

A6IP Capacity Building Tools: Article 6 Introductory Guide

Part IV: Reporting & Review



Paris Agreement Article 6
Implementation Partnership Center

Reporting under Article 6.2

Parties participating in a cooperative approach are required to report relevant information relating to their participation and the cooperative approach for the purpose of transparency, robust accounting, and to ensure consistency with the Article 6.2 guidance.

Article 6 Rulebook on reporting

Decision 2/CMA.3, annex, chapter IV

Sets out 3 types of reporting (initial report, annual information, and regular information), reporting deadline and frequency, reporting forms, as well as the reporting elements

Decision 6/CMA.4, annexes V, VI, VII

Adopted the reporting outlines for the initial report and Annex IV to BTR (regular information), as well as referring to the draft agreed electronic format (AEF) (annual information) for testing

Decision 4/CMA.6, chapters III-VI

Updated draft AEF, supplementary elements on information included in initial reports, submission of annual information as part of the regular information, and clarified report sequencing



Summary of reporting under Article 6.2

Initial report

What: Fulfilment of participation responsibilities and other information relating to NDC, accounting approach, and cooperative approaches

When: No later than **ITMO authorization** (or in conjunction with next due BTR)

How:



Initial report outline

Decision 6/CMA.4, annex V
(Template available on CARP)

Where: CARP (Interim solution)

Annual information

What: Quantitative ITMOs information, including authorization, transfer, use, cancellation, etc. and the accompanying information

When: By **15 April** every year

How:



Updated draft agreed electronic format (AEF)*

Decision 4/CMA.6, annex II

Where: CARP (Interim solution)

Regular information

What: Both quantitative and qualitative information relating to Article 6.2 implementation, including corresponding adjustments

When: By **31 December** every 2 years as part of the BTR

How:



BTR Annex IV outline

Decision 6/CMA.4, annex VI
(Template available on CARP)



Structured summary*

Decision 5/CMA.3, annex II, table 4 / CTF

Where: Integrated submission portal (CARP & Article 13)

Article 6.2 initial report

* For each further cooperative approach, each participating party shall submit an updated IR. For updated IR, only Section IV. needs to be filled.

What?

I. Participation responsibilities	II. Description of the Party's NDC	III. [Accounting information]	IV. Cooperative approach*
Party to PA	Target and description	ITMO metrics	A copy of authorization
Communicate NDC	Target year/period	CA method	Description, duration, parties
Authorization arrangements	Reference point/level/baseline	Quantification of NDC	Expected mitigation
Tracking arrangements	Time frame		Authorized entities
Most recent GHG inventory	Scope and coverage		Environmental integrity
NDC, LT-LEDS, Paris goals	Intention to use Article 6		Additional description
	Any updates/clarifications		

Supplementary elements on information included in initial reports (Decision 4/CMA.6, annex I)

When?

No later than authorization of ITMOs or where practical in conjunction with the next due BTR

How / Where?



Article 6.2 initial report template

(available on [CARP](#))

Initial report template contains of 4 sections

The **first section** includes the participating country's fulfilment of the participation responsibilities.

The **second section** provides information about the NDC (target, types of targets, reference levels, scope, and coverage, implementation periods, intention to use cooperative approaches, etc).

The **third section** concerns the accounting of ITMOs and accounting of the NDC, containing information on ITMO metrics, the method for applying corresponding adjustments, and the method for quantification of the NDC.

The **fourth section** includes information specific to the cooperative approach, such as:

- Authorization by the participating country
- Description and duration of the cooperative approach
- Countries involved in the cooperative approach
- Authorized entities
- Description of how the cooperative approach ensures environmental integrity

Outline for the initial report and updated initial report referred to in decision 2/CMA.3, annex, chapter IV.A (Initial report)^{1,2,3}

[English only]

Party	Party name
NDC period	xxxx - xxxx
Report number for the NDC period*	1
Report type	
Initial report	<input type="checkbox"/>
Updated initial report	<input type="checkbox"/>
Updated initial report number	1
Version*	1.0
Date	dd/mm/yyyy
Name(s) of cooperative approach(es) included in this report (Include a line for each additional cooperative approach)	Cooperative approach 1 Cooperative approach 2

* Ascribe sequential number for updated initial reports. The number '1' is reserved for the initial report.

