

Informal note by the co-facilitators
on
SBSTA 58 agenda item 13
Guidance on cooperative approaches
referred to in Article 6, paragraph 2, of the Paris Agreement
and in decision 2/CMA.3

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Informal note by the co-facilitators

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 made by Parties during the fifty-eighth session of the Subsidiary Body for Scientific and Technological Advice. The views reflected in this note are not exhaustive and may be divergent. Where Parties clearly expressed alternative options for specific issues, those options are presented separately and highlighted to facilitate understanding. 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 prejudge further work or prevent Parties from expressing other views at any time. Parties' views on intersessional work that may be needed before the fifty-ninth session of the Subsidiary Body for Scientific and Technological Advice are not covered in this note.

I. Elements discussed

1. The informal consultations on agenda item 13 of the Subsidiary Body for Scientific and Technological Advice (SBSTA) at SBSTA 58, “Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement and in decision 2/CMA.3”, were co-facilitated by Maria AlJishi (Saudi Arabia) and Peer Stiansen (Norway).
2. Parties considered elements, as mandated by decision 6/CMA.4,¹ in the following order:
 - (a) The draft version of the agreed electronic format (AEF) (para. 4);
 - (b) The sequencing and timing of the submission of the initial report, its review and the submission of the AEF (para. 17(a));
 - (c) The reviews specifying recommended action to be taken when inconsistencies are identified, and provisions on how a Party should respond to those recommendations and the implications of non-responsiveness, if any (para. 16(a)(iii));
 - (d) The process of identifying, notifying and correcting inconsistencies in data on internationally transferred mitigation outcomes (ITMOs) in the Article² 6 database, in accordance with decision 2/CMA.3, annex, paragraph 33, and its dependence on the AEF (para. 17(f));
 - (e) The modalities for reviewing information that is confidential (para. 16(a)(ii));
 - (f) Matters related to the international registry, including:
 - (i) The need for additional functionalities and procedures for the international registry to allow for the transfer of Article 6, paragraph 4, emission reductions (A6.4ERs) to the international registry and to provide services for cooperative approaches if voluntarily requested by Parties participating in a cooperative approach, inter alia, additional technical functionalities and administrative arrangements, for authorizing account access, and further guidance on procedures for reporting and review for the cooperative approaches of the participating Parties requesting such services, which may be required in addition to the relevant guidance in decision 2/CMA.3 and decision 6/CMA.4, annex I (para. 17(g));

¹ The relevant paragraph of decision 6/CMA.4 is referred to for each element in brackets.

² Articles referred to in this note are Articles of the Paris Agreement.

- (ii) The accounts of the international registry and the role of the international registry administrator, in accordance with the guidance contained in decision 6/CMA.4, annex I (para. 17(h));
- (iii) The submission of information by Parties using the international registry as the basis for tracking ITMOs (para. 17(i));
- (g) The process of authorization pursuant to decision 2/CMA.3, annex, paragraphs 2, 18(g) and 21(c), notably the scope of changes to authorization of ITMOs towards use(s), and the process for managing them and for authorization of entities and cooperative approaches with a view to ensuring transparency and consistency (para. 17(b));
- (h) The application of decision 2/CMA.3, annex, paragraph 2, on mitigation outcomes authorized by a participating Party for use towards achievement of an NDC and for other international mitigation purposes in accordance with decision 2/CMA.3, annex, paragraph 1(d) and (f) (para. 17(c));
- (i) The common nomenclatures referred to in decision 6/CMA.4, annex I, chapter II.B, including for cooperative approaches reported by participating Parties, first transferring Party, sectors, activity types, non-greenhouse-gas (GHG) metrics and their units of measurement, registries that track ITMOs from cooperative approaches and action types; first transfer specifications; and purposes towards which the use of ITMOs is authorized (para. 17(j));
- (j) Further consideration of the special circumstances of the least developed countries and small island developing States (para. 16(a)(i));
- (k) Options for funding the activities related to the infrastructure and the technical expert review under Article 6, paragraph 2 (para. 38);
- (l) The manual containing illustrative elements of information for the initial report, updated initial report and annex 4 to the biennial transparency report (Regular information) (para. 22);
- (m) Tables for submitting annual information as part of the regular information, as referred to in decision 2/CMA.3, annex, paragraph 23(j) (para. 17(d));
- (n) Consideration of possible implications for the reporting of annual information pursuant to decision 2/CMA.3, annex, paragraphs 20 and 23, from the application of methods for converting the non-GHG metric into tonnes of carbon dioxide equivalent in accordance with decision 2/CMA.3, annex, paragraph 22(d), with a view to ensuring that the amount of ITMOs in a non-GHG metric acquired by a participating Party does not exceed the amount of ITMOs in the non-GHG metric of the participating Party initiating the transfer (para. 17(e)).

3. This informal note summarizes the interventions made by Parties in relation to each element. It includes two annexes that contain provisions of decisions recalled by Parties during their interventions, relevant to the following two elements:

- (a) International registry;
- (b) Authorization.

II. Views of Parties

A. Draft version of the agreed electronic format

4. The following general views were expressed on this matter:

- (a) The AEF contributes to the overall coherence and transparency of and confidence in the Article 6, paragraph 2, system and is relevant to both the reporting and infrastructure requirements of the Article 6.2 guidance.³ In particular, the AEF helps to keep track of the trigger

³ Contained in decision 2/CMA.3, annex.

for corresponding adjustments (the trigger is the first transfer as per paragraph 2 of the Article 6.2 guidance), whether the trigger has occurred and whether corresponding adjustments have been applied;

(b) Regarding progress towards finalization of the AEF, the intersessional hybrid workshop on the draft version of the AEF,⁴ held from 25 to 26 April 2023, and report thereon provide a useful basis for further work;

(c) Substantial capacity-building is important and needed for elaborating the AEF and enabling Parties without relevant experience to test the draft AEF, and;

(d) Capacity building for the draft AEF needs to take place in parallel to intersessional work on this matter, including through joint activities such as workshops;

(e) It is necessary to developing a manual to assist with the preparation of the AEF that includes examples, use cases and instructions regarding how to fill in the AEF. The manual should include information on the links between the AEF and the regular information,⁵ be updated regularly over time and form part of the manual referred to in paragraph 22 of decision 6/CMA.4;

(f) Further work is needed, including in relation to substantive elements of CMA work on Article 6, paragraph 2, before the AEF can be finalized. This work should relate but not be limited to:

- (i) The content, timing and format of the types of authorization;⁶
- (ii) How the AEF should reflect the definition of what a cooperative approach is in conjunction with the suggestion as per paragraph 10(o) below;
- (iii) The sequence of the reporting obligations;
- (iv) The rules applicable to the first transfer of ITMOs authorized for use towards NDCs and other international mitigation purposes;
- (v) How arrangements with underlying registries can be implemented in a manner that ensures consistency in the data available to participating Party registries and the international registry for the purposes of preparing the AEF in conjunction with the suggestion as per paragraph 4(h) below;
- (vi) How the accounting audit trail, which must be underlined by appropriate interoperability arrangements to ensure its transparency, should be maintained from the ITMOs to the underlying units, and how to report when transactions happen in the underlying registries,⁷ for example in the context of ITMOs for which first transfer specification of cancellation or use;
- (vii) The links between the information in the AEF and other information required for reporting by the Article 6.2 guidance, as well as the design and use of the centralized accounting and reporting platform and the Article 6 database, with a view to Parties obtaining a holistic picture of how the information flows in relation to ITMOs will be supported by Article 6.2 infrastructure and how the information in the AEF can be traced back to the registries;

(g) Under a decentralized system *{that is where mitigation outcome units are underlying the ITMOs}*, Parties must be able to make arrangements with underlying cooperative approach registries and carbon crediting programmes so that the relevant information is made available to them, including on transactions of the underlying units;

⁴ See <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement/cooperative-implementation/technical-workshops-article-62-of-the-paris-agreement#Hybrid-workshops-on-the-draft-agreed-electronic-format-and-on-the-initial-report>.

⁵ As per paragraph 21-23 of the Article 6.2 guidance.

⁶ See decision 6/CMA.4, para. 17(b).

⁷ Underlying units are referred to in the “Actions table” of the draft AEF in relation to ITMO unique identifiers, where the ITMOs are created on the basis of such underlying units. Underlying units are tracked in underlying cooperative approach registries.

(h) Parties must be able to make arrangements to ensure that they have access to all information necessary for completing the AEF accurately and in full, including exchanges of information with the registries of other participating Parties. The AEF should not be used to exchange such information between Parties, as this would be too late in the reporting process to enable accurate and complete reporting on ITMOs;

(i) Where a first transferring Party has defined cancellation or use as the first transfer pursuant to paragraph 2(b) of the Article 6.2 guidance and the cancellation or use occurs in the ITMO registry of another Party, both the first transferring Party and the Party that defined cancellation or use as the first transfer must report in the AEF thereon;

(j) Corresponding adjustments must be reflected in the emissions balance, and the cumulative amount of ITMOs reported in the AEF considered;

(k) Information on ITMOs first transferred must be included in the AEF because this information is used for corresponding adjustments;

(l) The AEF can be finalized when common nomenclatures are finalized;

(m) The date to be determined by the CMA as per paragraph 12 of the Article 6.2 guidance needs to be agreed;

(n) The tables for reporting on REDD+⁸ activities and tables for reporting under Article 13 of the Paris Agreement should be checked to see whether they contain any useful features for the AEF.

