timeline;
 - f. Lighten the burden of Parties that wish to establish their own registry;
 - g. Take into account the registries that Parties and non-State actors have already developed so that they can employ the infrastructure without their efforts being lost;
 - h. Allow for a decentralized approach but address how reconciliation may work in this case;
- Registries may be different, whereby some registries hold assets and other track records or both;
- National registries must serialize units and track them through their life cycle, including authorization;
- National registries do not track issuance or units, but rather reflect the movement of assets in the underlying registries;
- For the purposes of traceability, there is a need to determine how national registries will communicate with one another;
- National registries do not need to connect to one another but do need to link through the CARP and the international registry;
- National registries can, but do not have to, connect to the international registry:
- There is no requirement for a link between registries that Parties have, or have access to, and any other system, as per chapter VI of the guidance;
- The registries should also allow for disaggregation and authorized entities to be captured;
- Simple options such as Excel format for registries should be taken into account for those countries with fewer resources.

33. International registry:

- Will the same functionalities as the national registries;

² The paragraphs are paragraphs of the annex to decision 2/CMA.3

- Will connect to the Article 6.4 registry and the connection needs to be clarified;
 - Is not specified to have accounts being available to Parties to track uses for OIMP by entities;
 - Is maintained and operated by the UNFCCC secretariat;
 - Must allow Parties to participate in Article 6.2 without hosting their own registry;
 - Would need to be able to include information on both Article 6.2 and Article 6.4, including on all Article 6 cooperative approaches and the associated activities and all Article 6.4 activities;
 - Requires clarification on how the transfer from the Article 6.4 registry will be made;
 - Requires clarification on the capabilities of a Party account and if this account can have sub-accounts for entities;
 - Would have to accommodate Parties' circumstances, such as unstable Internet connection, hardware constraints and data security policies.
34. Article 6 database:
- It is necessary to clarify the functions of the database;
 - Supports the electronic submission of information from registries;
 - Is a system that compiles the information submitted by participating Parties and may have a multi-layered structure such as a relational database;
 - Should assign unique identifiers that may include additional elements, including a unique identifier for a given authorization, which is shared by participating Parties in a cooperative approach, as well as the first transferring Party in all cases as this is relevant for avoiding double counting;
 - The reconciliation between amounts should take place in the Article 6 database;
 - The consistency checks on the quantitative information should be a function of the Article 6 database;
 - There should be full integration between the international registry and the Article 6 database;
 - The secretariat plays a key role in the consistency check;
 - The consistency check needs to be developed;
 - If the information in the database is immutable, relevant reporting information can be generated automatically by summing up all the activities authorized and entered into the infrastructure system from the start, only to be reviewed as summary information by Parties. However, the database should provide a method for updating information when Parties address inconsistencies on the basis of recommendations from the Article 6 TER and/or in relation to the completeness check.
35. The CARP:
- Should be a platform that integrates the international registry and the Article 6 database and has a user-friendly, dynamic, public interface that is accessible and easy to read;
 - Should have an interface that allows for extraction and downloading of information;

- Should include all information submitted through BTRs and should provide historical information on amounts of ITMOs authorized by each Party, by year of authorization;
- It is necessary to clarify the granularity of information to be captured by the CARP;
- The secretariat extracts relevant information from the CARP, as necessary;
- Where Parties have not identified any confidential information, the information submitted in reports (initial, annual and regular) can be automatically uploaded to the CARP;
- Should perform functions for enhanced transparency, including making non-confidential information in the consistency check publicly available and notifying the relevant participating Party(ies);
- Should be the public repository of the reports prepared by the Article 6 TER team pursuant to chapter V of the guidance.