* Ascribe version number as follows: decimal increase for minor revisions (typos, corrections) and digit increase for content changes.

Note: For updated initial report fill in only section IV. Information on each cooperative approach (para. 18(g-i), para. 19 of the annex to decision 2/CMA.3).

I. Participation responsibilities (para. 18(a))

A. Information on how the Party ensures that it is a Party to the Paris Agreement (para. 18(a), para. 4(a), to be updated by para. 21(a))

B. Information on how the Party ensures that it has prepared, communicated and is maintaining an NDC in accordance with Article 4, paragraph 2 (para. 18(a), para. 4(b), to be updated by para. 21(a))

C. Information on how the Party ensures it has arrangements in place for authorizing the use of ITMOs towards achievement of NDCs pursuant to Article 6, paragraph 3 (para. 18(a), para. 4(c), to be updated by para. 21(a))

¹ This template is for voluntary use to facilitate the preparation and submission of the initial reports and updated initial reports referred to in decision 2/CMA.3, annex, chapter IV.A (Initial report).

² The list of the acronyms and abbreviations used in this template are available in decision 6/CMA.4: <https://unfccc.int/documents/624474>.

³ References to chapters and paragraphs in the outline are to chapters and paragraphs in the annex to decision 2/CMA.3, unless stated otherwise. "Article" refers to an Article of the Paris Agreement.

Annual information

Accompanying information

What?

Authorization for NDCs

Holdings

Authorization for OIMPs

Cancellation

First transfer

Voluntary cancellation

Transfer

Voluntary cancellation
towards OMGE

Acquisition

Use towards NDC

The cooperative approach

Sector(s) and activity type(s)

The OIMPs authorized by the Party

Vintage year

The first transferring Party

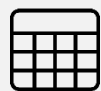
The unique identifiers

The using participating Party or authorized entity or
entities, as soon as known

When?

No later than 15 April of the following year

How / Where?



**Updated draft agreed
electronic format (AEF)**
Decision 4/CMA.6, annex II



CARP
(Interim solution)

For recording in Article 6 Database



[UNFCCC secretariat's
Article 6.2 Reference
Manual](#)

Content of updated draft AEF as per Decision 4/CMA.6, annex II

Table 1: Submissions

- Party
- Version
- Reported year
- Date of submission
- Review Status of the initial report
- Result of the consistency check of this AEF submission
- First year of the NDC implementation period
- Last year of the NDC implementation period
- Reference to the Article 6 technical expert review report of the initial report

Table 2: Authorizations

- Authorization ID
- Date of authorization
- Cooperative approach ID
- Version of the authorization
- Authorized quantity (Optional)
- Metric
- Applicable GWP value(s)
- Applicable non-GHG metric
- Sector(s)
- Activity type(s)
- Purpose for authorization
- Authorized Party(ies) ID
- Authorized entity(ies) ID
- OIMP authorized by the Party
- Authorized timeframe (Optional)
- Authorization terms and conditions (Optional)
- Authorization documentation
- First transfer definition for OIMP
- Additional explanatory information (Optional)

Table 3: Actions

- Action date
- Action type
- Action subtype
- Cooperative approach ID
- Authorization ID
- First transferring participating Party ID
- Party ITMO registry ID
- ITMO unique identifiers
- Underlying unit registry ID
- Underlying unit unique identifier
- Metric
- Applicable GWP value(s)
- Applicable non-GHG metric
- Quantity (tCO₂eq)
- Quantity (in non-GHG metric)
- Mitigation type
- Vintage
- Transferring participating Party ID
- Acquiring participating Party ID
- Purpose for which the ITMO has been used towards or cancelled for OIMP
- Using/cancelling participating Party ID
- Using/cancelling authorized entity ID
- Calendar year for which the ITMOs are used towards the Party's NDC
- Result of the consistency checks
- Additional explanatory information (Optional)

Table 5: Authorized entities

- Date of the authorization
- Name
- Country of incorporation
- Identification number
- Cooperative approach ID
- Conditions (Optional)
- Change and revocation conditions (Optional)
- Additional explanatory information (Optional)

