Outcomes from COP26 – Article 6

Global DNA Forum Meeting – virtual session 16 December 2021



UNFCCC Secretariat Mitigation Division

Overall

- Comprehensive, inclusive and balanced package of instruments to support cooperation by Parties and non-state actors:
 - Solid reporting, review and accounting framework under 6.2;
 - A mechanism under 6.4 with some transition;
 - Nuanced and refined work programme for non-market action;
- All Parties worked towards an outcome that works for all;
- Strong leadership from UK Presidency, Minsters from Singapore and Norway, the SBSTA Chair, and SBSTA facilitators – several individual countries playing strong roles to reach an agreement.



6.2 Cooperative approaches

- Description of what is an ITMO
- Participation requirement for parties
- Application of corresponding adjustments
 - \circ Single year
 - \circ Multi year
 - Non-GHG ITMOs
 - Party with a first or first updated NDC consisting of policies and measures that are not quantified
- OIMP
- Safeguards and limits
- Reporting



6.2 Cooperative approaches

- Reporting
 - Initial report
 - Annual information
 - Regular information
- Review
- Recording and tracking
 - Tracking
 - o A.6 Database
 - o CARP
- Ambition in mitigation and adaptation action
 - Adaptation finance

• OMGE



6.2 Cooperative approaches

- Capacity-building programme including through RCCs;
 - Support the development of institutional arrangements, including reporting;
 - Help Parties ensure that co- op approaches support ambition;
 - Assist the LDC and SIDs in meeting the participation requirements.
- SBSTA to develop recommendations based on the guidance adopted (CA, special circumstances of LDC, Reporting, review).
- Workshop (options for the tables and outlines and formats for reporting information)
- Invited submission on various implementation related issues (early Mar 2022).



6.4 Mechanism (1/2)

- Establishment of the Supervisory body, its functions, Rules of procedures.
- Participation responsibilities.
- Roles for host parties (more than CDM) Authorization, determination of the CP etc.
- Project activity cycle (specific baseline approaches, validation, registration, monitoring, issuance, grievance processes).
- Different use cases based on how host party authorizes and not authorize them
 - Authorization for use for NDCs;
 - Authorization for international mitigation purposes (ex: ICAO);
 - Authorization for other mitigation purposes
 - Non-authorized not for use of any of the above, but for other values (e.g. Climate finance claim, corporate offsets);



6.4 Mechanism (2/2)

- Transition related (Activities, standards and procedures, its related accounting)
- Mandatory OMGE 2% (accounted for);
- Mandatory SOP 5% (accounted for) and a monetary level, and further funds to Adaptation Fund based on income to the instrument;
- Capacity-building programme through RCCs;
 - Institutional arrangements;
 - Baseline setting.
- Each host Party of Article 6.4 activities shall, prior to participating in the mechanism, designate a national authority for the mechanism and communicate that designation to the secretariat.
- Further submissions, recommendation by SBSTA on review, reporting, implementation process for SOP etc.



- NMA decided that it does not involve transfer of mitigation outcomes.
- Governance of the NMA:
 - Glasgow Committee on Non-market approaches (as per contact group procedures) under the SBSTA and the guidance of the SBSTA Chair;
 - Committee to develop a schedule for implementation by 2022;
 - Recommendation by committee in 2027 if additional institutional arrangement are needed.
- Work programme activities (list included).
- Reporting of the work in each session of the CMA.
- Workshop submission on various elements requested.



Thank you