5. Regarding possible improvements to the draft AEF, it is necessary to clarify:

(a) Key terms and concepts, such as use, cancellation and retirement;

(b) Sectors and activity types;

(c) Common nomenclatures, including which table columns of the AEF require common nomenclatures;

(d) What constitutes a first international transfer in relation to authorization of the use of ITMOs towards NDCs;

(e) Where the first transfer specification is reported;

(f) The link between the AEF and the annual information to be provided in the regular information report as per paragraph 23 of the Article 6.2 guidance;

(g) How to include further information in the tables in the draft AEF;

(h) How changes to information in the AEF will be managed;

(i) How the information in the AEF will be reconciled with the summary information in the structured summary required pursuant to paragraph 77(d) of the annex to decision 18/CMA.1 as part of the biennial transparency report (BTR);

(j) The content of the footnotes and how they can be further improved;

(k) How the results of the consistency check of the AEF will be considered in the Article 6 technical expert review with a view to elaborating a process for identifying persisting inconsistencies.

6. Regarding the information to be included in the finalized AEF, the following information was identified as necessary:

(a) Authorized A6.4ERs issued from the mechanism established by Article 6, paragraph 4 (Article 6.4 mechanism), in the mechanism registry;

(b) Share of proceeds and overall mitigation in global emissions,

⁸ 'REDD' stands for 'Reducing emissions from deforestation and forest degradation in developing countries. The '+' stands for additional forest-related activities that protect the climate, namely sustainable management of forests and the conservation and enhancement of forest carbon stocks.

- (i) **Option 1:** which has to be clearly identifiable and include transactions in relation to the mandatory and voluntary share of proceeds and overall mitigation in global emissions under the Article 6.4 mechanism and transactions related to contributions that are strongly encouraged under the Article 6.2 guidance, ensuring those contributions can be traced to their underlying transactions. A summary table containing this information for each cooperative approach should also be included in the AEF.
 - (ii) **Option 2:** for which no special provisions are required because the draft AEF already captures the information specified in the Article 6.2 guidance.
7. Regarding possible layouts of the AEF, the following options were proposed *{option 1 and option 2 may be combined with option 3}*:
- (a) **Option 1:** Information on authorization can be reported in its own table;
 - (b) **Option 2:** Information can be organized in separate tables for easy access, for example by action type;
 - (c) **Option 3:** The information referred to in subparagraph (b) above can form the basis of summary tables, grouped by action type, that clearly show the basis for the application of corresponding adjustments.
8. Regarding features that should be considered for the AEF, the following suggestions were made:
- (a) There is a need to connect the different tables of the AEF through the use of appropriate identifiers (such as unique codes) to ensure that the tables are correctly connected to one another and that information in the AEF is streamlined;
 - (b) Drop-down menus based on common nomenclatures should be provided;
 - (c) Features that accommodate flexibility in the completion of the AEF should be considered in the context of national circumstances.
9. Regarding the informal–informal setting for discussing the draft AEF, Parties shared the following views and suggestions⁹ *{Note: Some views and suggestions from the informal–informal consultations may duplicate views and suggestions expressed during the informal consultations. The views and suggestions expressed during the different settings are maintained separately in this note}*:
- (a) There is a need to align the draft AEF with decisions 2/CMA.3 and 6/CMA.4,¹⁰ in particular to clarify what type of information needs to be reflected in the AEF as per paragraph 20 of the former decision;
 - (b) With regard to the preparation of a new iteration of the draft AEF:
 - (i) There is a need for a new iteration of the draft AEF to be prepared under the guidance of the SBSTA Chair in advance of a proposed intersessional workshop on the AEF to ensure the workshop is successful in making progress on the draft AEF;
 - (ii) The lack of knowledge on the subject by many Parties necessitates significant capacity-building to understand the AEF before deliberating on it;
 - (c) It is important to have examples of table entries to understand the AEF and how it should be completed, as well as how the information should be presented in the separate tables and how it could be amended in light of new information;

⁹ These views were expressed during informal–informal consultations on this matter, held separately to the informal consultations during this session; however, it should be noted that not all Parties were able to engage in the informal–informal consultations due to the technical nature of the AEF. Parties indicated that this setting was a useful opportunity for improving common understanding and clarifying elements of the AEF. A total of approximately five hours of informal–informal consultations were held in the first week of the SB session.

¹⁰ For example, information on common nomenclature as per Ch.II.B of Annex I to this decision.

- (d) The work on developing common nomenclatures is highly relevant for the AEF and there is a need for examples of common nomenclatures to understand the content of the columns of the different AEF tables, where relevant;
- (e) Regarding specific elements of the AEF, the following views were expressed:
- (i) The actions table in the AEF is not well organized or intuitive and hence the format and organization of this table need further consideration, including regarding the possibility of separating this table from other AEF tables;
- (ii) The Article 6 database record ID is generated by the Article 6 database. Therefore, a footnote should be included to clarify that Parties do not need to report one themselves. In addition, the process for filling in this record ID needs to be clarified;
- (iii) There is a need to clarify how to report on sector(s) in the actions table and whether the information on ITMOs pertains to the sectors under which emission reductions occurred or in relation to the sector(s) for which the emission reductions have been claimed, including consideration of whether upstream or downstream emission reductions should be taken into consideration;
- (iv) The mixing of GHG with non-GHG metrics in the actions table can be confusing, which necessitates clearly separating and sequencing the columns that contain such information with a view to improving the clarity of the information presented;
- (v) It is necessary to decide how to address the provision of information on how non-GHG metrics are converted to GHG metrics, for example whether it could be excluded from the initial adoption of the AEF until such time that relevant technical work has been completed or whether it is sufficient to provide clarification in footnotes;
- (vi) For GHG metrics, it was suggested to add a column that provides information on the global warming potentials used in accordance with the relevant IPCC assessment report;
- (vii) There is a need to clarify the specification of first transfer when ITMOs are authorized for use towards NDCs and other international mitigation purposes;
- (viii) Deliberations on the authorization process for Article 6, paragraphs 2 and 4, are ongoing. The outcome of these deliberations will inform how the different types of authorization should be included in the actions table;
- (ix) A possible option for the AEF structure is to have a separate table for information on authorization;
- (x) It is necessary to report the date of authorization;
- (xi) There is a need to clarify whether the acquiring Party has to report on authorization;
- (xii) There is a need to clarify that authorization of the use of ITMOs, as opposed to a general authorization, is to be reported in the AEF;
- (xiii) There is a need to report on authorized quantitative limits for ITMOs;
- (xiv) There is a need to clarify how authorization of entities can be reported on in the AEF and whether a separate table for entities is required;
- (xv) There is a need to store information on authorizations in a common place for all participating Parties;
- (xvi) A possible solution for the AEF structure could be to move the actions section on the left side of the actions table in order to have the unique identifiers of the ITMO closer to the action type, or to have different tables for each action type;
- (xvii) It is necessary to report on mandatory and voluntary use of ITMOs towards overall mitigation in global emissions;
- (xviii) It is necessary to determine what is understood by ‘holdings’ and what information in this regard needs to be reported;

(xix) It is necessary to discuss the AEF summary tables with the view to finalizing the AEF.

B. Sequencing and timing of the submission of the initial report, its review and the submission of the agreed electronic format

10. The following general views were expressed on this matter *{Note: These views should be read in conjunction with paragraph 11 below to enhance the understanding of the options included in paragraph 11 below}*:

(a) The option to submit the initial report in conjunction with a BTR relates to authorizations and cooperative approaches initiated six to nine months before the BTR deadline;

(b) Clarity is needed with regard to the submission of the initial report, namely whether there is a single initial report for a respective programme or project or thousands of initial reports and respective individual programmes or projects each with different standards;

(c) There is a need for timely submission of the annual information, that is no later than 15 April of the following year, and for subsequent reports to follow the same timeline as the initial report to ensure clarity of Parties' intentions and transparency in relation to cooperative approaches;

(d) It is necessary to think about the timing in the year leading up to the BTR review to ensure a thorough review of Article 6 information before the review of the BTR. The AEF should be submitted the following year, namely the year after the actions reflected in the annual information occurred. This includes information on the authorization of ITMOs;

(e) Submitting the initial report with a BTR may cause issues in the review process of the BTR as the sequence of events affects the review of progress in implementing and achieving the NDC. Hence, Parties should be allowed to choose their preferred approach for submission of the initial report, namely together with the BTR or separately;

(f) The initial report is the first step in the Article 6.2 reporting cycle. However, it is not the first step in the Party's engagement in a cooperative approach. Any recommendations arising from the review of the initial report would be issued after the cooperative approach has been made operational. Therefore, there is a need to address substantive issues in relation to cooperative approaches as early as possible in the implementation of a cooperative approach and capacity-building has an important role to play in this context. Furthermore, creative approaches to making information public could ensure transparency in the status of the review of the initial report;

(g) There is a need to think about the timing in the year leading up to the BTR review to ensure that a thorough review of any information under Article 6, paragraph 2, submitted before a BTR is conducted according to a timeline that does not result in delaying the review of regular information included as annex 4 to the BTR;

(h) The AEF should be submitted the year after the actions reflected in the annual information occurred;

(i) Consideration should be given as to the possible implications of preventing Parties from submitting information, if additional requirements for sequencing the submission of information are introduced;

(j) There is already clarity provided in the Article 6.2 guidance on, for example, the sequencing and timing of the submission of the initial report, according to which it is necessary to avoid sole reliance on the AEF for transfers without the review of the initial report being completed, which would undermine the transparency and credibility of the Article 6.2 regime, especially in the context of bilateral and multilateral cooperative approaches;

(k) The review of the initial reports should be started by the secretariat as soon as possible and not at the end of the reporting cycle, with subsequent revisions and submissions proceeding as scheduled, and the secretariat should allow for the review of the initial report to take place before the AEF is submitted to the Article 6 database;

(l) It is important to analyse the implications of waiting for the initial report to be reviewed until the annual report is reviewed as this sequence of events could affect the review of

progress in implementing and achieving the NDC since the annual information is crucial for understanding how Parties are implementing the Article 6.2 guidance for their NDC or for other international mitigation purposes;