Table 4: Holdings

- Fields with common nomenclatures
- Fields populated by CARP

Regular information

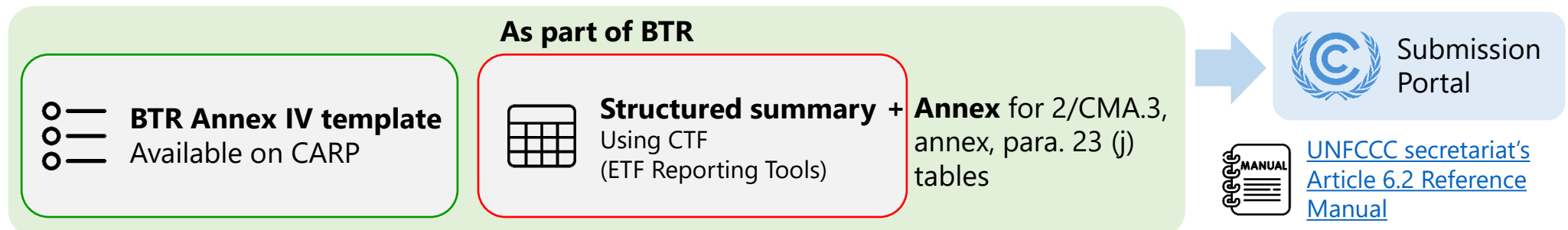
What?

Participation in cooperative approach	Information on each cooperative approach	Annual information
Participation responsibilities	Contribute to mitigation/NDC	A list of information, such as <ul style="list-style-type: none"> • Annual emissions and removals covered by NDC • Annual quantity of ITMOs • Total quantitative CAs • An annual emissions balance • Other information in 6/CMA.3, annex, para. 23
Updates to previously provided information	Environmental integrity	
Information on authorizations	Measurement of mitigation outcomes	
Information on corresponding adj.	Avoid negative impacts, Human rights	
Information on avoiding double use	Sustainable development	
	Safeguards and limits	automatically generated and pre-filled on CARP using information submitted in AEF
	Adaptation contribution / OMGE	

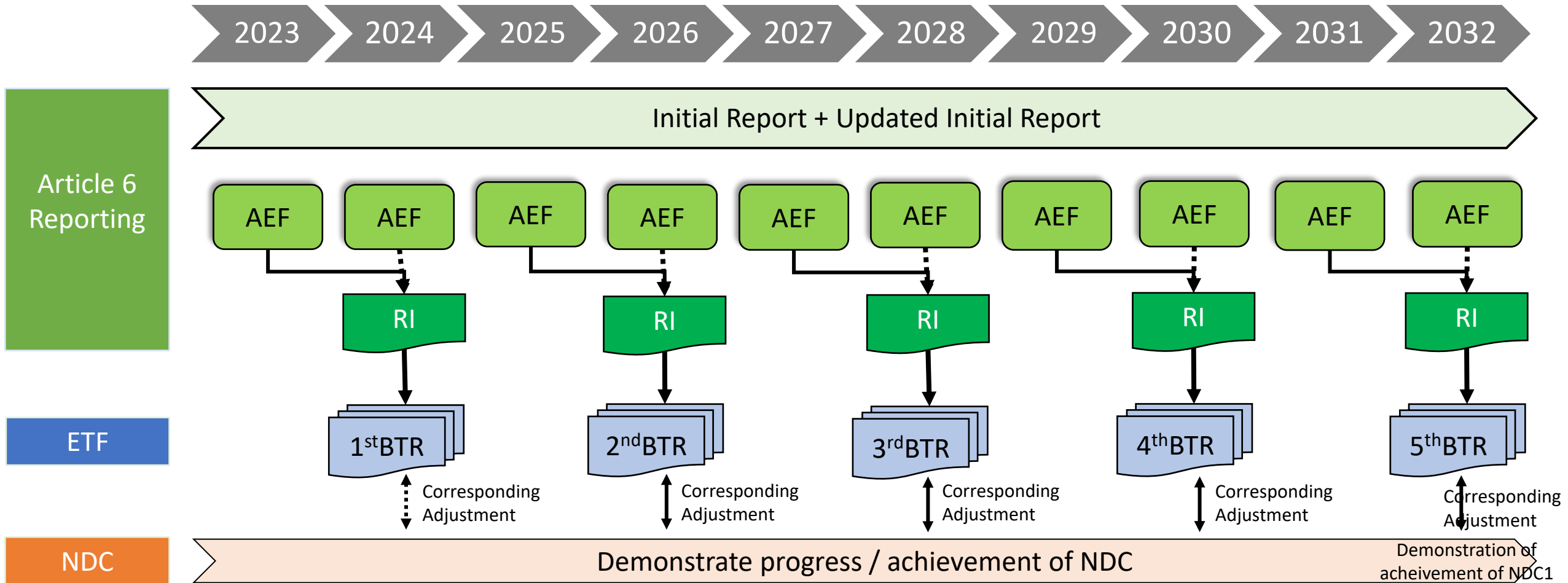
When?

