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

**Report of the Conference of the Parties serving as the  
meeting of the Parties to the Paris Agreement on its  
third session, held in Glasgow from 31 October to  
13 November 2021**

**Addendum**

**Part two: Action taken by the Conference of the Parties serving as the  
meeting of the Parties to the Paris Agreement at its third session**

**Contents**

**Decisions adopted by the Conference of the Parties serving as  
the meeting of the Parties to the Paris Agreement**

<i>Decision</i>	<i>Page</i>
<a href="#">1/CMA.3</a> Glasgow Climate Pact.....	2
<a href="#">2/CMA.3</a> Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement .....	11
<a href="#">3/CMA.3</a> Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement.....	25
<a href="#">4/CMA.3</a> Work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement.....	41

## Decision 1/CMA.3

### Glasgow Climate Pact

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

*Recalling* Article 2 of the Paris Agreement,

*Also recalling* decisions 3/CMA.1 and 1/CMA.2,

*Noting* decision 1/CP.26,

*Recognizing* the role of multilateralism in addressing climate change and promoting regional and international cooperation in order to strengthen climate action in the context of sustainable development and efforts to eradicate poverty,

*Acknowledging* the devastating impacts of the coronavirus disease 2019 pandemic and the importance of ensuring a sustainable, resilient and inclusive global recovery, showing solidarity particularly with developing country Parties,

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

*Noting* the importance of ensuring the integrity of all ecosystems, including in forests, the ocean and the cryosphere, and the protection of biodiversity, recognized by some cultures as Mother Earth, and *also noting* the importance for some of the concept of 'climate justice', when taking action to address climate change,

*Expressing appreciation* to the Heads of State and Government who participated in the World Leaders Summit in Glasgow and for the increased targets and actions announced and the commitments made to work together and with non-Party stakeholders to accelerate sectoral action by 2030,

*Recognizing* the important role of indigenous peoples, local communities and civil society, including youth and children, in addressing and responding to climate change and *highlighting* the urgent need for multilevel and cooperative action,

## I. Science and urgency

1. *Recognizes* the importance of the best available science for effective climate action and policymaking;
2. *Welcomes* the contribution of Working Group I to the Intergovernmental Panel on Climate Change Sixth Assessment Report<sup>1</sup> and the recent global and regional reports on the state of the climate from the World Meteorological Organization and *invites* the Intergovernmental Panel on Climate Change to present its forthcoming reports to the Subsidiary Body for Scientific and Technological Advice in 2022;
3. *Expresses alarm and utmost concern* that human activities have caused around 1.1 °C of warming to date, that impacts are already being felt in every region and that carbon budgets consistent with achieving the Paris Agreement temperature goal are now small and being rapidly depleted;

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<sup>1</sup> Intergovernmental Panel on Climate Change. 2021. *Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*. V Masson-Delmotte, P Zhai, A Pirani, et al. (eds.). Cambridge: Cambridge University Press. Available at <https://www.ipcc.ch/report/ar6/wg1/>.

4. *Recalls* Article 2, paragraph 2, of the Paris Agreement, which provides that the Paris Agreement will be implemented to reflect equity and the principle of common but differentiated responsibilities and respective capabilities in the light of different national circumstances;
5. *Stresses* the urgency of enhancing ambition and action in relation to mitigation, adaptation and finance in this critical decade to address the gaps in the implementation of the goals of the Paris Agreement;

## II. Adaptation

6. *Notes with serious concern* the findings from the contribution of Working Group I to the Intergovernmental Panel on Climate Change Sixth Assessment Report, including that climate and weather extremes and their adverse impacts on people and nature will continue to increase with every additional increment of rising temperatures;
7. *Emphasizes* the urgency of scaling up action and support, including finance, capacity-building and technology transfer, to enhance adaptive capacity, strengthen resilience and reduce vulnerability to climate change in line with the best available science, taking into account the priorities and needs of developing country Parties;
8. *Welcomes* the adaptation communications and national adaptation plans submitted to date, which enhance the understanding and implementation of adaptation actions and priorities;
9. *Urges* Parties to further integrate adaptation into local, national and regional planning;
10. *Requests* Parties that have not yet done so to submit their adaptation communications in accordance with decision 9/CMA.1 ahead of the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (November 2022) so as to provide timely input to the global stocktake;
11. *Recognizes* the importance of the global goal on adaptation for the effective implementation of the Paris Agreement and *welcomes* the launch of the comprehensive two-year Glasgow–Sharm el-Sheikh work programme on the global goal on adaptation;
12. *Notes* that the implementation of the Glasgow–Sharm el-Sheikh work programme will start immediately after the third session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;
13. *Invites* the Intergovernmental Panel on Climate Change to present to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session the findings from the contribution of Working Group II to its Sixth Assessment Report, including those relevant to assessing adaptation needs, and *calls upon* the research community to further the understanding of global, regional and local impacts of climate change, response options and adaptation needs;

## III. Adaptation finance

14. *Notes with concern* that the current provision of climate finance for adaptation remains insufficient to respond to worsening climate change impacts in developing country Parties;
15. *Urges* developed country Parties to urgently and significantly scale up their provision of climate finance, technology transfer and capacity-building for adaptation so as to respond to the needs of developing country Parties as part of a global effort, including for the formulation and implementation of national adaptation plans and adaptation communications;
16. *Recognizes* the importance of the adequacy and predictability of adaptation finance, including the value of the Adaptation Fund in delivering dedicated support for adaptation, and *invites* developed country Parties to consider multi-annual pledges;

17. *Welcomes* the recent pledges made by many developed country Parties to increase their provision of climate finance to support adaptation in developing country Parties in response to their growing needs, including contributions made to the Adaptation Fund and the Least Developed Countries Fund, which represent significant progress compared with previous efforts;

18. *Urges* developed country Parties to at least double their collective provision of climate finance for adaptation to developing country Parties from 2019 levels by 2025, in the context of achieving a balance between mitigation and adaptation in the provision of scaled-up financial resources, recalling Article 9, paragraph 4, of the Paris Agreement;

19. *Calls upon* multilateral development banks, other financial institutions and the private sector to enhance finance mobilization in order to deliver the scale of resources needed to achieve climate plans, particularly for adaptation, and *encourages* Parties to continue to explore innovative approaches and instruments for mobilizing finance for adaptation from private sources;

## IV. Mitigation

20. *Reaffirms* the Paris Agreement temperature goal of holding the increase in the global average temperature to well below 2 °C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5 °C above pre-industrial levels;

21. *Recognizes* that the impacts of climate change will be much lower at the temperature increase of 1.5 °C compared with 2 °C and *resolves* to pursue efforts to limit the temperature increase to 1.5 °C;

22. *Recognizes* that limiting global warming to 1.5 °C requires rapid, deep and sustained reductions in global greenhouse gas emissions, including reducing global carbon dioxide emissions by 45 per cent by 2030 relative to the 2010 level and to net zero around mid-century as well as deep reductions in other greenhouse gases;

23. *Also recognizes* that this requires accelerated action in this critical decade, on the basis of the best available scientific knowledge and equity, reflecting common but differentiated responsibilities and respective capabilities in the light of different national circumstances and in the context of sustainable development and efforts to eradicate poverty;

24. *Welcomes* efforts by Parties to communicate new or updated nationally determined contributions, long-term low greenhouse gas emission development strategies and other actions that demonstrate progress towards achievement of the Paris Agreement temperature goal;

25. *Notes with serious concern* the findings of the synthesis report on nationally determined contributions under the Paris Agreement,<sup>2</sup> according to which the aggregate greenhouse gas emission level, taking into account implementation of all submitted nationally determined contributions, is estimated to be 13.7 per cent above the 2010 level in 2030;

26. *Emphasizes* the urgent need for Parties to increase their efforts to collectively reduce emissions through accelerated action and implementation of domestic mitigation measures in accordance with Article 4, paragraph 2, of the Paris Agreement;

27. *Decides* to establish a work programme to urgently scale up mitigation ambition and implementation in this critical decade and *requests* the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice to recommend a draft decision on this matter for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session, in a manner that complements the global stocktake;

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<sup>2</sup> See document FCCC/PA/CMA/2021/8/Rev.1 and [https://unfccc.int/sites/default/files/resource/message\\_to\\_parties\\_and\\_observers\\_on\\_ndc\\_numbers.pdf](https://unfccc.int/sites/default/files/resource/message_to_parties_and_observers_on_ndc_numbers.pdf).

28. *Urges* Parties that have not yet communicated new or updated nationally determined contributions to do so as soon as possible in advance of the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;
29. *Recalls* Article 3 and Article 4, paragraphs 3, 4, 5 and 11, of the Paris Agreement and *requests* Parties to revisit and strengthen the 2030 targets in their nationally determined contributions as necessary to align with the Paris Agreement temperature goal by the end of 2022, taking into account different national circumstances;
30. *Also requests* the secretariat to annually update the synthesis report on nationally determined contributions under the Paris Agreement, referred to in decision 1/CMA.2, paragraph 10, to be made available to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at each of its sessions;
31. *Decides* to convene an annual high-level ministerial round table on pre-2030 ambition, beginning at the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;
32. *Urges* Parties that have not yet done so to communicate, by the fourth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, long-term low greenhouse gas emission development strategies referred to in Article 4, paragraph 19, of the Paris Agreement towards just transitions to net zero emissions by or around mid-century, taking into account different national circumstances;
33. *Invites* Parties to update the strategies referred to in paragraph 32 above regularly, as appropriate, in line with the best available science;
34. *Requests* the secretariat to prepare a synthesis report on long-term low greenhouse gas emission development strategies referred to in Article 4, paragraph 19, of the Paris Agreement to be made available to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session;
35. *Notes* the importance of aligning nationally determined contributions with long-term low greenhouse gas emission development strategies;
36. *Calls upon* Parties to accelerate the development, deployment and dissemination of technologies, and the adoption of policies, to transition towards low-emission energy systems, including by rapidly scaling up the deployment of clean power generation and energy efficiency measures, including accelerating efforts towards the phasedown of unabated coal power and phase-out of inefficient fossil fuel subsidies, while providing targeted support to the poorest and most vulnerable in line with national circumstances and recognizing the need for support towards a just transition;
37. *Invites* Parties to consider further actions to reduce by 2030 non-carbon dioxide greenhouse gas emissions, including methane;
38. *Emphasizes* the importance of protecting, conserving and restoring nature and ecosystems to achieve the Paris Agreement temperature goal, including through forests and other terrestrial and marine ecosystems acting as sinks and reservoirs of greenhouse gases and by protecting biodiversity, while ensuring social and environmental safeguards;
39. *Recognizes* that enhanced support for developing country Parties will allow for higher ambition in their actions;

## **V. Finance, technology transfer and capacity-building for mitigation and adaptation**

40. *Urges* developed country Parties to provide enhanced support, including through financial resources, technology transfer and capacity-building, to assist developing country Parties with respect to both mitigation and adaptation, in continuation of their existing obligations under the Convention and the Paris Agreement, and *encourages* other Parties to provide or continue to provide such support voluntarily;

41. *Notes with concern* the growing needs of developing country Parties, in particular due to the increasing impacts of climate change and increased indebtedness as a consequence of the coronavirus disease 2019 pandemic;
42. *Welcomes* the first report on the determination of needs of developing country Parties related to implementing the Convention and the Paris Agreement<sup>3</sup> and the fourth Biennial Assessment and Overview of Climate Finance Flows<sup>4</sup> by the Standing Committee on Finance;
43. *Emphasizes* the need to mobilize climate finance from all sources to reach the level needed to achieve the goals of the Paris Agreement, including significantly increasing support for developing country Parties, beyond USD 100 billion per year;
44. *Notes with deep regret* that the goal of developed country Parties to mobilize jointly USD 100 billion per year by 2020 in the context of meaningful mitigation actions and transparency on implementation has not yet been met and *welcomes* the increased pledges made by many developed country Parties and the *Climate Finance Delivery Plan: Meeting the US\$100 Billion Goal*<sup>5</sup> and the collective actions contained therein;
45. *Calls upon* developed country Parties to provide greater clarity on their pledges referred to in paragraph 44 above through their next biennial communications under Article 9, paragraph 5, of the Paris Agreement;
46. *Urges* developed country Parties to fully deliver on the USD 100 billion goal urgently and through to 2025 and *emphasizes* the importance of transparency in the implementation of their pledges;
47. *Urges* the operating entities of the Financial Mechanism, multilateral development banks and other financial institutions to further scale up investments in climate action and *calls for* a continued increase in the scale and effectiveness of climate finance from all sources globally, including grants and other highly concessional forms of finance;
48. *Re-emphasizes* the need for scaled-up financial resources to take into account the needs of those countries particularly vulnerable to the adverse effects of climate change and in this regard *encourages* relevant multilateral institutions to consider how climate vulnerabilities should be reflected in the provision and mobilization of concessional financial resources and other forms of support, including special drawing rights;
49. *Welcomes with appreciation* the initiation of deliberations on a new collective quantified goal on climate finance and *looks forward* to the ad hoc work programme established under decision 9/CMA.3 and to engaging constructively in the actions contained therein;
50. *Underscores* the importance of the deliberations referred to in paragraph 49 above being informed by the need to strengthen the global response to the threat of climate change in the context of sustainable development and efforts to eradicate poverty and to make finance flows consistent with a pathway towards low greenhouse gas emission and climate-resilient development taking into account the needs and priorities of developing countries and building on the work of the Standing Committee on Finance;
51. *Emphasizes* the challenges faced by many developing country Parties in accessing finance and *encourages* further efforts to enhance access to finance, including by the operating entities of the Financial Mechanism;
52. *Notes* the specific concerns raised with regard to eligibility and ability to access concessional forms of climate finance and *re-emphasizes* the importance of the provision of scaled-up financial resources, taking into account the needs of developing country Parties that are particularly vulnerable to the adverse effects of climate change;

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<sup>3</sup> See document FCCC/CP/2021/10/Add.2–FCCC/PA/CMA/2021/7/Add.2.