(m) The Article 6, paragraph 2, infrastructure should support information-gathering for reporting under Article 6, paragraph 2;

(n) There is a need to develop the Article 6 review training programmes and train qualified experts to conduct the reviews as soon as possible;

(o) There is a need for guidance to define what a cooperative approach is as this definition relates to the clarity of expectations for reporting, and to elaborate elements relevant to a cooperative approach, such as standards and procedures addressing the requirements of the Article 6.2 guidance, rather than elaborating individual activities as cooperative approaches, as the latter raises practical concerns about there being multiple reports and reviews;

(p) It is not relevant to discuss the definition of a cooperative approach in the context of the AEF as a cooperative approach is between two Parties;

(q) Future guidance from the CMA on the sequencing and timing of the submission of the initial report needs to address the situation of whether to submit the initial report, the AEF and the BTR together;

(r) Any recommendations from the review of the initial report cannot hinder the implementation of the cooperative approach as this may affect human rights and implementation of the Party's NDC;

(s) The different elements of the CMA work-programme for Article 6.2¹¹ need to be advanced as much as possible in parallel with implementation with a view to not delaying the Article 6.2 process, noting that many processes within the Article 6.2 process, such the maintenance of common nomenclatures, will be performed over time;

(t) It was highlighted that the review process for REDD+ can serve as a model for other processes, emphasizing the need for rigorous scrutiny and assessment in the Article 6 technical expert review process;

(u) There is a need to consider the timing sequencing of the submission of the initial report submitted with the BTR and the review of annex 4 to the BTR and how information relevant to cooperative approaches reported under Article 5, paragraph 2, of the Paris Agreement should be treated.

11. The following options were proposed for this matter:

(a) **Option 1:** The initial report and the review of the initial report should be submitted and completed, with the initial report and its review report published, before the Party can submit the AEF and the regular information;

(b) **Option 2:** The review of the initial report and any updated initial report must be completed, with no outstanding issues, prior to the submission of the annual information through the AEF and the regular information with respect to the cooperative approaches included the initial report or any updated initial report;

(c) **Option 3:** The status of the review of the initial report should be kept up to date on the centralized accounting and reporting platform. Publishing the status of the review of the initial report *{i.e. that the review of the initial report has been initiated}* is the basis for the submission of an AEF;

(d) **Option 4:** There may be circumstances under which the initial report, the AEF and the regular information in the BTR are submitted at the same time and this should be possible to ensure that transparency is not hindered;

¹¹ The CMA mandates for elaboration of further guidance on Article 6, paragraph 2.

(e) **Option 5:** There is no need for further guidance on the sequencing and timing of the submission of the initial report, its review or the submission of the AEF as Parties noted that the required guidance is already provided in chapter V of the Article 6.2 guidance.

C. Reviews specifying recommended action to be taken when inconsistencies are identified, and provisions on how a Party should respond to those recommendations and the implications of non-responsiveness, if any

12. The following general views were expressed on this matter:

- (a) It is necessary to consider how to accelerate the review of initial reports;
- (b) The Article 6.2 guidance envisages the possibility for participating Parties to respond and address inconsistencies, for example through the process for the consistency check as per paragraph 33 and the guidelines for the Article 6 technical expert review;¹²
- (c) When Parties submit the initial report with the BTR, any inconsistencies identified during the review process should be resolved promptly during the same round of the Article 6 technical expert review and published before being considered in the Article 13 technical expert review;
- (d) Potential inconsistencies identified during the review process and cases of non-responsiveness should be communicated to Parties, and Parties should be given sufficient time to respond in a collaborative manner and should respond to recommendations within a time limit;
- (e) Inconsistencies can be qualitative or quantitative and exist within a Party or between Parties, and non-responsiveness over a period of time can also be considered an inconsistency;
- (f) Inconsistencies can also arise in the data provided by the same Party or with the guidance;
- (g) The secretariat should create rules for automating the consistency check¹³ of information reported by the participating Party for recording in the Article 6 database and other checks carried out during the Article 6 technical expert review process and develop procedures setting out who should be informed of inconsistencies and how;
- (h) There is a need to define the extent to which Parties can and should agree on follow-up responses;
- (i) It is important to safeguard against the propagation of inconsistent information: addressing identified inconsistencies early on is crucial to avoiding complexity and difficulties. In addition, there is a need to explore the severity of different types of inconsistency and how they can be addressed and to understand their implications. Options for addressing inconsistencies should provide incentives for Parties to reduce and resolve them;
- (j) The technical expert review report and the facilitative, multilateral consideration of progress should include information on non-responsive Parties and recurrent inconsistencies;
- (k) There is a need to incorporate relevant guidelines into the training programme for Article 6 reviewers;
- (l) There is a need to clarify the consequences of non-responsiveness;
- (m) Non-responsiveness with recommended actions may have consequences for the reporting on the progress in the implementation and achievement of Parties' NDCs;
- (n) With regard to the implications of non-responsiveness, reflecting on the fact that there is a flow of information from the review teams to the Article 13 review team and there are linkages to Article 15 of the Paris Agreement, it is important to explore persisting inconsistencies and, in the

¹² As per decision 6/CMA.2, annex II.

¹³ As per decision 2/CMA.3, annex, para. 33.

case of a number of significant persisting inconsistencies across multiple reporting periods, to be able to flag this in the review report, both under Article 6 and under Article 13;

(o) Parties have already agreed, both in decision 2/CMA.3 and decision 6/CMA.4, Annex II, on how the Article 6 technical expert review will address significant and persisting inconsistencies or non-responsiveness, including with regard to reviewing confidential information, noting that this process is an iterative process with communications between the review team and the Party being reviewed.

13. Further consideration is needed of situations where the Article 6 technical expert review identifies inconsistencies in information that remain unresolved and the consequences of those inconsistencies. Regarding specifying recommended action to be taken when inconsistencies are identified, the following options were proposed:

(a) **Option 1:** Unresolved inconsistencies after two reviews indicate a clear persistence of such inconsistencies and these should be reported in the CARP and made public in the conclusions and recommendations of the Article 6 technical expert review team. If required, the Paris Agreement Implementation and Compliance Committee can be involved in addressing persisting inconsistencies, following the approach used in other processes under the Convention;

(b) **Option 2:** Persistent inconsistencies shall be forwarded to the Paris Agreement Implementation and Compliance Committee;

(c) **Option 3:** Even if there is non-responsiveness or no agreement on addressing inconsistencies, the Article 6.2 reports must be made public, clearly identifying the inconsistencies, allowing stakeholders to form their own opinion on the cooperative approach.

D. Process of identifying, notifying and correcting inconsistencies in data on internationally transferred mitigation outcomes in the Article 6 database

14. The following general views were expressed on this matter:

(a) The Article 6.2 guidance envisages the possibility for participating Parties to respond to and address inconsistencies, for example through the process for the consistency check and the guidelines for the Article 6 technical expert review;¹⁴

(b) Regarding identifying, notifying and correcting inconsistencies and errors in the Article 6 database, Parties previously agreed that the Article 6 database will automate this process;

(c) Parties need to agree on how to address inconsistencies in data before sending electronic information to the database;

(d) If inconsistencies in data quality are identified during the review, the participating Party must address them. The implications of inconsistencies related to environmental integrity and double counting need to be discussed and defined;

(e) Resolving inconsistencies promptly is crucial to avoiding undermining climate action, ambition and the Article 6 mechanisms as a whole, while ensuring that Parties are given a specified period for recommended corrections, after which non-responsiveness can be raised as an issue;

(f) Clarification should be provided as to the process for identifying inconsistencies within the Article 6 database and the role of technical experts in that process;

(g) There is a need to reconcile inconsistencies across reports submitted by Parties and guidelines or rules should be developed for reconciling inconsistencies and preventing double counting;

(h) There is a need to consider guidelines or rules for addressing the consequences of inconsistencies and ensuring fairness;

¹⁴ Decision 6/CMA.4, annex II.

(i) It was recalled that in decisions 2/CMA.3 and 6/CMA.4 it was agreed that the consistency check will be performed automatically in the Article 6 database and Parties can address and reconcile any inconsistencies.

15. Regarding the process of identifying, notifying and correcting inconsistencies in data on ITMOs in the Article 6 database, the proposal was made that inconsistencies should be identified through the AEF and prevented in subsequent submissions through appropriate formats and incentives for providing comprehensive information.

E. Modalities for reviewing confidential information

16. The following general views were expressed on this matter:

(a) Parties should make efforts to minimize confidential information, and guidance should be provided on when confidentiality can be asserted. Participating Parties need to justify the provision of information considered confidential, and further discussion is needed on how to address such information;

(b) Information subject to the Article 6 technical expert review, mainly public commitments and quantified mitigation outcomes, can maintain a high level of transparency without compromising confidentiality;

(c) Confidential information will be made available to the Article 6 technical expert review, but not public;

(d) All information under Article 6.2 should be reported and be accessible to the public but there is a potential need for confidentiality depending on national security, sovereignty or sensitive business-related reasons. The CARP will handle confidential information while still providing necessary information to the review team;

(e) The issue of reviewing confidential information is adequately addressed under the existing review processes and protocols for handling confidential information;

(f) Adherence to the rules of the Article 6 technical expert review process is necessary regardless of the type of information provided and it is unclear which information would be considered confidential at this stage;

(g) It was recalled that in decision 6/CMA.4, annex II, chapter VII (Confidentiality), CMA 4 decided that Parties may designate information as confidential and shall provide the basis for protecting the confidentiality of such information, including when information is provided and identified as confidential during the Article 6 technical expert review.