C. Reporting

36. General views:

- The priorities of this element are:
 - a. Outlining qualitative and quantitative tabular information for regular information;
 - b. Tables for submitting the quantitative information to the Article 6 database and in the structured summary and/or in an annex to the BTR;
 - c. Initial report;
 - d. Ensuring the design of a comprehensive, consistent and robust reporting and review cycle.
- Capacity-building is needed in the reporting area, as requested in paragraph 12 of decision 2/CMA.3;
- Authorization, including content of authorization, is an area important for reconciliation, specifically as the authorization determines the timing of corresponding adjustments, including in relation to IMP;
- It is necessary to understand CORSIA and its reporting and reconciliation model in relation to Article 6.2;
- CORSIA is not the only model that may be recognized by some as best practice;
- All transactions on ITMOs should be made public;
- There is a need to address gaps and avoid duplications and overlaps in terms of the reporting section of Article 6.2 guidance;
- The information requested should be reported in an electronic platform (CARP) that reflects the different reporting cycles and prevents overlap of information;
- There is a need to support countries with their participation requirements, and RCCs could provide such support.

37. Format:

- The SBSTA mandate, as per decision 2/CMA.3, paragraph 6, is to develop tables and outlines for the information required pursuant to chapter IV of the annex to that decision (Reporting), including the agreed electronic format;

- All reports should be developed in a tabular format, in order to facilitate and enhance completeness of reporting by Parties, enable cross-checks between tables and reports, and make the distinction between quantitative and qualitative information;
 - The initial report could be in the form of tables with brief narratives and quantitative information based on paragraph 18(d) for the quantification of NDCs and/or detailed information. The expected content is already defined in the annex to decision 2/CMA.3;
 - There is no need for common formats for the reports, as the requirements for reporting included in decision 2/CMA.3 for the initial report, annual information and regular information are sufficient to operationalize the use of cooperative approaches. This could be revisited after several review cycles in order to identify any gaps in Parties' reporting;
 - Information should be submitted in a standardized electronic format;
 - Information should be submitted in an agreed electronic format;
 - Flexibility in using the format should be offered to Parties;
 - The initial report and the regular report could be in the form of either tables or outlines, depending on Party preferences;
 - The regular report should be in the form of tables;
 - The distinction between qualitative and quantitative information may sometimes be tricky, and a tabular format would clarify this distinction for Parties;
 - The outlines and table formats should be user-friendly, simple, manageable and accessible. Simple templates will enable better access by Parties with limited capacity;
 - In the regular report, some elements required by paragraphs 21–22 require some outlines;
 - It would be helpful to include example texts and templates in the reporting outlines;
 - The tables/formats developed should provide clear information on the delivery of OMGE and resources for adaptation, even if those are voluntary;
 - Tables and outlines should be expressed and reflected in tonnes of CO₂ equivalent;
 - Any other information Parties may wish to include in tables and outlines should be expressed in the form of additional notes.
38. Granularity of information:
- Information submitted and collected needs to be at a level of granularity to give all Parties and stakeholders comfort and confidence that the requirements of the guidance have been satisfied;
 - The required granularity is defined in the text and there is no mandate to address this further.
39. Reporting process:
- The process of submission of the different reports should be streamlined and clarified, including the frequency of submission of the initial report, annual information and regular information;
 - Once submitted, the information should be reviewed without delay.
40. Linkages and/or information flows between reports:

- The linkages and/or information flows between the different reports (initial report annual information, regular information), the registries, the Article 6 database and the BTR need to be further explored. In this context, the ITMO identifiers are a key element;
 - Simple cross-references could be used by Parties when referring to information that is repeated within their own reported information;
 - As there are redundancies in the reports, the reports should be submitted through an electronic system in order to reduce the burden. Exceptions should be allowed such as when some information is already present in one of the reports.
41. Initial report:
- The initial report contains disaggregated information, including on how Article 6 contributes to ambition and aligns with Parties' NDCs, long-term strategies, etc.
42. Regular information:
- Parts of the regular information will be provided in the BTR itself and the same information should not be submitted twice;
 - There are some discrepancies between the table of the annex to decision 5/CMA.3 and paragraph 23 of the Article 6.2 guidance. The structured summary table should be complemented to appropriately calculate the mathematical consequences of each amount reported in the table;
 - Options should be provided for the information in the tables that are referred to in paragraph 23(j) – for example, summary tables containing subtotals by each of the elements that are referred to in that paragraph, for each cooperative approach;
 - Some information to populate the regular information may be generated from the Article 6 database, and Parties may wish to be able to download this information.
43. Agreed electronic format:
- The preferred option is one simple aggregated table for all information required by paragraph 20 (a - b);
 - There should be flexibility on the format.