<sup>4</sup> See document FCCC/CP/2021/10/Add.1–FCCC/PA/CMA/2021/7/Add.1.

<sup>5</sup> See <https://ukcop26.org/wp-content/uploads/2021/10/Climate-Finance-Delivery-Plan-1.pdf>.

53. *Encourages* relevant providers of financial support to consider how vulnerability to the adverse effects of climate change could be reflected in the provision and mobilization of concessional financial resources and how they could simplify and enhance access to finance;
54. *Underscores* the urgency of enhancing understanding and action to make finance flows consistent with a pathway towards low greenhouse gas emission and climate-resilient development in a transparent and inclusive manner in the context of sustainable development and poverty eradication;
55. *Calls upon* developed country Parties, multilateral development banks and other financial institutions to accelerate the alignment of their financing activities with the goals of the Paris Agreement;
56. *Acknowledges* the progress made on capacity-building, particularly in relation to enhancing the coherence and coordination of capacity-building activities towards the implementation of the Convention and the Paris Agreement;
57. *Recognizes* the need to continue supporting developing country Parties in identifying and addressing both current and emerging capacity-building gaps and needs, and to catalyse climate action and solutions to respond;
58. *Welcomes* the outcomes of the “COP26 Catalyst for Climate Action” and the strong commitments made by many Parties to take forward action on capacity-building;
59. *Also welcomes* the joint annual reports of the Technology Executive Committee and the Climate Technology Centre and Network for 2020 and 2021<sup>6</sup> and *invites* the two bodies to strengthen their collaboration;
60. *Emphasizes* the importance of strengthening cooperative action on technology development and transfer for the implementation of mitigation and adaptation action, including accelerating, encouraging and enabling innovation, and the importance of predictable, sustainable and adequate funding from diverse sources for the Technology Mechanism;

## VI. Loss and damage<sup>7</sup>

61. *Acknowledges* that climate change has already caused and will increasingly cause loss and damage and that, as temperatures rise, impacts from climate and weather extremes, as well as slow onset events, will pose an ever-greater social, economic and environmental threat;
62. *Also acknowledges* the important role of a broad range of stakeholders at the local, national and regional level, including indigenous peoples and local communities, in averting, minimizing and addressing loss and damage associated with the adverse effects of climate change;
63. *Reiterates* the urgency of scaling up action and support, as appropriate, including finance, technology transfer and capacity-building, for implementing approaches for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change in developing country Parties that are particularly vulnerable to these effects;
64. *Urges* developed country Parties, the operating entities of the Financial Mechanism, United Nations entities and intergovernmental organizations and other bilateral and multilateral institutions, including non-governmental organizations and private sources, to provide enhanced and additional support for activities addressing loss and damage associated with the adverse effects of climate change;

<sup>6</sup> FCCC/SB/2020/4 and FCCC/SB/2021/5.

<sup>7</sup> It is noted that discussions related to the governance of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts did not produce an outcome; this is without prejudice to further consideration of this matter.

65. *Recognizes* the importance of demand-driven technical assistance in building capacity to implement approaches to avert, minimize and address loss and damage associated with the adverse effects of climate change;
66. *Welcomes* the further operationalization of the Santiago network for averting, minimizing and addressing loss and damage associated with the adverse effects of climate change, including the agreement on its functions and process for further developing its institutional arrangements;
67. *Decides* that the Santiago network will be provided with funds to support technical assistance for the implementation of relevant approaches to avert, minimize and address loss and damage associated with the adverse effects of climate change in developing countries in support of the functions set out in paragraph 9 of decision 19/CMA.3;
68. *Also decides* that the modalities for the management of funds provided for technical assistance under the Santiago network and the terms for their disbursement shall be determined by the process set out in paragraph 10 of decision 19/CMA.3;
69. *Further decides* that the body providing secretarial services to facilitate work under the Santiago network to be determined in accordance with paragraph 10 of decision 19/CMA.3 will administer the funds referred to in paragraph 67 above;
70. *Urges* developed country Parties to provide funds for the operation of the Santiago network and for the provision of technical assistance as set out in paragraph 67 above;
71. *Acknowledges* the importance of coherent action to respond to the scale of needs caused by the adverse impacts of climate change;
72. *Resolves* to strengthen partnerships between developing and developed countries, funds, technical agencies, civil society and communities to enhance understanding of how approaches to averting, minimizing and addressing loss and damage can be improved;
73. *Decides* to establish the Glasgow Dialogue between Parties, relevant organizations and stakeholders to discuss the arrangements for the funding of activities to avert, minimize and address loss and damage associated with the adverse impacts of climate change, to take place each year at the first session of the Subsidiary Body for Implementation until it is concluded at its sixtieth session (June 2024);
74. *Requests* the Subsidiary Body for Implementation to organize the Glasgow Dialogue in cooperation with the Executive Committee of the Warsaw International Mechanism for Loss and Damage associated with Climate Change Impacts;

## VII. Implementation

75. *Resolves* to move swiftly with the full implementation of the Paris Agreement;
76. *Welcomes* the start of the global stocktake and *expresses its determination* for the process to be comprehensive, inclusive and consistent with Article 14 of the Paris Agreement and decision 19/CMA.1, in the light of paragraph 5 above;
77. *Encourages* the high-level champions to support the effective participation of non-Party stakeholders in the global stocktake;
78. *Recalls* the Katowice climate package and *welcomes with appreciation* the completion of the Paris Agreement work programme, including the adoption of decisions on the following:
- (a) Common time frames for nationally determined contributions referred to in Article 4, paragraph 10, of the Paris Agreement (decision 6/CMA.3);
  - (b) Methodological issues relating to the enhanced transparency framework for action and support referred to in Article 13 of the Paris Agreement (decision 5/CMA.3);
  - (c) Modalities and procedures for the operation and use of a public registry referred to in Article 4, paragraph 12, of the Paris Agreement (decision 20/CMA.3);



(d) Modalities and procedures for the operation and use of a public registry referred to in Article 7, paragraph 12, of the Paris Agreement (decision 21/CMA.3);

(e) Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement (decision 2/CMA.3);

(f) Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement (decision 3/CMA.3);

(g) Work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement (decision 4/CMA.3);

79. *Urges* Parties to swiftly make the necessary preparations for ensuring timely reporting under the enhanced transparency framework in line with Article 13 of the Paris Agreement and the timelines set out in decision 18/CMA.1;

80. *Acknowledges* the call from developing countries for increased support for the implementation of the enhanced transparency framework under Article 13 of the Paris Agreement in a timely, adequate and predictable manner;

81. *Welcomes* decision 7/CP.26, in which the Global Environment Facility is encouraged, as part of the eighth replenishment process, to duly consider ways to increase the financial resources allocated for climate, and *recognizes* that the Capacity-building Initiative for Transparency, established pursuant to decision 1/CP.21, paragraph 84, will continue to support developing country Parties, upon their request, in building their institutional and technical capacity in relation to the enhanced transparency framework;

82. *Welcomes* decision 12/CMA.3, in which the Global Environment Facility is requested to continue to facilitate improved access to the Capacity-building Initiative for Transparency by developing country Parties, and *encourages* the Global Environment Facility to work closely with other institutions and initiatives to enhance these efforts, such as the Taskforce on Access to Climate Finance and the “COP26 Catalyst for Climate Action”;

83. *Takes note* of the revised terms of reference of the Consultative Group of Experts, contained in the annex to decision 14/CP.26;

84. *Recognizes* the need to take into consideration the concerns of Parties with economies most affected by the impacts of response measures, particularly developing country Parties, in line with Article 4, paragraph 15, of the Paris Agreement;

85. *Also recognizes* the need to ensure just transitions that promote sustainable development and eradication of poverty, and the creation of decent work and quality jobs, including through making financial flows consistent with a pathway towards low greenhouse gas emission and climate-resilient development, including through deployment and transfer of technology, and provision of support to developing country Parties;

## VIII. Collaboration

86. *Notes* the urgent need to close the gaps in implementation towards the goals of the Paris Agreement and *invites* the Secretary-General of the United Nations to convene world leaders in 2023 to consider ambition to 2030;

87. *Recognizes* the importance of international collaboration on innovative climate action, including technological advancement, across all actors of society, sectors and regions, in contributing to progress towards the goals of the Paris Agreement;

88. *Also recognizes* the important role of non-Party stakeholders, including civil society, indigenous peoples, local communities, youth, children, local and regional governments and other stakeholders, in contributing to progress towards the goals of the Paris Agreement;

89. *Welcomes* the improvement of the Marrakech Partnership for Global Climate Action<sup>8</sup> for enhancing ambition, the leadership and actions of the high-level champions, and the work

<sup>8</sup> See <https://unfccc.int/sites/default/files/resource/Improved%20Marrakech%20Partnership%202021-2025.pdf>.

of the secretariat on the Non-State Actor Zone for Climate Action platform to support accountability and track progress of voluntary initiatives;

90. *Also welcomes* the high-level communiqué<sup>9</sup> on the regional climate weeks and *encourages* the continuation of regional climate weeks where Parties and non-Party stakeholders can strengthen their credible and durable response to climate change at the regional level;

91. *Urges* Parties to swiftly begin implementing the Glasgow work programme on Action for Climate Empowerment, respecting, promoting and considering their respective obligations on human rights as well as gender equality and empowerment of women;

92. *Also urges* Parties and stakeholders to ensure meaningful youth participation and representation in multilateral, national and local decision-making processes, including under the Paris Agreement;

93. *Emphasizes* the important role of indigenous peoples' and local communities' culture and knowledge in effective action on climate change and *urges* Parties to actively involve indigenous peoples and local communities in designing and implementing climate action;

94. *Expresses its recognition* of the important role observer organizations play, including the nine non-governmental organization constituencies, in sharing their knowledge, and their calls to see ambitious action to meet the goals of the Paris Agreement and in collaborating with Parties to that end;

95. *Encourages* Parties to increase the full, meaningful and equal participation of women in climate action and to ensure gender-responsive implementation and means of implementation, which are vital for raising ambition and achieving climate goals;

96. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in this decision;

97. *Requests* that the actions of the secretariat called for in this decision be undertaken subject to the availability of financial resources.

*12<sup>th</sup> plenary meeting  
13 November 2021*

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<sup>9</sup> Available at <https://unfccc.int/regional-climate-weeks/rcw-2021-cop26-communique>.