17. Regarding the modalities for reviewing confidential information, the following options were proposed:

(a) **Option 1:** Additional guidance is needed to effectively address the issue related to confidentiality, including:

(i) Defining which information should be considered confidential and which should be made public so as to avoid a situation wherein Parties may report that all of their information is confidential to avoid risks;

(ii) Developing a specific code of conduct for the treatment of confidential information in the Article 6.2 process that could include a requirement for Parties to justify confidentiality on the basis of national laws and regulations, procedures for storing confidential information, rules for access and use of confidential information by the Article 6 technical expert review team, and training for technical experts;

(iii) Developing a process for dealing with cases in which the basis of confidentiality is not clear or questionable, or has not been provided, including with regard to the Article 6 technical expert review team concluding whether appropriate justification was provided;

- (iv) Further considering situations where the Article 6 technical expert review team identifies inconsistencies in information marked as confidential regarding how it would report on those inconsistencies and how those inconsistencies would be made public;
- (b) **Option 2:** Additional guidance is needed but it should be aligned with practices under the existing UNFCCC review processes;
- (c) **Option 3:** There is no need for further guidance on the treatment of confidential information because the practices under the existing UNFCCC review processes serve as a reference for the treatment of confidential information, such as decision 12/CP.9;
- (d) **Option 4:** There is no need for further guidance on the treatment of confidential information because decision 6/CMA.4, annex II, chapter VII (Confidentiality), already addressed this matter.

F. Matters related to the international registry

- 18. To aid Parties in their further consideration of this matter, annex I contains a list of provisions related to the international registry.
- 19. The following general views were expressed on this matter:
 - (a) Registry matters:
 - (i) Are a systemic issue;
 - (ii) May inhibit cooperation if not handled carefully;
 - (b) Tracking is key to transparency and nothing should prevent its proper functioning to deliver transparency;
 - (c) The 'shall' provisions in relation to registries need careful consideration;
 - (d) The international registry shall be able to perform the functions, including tracking information on authorization and first transfer, set out in paragraph 29 of the Article 6.2 guidance in relation to participating Party registries and further elaborated in decision 6/CMA.4, annex, paragraph 1;
 - (e) Paragraph 30 of the Article 6.2 guidance provides that the secretariat shall implement an international registry for:
 - (i) Participating Parties that do not have or do not have access to a registry as per paragraph 29 of the Article 6.2 guidance;
 - (ii) Any Party that requests an account in the international registry;
 - (f) It is a Party's prerogative to determine:
 - (i) How to engage in cooperative approaches and whether it needs centralized tools for tracking;
 - (ii) The scope of any interoperability arrangements;
 - (iii) Whether to use existing registries;
 - (g) Elements elaborated in the technical paper¹⁵ from last year can be brought back into consideration, including the concept associated with accounting amounts and unit tracking, and the mode of tracking for the international registry clarified;
 - (h) The international registry shall be able to fulfil all registry functions so that any Party that uses it can produce the required reporting;
 - (i) The international registry should facilitate the generation and submission of the AEF, including through seamless integration between the international registry and the CARP;

¹⁵ Available at <https://unfccc.int/documents/613840>.

(j) The question arose as to whether a Party that uses an independent standard registry will be able to produce the required reporting and therefore the use of independent standard registries needs to be clarified;

(k) It is crucial not to blur the line between the reporting and tracking platform {*Note: Understood to refer participating Party registry*} and the functions of credit issuance, transactions and transactional transfers;

(l) Interoperability of the international registry, including the possibility for transfers of ITMOs, was agreed at CMA 4, including for the transfer of ITMOs;¹⁶

(m) There is a need to clarify the interoperability, security and reliability of the registry system, in particular for registries that are not linked to the international registry;

(n) There is a need for guidance on how interoperability will be implemented for participating Party registries in general, and specifically for the international registry and the Article 6.4 mechanism registry;

(o) It is critical to have an international transaction log that facilitates transactions between the Party-specific sections of the international registry, the national registries, and the connection and transactions between the mechanism registry and the international registry;

(p) Under a decentralized system (with specific units underlying the ITMOs), Parties must be able to make arrangements with underlying unit registries and carbon crediting programmes so that the relevant information is made available to them, including on transactions of the underlying units;

(q) The transparency of tracking by the underlying registry is a concern;

(r) The robustness of underlying systems should not be the focus of the international registry;

(s) It is necessary to clarify how information on first transfer is communicated to the host Party for ITMOs that have been transferred from the host Party to another participating Party and an information feedback loop is required;

(t) With respect to cost implications of the implementation of registries, the following was noted:

(i) Transactional registries (i.e. registries that enable the transfer of ITMOs between registry accounts) are significantly more costly to implement and operate than non-transactional registries;

(ii) Non-transactional registries (i.e. registries that enable the pulling and viewing of information from underlying cooperative approach registries) may have significant cost implications with regard to the administrative and other arrangements for such registries;

(iii) The information available from the secretariat does not provide details on the cost implications of the operations of the international registry;

(u) The importance of launching the registry forum as per decision 6/CMA.4, paragraph 34, and completing the mandated work as per paragraph 32 of the same decision was underscored;

(v) There is a need for substantial capacity-building efforts by the secretariat to support participating Parties without experience of operating registries owing to the highly technical nature of issues related to Article 6 infrastructure in general and registries in particular;

(w) Capacity-building support can be accessed from international institutions other than the UNFCCC.

20. Regarding the purpose of the international registry, it was proposed that the international registry should provide:

¹⁶ See decision 6/CMA.4, annex I, paras. 9, 10, 23 and 24.

(a) **Option 1:** An interim solution for Parties that have not yet implemented their national registry;

(b) **Option 2:** A permanent arrangement for Parties that will use it.

21. Regarding additional functionalities and procedures for the international registry to allow for transfer of A6.4ERs to the international registry, interoperability between the international registry and registries was discussed in general and the following options for interoperability between the international registry, the Article 6.4 mechanism registry and participating Party registries were proposed:

(a) **Option 1:** Regarding the connection between the international registry and the Article 6.4 mechanism registry,¹⁷ the international registry shall only be capable of pulling and viewing data and information on holdings and the action history of authorized A6.4ERs for use by participating Parties that have an account in the international registry as per decision 6/CMA.4, annex, paragraph 49. Participating Party registries shall be capable of the same;

(b) **Option 2:** Option 1 above, with the possibility of connecting the international registry and participating Party registries to the Article 6.4 mechanism registry for the transfer of A6.4ERs;¹⁸

(c) **Option 3:** Option 2 above, with the possibility of connecting the international registry to participating Party registries for the transfer of ITMOs.

22. Regarding further guidance on procedures for reporting and review in relation to the cooperative approaches being applied by participating Parties requesting international registry services, the relevant provisions should not lead to duplication of similar processes already in place.

23. Regarding accounts in the international registry and the role of the international registry administrator, in accordance with the Article 6.2 guidance:

(a) All account and transaction types that may happen in a national registry should also be available in Party-specific sections of the international registry;

(b) The following options for access to accounts in the international registry were proposed:

(i) **Option 1:** Only participating Parties should have access to accounts in the international registry;

(ii) **Option 2:** Both participating Parties and authorized entities may open accounts, noting that any entity applying for an account should be authorized by a participating Party in relation to the cooperative approaches in which this Party participates in and the respective entity account will be associated with the authorizing Party and be part of the Party-specific section of the international registry;

(c) The following necessary account types were identified:

(i) Participating Parties should at least have the same accounts as those as agreed by the CMA for the Article 6.4 mechanism registry;¹⁹

(ii) Participating Party accounts with sub-accounts to support the compilation of information required for the AEF, including ITMOs authorized for use, and the different authorization types, such as for other international mitigation purposes or use towards another Party's NDC, the quantity of ITMOs first transferred, the quantity of ITMOs acquired to be used towards its NDC, and ITMOs voluntarily cancelled towards overall mitigation in global emissions;

(iii) Administrative cancellation or corrective account to enable corrective actions to take place, as necessary;

¹⁷ See decision 3/CMA.3, annex, para. 63.

¹⁸ This matter is being considered in accordance with decision 7/CMA.4, para. 9(b).

¹⁹ As per decision 7/CMA.4, annex, para. 32.

(d) It is necessary for the secretariat, as the administrator of the international registry, to:

(i) Develop and maintain appropriate standards and procedures for interoperability with other registries to mitigate risks concerning data consistency;

(ii) Draw on its experience as international transaction log administrator, as well as on the experience of other compliance and voluntary registry administrators, including with a view to protecting against fraud and simplifying automated real-time reporting;

(iii) Develop the processes and procedures for operating the international registry, including with a view to clarifying the tracking of underlying mitigation activities and outcomes, including on the basis of sharing lessons learned and experience from the registry forum mandated by the CMA.²⁰

G. Process for authorization pursuant to decision 2/CMA.3, annex, paragraphs 2, 18(g) and 21(c)

24. To aid Parties in their further consideration of this matter, annex II contains a list of provisions related to authorization.