D. Special circumstances of the least developed countries and small island developing States; elaboration of further guidance in relation to corresponding adjustments for multi-year and single-year NDCs, in a manner that ensures the avoidance of double counting, including for averaging; emission avoidance

44. Special circumstances:
- There is a need for capacity-building of LDCs and SIDS, as well as developing countries in general. In this regard, RCCs have an important role to play;
 - The rules for implementing Article 6.2 must be fully understood and implemented before exemptions and flexibility can be considered for LDCs and SIDS;
 - Flexibility regarding special circumstances could be reviewed after five years and may include:
 - a. The timeline on reporting;

- b. Access to the international registry that is free of charge;
 - c. Support to national arrangements;
 - d. Project cycle design, including baselines (similar to certain provisions under the CDM on baseline and additionality testing);
 - e. Fast-track arrangements for LDC hosted activities;
 - f. Participation requirements;
 - g. Exemption from project cycle fees such as registration fees and SOP;
 - h. Simplicity of reporting;
- Learning from experience will add clarity.
45. Elaboration of further guidance in relation to corresponding adjustments for multi-year and single-year NDCs, in a manner that ensures the avoidance of double counting, including for averaging, including on the following:
- There is a need for capacity-building for Parties to engage in cooperative approaches, not to reopen the guidance;
 - Further guidance is not critical for the operationalization of Article 6.2;
 - Further clarity is needed, including on:
 - a. The relationship between trajectory, trajectories and budget;
 - b. Selecting an accounting approach;
 - c. Pairing corresponding adjustments with SOP and OMGE to ensure robust accounting;
 - d. Ways to avoid lowering ambition in selecting a method for corresponding adjustment;
 - e. Ways to achieve ambition;
 - f. How the time lag between corresponding adjustments made between issuing and using Party will affect reporting;
 - Elaboration can be provided in the outline for the initial report;
 - Experience with reporting will provide the basis for implementing corresponding adjustments;
 - There is no need for further work or recommendations at this time.
46. Emission avoidance:
- Avoidance is a major solution to climate change because unnecessary emissions will no longer be generated by Parties if they have acquired the means of implementation. Emission avoidance should be the preferred option as compared to reductions, where residual emissions will still need to be addressed or mitigated. Emissions avoidance can clearly be part of policies and measures and can easily be validated;
 - A definition of avoidance is necessary as it goes beyond removals and emission reductions, including in relation to the prevention of emissions and impact assessment and risk management. Avoidance may be defined as the full displacement or prevention of greenhouse gas emissions expected to be generated by planned greenhouse gas emitting actions in energy, transport, manufacturing and agriculture. Prevention of human-induced deforestation and other greenhouse gas emitting activities will translate into the full avoidance of impacts from greenhouse gases;
 - The concept of avoidance is not defined under the UNFCCC or the IPCC and not important for the operationalization of Article 6.2;

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- Avoidance does not have a place in Article 6.2 and is not useful;
- Emissions avoidance does not include emission reductions or removal activities that are defined as mitigation activities under the IPCC;
- Removals and emission reductions are well-defined and understood and provide for the avoidance of emissions in a manner that is fully consistent with Article 6.2 guidance;
- Rather than avoidance, it is more useful to focus on removals from forest conservation and enhancement of stocks.
- This issue may be revisited in the light of real case examples and review outcomes;
- Parties may agree to participate in activities together, including on avoidance, provided the guidance for Article 6.2 is followed.