## Decision 2/CMA.3

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

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

*Recalling* the Paris Agreement,

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

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

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

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

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

*Cognizant* of decision 5/CMA.3,

1. *Adopts* the guidance on cooperative approaches referred to in Article<sup>1</sup> 6, paragraph 2, as contained in the annex;
2. *Clarifies* that the annex requires information to be reported in the structured summary pursuant to paragraph 77(d) of the annex to decision 18/CMA.1 (Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement), including the information to be reported as per paragraph 77(d)(iii);
3. *Requests* the Subsidiary Body for Scientific and Technological Advice to undertake the following work, on the basis of the guidance in the annex, to develop recommendations, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session (November 2022), on:
  - (a) The special circumstances of the least developed countries and small island developing States;
  - (b) Elaboration of further guidance in relation to corresponding adjustments for multi-year and single-year nationally determined contributions, in a manner that ensures the avoidance of double counting, on:
    - (i) Methods for establishing an indicative trajectory, trajectories or budget and for averaging, including with respect to relevant indicators, and for calculating cumulative emissions by sources and removals by sinks;
    - (ii) Methods for demonstrating the representativeness of averaging for corresponding adjustments by quantifying how much the yearly transaction volume differs from the average for the period;
  - (c) Consideration of whether internationally transferred mitigation outcomes could include emission avoidance;

<sup>1</sup> “Article” refers to an Article of the Paris Agreement, unless otherwise specified.

4. *Invites* submissions from Parties on options for the tables and outlines for the information required pursuant to chapter IV of the annex (Reporting) by 31 March 2022 via the submission portal;<sup>2</sup>

5. *Requests* the secretariat to organize a technical workshop, ensuring broad participation of Parties, to develop options for the tables and outlines for the information required pursuant to chapter IV of the annex (Reporting), including the agreed electronic format referred to in chapter IV.B of the annex (Annual information), on the basis of the information in those chapters, for consideration by the Subsidiary Body for Scientific and Technological Advice at its fifty-sixth session (June 2022);

6. *Also requests* the Subsidiary Body for Scientific and Technological Advice to develop tables and outlines for the information required pursuant to chapter IV of the annex (Reporting), including the agreed electronic format referred to in chapter IV.B of the annex (Annual information), on the basis of the submissions referred to in paragraph 4 above and taking into account the options developed pursuant to paragraph 5 above, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session;

7. *Further requests* the Subsidiary Body for Scientific and Technological Advice to develop recommendations for guidelines for the reviews pursuant to chapter V of the annex (Review), including in relation to the Article 6 technical expert review team, in a manner that minimizes the burden on Parties and the secretariat, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session, that include:

(a) Provisions ensuring that the reviews assess consistency of the information provided on the cooperative approach with that in the annex;

(b) That reviews are desk reviews or centralized reviews (as per the descriptions in paragraphs 152 and 154 of the annex to decision 18/CMA.1) and are conducted at regular intervals each year;

(c) Development of modalities for reviewing information that is confidential;

(d) That the reviews ensure consistency between the reporting of all of the Parties participating in a cooperative approach in respect of that cooperative approach;

(e) That the reviews specify recommended action to be taken when inconsistencies are identified, and provisions on how a Party should respond to those recommendations and the implications of non-responsiveness, if any;

(f) The composition of the Article 6 technical expert review team, how the team interacts with the participating Party when undertaking the review, the implications of paragraph 176 of the annex to decision 18/CMA.1 in respect of the composition of Article 13 review teams, and the training programme for the Article 6 technical experts;

(g) Coordination of the Article 6 technical expert review with the technical expert review referred to in chapter VII of the annex to decision 18/CMA.1, including ensuring that Article 6 technical expert reviews in a given review cycle are completed in advance of, and the relevant reports are provided to, the technical expert review referred to in chapter VII of the annex to decision 18/CMA.1;

8. *Invites* submissions from Parties on options for implementing the infrastructure requirements referred to in chapter VI of the annex (Recording and tracking) by 31 March 2022;

9. *Requests* the secretariat to organize a technical workshop, ensuring broad participation of Parties, to develop options for implementing the infrastructure requirements, including guidance for registries, the international registry, the Article 6 database and the centralized accounting and reporting platform referred to in chapter VI of the annex (Recording and tracking), for consideration by the Subsidiary Body for Scientific and Technological Advice at its fifty-sixth session;

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<sup>2</sup> <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

10. *Also requests* the Subsidiary Body for Scientific and Technological Advice, on the basis of the submissions referred to in paragraph 8 above and taking into account the options developed pursuant to paragraph 9 above, to make recommendations relating to infrastructure, including guidance for registries, the international registry, the Article 6 database and the centralized accounting and reporting platform referred to in chapter VI of the annex (Recording and tracking), for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session;

11. *Affirms* that the guidance will not infringe on the nationally determined nature of nationally determined contributions;

12. *Requests* the secretariat to design and, following consultation with Parties, implement a capacity-building programme, including through its regional collaboration centres, to assist Parties, particularly developing country Parties, intending to participate in cooperative approaches, including to:

(a) Support the development of institutional arrangements, including in relation to reporting, in order to enable Parties to engage in cooperative approaches;

(b) Help Parties ensure that cooperative approaches in which they participate support ambition;

(c) Assist the least developed countries and small island developing States in meeting the participation requirements as set out in chapter II of the annex (Participation);

13. *Also requests* the secretariat to prepare annually a compilation and synthesis of the results of the Article 6 technical expert review, including identification of recurring themes and lessons learned, for consideration by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, including in the context of its review of the guidance;

14. *Decides* to review the guidance at its tenth session (2028) and to complete the review by no later than at its twelfth session (2030) in order to coordinate the timing of the review with that of the review undertaken in accordance with paragraph 18 of decision 4/CMA.1;

15. *Requests* the Subsidiary Body for Scientific and Technological Advice to commence its work in 2028 to develop recommendations in relation to the review referred to in paragraph 14 above and *decides* that the relevant work of the Subsidiary Body for Scientific and Technological Advice shall include, but is not limited to:

(a) Participation responsibilities referred to in chapter II of the annex (Participation);

(b) Implementation of chapter III of the annex (Corresponding adjustments), including consideration of other methods in addition to those set out in chapter III.B of the annex (Application of corresponding adjustments) and elaboration of guidance to provide for a single method for corresponding adjustments, to be applied from 2031 onward;

(c) Implementation of chapter IV of the annex (Reporting);

(d) Implementation of chapter V of the annex (Review);

(e) Consideration of any need for safeguards and limits in addition to those already operationalized through the annex;

16. *Requests* the secretariat to support the forum on the impact of the implementation of response measures (referred to in para. 33 of decision 1/CP.21) in considering ways to address negative social or economic impacts, especially on developing country Parties, resulting from activities under Article 6, paragraph 2, as requested by the forum;

17. *Invites* the Adaptation Fund to report in its annual reports to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement on funding related to participation in cooperative approaches pursuant to paragraph 37 of chapter VII of the annex (Ambition in mitigation and adaptation actions);

18. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in this decision;

19. *Requests* that the actions called for in this decision be undertaken subject to the availability of financial resources;

20. *Invites* Parties to make contributions to the Trust Fund for Supplementary Activities for operationalizing the guidance and for supporting the workshops referred to in paragraphs 5 and 9 above and the capacity-building programme referred to in paragraph 12 above.

## Annex

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

#### I. Internationally transferred mitigation outcomes

1. Internationally transferred mitigation outcomes (ITMOs) from a cooperative approach are:

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

2. A “first transfer” is:

- (a) For a mitigation outcome authorized by a participating Party for use towards the achievement of an NDC, the first international transfer of the mitigation outcome or;
- (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.

#### II. Participation

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

<sup>1</sup> “Article” refers to an Article of the Paris Agreement, unless otherwise specified.

(b) It has prepared, communicated and is maintaining an NDC in accordance with Article 4, paragraph 2;

(c) It has arrangements in place for authorizing the use of ITMOs towards achievement of NDCs pursuant to Article 6, paragraph 3;

(d) It has arrangements in place that are consistent with this guidance and relevant decisions of the CMA for tracking ITMOs;

(e) It has provided the most recent national inventory report required in accordance with decision 18/CMA.1;

(f) Its participation contributes to the implementation of its NDC and long-term low-emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement.

5. In relation to the least developed countries and small island developing States, pursuant to Article 4, paragraph 6, their special circumstances shall be recognized where this guidance relates to NDCs, and other aspects of their special circumstances may be recognized in further decisions of the CMA relating to this guidance.

### **III. Corresponding adjustments**

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

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

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

7. Each participating Party shall apply corresponding adjustments in a manner that ensures transparency, accuracy, completeness, comparability and consistency; that participation in cooperative approaches does not lead to a net increase in emissions across participating Parties within and between NDC implementation periods; and that corresponding adjustments shall be representative and consistent with the participating Party's NDC implementation and achievement. Each participating Party shall apply one of the following methods consistently throughout the NDC period:

(a) Where the participating Party has a single-year NDC:

(i) Providing an indicative multi-year emissions trajectory, trajectories or budget for the NDC implementation period that is consistent with implementation and achievement of the NDC, and annually applying corresponding adjustments for the total amount of ITMOs first transferred and used for each year in the NDC implementation period;

(ii) Calculating the average annual amount of ITMOs first transferred and used over the NDC implementation period, by taking the cumulative amount of ITMOs and dividing by the number of elapsed years in the NDC implementation period and annually applying indicative corresponding adjustments equal to this average amount for each year in the NDC implementation period and applying corresponding adjustments equal to this average amount in the NDC year;

(b) Where the participating Party has a multi-year NDC, calculating a multi-year emissions trajectory, trajectories or budget for its NDC implementation period that is consistent with the NDC, and annually applying corresponding adjustments for the total amount of ITMOs first transferred and used each year in the NDC implementation period and cumulatively at the end of the NDC implementation period.

8. Each participating Party with an NDC measured in t CO<sub>2</sub> eq shall apply corresponding adjustments pursuant to paragraph 7 above, resulting in an emissions balance as referred to



in paragraph 77(d)(ii) of the annex to decision 18/CMA.1, reported pursuant to paragraph 23 below for each year, by applying corresponding adjustments in the following manner to the anthropogenic emissions by sources and removals by sinks from the sectors and GHGs covered by its NDC consistently with this chapter and relevant future decisions of the CMA:

(a) Adding the quantity of ITMOs authorized and first transferred, for the calendar year in which the mitigation outcomes occurred, pursuant to paragraph 7 above;

(b) Subtracting the quantity of ITMOs used pursuant to paragraph 7 above for the calendar year in which the mitigation outcomes are used towards the implementation and achievement of the NDC, ensuring that the mitigation outcomes are used within the same NDC implementation period as when they occurred.

9. Each participating Party with an NDC containing non-GHG metrics determined by the participating Parties engaging in a cooperative approach involving ITMOs traded in non-GHG metrics shall apply corresponding adjustments pursuant to paragraph 7 above, on the basis of ITMOs recorded in a metric-specific registry account, resulting in an annual adjusted indicator, reported pursuant to paragraph 23 below, by applying corresponding adjustments to the annual level of the relevant non-GHG indicator that was selected pursuant to paragraph 65 of the annex to decision 18/CMA.1 and is being used by the Party to track progress towards the implementation and achievement of its NDC, consistently with this chapter and relevant future decisions of the CMA, in the following manner:

(a) Subtracting the quantity of ITMOs authorized and first transferred, for the calendar year in which the mitigation outcomes occurred, pursuant to paragraph 7 above;

(b) Adding the quantity of ITMOs used pursuant to paragraph 7 above for the calendar year in which the mitigation outcomes are used towards the implementation and achievement of the NDC, ensuring that the mitigation outcomes are used within the same NDC implementation period as when they occurred.

10. Each participating Party with a first or first updated NDC consisting of policies and measures that are not quantified shall apply corresponding adjustments pursuant to paragraph 7 above, resulting in an emissions balance, as referred to in decision 18/CMA.1, reported pursuant to paragraph 23 below for each year, by applying corresponding adjustments in the following manner to the anthropogenic emissions by sources and removals by sinks for those emission or sink categories affected by the implementation of the cooperative approach and its mitigation activities and by those policies and measures that include the implementation of the cooperative approach and its mitigation activities, as applicable, consistently with this chapter and relevant future decisions of the CMA:

(a) Adding the quantity of ITMOs authorized and first transferred, for the calendar year in which the mitigation outcomes occurred, pursuant to paragraph 7 above;

(b) Subtracting the quantity of ITMOs used pursuant to paragraph 7 above for the calendar year in which the mitigation outcomes are used towards the implementation and achievement of the NDC, ensuring that the mitigation outcomes are used within the same NDC implementation period as when they occurred.