25. The following general views were expressed on this matter:

(a) It is necessary to unpack the provisions related to authorization with a view to clarifying the implications of these provisions as well as the types of authorization and processes relevant to authorization owing to implications for other elements of the Article 6.2 guidance, including the AEF and registries;

(b) Authorization and the process for authorization:

(i) Should be considered in the context of the overarching principles embedded in the Article 6.2 guidance:

a. National prerogative of participating Parties to issue and make changes to authorizations, including revocation, as well as any other aspects of the process of authorization;

b. Authorization is essential for transparency and confidence in the Article 6 system;

c. Environmental integrity, good governance and avoidance of double counting;

d. Transparency, accuracy, completeness, comparability and consistency;

e. Safeguards and the elements of the eleventh preambular paragraph of the Paris Agreement;

(ii) Should be left to the participating Party to design as authorization related to national assets and changes to authorization are a host Party sovereign matter;

(iii) Is a national responsibility;

(c) It is important to understand the process that was agreed and not to overcomplicate the guidance merely for the sake of addressing specific situations;

(d) The need to minimize reporting burden should be balanced with the need for robustness of the authorization process;

(e) Guidance is needed on the process for changes to authorization, including on the scope and the impact of such changes;

(f) Regarding authorized entities, it is necessary to look deeper into the definition because, owing to the lack of clarity, it is not possible to reconcile records about authorized entities

²⁰ Decision 6/CMA.4, para. 34.

at the end of the ITMO use cycle given that ITMOs may be further traded by other entities or be used by such other entities, which the host Party may not be able to track beyond its national jurisdiction. Default options could be considered for Parties, CORSIA airlines or other users, including individuals;

(g) A loose and unclear authorization process could be counterproductive for environmental integrity and cause market disruptions;

(h) It is important to enable Parties to understand and define what ITMOs are in respect of their domestic frameworks and not only environmental frameworks with a view to enhancing understanding of the appropriate terminology with respect to possible changes such as revocation or withdrawal;

(i) With regard to changes to authorization:

(i) Authorization is unlikely to change significantly on a regular basis, although the possibility for changes is provided for in the Article 6.2 guidance;²¹

(ii) Changes to authorization will have an impact on:

a. The first transferring Party, its capacity to achieve its NDC, business predictability, the review process and the infrastructure such as the registry and the CARP and the risks to achieving the goals of the Paris Agreement have to be managed;

b. Other participating Parties;

c. Authorized entities;

(iii) The changes to authorization may be small and administrative in nature, like a change to the name of an entity, or be significant changes, like a change in the scope of the authorization;

(iv) Changing or revoking an authorization should be clearly justified by the Party;

(v) Changes are tracked and included in the reporting infrastructure and are subject to consistency check by the secretariat;

(vi) Changes after transfer are problematic;

(vii) Changes should be limited to exceptional circumstances;

(viii) Changes should be made taking into consideration the implications for share of proceeds and overall mitigation in global emissions, in particular for the Article 6.4 mechanism;

(j) A balance between flexibility for allowing changes and their impact on markets and entities needs to be found;

(k) There is a need for a central repository for all authorizations and this role could be fulfilled by the centralized accounting and reporting platform;

(l) The authorization process under the Article 6.4 mechanism needs to take into account the Article 6.2 guidance requirements in relation to authorization;

(m) A manual on the process of authorization could be developed, with examples of how to report authorizations;

(n) Additional details on the elements of authorization have been elaborated, including in relevant submissions in response to the call for submission in the first intersessional period under Article 6.4, and those details should be considered going forward;²²

²¹ Decision 2/CMA.3, annex, para. 21(c).

²² See <https://unfccc.int/submissions-guidance-on-the-mechanism-established-by-article-6-paragraph-4-of-the-paris-agreement#Submissions-on-views-on-the-matters-referred-to-in-paragraph-9-of-FCCC-PA-CMA-2022-L14>.

(o) Only ITMOs authorized for use for other international mitigation purposes should be used for CORSIA.

26. Regarding the structure of the authorization process, the following elements were identified and discussed:

- (a) Type of authorization;
- (b) Participating Party issuing authorization;
- (c) Format and content, including for each authorization type, as applicable;
- (d) Timing;
- (e) Reporting;
- (f) Process for managing changes to authorization;
- (g) Changes to authorization.

27. Regarding authorization types, the following options were proposed:

- (a) **Option 1:** Different authorization types should be as follows:
 - (i) Authorization of the cooperative approach as per paragraph 18(g) of the Article 6.2 guidance;
 - (ii) Authorization of the use of ITMOs as per paragraph 1(f) of the Article 6.2 guidance, in relation to which it was noted that it is necessary to address issues before issuing an authorization and submitting an initial report, and to reflect the relevant due diligence processes within the authorization;
 - (iii) Authorization of entities as per paragraph 1(f) of the Article 6.2 guidance;

(b) **Option 2:** An authorization of the use of ITMOs is general in nature and may refer to a system and the parameters of what is authorized within that system, including with respect to the cooperative approach and entities, but enables different degrees of specificity with regard to specific categories of activity and may change in scope over time.

28. Regarding option 1 in paragraph 27 above, it was clarified that:

- (a) When a participating Party authorizes, information on all three types is required for the functioning of the cooperative approach;
- (b) The types of authorization have to be linked to reporting, which in turn may clarify the process for authorization, including timing and possibility for changes.

29. Regarding authorization of entities, it was noted that a participating Party may issue general authorization of entities *{i.e. an authorization that is not entity specific}*.

{Note: Where interventions in relation the following elements specified an authorization type, this reference is included. From the interventions, it was not always possible to clearly associate elements being discussed with the approach for authorization types}

30. Regarding the participating Party that provides authorization, it was noted that:

- (a) Both the host Party and the using Party have to provide authorization, including jointly agreeing on any changes;
- (b) ITMOs are only transferred between Parties participating in the cooperative approach;
- (c) Only authorized entities can hold ITMOs.

31. Regarding the format and content of the authorization, the following was suggested:

- (a) Minimum elements to be included should be:
 - (i) For authorization of the cooperative approach *{the following is a list of possible minimum elements compiled from various suggestions}*:
 - a. Date;

- b. Identifier of the cooperative approach;
 - c. Participating Party;
 - d. Amount or maximum amount authorized;
 - e. Percentage allocation of mitigation outcomes between participating Parties;
 - f. Other possible elements such as mitigation activity, sector, vintage, metric, crediting period, and NDC period for which the use of ITMOs is authorized;
- (ii) For authorization of the use of ITMOs:
- a. The authorized use (e.g. towards NDCs or for other international mitigation purposes or both);
 - b. Triggers for corresponding adjustments as per paragraph 2(b) when ITMOs are authorized as per paragraph 1(f) of the Article 6.2 guidance;
 - c. Terms and conditions for changes, including for the withdrawal of authorization;
 - d. Other possible elements such as geographical location, methodology and baseline approach;
- (iii) For authorization of entities:
- a. Identifiers of entities;
 - b. Further relevant information;
- (b) Other elements that may be included were identified as follows:
- (i) In relation to general authorization, conditions for changes to the scope of the authorization (i.e. narrowing or expanding it), or revocation, or to the timing of the authorization, and how this is managed should be included in the cooperative approach procedures, including from the perspective of the Party that is providing the authorization and any other participating Parties in the cooperative approach;
 - (ii) Safeguards with respect to any changes should be included in the scope of the cooperative approach authorization;
 - (c) The authorization content with respect to the baseline approach should be aligned between Article 6, paragraph 2, and Article 6, paragraph 4, authorizations;
 - (d) The BTR should include summary information in relation to authorization;
 - (e) The authorization should:
 - (i) **Option 1:** Follow a template that is standardized and user-friendly;
 - (ii) **Option 2:** Not follow any template or particular format as this will not accommodate for certain cooperative approaches;
 - (f) Clarity is needed on how authorization information provided in a letter is captured in the registry (*of the authorizing Party or another participating Party*).
32. Regarding timing of authorization, the following options were proposed:
- (a) **Option 1:** At any time;
 - (b) **Option 2:** Before the generation of mitigation outcomes;
 - (c) **Option 3:** After the generation of mitigation outcomes;
 - (d) **Option 4:** Before or at the time of first transfer;
 - (e) **Option 5:** After the Party has demonstrated that it has achieved its NDC, similar to the requirements under Article 5, paragraph 2.
33. Regarding the reporting of authorizations:

(a) The transparency of the authorization process is managed through reporting arrangements, including in the initial report (copy of authorization), the annual information in the AEF, and the regular information underpinned by the tracking arrangements enabled through registries, specifically:

- (i) A copy of the authorization of the cooperative approach is to be included in the initial report;
- (ii) The initial report can include the authorization of the use of ITMOs as referred to in paragraph 18 of the Article 6.2 guidance;
- (iii) Authorization of the use of ITMOs is to be included in the AEF;
- (iv) Information on changes to authorization is to be included in the AEF;

34. Regarding the process for managing changes to authorization, the following options were identified:

(a) The process should be addressed at the cooperative approach level, including for general authorization whereby specificity may be added over time in relation to authorizing specific categories, activities, vintages, etc., or by expanding the scope of authorization, as may be relevant for the nature of the cooperative approach;

- (b) The process should be clarified and included in the authorization of the use of ITMOs;
- (c) For changes to authorization before transfer, it is:
 - (i) **Option 1:** Sufficient to report the changes for transparency;
 - (ii) **Option 2:** It is not sufficient to report the changes for transparency;

35. Regarding the scope of changes to authorization, the following options were proposed:

- (a) **Option 1:** Any changes can be made as this is a matter of national prerogative;
- (b) **Option 2:** Changes have to be limited to those that do not affect the amount of ITMOs and their authorized uses, with the exception of expanding the authorized use(s);
- (c) **Option 3:** The acquiring Party cannot change the authorized use for the ITMOs;
- (d) **Option 4:** Changes to authorization are not possible, except for in the circumstances of a human rights violation or violation of the cooperative approach agreement.

36. Regarding when changes to authorization can be made, the following options were proposed:

- (a) **Option 1:** Before transfer;
- (b) **Option 2:** Before first transfer;
- (c) **Option 3:** After issuance of ITMOs with the agreement of the participating Parties;
- (d) **Option 4:** After the agreement of the cooperative approach and the application of corresponding adjustments in accordance with the issuance of mitigation outcomes;
- (e) **Option 5:** At any time according to the agreement underpinning the cooperative approach and the type of changes Parties may have agreed to accept.