11. Where, in this annex, the terms sectors and GHGs apply in relation to an NDC, that provision shall be read as referring to sectors and GHGs, or categories in the case referred to in paragraph 10 above.

12. Additions and subtractions for an NDC implementation period shall be considered final, prior to the initiation of the review of the first biennial transparency report that contains information on the end year or end of the period of the NDC, by a date to be determined by the CMA.

13. A participating Party that first transfers ITMOs from emission reductions and removals covered by its NDC shall apply corresponding adjustments consistently with this guidance.

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

15. This chapter shall not require a participating Party to update its NDC.

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

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

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

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

## **IV. Reporting**

### **A. Initial report**

18. Each participating Party shall submit an Article 6, paragraph 2, initial report (hereinafter referred to as an initial report) no later than authorization of ITMOs from a cooperative approach or where practical (in the view of the participating Party) in conjunction with the next biennial transparency report due pursuant to decision 18/CMA.1 for the period of NDC implementation. The initial report shall contain comprehensive information to:

(a) Demonstrate that the participating Party fulfils the participation responsibilities referred to in chapter II above (Participation);

(b) Provide, where the participating Party has not yet submitted a biennial transparency report, the information referred to in paragraph 64 of the annex to decision 18/CMA.1;

(c) Communicate the ITMO metrics and the method for applying corresponding adjustments as per chapter III.B above for multi- or single-year NDCs that will be applied consistently throughout the period of NDC implementation and where the method is a multi-year emissions trajectory, trajectories or budget, describe the method;

(d) Quantify the Party's mitigation information in its NDC in t CO<sub>2</sub> eq, including the sectors, sources, GHGs and time periods covered by the NDC, the reference level of emissions and removals for the relevant year or period, and the target level for its NDC; or, where this is not possible, provide the methodology for the quantification of the NDC in t CO<sub>2</sub> eq;

(e) Quantify the NDC, or the portion in the relevant non-GHG indicator, in a non-GHG metric determined by each participating Party, if applicable;

(f) For a first or first updated NDC consisting of policies and measures that is not quantified, quantify the emission level resulting from the policies and measures that are relevant to the implementation of the cooperative approach and its mitigation activities for the categories of anthropogenic emissions by sources and removals by sinks as identified by the host Party pursuant to paragraph 10 above, and the time periods covered by the NDC;

(g) Provide, for each cooperative approach, a copy of the authorization by the participating Party, a description of the approach, its duration, the expected mitigation for each year of its duration, and the participating Parties involved and authorized entities;

(h) Describe how each cooperative approach ensures environmental integrity, including:

(i) That there is no net increase in global emissions within and between NDC implementation periods;

(ii) Through robust, transparent governance and the quality of mitigation outcomes, including through conservative reference levels, baselines set in a conservative way and below 'business as usual' emission projections (including by taking into account all existing policies and addressing uncertainties in quantification and potential leakage);

(iii) By minimizing the risk of non-permanence of mitigation across several NDC periods and how, when reversals of emission reductions or removals occur, the cooperative approach will ensure that these are addressed in full;

(i) Describe how each cooperative approach will:

(i) Minimize and, where possible, avoid negative environmental, economic and social impacts;

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

(iii) Be consistent with the sustainable development objectives of the Party, noting national prerogatives;

(iv) Apply any safeguards and limits set out in further guidance from the CMA pursuant to chapter III.D above (Safeguards and limits to the transfer and use of internationally transferred mitigation outcomes);

(v) Contribute resources for adaptation pursuant to chapter VII below (Ambition in mitigation and adaptation actions), if applicable;

(vi) Deliver overall mitigation in global emissions pursuant to chapter VII below (Ambition in mitigation and adaptation actions), if applicable.

19. For each further cooperative approach, each participating Party shall submit the information referred to in paragraph 18(g–i) above in an updated initial report and for inclusion in the centralized accounting and reporting platform referred to in chapter VI.C below (Centralized accounting and reporting platform) and include it in the next biennial transparency report due.

## **B. Annual information**

20. Each participating Party shall, on an annual basis by no later than 15 April of the following year and in an agreed electronic format, submit for recording in the Article 6 database referred to in chapter VI.B below (Article 6 database):

(a) Annual information on authorization of ITMOs for use towards achievement of NDCs, authorization of ITMOs for use towards other international mitigation purposes, first transfer, transfer, acquisition, holdings, cancellation, voluntary cancellation, voluntary cancellation of mitigation outcomes or ITMOs towards overall mitigation in global emissions, and use towards NDCs;

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

## C. Regular information

21. Each participating Party shall include, as an annex to its biennial transparency reports that are submitted in accordance with paragraph 10(b) of the annex to decision 18/CMA.1 and no later than 31 December of the relevant year, the following information in relation to its participation in cooperative approaches:

(a) How it is fulfilling the participation responsibilities referred to in chapter II above (Participation);

(b) Updates to the information provided in its initial report as per chapter IV.A above (Initial report), and any previous biennial transparency reports for any information that is not included in the biennial transparency report pursuant to paragraph 64 of the annex to decision 18/CMA.1;

(c) Authorizations and information on its authorization(s) of use of ITMOs towards achievement of NDCs and authorization for use for other international mitigation purposes, including any changes to earlier authorizations, pursuant to Article 6, paragraph 3;

(d) How corresponding adjustments undertaken in the latest reporting period, pursuant to chapter III above (Corresponding adjustments), ensure that double counting is avoided in accordance with paragraph 36 of decision 1/CP.21 and are representative of progress towards implementation and achievement of its NDC, and how those corresponding adjustments ensure that participation in cooperative approaches does not lead to a net increase in emissions across participating Parties within and between NDC implementation periods;

(e) How it has ensured that ITMOs that have been used towards achievement of its NDC or mitigation outcome(s) authorized for use and that have been used for other international mitigation purposes will not be further transferred, further cancelled or otherwise used.

22. Each participating Party shall also include, as an annex to its biennial transparency reports that are submitted in accordance with paragraph 10(b) of the annex to decision 18/CMA.1 and no later than 31 December of the relevant year, the following information on how each cooperative approach in which it participates:

(a) Contributes to the mitigation of GHGs and the implementation of its NDC;

(b) Ensures environmental integrity, including:

(i) That there is no net increase in global emissions within and between NDC implementation periods;

(ii) Through robust, transparent governance and the quality of mitigation outcomes, including through conservative reference levels, baselines set in a conservative way and below 'business as usual' emission projections (including by taking into account all existing policies and addressing uncertainties in quantification and potential leakage);

(iii) By minimizing the risk of non-permanence of mitigation across several NDC periods and when reversals of emission removals occur, ensuring that these are addressed in full;

(c) Where a mitigation outcome is measured and transferred in t CO<sub>2</sub> eq, provides for the measurement of mitigation outcomes in accordance with the methodologies and metrics assessed by the Intergovernmental Panel on Climate Change and adopted by the CMA;

(d) Where a mitigation outcome is measured and first transferred in a non-GHG metric determined by the participating Parties, ensures that the method for converting the non-GHG metric into t CO<sub>2</sub> eq is appropriate for the specific non-GHG metric and the mitigation scenario in which it is applied, including how the conversion method:

(i) Represents the emission reductions or removals that occur within the geographical boundaries and time frame in which the non-GHG mitigation outcome was generated;

- (ii) Is appropriate for the specific non-CO<sub>2</sub> eq metric, including a demonstration of how the selection of the conversion method and conversion factor(s) applied take into consideration the specific scenario in which the mitigation action occurs;
- (iii) Is transparent, including a description of the method, the source of the underlying data, how the data are used, and how the method is applied in a conservative manner that addresses uncertainty and ensures environmental integrity;
- (e) Provides for, as applicable, the measurement of mitigation co-benefits resulting from adaptation actions and/or economic diversification plans;
- (f) Minimizes and, where possible, avoids negative, environmental, economic and social impacts;
- (g) Reflects the eleventh preambular paragraph of the Paris Agreement, acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity;
- (h) Is consistent with and contributes to the sustainable development objectives of the Party, noting national prerogatives;
- (i) Applies any safeguards and limits set out in further guidance from the CMA pursuant to chapter III.D above (Safeguards and limits to the transfer and use of internationally transferred mitigation outcomes);
- (j) Contributes resources for adaptation pursuant to chapter VII below (Ambition in mitigation and adaptation actions), if applicable;
- (k) Delivers overall mitigation in global emissions pursuant to chapter VII below (Ambition in mitigation and adaptation actions), if applicable.

23. Each participating Party shall submit the following annual information (reported biennially) in a manner consistent with chapter III.B above (Application of corresponding adjustments) and any updates to information submitted for previous years in the NDC implementation period to the Article 6 database pursuant to chapter VI.B below (Article 6 database) and shall include it in the structured summary (required pursuant to paragraph 77(d) of the annex to decision 18/CMA.1 as part of the biennial transparency report):

- (a) Annual anthropogenic emissions by sources and removals by sinks covered by its NDC or, where applicable, for the emission or sink categories as identified by the host Party pursuant to paragraph 10 above (as part of the information referred to in para. 77(d)(i) of the annex to decision 18/CMA.1);
- (b) Annual anthropogenic emissions by sources and removals by sinks covered by its NDC or, where applicable, from the portion of its NDC in accordance with paragraph 10 above;
- (c) Annual quantity of ITMOs first transferred;
- (d) Annual quantity of mitigation outcomes authorized for use for other international mitigation purposes and entities authorized to use such mitigation outcomes, as appropriate;
- (e) Annual quantity of ITMOs used towards achievement of its NDC;
- (f) Net annual quantity of ITMOs resulting from paragraph 23(c–e) above;
- (g) Total quantitative corresponding adjustments used to calculate the emissions balance and/or annual adjusted indicator referred to in paragraph 23(k) below, in accordance with the Party's method for applying corresponding adjustments consistent with chapter III.B above (Application of corresponding adjustments);
- (h) The cumulative information in respect of the annual information referred to in paragraph 23(f) above, as applicable;

(i) The annual level of the relevant non-GHG indicator that is being used by the Party to track progress towards the implementation and achievement of its NDC and was selected pursuant to paragraph 65 of the annex to decision 18/CMA.1;

(j) For the information referred to in paragraph 23(c–e) above, the amounts per the cooperative approach, sector, transferring Party, using Party and vintage of the ITMO for each cooperative approach (in the annex referred to in para. 22 above);

(k) For metrics in:

(i) Tonnes of CO<sub>2</sub> eq or non-GHGs, an annual emissions balance consistent with chapter III.B above (Application of corresponding adjustments) (as part of the information referred to in para. 77(d)(ii) of the annex to decision 18/CMA.1);

(ii) Non-GHGs, for each non-GHG metric determined by participating Parties, annual adjustments resulting in an annual adjusted indicator, consistently with paragraph 9 in chapter III.B above (Application of corresponding adjustments) and future decisions of the CMA (as part of the information referred to in para. 77(d)(iii) of the annex to decision 18/CMA.1);

(l) In biennial transparency reports that contain information on the end year of the NDC implementation period, in its assessment of whether it has achieved the target(s) for its NDC pursuant to paragraphs 70 and 77 of decision 18/CMA.1, the application of the necessary corresponding adjustments consistently with chapter III above (Corresponding adjustments) and consistently with future decisions of the CMA.

24. Information submitted by a Party pursuant to this chapter that is not identified by that Party as confidential (non-confidential information) shall be made public on the centralized accounting and reporting platform.

## **V. Review**

25. An Article 6 technical expert review consists of a desk or centralized review of the consistency of the information submitted by the Party under chapter IV.A and C above (Reporting) with this guidance. An Article 6 technical expert review shall be undertaken in a manner that minimizes burden on Parties and the secretariat.

26. An Article 6 technical expert review team shall review the information submitted pursuant to chapter IV.A and C above (Reporting) in accordance with guidelines adopted by the CMA. To the extent possible, information submitted by all the participating Parties on a cooperative approach shall be reviewed as part of the review.

27. The Article 6 technical expert review team shall prepare a report on its review, pursuant to paragraph 26 above, that shall, if applicable, include recommendations to the participating Party on how to improve consistency with this guidance and relevant decisions of the CMA, including on how to address inconsistencies in quantified information that is reported under chapter IV.B–C above (Reporting) and/or identified by the secretariat as part of the consistency check.