37. Regarding the limits to and implications of changes to authorization, the following options were proposed:

- (a) **Option 1:** Revocation of authorization is not possible;
- (b) **Option 2:** Different types of revocation are possible;
- (c) **Option 3:** Revocation cannot have a retroactive effect;
- (d) **Option 4:** In case of revocation after either transfer or first transfer, the change will affect only ITMOs that have not yet been transferred or first transferred;
- (e) **Option 5:** For changes to authorization of use after transfer or first transfer, the following implications have to be considered:

- (i) Whether the ITMOs have been used or cancelled;
- (ii) Whether the ITMOs have not been used or cancelled;
- (f) **Option 6:** For changes of authorization of entities, the change cannot have a retroactive effect for already conducted activities; for example, if an entity is deauthorized, for any first transfer that has occurred the host Party remains liable for the application of corresponding adjustments;
- (g) **Option 7:** Any implications of changes to authorization are to be managed according to the agreement underpinning the cooperative approach and the type of changes Parties may have agreed to accept.

H. Application of decision 2/CMA.3, annex, paragraph 2, on mitigation outcomes authorized by a participating Party for use towards achievement of a nationally determined contribution and for other international mitigation purposes in accordance with decision 2/CMA.3, annex, paragraph 1(d) and (f)

38. The following general views were expressed on this matter:

- (a) The specification of first transfer is provided in paragraph 2 of the Article 6.2 guidance;
- (b) The specification of first transfer is a national prerogative of participating Parties;
- (c) It is important to agree on guidance in scenarios where ITMOs are authorized for both purposes, for use towards NDCs and other international mitigation purposes, because it is unclear at which point the ITMO is considered first transferred and consequently when to account for the necessary corresponding adjustments;
- (d) Confusion about first transfer may come from the definition given under the Article 6.4 mechanism, where first transfer is described as “first international transfer of an ITMO”.

39. Regarding clarifying when the first transfer would occur, and corresponding adjustments that must be applied for ITMOs authorized for use towards NDCs and other international mitigation purposes, the following options were proposed:

- (a) **Option 1:** The first transfer should be the earlier point in time between the international transfer of the mitigation outcome pursuant to paragraph 2(a) of the Article 6.2 guidance, and the first transfer as specified by the first transferring Party pursuant to paragraph 2(b) of the Article 6.2 guidance;
- (b) **Option 2:** The cooperative approach authorization should specify:
 - (i) Which first transfer criteria should be applied *{i.e. which first transfer specification as per paragraph 2 of the Article 6.2 guidance}*;
 - (ii) How first transfer is determined when the use of ITMOs is authorized for both purposes to ensure that corresponding adjustments are applied.

40. Regarding specification of first transfer pursuant to paragraph 2(b) of the Article 6.2 guidance, the following non-mutually exclusive options were identified:

- (a) **Option 1:** Shall be defined as part of the authorization provided pursuant to paragraph 18(g) of the Article 6.2 guidance in the initial report;
- (b) **Option 2:** Shall be the same for all ITMOs authorized under a cooperative approach.

41. Regarding the need to establish a communication process for notifying the first transferring Party when an ITMO has been used or cancelled in another registry, the following was proposed:

- (a) The communication process can be clarified in the cooperative approach authorization and reported in the initial report;

(b) The bilateral agreement between participating Parties should implement the communication process.

I. Common nomenclatures referred to in decision 6/CMA.4, annex I, chapter II.B

42. The following general views were expressed on this matter:

(a) Common nomenclatures are necessary to ensure consistency and comparability of reporting and facilitate the review process, and provide a practical way to clarify the meaning and align the use of certain terms;

(b) Common nomenclatures can reduce the reporting burden by, inter alia, providing content for drop-down lists in the AEF tables.

(c) There is insufficient understanding of the role and implications of common nomenclatures;

(d) Discussion on common nomenclature is already being undertaken in relation to unique identifiers, registries, the AEF and other topics, and common nomenclatures will be continuously updated, as appropriate, in accordance with decision 6/CMA.4, annex I, paragraph 29. The list of common nomenclatures included in decision 6/CMA.4, paragraph 17(j) was recalled as a basis for the elaboration of common nomenclatures;

(e) This is a technical area with little potential for disagreement between Parties.

43. Regarding the composition of the list of common nomenclatures, as noted in paragraph 42(b) above, the following terms can be identified at this stage:

(a) Parties;

(b) Registries;

(c) Activity types;

(d) Metrics;

(e) Units of measurement;

(f) Types of authorization that may be given;

(g) Names and parameters of cooperative approaches;

(h) Sectors;

(i) Account types;

(j) Actions or transaction types.

44. Regarding specific elements to be included in specific common nomenclatures, the following options were proposed:

(a) **Option 1:** Common nomenclatures should include an indication of whether Article 6, paragraph 2, activities reflect contributions to share of proceeds and overall mitigation in global emissions to enable the possibility to see the effect of cooperative approaches on increasing resources for adaptation and mitigation;

(b) **Option 2:** There is no need to differentiate common nomenclature elements on the basis of share of proceeds and overall mitigation in global emissions.

45. Regarding maintaining common nomenclatures, the following was noted:

(a) The CARP shall enable the management of a common list of values for specific information attributes required for reporting annual information in accordance with decision 2/CMA.3, annex, chapter IV, as per decision 6/CMA.4, annex I, paragraph 28;

(b) There is a need to elaborate the process for maintaining the lists of common nomenclatures and their elements over time.

46. It was noted that the European Union is not included²³ in the international standard for country codes and the codes for their subdivisions (ISO 3166) and this should be accommodated under common nomenclatures for participating Parties.

J. Further consideration of the special circumstances of the least developed countries and small island developing States

47. The following general views were expressed on this matter:

- (a) The special circumstances of the LDCs and SIDS include:
 - (i) Limited experience;
 - (ii) Lack of national institutional capacity;
 - (iii) Lack of specialized human resources;
 - (iv) Lack of basic technologies to monitor, implement and enforce accounting and mitigation measures;
 - (v) Economic special circumstances that will cause GHG emissions to increase and leave a large proportion of the population without access to clean water, fuel and electricity;
 - (vi) Lack of financial resources and unfavourable market conditions that limit the ability to afford the transaction costs of implementing mitigation actions;
 - (vii) Asymmetry of information that leads to unbalanced and unfair negotiation conditions;
- (b) The LDCs and SIDS contribute minimally to climate change, yet they are disproportionately burdened by its impacts, which highlights their vulnerability;
- (c) Alleviating the special circumstances is crucial, and capacity-building helps, yet it requires considerable time;
- (d) There is a need for just and fair rules that consider the special circumstances of the LDCs and SIDS, enabling them to engage in cooperative approaches;
- (e) Addressing issues related to the special circumstances can be challenging given that the Article 6.2 guidance is still under development;
- (f) The special circumstances of the LDCs and SIDS are already recognized in the Article 6.2 guidance. However, details on their practical implementation are missing.

48. Regarding specific approaches to recognizing the special circumstances of the LDCs and SIDS, the following were proposed:

- (a) Provide an open-ended mandate to continuously evaluate and review the consideration of the special circumstances of the LDCs and SIDS;
- (b) Establish basic principles and guidelines on how to address the consideration of the special circumstances under Article 6.2 as a continuous process;
- (c) Identify and prioritize key areas for immediate action regarding the special circumstances within a defined time frame and define the next steps on the basis of progress;
- (d) Integrate experience and knowledge from existing mechanisms, both within and outside the UNFCCC, into the Article 6.2 negotiations process to provide insights into how the special circumstances can be accommodated in alignment with the Paris Agreement;

²³ Although the European Union, not being a country or a subdivision thereof from the point of view of the standard, does not have an assigned code in ISO 3166, the code EUE is reserved in the standard for use in machine-readable travel documents issued to civil servants and members of the institutions of the European Union, such as a laissez-passer). This code is compatible with ISO 3166 and therefore a good candidate for use in the common nomenclature of Parties.

- (e) Consider existing decisions in relation to capacity-building for developing countries that may be relevant to Article 6.2 activities;
- (f) With regard to flexibilities in the Article 6.2 reporting process:
 - (i) **Option 1:** Recognize the same flexibility for the LDCs and SIDS as in Articles 4 and 13 in the Article 6.2 guidance. This flexibility should be reflected in the scope, frequency and level of reporting detail and allow the self-determination of these Parties in accordance with their capacities;
 - (ii) **Option 2:** The Article 6.2 guidance does not envisage flexibility with regard to the scope and frequency of reporting in relation to voluntary participation in Article 6.
- (g) With regard to the flexibility described in subparagraph (f) above, delaying reporting on ITMOs might not be beneficial, and capacity-building for timely reporting would be more advantageous.

K. Options for funding the activities related to the infrastructure and the technical expert review under Article 6, paragraph 2

49. The following general views were expressed on this matter:

- (a) The elements that require funding and information from the secretariat on costs estimates are:
 - (i) The international registry;
 - (ii) Interoperability arrangements for the international registry;
 - (iii) The Article 6 technical expert review process;
 - (iv) The centralized accounting and reporting platform and the Article 6 database;
 - (v) Many other activities under Article 6.2 are yet to be conducted;
- (b) It is important to identify how participating Parties can be charged for the costs of services related to Article 6.2 *{Note: Services related to the Article 6 technical expert review and infrastructure}*²⁴ and with regard to infrastructure it was noted that the objective is for the infrastructure to become self-financing;
- (c) There are concerns about creating infrastructure that will not be used later on.

50. Regarding funding:

- (a) The Article 6, paragraph 4, methodology for charging fees should be considered when identifying and assessing options for charging fees for the costs related to the operation of the Article 6.2 infrastructure and review activities, while considering the differences between the two systems;
- (b) It is important to have a breakdown of the costs in the upcoming technical paper. With regard to the estimated costs for the development of the international registry it is necessary to provide cost estimates for a solution with functionalities that enable the transfer of units and a solution without such features to inform the considerations in relation to decision 6/CMA.4, paragraph 17(g);
- (c) It is important to conduct a survey of Parties to obtain a realistic assessment of the potential uptake of infrastructure and the scope of Article 6 technical expert review activities in order to estimate the associated costs.