28. The Article 6 technical expert review team shall forward its reports for consideration in the technical expert review referred to in chapter VII of the annex to decision 18/CMA.1 in accordance with the guidelines referred to in paragraph 26 above, and the reports shall be made publicly available on the centralized accounting and recording platform.

## **VI. Recording and tracking**

### **A. Tracking**

29. Each participating Party shall have, or have access to, a registry for the purpose of tracking and shall ensure that such registry records, including through unique identifiers, as applicable, authorization, first transfer, transfer, acquisition, use towards NDCs,

authorization for use towards other international mitigation purposes, and voluntary cancellation (including for overall mitigation in global emissions, if applicable), and shall have accounts as necessary.

30. The secretariat shall implement an international registry for participating Parties that do not have or do not have access to a registry. The international registry shall be able to perform the functions set out in paragraph 29 above. Any Party may request an account in the international registry.

31. The international registry shall be part of the centralized accounting and reporting platform referred to in chapter VI.C below (Centralized accounting and reporting platform).

## **B. Article 6 database**

32. For transparency in relation to cooperative approaches, to record and compile the information submitted by participating Parties pursuant to chapter IV.B–C above (Reporting) and to support the review referred to in chapter V above (Review), the secretariat shall implement an Article 6 database as part of and integrated with the centralized accounting and reporting platform referred to in chapter VI.C below (Centralized accounting and reporting platform). The Article 6 database shall enable the following:

(a) Recording of corresponding adjustments and emissions balances and information on ITMOs first transferred, transferred, acquired, held, cancelled, cancelled for overall mitigation in global emissions, if any, and/or used by participating Parties, through identification of ITMOs by unique identifiers that identify, at the minimum, the participating Party, vintage of underlying mitigation, activity type and sector(s);

(b) Identifying inconsistencies to be notified to the participating Party or participating Parties, as applicable.

33. The secretariat shall:

(a) Check the consistency of information reported by a participating Party pursuant to chapter IV above (Reporting) for recording in the Article 6 database with the requirements of this guidance and across the participating Parties in a cooperative approach (consistency check);

(b) Notify the participating Party(ies) of any inconsistencies identified in the information reported by the Party, including compared with information reported by another participating Party;

(c) Provide information relevant to the participating Party's cooperative approach(es) (and other participating Parties, as relevant), including the consistency check to the Article 6 technical expert review team in accordance with the guidelines referred to in paragraph 26 above;

(d) Make non-confidential information in the consistency check publicly available on the centralized accounting and reporting platform.

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

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

35. For transparency in relation to cooperative approaches and to support the review referred to in chapter V above (Review), the secretariat shall establish and maintain a centralized accounting and reporting platform for publishing information submitted by participating Parties pursuant to chapter IV above (Reporting).

36. The secretariat shall:

(a) Maintain public information on cooperative approaches and ITMOs by extracting relevant non-confidential information from the information submitted by participating Parties pursuant to chapter IV above (Reporting);

(b) Maintain links to the publicly available information submitted by participating Parties on the cooperative approaches in which they participate;

(c) Provide an annual report to the CMA on the activities in relation to this chapter, including information on recorded ITMOs, corresponding adjustments and emission balances.

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

37. Participating Parties and stakeholders using cooperative approaches are strongly encouraged to commit to contribute resources for adaptation, in particular through contributions to the Adaptation Fund, and to take into account the delivery of resources under Article 6, paragraph 4, to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.

38. Each participating Party shall report as part of their reporting in accordance with chapter IV.C above (Regular information) on any contributions made pursuant to paragraph 37 above.

39. Participating Parties and stakeholders are strongly encouraged to cancel ITMOs that are not counted towards any Party's NDC or for other international mitigation purposes, to deliver overall mitigation in global emissions, and to take into account the delivery of overall mitigation in global emissions under the mechanism established by Article 6, paragraph 4.

40. Each participating Party shall report as part of their reporting in accordance with chapter IV.C above (Regular information) on any delivery of overall mitigation in global emissions related to its participation in cooperative approaches.

*12<sup>th</sup> plenary meeting  
13 November 2021*



## Decision 3/CMA.3

### Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement

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

*Recalling* the Paris Agreement,

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

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

*Recalling* the mechanism established by Article 6, paragraph 4, of the Paris Agreement and the aims referred to therein,

*Also recalling* decisions 1/CP.21, 8/CMA.1, 13/CMA.1 and 9/CMA.2,

*Cognizant* of decision 2/CMP.16,

1. *Adopts* the rules, modalities and procedures for the mechanism established by Article<sup>1</sup> 6, paragraph 4, as contained in the annex;
2. *Designates* the body that will supervise the mechanism with its membership and rules of procedure as set out in the annex and names it the Supervisory Body;
3. *Invites* the nomination of members and alternate members for the Supervisory Body pursuant to paragraph 9 of the annex;
4. *Decides* that at least two meetings of the Supervisory Body shall be held in 2022;
5. *Requests* the Supervisory Body to:
  - (a) Develop provisions for the development and approval of methodologies, validation, registration, monitoring, verification and certification, issuance, renewal, first transfer from the mechanism registry, voluntary cancellation and other processes pursuant to chapters V.B–L and VIII of the annex (Delivering overall mitigation in global emissions);
  - (b) In the context of developing and approving new methodologies for the mechanism:
    - (i) Review the baseline and monitoring methodologies in use for the clean development mechanism under Article 12 of the Kyoto Protocol with a view to applying them with revisions, as appropriate, pursuant to chapter V.B of the annex (Methodologies) for the activities under the mechanism (hereinafter referred to as Article 6, paragraph 4, activities);
    - (ii) Consider the baseline and monitoring methodologies used in other market-based mechanisms as a complementary input to the development of baselines and monitoring methodologies pursuant to chapter V.B of the annex (Methodologies);
    - (c) Review the sustainable development tool in use for the clean development mechanism and other tools and safeguard systems in use in existing market-based

<sup>1</sup> “Article” refers to an Article of the Paris Agreement, unless otherwise specified.

mechanisms to promote sustainable development with a view to developing similar tools for the mechanism by the end of 2023;

(d) Review the accreditation standards and procedures of the clean development mechanism with a view to applying them with revisions, as appropriate, for the mechanism by the end of 2023;

(e) Expeditiously accredit operational entities as designated operational entities;

(f) Ensure the implementation of the requirements referred to in paragraph 29 of the annex in relation to the least developed countries and small island developing States;

(g) Consider ways to encourage participation by small and micro businesses in the mechanism, in particular in the least developed countries and small island developing States;

(h) Consider opportunities to engage with the Local Communities and Indigenous Peoples Platform and its Facilitative Working Group;

(i) Consider the gender action plan and the incorporation of relevant actions into the work of the Supervisory Body;

6. *Also requests* the Supervisory Body to elaborate and further develop, on the basis of the rules, modalities and procedures contained in the annex, recommendations, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session (November 2022), on:

(a) Its rules of procedure (including in relation to transparency of meetings), and to operate and hold meetings on the basis of the annex pending any further decisions by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement on the rules of procedure;

(b) Appropriate levels for the share of proceeds for administrative expenses and its operation, including in order to enable a periodic contribution to the share of proceeds for adaptation for the Adaptation Fund;

(c) Activities involving removals, including appropriate monitoring, reporting, accounting for removals and crediting periods, addressing reversals, avoidance of leakage, and avoidance of other negative environmental and social impacts, in addition to the activities referred to in chapter V of the annex (Article 6, paragraph 4, activity cycle);

(d) The application of the requirements referred to in chapter V.B of the annex (Methodologies);

7. *Further requests* the Subsidiary Body for Scientific and Technological Advice to develop, on the basis of the rules, modalities and procedures contained in the annex, recommendations, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session, on:

(a) Further responsibilities of the Supervisory Body and of Parties that host Article 6, paragraph 4, activities (hereinafter referred to as host Parties) in order for such host Parties to elaborate and apply national arrangements for the mechanism under the approval and supervision of the Supervisory Body;

(b) Processes for implementation of the transition of activities from the clean development mechanism to Article 6, paragraph 4, in accordance with chapter XI.A of the annex (Transition of clean development mechanism activities);

(c) Processes for implementation of chapter XI.B of the annex (Use of certified emission reductions towards first or first updated nationally determined contributions);

(d) Reporting by host Parties on their Article 6, paragraph 4, activities and the Article 6, paragraph 4, emission reductions issued for the activities, while avoiding unnecessary duplication of reporting information that is already publicly available;

(e) The operation of the mechanism registry referred to in chapter VI of the annex (Mechanism registry);

(f) The processes necessary for implementation of the share of proceeds to cover administrative expenses and the share of proceeds to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation in accordance with chapter VII of the annex (Levy of share of proceeds for adaptation and administrative expenses);

(g) The processes necessary for the delivery of overall mitigation in global emissions in accordance with chapter VIII of the annex (Delivering overall mitigation in global emissions);

(h) The consideration of whether activities could include emission avoidance and conservation enhancement activities;

8. *Requests* the Supervisory Body to evaluate the implementation of the share of proceeds set out in chapter VII of the annex (Levy of share of proceeds for adaptation and administrative expenses) no later than in 2026 and every five years thereafter and, following such review, to make recommendations on possible improvements in order to optimize the resources available to the Adaptation Fund for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

9. *Also requests* the Supervisory Body to evaluate the implementation and delivery of overall mitigation in global emissions set out in chapter VIII of the annex (Delivering overall mitigation in global emissions), including the percentage applied, no later than in 2026 and every five years thereafter and, following such review, to make recommendations on possible improvements in order to optimize the delivery of overall mitigation in global emissions for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

10. *Decides* that the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement shall review the rules, modalities and procedures for the mechanism at its tenth session (2028) with a view to completing the review by no later than at its twelfth session (2030);

11. *Requests* the Subsidiary Body for Scientific and Technological Advice to develop recommendations with respect to the review referred to in paragraph 10 above taking into account:

(a) Any recommendations of the Supervisory Body pursuant to paragraphs 8–9 above;

(b) Consideration of any need for further safeguards;

12. *Also requests* the Supervisory Body to support the forum on the impact of the implementation of response measures (referred to in para. 33 of decision 1/CP.21) in considering ways to address any negative social or economic impacts, especially those on developing country Parties, resulting from Article 6, paragraph 4, activities, as requested by the forum;

13. *Notes with appreciation* decision 2/CMP.16, pursuant to which the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol allocated funds from the Trust Fund for the Clean Development Mechanism under Article 12 of the Kyoto Protocol to the Trust Fund for Supplementary Activities for the purpose of expediting implementation of the Article 6, paragraph 4, mechanism;

14. *Requests* the secretariat, including through its regional collaboration centres and in consultation with the Supervisory Body, to design and implement, in consultation with Parties, a capacity-building programme to assist Parties wishing to voluntarily participate in the mechanism to, inter alia:

(a) Establish the necessary institutional arrangements to implement the requirements contained in the annex;

(b) Develop the technical capacity to design and set baselines for application in host Parties;

15. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in this decision;
16. *Requests* that the actions called for in this decision be undertaken subject to the availability of financial resources;
17. *Invites* Parties to make contributions to the Trust Fund for Supplementary Activities for the purpose of operationalizing the mechanism, which shall be reimbursed upon request.

## Annex

### Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement

#### I. Definitions

1. For the purpose of these rules, modalities and procedures:

(a) An “**Article 6, paragraph 4, activity**” is an activity that meets the requirements of Article<sup>1</sup> 6, paragraphs 4–6, these rules, modalities and procedures, and any further relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA);

(b) An “**Article 6, paragraph 4, emission reduction**” (A6.4ER) is issued for mitigation achieved pursuant to Article 6, paragraphs 4–6, these rules, modalities and procedures, and any further relevant decisions of the CMA. It is measured in carbon dioxide equivalent and is equal to 1 tonne of carbon dioxide equivalent calculated in accordance with the methodologies and metrics assessed by the Intergovernmental Panel on Climate Change and adopted by the CMA or in other metrics adopted by the CMA pursuant to these rules, modalities and procedures;

(c) “**International mitigation purposes**”, “**other purposes**” and “**other international mitigation purposes**” have the same meanings as provided in paragraph 1(f) of the annex to decision 2/CMA.3.

#### II. Role of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

2. The CMA shall provide guidance to the Supervisory Body by taking decisions on, inter alia:

(a) The rules of procedure of the Supervisory Body;

(b) Recommendations made by the Supervisory Body relating to these rules, modalities and procedures;

(c) Matters relating to the operation of the mechanism established by Article 6, paragraph 4, as appropriate.

#### III. Supervisory Body

3. The Supervisory Body shall supervise the mechanism under the authority and guidance of the CMA and be fully accountable to the CMA.

##### A. Rules of procedure

4. The Supervisory Body shall comprise 12 members from Parties to the Paris Agreement, ensuring broad and equitable geographical representation and striving to ensure gender-balanced representation, as follows:

(a) Two members from each of the five United Nations regional groups;

(b) One member from the least developed countries;

(c) One member from small island developing States.

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<sup>1</sup> “Article” refers to an Article of the Paris Agreement, unless otherwise specified.

5. The CMA shall elect members and an alternate for each member of the Supervisory Body on the basis of nominations by the respective groups and constituencies.
6. Members and alternate members shall serve in their individual expert capacity.
7. Members and alternate members shall possess relevant scientific, technical, socioeconomic or legal expertise.
8. Members and alternate members shall serve for a term of two years.
9. Notwithstanding paragraph 8 above, in the first election of members and alternate members, the CMA shall elect half of the members and their alternate members for a term of three years and the other half for a term of two years. At the expiry of the term of these members and their alternate members and thereafter, the CMA shall elect replacement members and their alternate members for a term of two years. The members and their alternate members shall remain in office until their successors have been elected.
10. The term of service of a member shall start at the first meeting of the Supervisory Body in the calendar year following their election and shall end immediately before the first meeting of the Supervisory Body in the calendar year in which the term ends.
11. The maximum number of terms of any individual shall be two terms, whether consecutive or not and including any period as an alternate member.
12. If a member or alternate member resigns or is otherwise unable to continue as a member or alternate member, the Supervisory Body may decide, bearing in mind the proximity to the next session of the CMA, to appoint a replacement member or replacement alternate member from the same constituency to serve the remainder of the term on the basis of a nomination from the relevant constituency, in which case the appointment shall count as one term.
13. Members and alternate members may be suspended, or their membership terminated by the CMA, if:
  - (a) They fail to disclose a conflict of interest;
  - (b) They fail to attend two consecutive meetings without proper justification.
14. Participation costs for members and alternate members will be covered by the share of proceeds for administrative expenses.
15. Members and alternate members shall avoid actual, potential and perceived conflicts of interest and shall:
  - (a) Declare any actual, potential or perceived conflict of interest at the start of a meeting;
  - (b) Recuse themselves from participating in any work of the Supervisory Body, including decision-making, in relation to which they have an actual, potential or perceived conflict of interest;
  - (c) Refrain from behaviour that may be incompatible with the requirements of independence and impartiality.
16. Members and alternate members shall ensure confidentiality, in line with relevant best practice and decisions of the CMA and the Supervisory Body.
17. At least three fourths of the members, including alternate members only when they are acting as members, shall constitute a quorum for meetings of the Supervisory Body.
18. Each year, the Supervisory Body shall elect a Chair and a Vice-Chair from among its members. The Chair and the Vice-Chair shall remain in office until their successors have been elected.
19. Meetings of the Supervisory Body shall be open to the public, including via electronic means, and a recording shall be made available via electronic means unless closed for reasons of confidentiality.

20. Documents for meetings of the Supervisory Body shall be made publicly available, unless they are confidential.
21. The Supervisory Body shall ensure transparency of decision-making and make publicly available its decision-making framework and decisions, including standards, procedures and related documents.
22. Decisions of the Supervisory Body shall be taken by consensus whenever possible. If all efforts at reaching consensus have been exhausted, decisions shall be put to vote and adopted by a majority of three fourths of the members, including alternate members only when they are acting as members, present and voting.
23. The Supervisory Body shall adopt reports on its meetings and make them publicly available.

## **B. Governance and functions**

24. The Supervisory Body shall, in accordance with relevant decisions of the CMA:
- (a) Establish the requirements and processes necessary to operate the mechanism, relating to, inter alia:
    - (i) The accreditation of operational entities as designated operational entities;
    - (ii) The development and/or approval of methodologies (hereinafter referred to as mechanism methodologies) and standardized baselines for Article 6, paragraph 4, activities;
    - (iii) The registration of activities as Article 6, paragraph 4, activities, the renewal of crediting periods of registered Article 6, paragraph 4, activities and the issuance of A6.4ERs;
    - (iv) Ensuring that activities follow reasonable maximum time intervals between the steps in the activity cycle;
    - (v) The registry for the mechanism;
    - (vi) The share of proceeds levied to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation as set out in chapter VII below (Levy of share of proceeds for adaptation and administrative expenses);
    - (vii) The delivery of overall mitigation in global emissions as set out in chapter VIII below (Delivering overall mitigation in global emissions);
    - (viii) The approval and supervision of host Party national arrangements for accreditation of operational entities; development of mechanism methodologies, including applying baselines and other methodological requirements as defined in chapter V.B below (Methodologies); and application of the crediting periods and renewal of crediting periods consistent with or more stringent than as set out in chapter V.A, C and I below;
    - (ix) The eleventh preambular paragraph of the Paris Agreement, acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity;
    - (x) The application of robust, social and environmental safeguards;
    - (xi) The development of tools and approaches for assessing and reporting information about how each activity is fostering sustainable development, while acknowledging that the consideration of sustainable development is a national prerogative;

- (xii) Ensuring that the mechanism facilitates achievement of the long-term goals of the Paris Agreement;
- (b) Accredite operational entities as designated operational entities;
- (c) Support the implementation of the mechanism by, inter alia:
  - (i) Developing and maintaining a public website for information related to proposed and registered Article 6, paragraph 4, activities, subject to confidentiality;
  - (ii) Taking appropriate measures to promote the regional availability of designated operational entities in all regions;
  - (iii) Promoting public awareness of the mechanism;
  - (iv) Facilitating dialogue with host Parties and other stakeholders in the mechanism;
  - (v) Providing public information to the CMA on all registered Article 6, paragraph 4, activities hosted by each Party and all A6.4ERs issued for those activities;
  - (vi) Implementing capacity-building activities;
- (d) Report annually to the CMA.

### **C. Role of the secretariat**

25. Pursuant to Article 17 and in accordance with relevant decisions of the CMA, the secretariat shall serve as the secretariat of the Supervisory Body and perform its functions in the operation of the mechanism in accordance with these rules, modalities and procedures.

## **IV. Participation responsibilities**

26. Each host Party of Article 6, paragraph 4, activities shall, prior to participating in the mechanism, ensure that:

- (a) It is a Party to the Paris Agreement;
- (b) It has prepared, has communicated and is maintaining a nationally determined contribution (NDC) in accordance with Article 4, paragraph 2;
- (c) It has designated a national authority for the mechanism and has communicated that designation to the secretariat;
- (d) It has indicated publicly to the Supervisory Body how its participation in the mechanism contributes to sustainable development, while acknowledging that the consideration of sustainable development is a national prerogative;
- (e) It has indicated publicly to the Supervisory Body the types of Article 6, paragraph 4, activity that it would consider approving pursuant to chapter V.C below (Approval and authorization) and how such types of activity and any associated emission reductions would contribute to the achievement of its NDC, if applicable, its long-term low greenhouse gas (GHG) emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement.

27. A host Party may specify to the Supervisory Body, prior to participating in the mechanism:

- (a) Baseline approaches and other methodological requirements, including additionality, to be applied for Article 6, paragraph 4, activities that it intends to host, in addition and subject to and consistent with these rules, modalities and procedures, under the supervision of the Supervisory Body, and subject to further relevant decisions of the CMA, with an explanation of how those approaches and requirements are compatible with its NDC and, if it has submitted one, its long-term low GHG emission development strategy;



(b) Crediting periods to be applied for Article 6, paragraph 4, activities that it intends to host, including whether the crediting periods may be renewed, subject to these rules, modalities and procedures and under the supervision of the Supervisory Body, and in accordance with further relevant decisions of the CMA, with an explanation of how those crediting periods are compatible with its NDC and, if it has submitted one, its long-term low GHG emission development strategy.

28. Each host Party shall ensure that, on a continuing basis:

(a) It is maintaining an NDC in accordance with Article 4, paragraph 2;

(b) Its participation in the mechanism contributes to the implementation of its NDC and its long-term low GHG emission development strategy, if it has submitted one.

29. In relation to the least developed countries and small island developing States, pursuant to Article 4, paragraph 6, their special circumstances shall be recognized where these rules, modalities and procedures relate to NDCs, and other aspects of their special circumstances may be recognized in further decisions of the CMA relating to these rules, modalities and procedures.

## **V. Article 6, paragraph 4, activity cycle**

### **A. Activity design**

30. The public or private entities participating in an activity (hereinafter referred to as activity participants) that wish to register the activity as an Article 6, paragraph 4, activity shall design the activity according to the requirements in this chapter and any other relevant requirements adopted by the CMA or the Supervisory Body.

31. The activity:

(a) Shall be designed to achieve mitigation of GHG emissions that is additional, including reducing emissions, increasing removals and mitigation co-benefits of adaptation actions and/or economic diversification plans (hereinafter collectively referred to as emission reductions), and not lead to an increase in global emissions;

(b) May be a project, programme of activities or other type of activity approved by the Supervisory Body;

(c) Shall be designed to achieve emission reductions in the host Party;

(d) Shall also:

(i) Deliver real, measurable and long-term benefits related to climate change in accordance with decision 1/CP.21, paragraph 37(b);

(ii) Minimize the risk of non-permanence of emission reductions over multiple NDC implementation periods and, where reversals occur, ensure that these are addressed in full;

(iii) Minimize the risk of leakage and adjust for any remaining leakage in the calculation of emission reductions or removals;

(iv) Minimize and, where possible, avoid negative environmental and social impacts;

(e) Shall undergo local and, where appropriate, subnational stakeholder consultation consistent with applicable domestic arrangements in relation to public participation and local communities and indigenous peoples, as applicable;

(f) Shall apply a crediting period for the issuance of A6.4ERs, that is a maximum of 5 years renewable a maximum of twice, or a maximum of 10 years with no option of renewal, that is appropriate to the activity, or, in respect of activities involving removals, a crediting period of a maximum of 15 years renewable a maximum of twice that is appropriate to the activity, and that is subject to approval by the Supervisory Body, or any shorter

crediting period specified by the host Party pursuant to paragraph 27(b) above. The crediting period shall not start before 2021.

32. The activity shall apply a mechanism methodology that has been developed in accordance with chapter V.B below (Methodologies) and approved by the Supervisory Body following its technical assessment, in order to:

- (a) Set a baseline for the calculation of emission reductions to be achieved by the activity;
- (b) Demonstrate the additionality of the activity;
- (c) Ensure accurate monitoring of emission reductions;
- (d) Calculate the emission reductions achieved by the activity.

## **B. Methodologies**

33. Mechanism methodologies shall encourage ambition over time; encourage broad participation; be real, transparent, conservative, credible and below ‘business as usual’; avoid leakage, where applicable; recognize suppressed demand; align with the long-term temperature goal of the Paris Agreement; contribute to the equitable sharing of mitigation benefits between the participating Parties; and, in respect of each participating Party, contribute to reducing emission levels in the host Party, and align with its NDC, if applicable, its long-term low GHG emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement.

34. Mechanism methodologies shall include relevant assumptions, parameters, data sources and key factors and take into account uncertainty, leakage, policies and measures, and relevant circumstances, including national, regional or local, social, economic, environmental and technological circumstances, and address reversals, where applicable.

35. Mechanism methodologies may be developed by activity participants, host Parties, stakeholders or the Supervisory Body. Mechanism methodologies shall be approved by the Supervisory Body where they meet the requirements of these rules, modalities and procedures and the requirements established by the Supervisory Body.