²⁴ As per decision 6/CMA.4, para. 38.

L. Recommendation on the manual containing illustrative elements of information for the initial report, updated initial report and annex 4 to the biennial transparency report (Regular information)

51. The following general views were expressed on this matter:

(a) The value of the manual²⁵ for capacity-building in relation to reporting was underscored;

(b) Organizing a workshop on the development of the manual may be helpful.

52. Regarding the content of the manual, the illustrative elements of information should:

(a) Be developed on the basis of best practice for existing manuals under the UNFCCC process;

(b) Be elaborated in a manner that ensures consistency and transparency of the initial report and regular information, particularly in relation to accounting issues;

(c) Promote uniformity in reporting and trust and credibility of the Article 6 system;

(d) Be simple, while still providing necessary explanations in accordance with the agreed reporting requirements;

(e) Assist in understanding the outlines and tables for the initial report and support the completion of the report, including being organized *{in the manual}* according to the outlines for the initial report and regular information adopted by the CMA;²⁶

(f) Assist with understanding the information flow from the initial report through annual information to regular information, including how changes to submitted information can be managed, specifically with regard to the AEF submission;

(g) Aim to assist with reducing risks related to inconsistencies, while also assisting Parties with limited capacity in developing and submitting their initial report at the earliest possible date;

(h) Be developed in a manner that explains the elements contained in each of the relevant paragraphs of the Article 6.2 guidance that stipulate multiple reporting requirements; for example, the manual should contain illustrative elements of information in relation to each element of paragraph 18(h)(ii);

(i) With regard to the initial report, encourage inclusion of information not only in accordance with the corresponding requirements for initial reports, but also information that would be useful for showing the transparency of subsequent reporting through updated initial reports and regular information; for example the illustration in relation to how the cooperative approach ensures environmental integrity (para. 18(h), to be updated by para. 22(b)), should include, where applicable, methodological considerations regarding the measurement of mitigation outcomes, as well as the reference levels and baselines;

(j) Be of a practical nature;

²⁵ In decision 6/CMA.4, paragraph 23, the secretariat was requested to develop and regularly update a manual containing illustrative elements of information (including those captured by the CMA in relation to decision 6/CMA.4, paragraph 22) for the initial report, updated initial report and annex 4 to the BTR to facilitate Parties' understanding of how to report information pertaining to decision 2/CMA.3, annex, paragraphs 18–22, taking into account the outcomes of the workshop on potential challenges participating Parties may face in addressing different elements of the initial report and to support the identification of related capacity-building needs conducted in the first intersessional period of 2023 and noting that the illustrative elements of information to be included in the manual have no formal status, are for voluntary use and shall not be used or referred to in the Article 6 technical expert review.

²⁶ Decision 6/CMA.4, annexes V–VI.

- (k) Provide explanations of key terms and concepts;
 - (l) Be informed by Article 6.4 mechanism activities;
 - (m) Contain:
 - (i) Examples and case studies that are not country-specific;
 - (ii) Questions and answers;
 - (iii) Templates;
 - (n) Be responsive to the needs of participating Parties, with the following options proposed:
 - (i) **Option 1:** Clarify what it means for a participating Party to have arrangements in place for authorizing the use of ITMOs towards achievement of NDCs pursuant to Article 6, paragraph 3;
 - (ii) **Option 2:** Such clarification is not needed as Parties have different national circumstances and this issue may be dealt with in relation to capacity-building;
 - (o) Illustrate how Parties might approach the quantification of different types of NDC;
 - (p) Lay out the implications of single-year and multi-year accounting approaches to enable understanding of the implications of selecting different accounting approaches for transparency, accuracy, completeness, comparability and consistency, and include guidance on approaches to trajectories and budgets, as well as on methods, to demonstrate the representativeness of averaging for corresponding adjustments;
 - (q) Elaborate on what a cooperative approach is, inter alia, whether it is a framework for participatory engagement or an individual mitigation activity;
 - (r) Illustrate how participation contributes to the implementation of the NDC of the reporting Party and its long-term low-emission development strategy, if it has one, and the long-term goals of the Paris Agreement in a manner that:
 - (s) Enables understanding of the cumulative impact of the cooperative approaches in which the reporting Parties participate, including when reported over time through the initial report and updated initial reports;
 - (t) Reflects the activities under the Article 6.4 mechanism;
 - (u) Regarding what a cooperative approach is:
 - (i) **Option 1:** Provide an explanation, including how this links to the cooperative approach agreement;
 - (ii) **Option 2:** Do not provide an explanation because the reporting requirements of the Article 6.2 guidance do not include how an NDC or cooperative approach is designed or quantitatively evaluated.
53. Regarding the content of the manual, the illustrative elements of information should not:
- (a) Be confusing with regard to the scope of reporting;
 - (b) Expand the scope of the manual beyond its original intent, asserting that it should assist participating Parties in completing their reports and not guide them on specific aspects of designing their cooperative approaches or national arrangements;
 - (c) Focus only on the link between the cooperative approach and mitigation targets;
 - (d) Illustrate what a cooperative approach is (in contrast with paragraph 52(q) above);
 - (e) Illustrate how a participating Party should respond in relation to inconsistencies identified in relation to its reporting.
54. Regarding the process for the manual, Parties proposed the following considerations:

- (a) A proposed timeline by the end of 2023 and a draft version as soon as practically possible in the intersessional period before CMA 5, taking into account the operational plans of the secretariat;
- (b) An approach for providing regular updates on the basis of inputs by Parties and developments to the Article 6.2 reporting process;
- (c) The need for emphasis on further developing the examples included in the manual.

M. Tables for submitting annual information as part of the regular information, as referred to in decision 2/CMA.3, annex, paragraph 23(j)

55. The following general views were expressed on this matter:

- (a) The information reported as per paragraph 23(j) of the Article 6.2 guidance, provides an overview of the activities carried out under the cooperative approaches;
- (b) A table in the SBSTA Chair's informal document on Article 6.2 of October 2022²⁷ can be used, with the AFOLU sector being separated into the agriculture and land use, land-use change and forestry sectors, since those sectors are separated in the reporting under Article 13;
- (c) Aggregating the annual information by year, by cooperative approach, and by other elements will be useful;
- (d) The CARP can elaborate the table containing the information requested in paragraph 23(j) of the Article 6.2 guidance, to facilitate the reporting;
- (e) There is a link between the information submitted as per paragraph 23 of the Article 6.2 guidance, and the information required in the structured summary under Article 13, as the information reported as per paragraph 23 (except for subparagraph (j)) needs to be included in the structured summary;
- (f) The work on developing the tables as per paragraph 23 of the Article 6.2 guidance, was not completed at CMA 4 and could be continued at CMA 5, despite the mandate referring to paragraph 23(j) of the Article 6.2 guidance.

56. Regarding the reporting of annual information as part of the regular information, the following options were proposed:

- (a) **Option 1:** The regular information is reviewed separately from the structured summary and therefore the information should be provided in a specific format;
- (b) **Option 2:** Not reporting regular information in a table since all the information will be part of the CARP and will be included in the structured summary.

57. Regarding the layout of the information to be submitted as per paragraph 23(j) of the Article 6.2 guidance, the following options were proposed:

- (a) **Option 1:** Provide separate summary tables for cooperative approaches and ITMOs transferred, first transferred, used towards other international mitigation purposes and used towards NDCs;
- (b) **Option 2:** Provide separate tables for each level of information, including Parties and sectors.

58. Regarding the review process of the information in paragraph 23 of the Article 6.2 guidance:

- (a) The information reported as per paragraph 23(j) of the Article 6.2 guidance is less useful for the reviewers since they have access to the AEF and the results of the consistency check;
- (b) The Article 6 technical expert review team should have full access to and take into account the interlinkages between the AEF, the annual information as part of the regular information, the structured summary and the consistency checks to ensure coherence of the reported information.

²⁷ SBSTA57/A6.2/InfDoc, pp.54–55.

N. Consideration of possible implications for the reporting of annual information pursuant to decision 2/CMA.3, annex, paragraphs 20 and 23, from the application of methods for converting the non-greenhouse gas metric into tonnes of carbon dioxide equivalent in accordance with decision 2/CMA.3, annex, paragraph 22(d), with a view to ensuring that the amount of internationally transferred mitigation outcomes in a non-greenhouse gas metric acquired by a participating Party does not exceed the amount of internationally transferred mitigation outcomes in the non-greenhouse gas metric of the participating Party initiating the transfer

59. The following general views were expressed on this matter:

(a) The best available science and thorough methodological work are required in order to avoid discrepancies in ITMO amounts caused by conversion of ITMOs to non-GHG metrics, which may become a source of uncertainty and jeopardize the Article 6 system as a whole;

(b) It is important to ensure that no net increase in emissions results from implementing cooperative approaches on the basis of non-GHG metrics;

(c) It is important to use well-established methodological guidelines for measurement and conversion of non-GHG metrics, such as the IPCC methodological guidelines, that should be, for project-based activities, comparable or identical to those accepted under the Article 6.4 mechanism, which would ensure consistency across cooperative approaches;

(d) The work on non-GHG metrics should focus on how to reflect non-GHG metrics and their conversion in the AEF, including the question of common nomenclatures necessary to enable reporting, such as the nomenclatures of possible metrics and units of measurement;

(e) Parties engaging in cooperative approaches currently use tonnes of carbon dioxide equivalent. No known cooperative approaches are expressed in non-GHG metrics. Parties should proceed with the implementation phase of Article 6, paragraph 2, and return to the topic of conversion when there are real practical examples of the use of non-GHG metrics.

60. Regarding the approach to conversion:

(a) It shall be transparently communicated by Parties through the initial report and regular information, including how each cooperative approach they participate in handles measurement of mitigation outcomes in non-GHG metrics, including eventual conversion;

(b) The conversion methods applied should exclude, or at least explain, any discrepancies resulting from conversion in the amount of ITMOs and this information will be subject to consistency checks and technical expert review;

(c) Adequate methodological robustness should ensure that the amount of ITMOs in a non-GHG metric acquired by a participating Party does not exceed the amount of ITMOs in the non-GHG metric of the participating Party initiating the transfer, or at least explain the discrepancy.

Annex I

Provisions related to the registries agreed as part of the guidance and matters related to cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement and matters and rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement

1. This annex contains adopted provisions and CMA work-programme elements on matters related to registries established by the CMA in the context of Article 6, paragraph 2, of the Paris Agreement and Article 6, paragraph 4, of the Paris Agreement

Table 1
Adopted Provisions

<i>Decision reference</i>	<i>Provision</i>
Decision 2/CMA.3, annex, paragraph 29	Each participating Party shall have, or have access to, a registry for the purpose of tracking and shall ensure that such registry records, including through unique identifiers, as applicable, authorization, first transfer, transfer, acquisition, use towards NDCs, authorization for use towards other international mitigation purposes, and voluntary cancellation (including for overall mitigation in global emissions, if applicable), and shall have accounts as necessary.
Decision 2/CMA.3, annex, paragraph 30	The secretariat shall implement an international registry for participating Parties that do not have or do not have access to a registry. The international registry shall be able to perform the functions set out in paragraph 29 above. Any Party may request an account in the international registry.
Decision 2/CMA.3, annex, paragraph 31	The international registry shall be part of the centralized accounting and reporting platform referred to in chapter VI.C (Centralized accounting and reporting platform).
Decision 3/CMA.3, annex, paragraph 63	The mechanism registry shall contain at least a pending account, holding account, retirement account, cancellation account, account for cancellation towards overall mitigation in global emissions and a share of proceeds for adaptation account, as well as a holding account for each Party and each public or private entity authorized per Article 6, paragraph 4(b), by a Party that requests an account where that entity meets the requisite identification requirements developed by the Supervisory Body. The mechanism registry shall be connected to the international registry referred to in decision 2/CMA.3.
Decision 6/CMA.4, annex I, paragraph 9	Where participating Party registries are interoperable, the Parties participating in a cooperative approach shall, for the purpose of transferring ITMOs, implement appropriate standards and

<i>Decision reference</i>	<i>Provision</i>
	procedures to mitigate risks to the consistency of data, including through communication of data about the transfer and reconciliation procedures within and between registries.
Decision 6/CMA.4, annex I, paragraph 10	Interoperability of registries should be implemented in such a way that neither Party to an inter-registry transfer could later repudiate the existence, type, time or content of the transfer.
Decision 6/CMA.4, annex I, paragraph 23	Pursuant to decision 3/CMA.3, annex, paragraph 63, the mechanism registry is connected to the international registry. The connection of the mechanism registry to the international registry shall, at a minimum, enable the functions referred to in paragraphs 9– 10 above and be implemented in accordance with future decisions of the CMA.
Decision 6/CMA.4, annex I, paragraph 24	A participating Party may connect its registry to the international registry. Such connections shall apply the interoperability arrangements applicable to all registries as described in chapter I.B above and other relevant future decisions of the CMA.
Decision 7/CMA.4, annex I, paragraph 49	Pursuant to paragraph 63 of the RMPs, the mechanism registry shall be connected to the international registry. The connection shall allow for automated pulling and viewing of data and information on holdings and the action history of authorized A6.4ERs for use by participating Parties that have an account in the international registry.

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Table 2
CMA work programme

<i>Decision reference</i>	<i>Provision</i>
Decision 6/CMA.4, paragraph 17(g)	<p>Also requests the Subsidiary Body for Scientific and Technological Advice, on the basis of the guidance in the annex to decision 2/CMA.3 and the further guidance in the annexes to this decision, to develop recommendations, taking into account Party submissions referred to in paragraph 15 above and giving consideration to implementation priorities, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fifth session, on:</p> <p>(g) The need for additional functionalities and procedures for the international registry to allow for transfer of Article 6, paragraph 4, emission reductions to the international registry and to provide services for cooperative approaches if voluntarily requested by Parties participating in a cooperative approach, including, inter alia, additional technical functionalities and administrative arrangements, for authorizing account access, and further guidance on procedures for reporting and review for the cooperative approaches of the participating Parties requesting such services, which may be required in addition to the relevant guidance in decision 2/CMA.3 and annex I to this decision;</p>
Decision 6/CMA.4, paragraph 17 (h)	<p>(h) The accounts of the international registry and the role of the international registry administrator, in accordance with the guidance contained in annex I;</p>
Decision 6/CMA.4, paragraph 17 (i)	<p>(i) The submission of information by Parties using the international registry as the basis for tracking internationally transferred mitigation outcomes;</p>
Decision 7/CMA.4, paragraph 9 (b)	<p>Also requests the Subsidiary Body for Scientific and Technological Advice to continue its consideration of, and to develop, on the basis of the rules, modalities and procedures for the mechanism and elaboration thereon, recommendations for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fifth session (November–December 2023) on:</p> <p>(b) Connection of the mechanism registry to the international registry as per paragraph 63 of the rules, modalities and procedures for the mechanism, as well as to other registries referred to in decision 2/CMA.3, annex, paragraph 29, if applicable, including the nature and extent of interoperable features;</p>

Annex II

Provisions related to authorization included in the guidance and matters related to cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement

1. This annex contains adopted provisions and CMA work-programme elements on matters related to authorization on matters related to Article 6, paragraph 2, of the Paris Agreement

Table 1
Adopted Provisions

<i>Decision reference</i>	<i>Provision</i>
Decision 2/CMA.3, annex, paragraph 2(b)	A “first transfer” is: (b) For a mitigation outcome authorized by a participating Party for use for other international mitigation purposes, (1) the authorization, (2) the issuance or (3) the use or cancellation of the mitigation outcome, as specified by the participating Party.
Decision 2/CMA.3, annex, paragraph 3	Each Party participating in a cooperative approach that involves the use of ITMOs (hereinafter referred as a participating Party) shall ensure that its participation in the cooperative approach and the authorization, transfer and use of ITMOs is consistent with this guidance and relevant decisions of the CMA and that it applies this guidance to all corresponding adjustments and cooperative approaches in which it participates.
Decision 2/CMA.3, annex, paragraph 18(g)	Each participating Party shall submit an Article 6, paragraph 2, initial report (hereinafter referred to as an initial report) no later than authorization of ITMOs from a cooperative approach or where practical (in the view of the participating Party) in conjunction with the next biennial transparency report due pursuant to decision 18/CMA.1 for the period of NDC implementation. The initial report shall contain comprehensive information to: (g) Provide, for each cooperative approach, a copy of the authorization by the participating Party, a description of the approach, its duration, the expected mitigation for each year of its duration, and the participating Parties involved and authorized entities
Decision 2/CMA.3, annex, paragraph 20(a)	Each participating Party shall, on an annual basis by no later than 15 April of the following year and in an agreed electronic format, submit for recording in the Article 6 database referred to in chapter VI.B below (Article 6 database): (a) Annual information on authorization of ITMOs for use towards achievement of NDCs, authorization of ITMOs for use towards other international mitigation purposes, first transfer, transfer, acquisition, holdings, cancellation, voluntary cancellation, voluntary cancellation of mitigation outcomes or ITMOs towards overall mitigation in global emissions, and use towards NDCs

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<i>Decision reference</i>	<i>Provision</i>
Decision 2/CMA.3, annex, paragraph 21(c)	Each participating Party shall include, as an annex to its biennial transparency reports that are submitted in accordance with paragraph 10(b) of the annex to decision 18/CMA.1 and no later than 31 December of the relevant year, the following information in relation to its participation in cooperative approaches: (c) Authorizations and information on its authorization(s) of use of ITMOs towards achievement of NDCs and authorization for use for other international mitigation purposes, including any changes to earlier authorizations, pursuant to Article 6, paragraph 3;
Decision 2/CMA.3, annex, paragraph 29	Each participating Party shall have, or have access to, a registry for the purpose of tracking and shall ensure that such registry records, including through unique identifiers, as applicable, authorization, first transfer, transfer, acquisition, use towards NDCs, authorization for use towards other international mitigation purposes, and voluntary cancellation (including for overall mitigation in global emissions, if applicable), and shall have accounts as necessary.
Decision 6/CMA.4, annex I, paragraph 1(b)	Each Party participating in a cooperative approach referred to in Article 6, paragraph 2, shall have, or have access to, a registry for the purpose of tracking that: (b) Records the actions relating to ITMOs, including authorization, first transfer, transfer, acquisition, use towards NDCs, authorization for use towards other international mitigation purposes and voluntary cancellation (including for overall mitigation in global emissions, if applicable);
Decision 6/CMA.4, annex I, paragraph 7	Each participating Party shall ensure that the registry records information and data on authorization, first transfer, transfer, acquisition, use towards NDCs, authorization for use towards other international mitigation purposes and voluntary cancellation (including for overall mitigation in global emissions, if applicable).
Decision 6/CMA.4, annex I, paragraph 20	The international registry shall enable, for each participating Party, the automatic pre- filling of the agreed electronic format and of other quantitative information requirements pursuant to decision 2/CMA.3, annex, chapter IV (Reporting), including in relation to authorized Article 6, paragraph 4, emission reductions.