36. Each mechanism methodology shall require the application of one of the approach(es) below to setting the baseline, while taking into account any guidance by the Supervisory Body, and with justification for the appropriateness of the choices, including information on how the proposed baseline approach is consistent with paragraphs 33 and 35 above and recognizing that a host Party may determine a more ambitious level at its discretion:

A performance-based approach, taking into account:

- (i) Best available technologies that represent an economically feasible and environmentally sound course of action, where appropriate;
- (ii) An ambitious benchmark approach where the baseline is set at least at the average emission level of the best performing comparable activities providing similar outputs and services in a defined scope in similar social, economic, environmental and technological circumstances;
- (iii) An approach based on existing actual or historical emissions, adjusted downwards to ensure alignment with paragraph 33 above.

37. Standardized baselines may be developed by the Supervisory Body at the request of the host Party or may be developed by the host Party and approved by the Supervisory Body. Standardized baselines shall be established at the highest possible level of aggregation in the relevant sector of the host Party and be consistent with paragraph 33 above.

38. Each mechanism methodology shall specify the approach to demonstrating the additionality of the activity. Additionality shall be demonstrated using a robust assessment that shows the activity would not have occurred in the absence of the incentives from the mechanism, taking into account all relevant national policies, including legislation, and

representing mitigation that exceeds any mitigation that is required by law or regulation, and taking a conservative approach that avoids locking in levels of emissions, technologies or carbon-intensive practices incompatible with paragraph 33 above.

39. The Supervisory Body may apply simplified approaches for demonstration of additionality for any least developed country or small island developing State at the request of that Party, in accordance with requirements developed by the Supervisory Body.

## **C. Approval and authorization**

40. The host Party shall provide to the Supervisory Body an approval of the activity, prior to a request for registration. The approval shall include:

(a) Confirmation that and information on how the activity fosters sustainable development in the host Party;

(b) Approval of any potential renewal of the crediting period, if the Party intends to allow the activity to continue beyond the first crediting period, where the Party has specified that the crediting periods of Article 6, paragraph 4, activities that it intends to host may be renewed pursuant to paragraph 27(b) above;

(c) Explanation of how the activity relates to the implementation of its NDC and how the expected emission reductions or removals contribute to the host Party's NDC and the purposes referred to in Article 6, paragraph 1.

41. The host Party shall provide to the Supervisory Body the Article 6, paragraph 4(b), authorization of public or private entities to participate in the activity as activity participants under the mechanism.

42. The host Party shall provide a statement to the Supervisory Body specifying whether it authorizes A6.4ERs issued for the activity for use towards achievement of NDCs and/or for other international mitigation purposes as defined in decision 2/CMA.3. If the host Party authorizes any such uses, the Party may provide relevant information on the authorization, such as any applicable terms and provisions. If the host Party authorizes A6.4ERs for use for other international mitigation purposes, it shall specify how it defines "first transfer" consistently with paragraph 2(b) of the annex to decision 2/CMA.3.

43. A6.4ERs may only be used towards NDCs or towards international mitigation purposes if they are authorized in accordance with paragraph 42 above. The host Party shall apply corresponding adjustments for such A6.4ERs first transferred in accordance with chapters IX (Avoiding the use of emission reductions by more than one Party) and X (Use of emission reductions for other international mitigation purposes) below and shall apply corresponding adjustments for the associated A6.4ERs levied for a share of proceeds in accordance with chapter VII below (Levy of share of proceeds for adaptation and administrative expenses) and cancelled for overall mitigation of global emissions in accordance with chapter VIII below (Delivering overall mitigation in global emissions).

44. The host Party shall apply a corresponding adjustment for A6.4ERs that are authorized for other purposes, in accordance with chapter X below (Use of emission reductions for other international mitigation purposes), and shall apply corresponding adjustments for the associated A6.4ERs levied for a share of proceeds in accordance with chapter VII below (Levy of share of proceeds for adaptation and administrative expenses) and cancelled for overall mitigation of global emissions in accordance with chapter VIII below (Delivering overall mitigation in global emissions).

45. Other participating Parties shall provide to the Supervisory Body the Article 6, paragraph 4(b), authorization for public or private entities to participate in the activity as activity participants under the mechanism prior to any first transfer of any A6.4ERs to the mechanism registry account of such Party or public or private entity.

**D. Validation**

46. A designated operational entity shall independently assess the activity against the requirements set out in these rules, modalities and procedures, further relevant decisions of the CMA and relevant requirements adopted by the Supervisory Body (hereinafter referred to as validation).

**E. Registration**

47. If the designated operational entity concludes that the outcome of the validation is positive, it shall submit to the Supervisory Body a request for registration with the validation outcome in accordance with the relevant requirements adopted by the Supervisory Body.

48. The activity participants shall pay a share of proceeds, at a level determined by the CMA, taking into account the likely scale of the activity, to cover the administrative expenses for registering the activity when submitting a request for registration.

49. If the Supervisory Body decides that the validation and its outcome meet the relevant requirements adopted by the Supervisory Body, it shall register the activity as an Article 6, paragraph 4, activity.

**F. Monitoring**

50. The activity participants shall monitor emission reductions achieved by the activity during each monitoring period, in accordance with the relevant requirements adopted by the Supervisory Body. The activity participants shall also monitor potential reversals over a period to be decided by the Supervisory Body.

**G. Verification and certification**

51. A designated operational entity shall independently review and determine the implementation of, and the emission reductions achieved by, the Article 6, paragraph 4, activity during the monitoring period (hereinafter referred to as verification) against the requirements set out in these rules, modalities and procedures, further relevant decisions of the CMA and relevant requirements adopted by the Supervisory Body, and provide written assurance of the verified emission reductions (hereinafter referred to as certification).

**H. Issuance**

52. For the issuance of A6.4ERs, the designated operational entity shall submit to the Supervisory Body a request for issuance with the verification outcome and certification in accordance with the relevant requirements adopted by the Supervisory Body.

53. If the Supervisory Body decides that the verification, certification and their outcome meet the relevant requirements adopted by the Supervisory Body, it shall approve the issuance of A6.4ERs.

54. The mechanism registry administrator shall, in accordance with the relevant requirements adopted by the Supervisory Body, issue the A6.4ERs into the mechanism registry.

55. The mechanism registry shall distinguish A6.4ERs that are authorized for use towards the achievement of NDCs and/or for use for other international mitigation purposes pursuant to chapter V.C above (Approval and authorization), including any specified uses for which the A6.4ERs are authorized.

**I. Renewal of the crediting period**

56. The crediting period of a registered Article 6, paragraph 4, activity may be renewed in accordance with further relevant decisions of the CMA and relevant requirements adopted by the Supervisory Body, if the host Party has approved such renewal in accordance with paragraph 27(b) above.

57. The renewal of a crediting period shall be approved by the Supervisory Body and the host Party following a technical assessment by a designated operational entity to determine necessary updates to the baseline, the additionality and the quantification of emission reductions.

**J. First transfer from the mechanism registry**

58. At issuance, the mechanism registry administrator shall effect a first transfer of 5 per cent of the issued A6.4ERs to an account held by the Adaptation Fund in the mechanism registry for assisting developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation.

59. At issuance, the mechanism registry administrator shall also effect a first transfer, for cancellation, of a minimum of 2 per cent of the issued A6.4ERs to the account for cancellation for delivering overall mitigation in global emissions in accordance with chapter VIII below (Delivering overall mitigation in global emissions).

60. The mechanism registry administrator shall forward or effect a first transfer, as applicable, of the remaining issued A6.4ERs in accordance with the instructions of the activity participants and with any further modalities adopted by the CMA and relevant requirements adopted by the Supervisory Body.

**K. Voluntary cancellation**

61. Activity participants may voluntarily request the mechanism registry administrator to cancel in the mechanism registry a specified amount of A6.4ERs issued in respect of their Article 6, paragraph 4, activity.

**L. Other processes associated with Article 6, paragraph 4, activities**

62. Stakeholders, activity participants and participating Parties may appeal decisions of the Supervisory Body or request that a grievance be addressed by an independent grievance process.

**VI. Mechanism registry**

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.

64. The mechanism registry shall be developed and operationalized in accordance with the relevant requirements adopted by the Supervisory Body that shall include operating at best practice standards for registries.

65. The secretariat shall serve as the mechanism registry administrator and maintain and operate the mechanism registry under the supervision of the Supervisory Body.

## **VII. Levy of share of proceeds for adaptation and administrative expenses**

66. The share of proceeds that is levied to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation shall be delivered to the Adaptation Fund pursuant to decisions 13/CMA.1 and 1/CMP.14.

67. The share of proceeds to assist developing country Parties that are particularly vulnerable to the adverse effects of climate change to meet the costs of adaptation shall be comprised of:

- (a) A levy of 5 per cent of A6.4ERs at issuance;
- (b) A monetary contribution related to the scale of the Article 6, paragraph 4, activity or to the number of A6.4ERs issued, to be set by the Supervisory Body;
- (c) After the mechanism becomes self-financing, a periodic contribution from the remaining funds received from administrative expenses as per paragraph 68 below, after setting aside the operating costs for the mechanism and an operating reserve, at a level and frequency to be determined by the CMA.

68. The share of proceeds to cover administrative expenses shall be set in monetary terms at a level and implemented in a manner to be determined by the CMA.

## **VIII. Delivering overall mitigation in global emissions**

69. Delivery of overall mitigation in global emissions shall be enhanced through mandatory cancellation of A6.4ERs that are also accounted for in accordance with the following:

- (a) The mechanism registry administrator shall effect a first transfer of a minimum of 2 per cent of the issued A6.4ERs to the cancellation account in the mechanism registry for overall mitigation in accordance with chapter V above (Article 6, paragraph 4, activity cycle), where those A6.4ERs shall be cancelled;
- (b) The cancelled A6.4ERs shall not be further transferred or used for any purpose, including towards achievement of any NDC or for other international mitigation purposes or for other purposes;
- (c) At first transfer of the remaining issued A6.4ERs, the host Party shall make a corresponding adjustment consistently with decision 2/CMA.3 for the number of issued A6.4ERs first transferred.

70. In addition to the above, Parties, activity participants and stakeholders may also request the voluntary cancellation of A6.4ERs in the mechanism registry for the purpose of delivering further overall mitigation in global emissions that have been correspondingly adjusted in accordance with chapter III.B of decision 2/CMA.3.

## **IX. Avoiding the use of emission reductions by more than one Party**

71. Where a host Party has authorized A6.4ERs for use towards the achievement of NDCs pursuant to chapter V.C above (Approval and authorization), it shall apply a corresponding adjustment for the first transfer of all authorized A6.4ERs, consistently with decision 2/CMA.3.

## **X. Use of emission reductions for other international mitigation purposes**

72. Where a host Party has authorized A6.4ERs for use for other international mitigation purposes pursuant to chapter V.C above (Approval and authorization) above, it shall apply a corresponding adjustment for the first transfer of all authorized A6.4ERs, consistently with decision 2/CMA.3.

## **XI. Transition of clean development mechanism activities and use of certified emission reductions towards first nationally determined contribution**

### **A. Transition of clean development mechanism activities**

73. Project activities and programmes of activities registered under the clean development mechanism under Article 12 of the Kyoto Protocol (CDM) or listed as provisional as per the temporary measures adopted by the Executive Board of the CDM may transition to the mechanism and be registered as Article 6, paragraph 4, activities subject to all of the following conditions:

(a) The request to transition the CDM project activity or programme of activity being made to the secretariat and the CDM host Party as defined by decision 3/CMP.1 by or on behalf of the project participants that were approved by that CDM host Party by no later than 31 December 2023;

(b) The approval for such transition of the CDM project activity or programme of activity being provided to the Supervisory Body by the CDM host Party by no later than 31 December 2025;

(c) Subject to paragraph 73(d) below, the compliance with these rules, modalities and procedures, including on the application of a corresponding adjustment consistent with decision 2/CMA.3, relevant requirements adopted by the Supervisory Body and any further relevant decisions of the CMA;

(d) The activity may continue to apply its current approved CDM methodology until the earlier of the end of its current crediting period or 31 December 2025, following which it shall apply an approved methodology pursuant to chapter V.B above (Methodologies).

74. The Supervisory Body shall ensure that small-scale CDM project activities and CDM programmes of activities undergo an expedited transition process in accordance with decisions of the Supervisory Body by prioritizing the requests to transition from such activities following the approval referred to in paragraph 73(b) above.

### **B. Use of certified emission reductions towards first or first updated nationally determined contributions**

75. Certified emission reductions (CERs) issued under the CDM may be used towards achievement of an NDC provided the following conditions are met:

(a) The CDM project activity or programme of activities was registered on or after 1 January 2013;

(b) The CERs shall be transferred to and held in the mechanism registry and identified as pre-2021 emission reductions;

(c) The CERs may be used towards achievement of the first NDC only;

(d) The CDM host Party shall not be required to apply a corresponding adjustment consistently with decision 2/CMA.3 in respect of the CERs and not be subject to the share of

proceeds pursuant to chapter VII above (Levy of share of proceeds for adaptation and administrative expenses);

(e) CERs not meeting the conditions referred to in paragraph 75(a–d) above may only be used for achievement of an NDC in accordance with a relevant future decision of the CMA;

(f) Temporary CERs and long-term CERs shall not be used towards NDCs.

*12<sup>th</sup> plenary meeting  
13 November 2021*



## Decision 4/CMA.3

### **Work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement**

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

*Recalling* the framework for non-market approaches to sustainable development referred to in Article 6, paragraph 9, of the Paris Agreement,

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

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

*Recalling* the objective, referred to in decision 1/CP.21, paragraph 39, of the work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement,

*Recognizing* that the work programme is to be implemented in the context of the Paris Agreement in its entirety, including its preamble,

1. *Recognizes* the importance of integrated, holistic and balanced non-market approaches to enable voluntary cooperation being available to Parties to assist in the implementation of their nationally determined contributions, in the context of sustainable development and poverty eradication, in a coordinated and effective manner;
2. *Adopts* the work programme under the framework for non-market approaches referred to in decision 1/CP.21, paragraph 39, as contained in the annex;
3. *Decides* that initial focus areas of the work programme activities, referred to in paragraph 8(a)(i).a of the annex, include, but are not limited to, the following:
  - (a) Adaptation, resilience and sustainability;
  - (b) Mitigation measures to address climate change and contribute to sustainable development;
  - (c) Development of clean energy sources;
4. *Requests* the Glasgow Committee on Non-market Approaches to develop and recommend a schedule for implementing the work programme activities referred to in chapter V of the annex (Work programme activities), which may contain the timeline and expected outcomes for each activity, including specifications for the UNFCCC web-based platform referred to in paragraph 8(b)(i) of the annex, such as its functions, form, target users and information to be contained thereon, with a view to supporting the effective implementation of the work programme, for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its fourth session (November 2022);
5. *Encourages* Parties, public and private sector stakeholders and civil society organizations to actively engage in the research, development and implementation of non-market approaches;

6. *Invites* Parties and observers to submit via the submission portal<sup>1</sup> by 28 February 2022 views and information on:

(a) Existing relevant non-market approaches that may be facilitated under the framework in the initial focus areas referred to in paragraph 3 above that are in accordance with the provisions referred to in chapter II of the annex (Non-market approaches under the framework);

(b) Examples of potential additional focus areas of non-market approaches that may be facilitated under the framework (e.g. social inclusivity, financial policies and measures, circular economy, blue carbon, just transition of the workforce, adaptation benefit mechanism) and existing relevant non-market approaches that may be facilitated under the framework in the potential additional focus areas that are in accordance with the provisions referred to in chapter II of the annex (Non-market approaches under the framework);

(c) The UNFCCC web-based platform referred to in paragraph 8(b)(i) of the annex, including how to operationalize it (e.g. functions, form, target users, information to be contained thereon, timeline for development and implementation, and lessons learned from existing relevant tools, including under the Convention and the Paris Agreement);

(d) The schedule for implementing the work programme activities;

7. *Requests* the secretariat to prepare a synthesis report on the matters referred to in paragraph 6 above for consideration by the Glasgow Committee on Non-market Approaches at its 1<sup>st</sup> meeting, to be held in June 2022;

8. *Also requests* the secretariat to:

(a) Organize an in-session workshop, with the broad participation of relevant experts, on the matters referred to in paragraph 6 above, taking into consideration the submissions and synthesis report on the matters, to be held in conjunction with the fifty-sixth session of the Subsidiary Body for Scientific and Technological Advice (June 2022);

(b) Prepare a report on that workshop for consideration by the Glasgow Committee on Non-market Approaches at its 2<sup>nd</sup> meeting, to be held in November 2022;

9. *Decides* to review the report of the Glasgow Committee on Non-market Approaches and provide guidance on the framework and the work programme, as appropriate;

10. *Requests* the Subsidiary Body for Scientific and Technological Advice to review the work programme, including its activities, at its sixty-fourth (June 2026) and sixty-fifth (November 2026) sessions with a view to enhancing the effectiveness of the work programme, taking into account relevant inputs, including the outcomes of the global stocktake, and to make recommendations thereon for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement by no later than at its eighth session (2026);

11. *Takes note* of the estimated budgetary implications of the activities to be undertaken by the secretariat referred to in this decision;

12. *Requests* that the actions called for in this decision be undertaken subject to the availability of financial resources;

13. *Invites* Parties to make contributions to the Trust Fund for Supplementary Activities for implementing the work programme.

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<sup>1</sup> <https://www4.unfccc.int/sites/submissionsstaging/Pages/Home.aspx>.

## Annex

### Work programme under the framework for non-market approaches referred to in Article 6, paragraph 8, of the Paris Agreement

#### I. Principles

1. The following principles, in addition to the elements reflected in Article<sup>1</sup> 6, paragraphs 8–9, and decision 1/CP.21, paragraph 39, guide the implementation of the framework for non-market approaches (NMAs) referred to in Article 6, paragraph 9, and the work programme under the framework referred to in decision 1/CP.21, paragraph 39:

- (a) The framework:
  - (i) Facilitates the use and coordination of NMAs in the implementation of Parties' nationally determined contributions (NDCs) in the context of sustainable development and poverty eradication;
  - (ii) Enhances linkages and creates synergies between, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building, while avoiding duplication of the efforts under the framework with the work of the subsidiary and constituted bodies under the Convention and the Paris Agreement, taking into account the mandates of these bodies;
- (b) NMAs facilitated under the framework represent:
  - (i) Voluntary cooperative actions that are not reliant on market-based approaches and that do not include transactions or quid pro quo operations;
  - (ii) Integrated, innovative and transformational actions that have significant potential to deliver higher mitigation and adaptation ambition;
  - (iii) Actions that support the implementation of NDCs of Parties hosting NMAs (hereinafter referred to as host Parties) and contribute to achieving the long-term temperature goal of the Paris Agreement;
- (c) The work programme, consistently with its objective referred to in decision 1/CP.21, paragraph 39, aims to identify measures to facilitate NMAs and enhance linkages and create synergies as referred to in paragraph 1(a) above.

#### II. Non-market approaches under the framework

2. Each NMA facilitated under the framework, in the context of Article 6, paragraph 8:
- (a) Aims to:
    - (i) Promote mitigation and adaptation ambition;
    - (ii) Enhance participation of public and private sector and civil society organizations in the implementation of NDCs;
    - (iii) Enable opportunities for coordination across instruments and relevant institutional arrangements;
  - (b) Assists participating Parties in implementing their NDCs in an integrated, holistic and balanced manner, including through, inter alia:
    - (i) Mitigation, adaptation, finance, technology development and transfer, and capacity-building, as appropriate;

<sup>1</sup> "Article" refers to an Article of the Paris Agreement, unless otherwise specified.

- (ii) Contribution to sustainable development and poverty eradication.
- 3. In addition, each NMA facilitated under the framework:
  - (a) Is identified by the participating Parties on a voluntary basis;
  - (b) Involves more than one participating Party;
  - (c) Does not involve the transfer of any mitigation outcomes;
  - (d) Facilitates the implementation of NDCs of host Parties and contributes to achieving the long-term temperature goal of the Paris Agreement;
  - (e) Is conducted in a manner that respects, promotes and considers respective obligations of Parties on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity, consistently with the eleventh preambular paragraph of the Paris Agreement;
  - (f) Minimizes and, where possible, avoids negative environmental, economic and social impacts.

### **III. Governance of the framework**

- 4. The Glasgow Committee on Non-market Approaches is hereby established to implement the framework and the work programme by providing Parties with opportunities for non-market-based cooperation to implement mitigation and adaptation actions in their NDCs.
- 5. The Glasgow Committee will be convened by the Chair of the Subsidiary Body for Scientific and Technological Advice (SBSTA) and operate in accordance with the procedures applicable to contact groups and under the guidance of the Chair. It will meet in conjunction with the first and second sessional period meeting of the SBSTA each year, with its 1<sup>st</sup> meeting to take place in conjunction with SBSTA 56 (June 2022).
- 6. The SBSTA will consider whether institutional arrangements for the framework that will supersede the Glasgow Committee are needed and make recommendations for consideration and adoption by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) at its ninth session (2027).

### **IV. Modalities of the work programme**

- 7. The modalities of the work programme may include, as appropriate:
  - (a) Workshops;
  - (b) Engagement with public and private sector stakeholders, including technical experts, businesses, civil society organizations and financial institutions;
  - (c) Submissions from Parties, observers and public and private sector stakeholders;
  - (d) Technical papers and synthesis reports prepared by the secretariat;
  - (e) The collaboration, where needed, of the Glasgow Committee with relevant bodies, institutional arrangements and processes under or related to the Convention and the Paris Agreement, taking into account their mandates.

### **V. Work programme activities**

- 8. The work programme will be initiated in 2022 and include, but not be limited to, the following activities:

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- (a) Identifying measures for enhancing existing linkages, creating synergies and facilitating coordination and implementation of NMAs:
    - (i) Identification of NMAs:
      - a. Identifying focus areas of the work programme activities;
      - b. Identifying existing NMAs under the framework that are in accordance with the provisions referred to in chapter II above (Non-market approaches under the framework);
    - (ii) Identification of measures:
      - a. Identifying and evaluating positive and other experience of existing linkages, synergies, coordination and implementation in relation to NMAs;
      - b. Identifying measures for enhancing existing linkages, creating synergies and facilitating coordination and implementation of NMAs, including in the local, subnational, national and global context;
    - (b) Implementing measures:
      - (i) Developing and implementing tools, with the assistance of the secretariat, including a UNFCCC web-based platform for recording and exchanging information on NMAs, including information identified through the work programme, and supporting the identification of opportunities for participating Parties to identify, develop and implement NMAs;
      - (ii) Identifying and sharing information, best practices, lessons learned and case studies in relation to developing and implementing NMAs, including on how to:
        - a. Replicate successful NMAs, including in the local, subnational, national and global context;
        - b. Facilitate enabling environments and successful policy frameworks;
        - c. Enhance the engagement in NMAs by the private sector, civil society organizations and vulnerable and impacted sectors and communities;
        - d. Leverage and generate mitigation co-benefits resulting from adaptation actions and/or economic diversification plans that assist the implementation of NDCs;
        - e. Promote cooperation on NMAs between Parties that supports the implementation of ambitious NDCs contributing to the achievement of the long-term temperature goal of the Paris Agreement, including in relation to the development of NMAs;
        - f. Estimate and report the impacts of NMAs on mitigation and adaptation;
        - g. Establish guidelines, procedures and safeguards to facilitate NMAs;
      - (iii) Identifying initiatives, programmes and projects for facilitating NMAs that support the implementation of NDCs to allow for higher mitigation and adaptation ambition in NDCs by:
        - a. Establishing linkages with bodies, institutional arrangements and processes under or related to the Convention and the Paris Agreement in relation to, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building, as appropriate;
        - b. Mapping the initiatives, programmes and projects at the local, subnational and national level, including those that support Parties in meeting the requirements for receiving support and provide capacity-building for the implementation of NMAs.

## VI. Reporting

9. The progress and outcomes of the work programme will be reported at each session of the CMA, as appropriate, on the basis of information resulting from implementation of the work programme activities, which will also serve as inputs to the review of the work programme at CMA 7 (November 2025), with the report to include the following, as relevant:

- (a) Results of the implementation of the work programme activities;
- (b) Recommendations on how to enhance existing linkages and create synergies and how to facilitate coordination and implementation of NMAs;
- (c) Recommendations on how to facilitate support for NMAs, including through engagement with relevant bodies, institutional arrangements and processes under the Convention and the Paris Agreement related to, inter alia, mitigation, adaptation, finance, technology development and transfer, and capacity-building;
- (d) Recommendations on work programme activities in implementing the framework.

*12<sup>th</sup> plenary meeting  
13 November 2021*

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