No later than 31 December of the relevant year (2024, 2026, 2028, ...)

How / Where?



Linkages of Article 6.2 reporting with NDC accounting



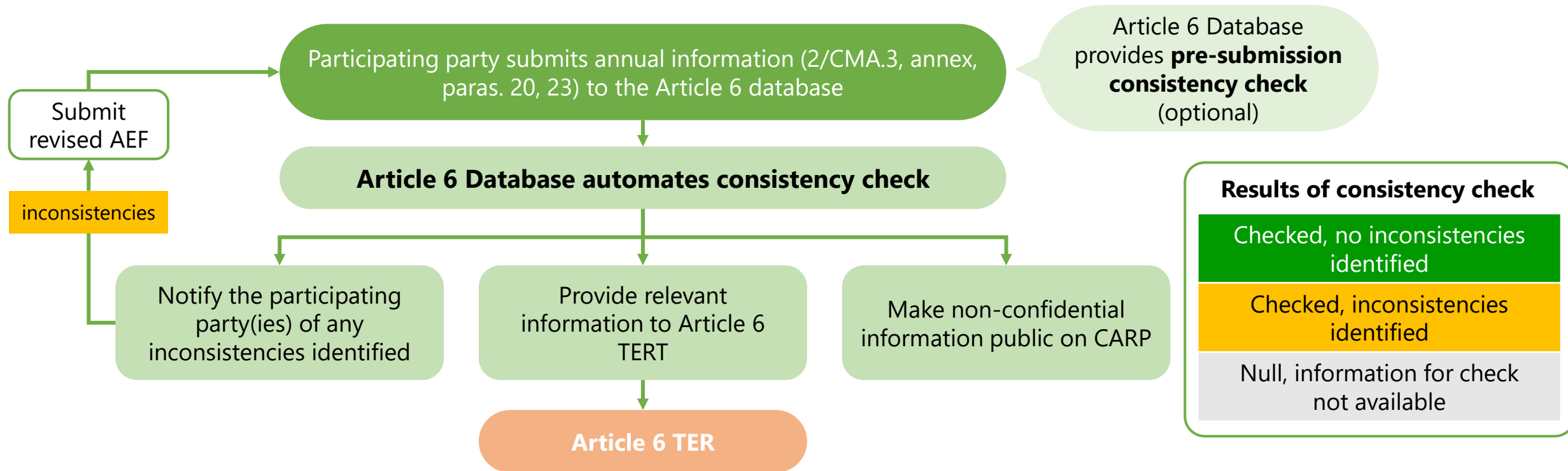
Consistency check and Review

Article 6 reports will undergo a consistency check (by the secretariat) and/or a review (by Article 6 technical expert review team (A6TERT)) depending on the type of reports.

Type of reports		Consistency check (Quantitative information)	Article 6 technical expert review (A6TER)
Initial report / updated initial report			✓
Annual information		✓	Consideration of the consistency check results
Regular information	Annex 4 to BTR		✓
	Structured summary	✓	Consideration of the consistency check results

Consistency check

“Consistency check” is a process performed by the UNFCCC Secretariat through the Article 6 Database by checking the **consistency (accuracy and completeness) of information** reported by a participating party for recording in the Article 6 database **with the requirements of the Article 6.2 guidance and across the participating parties in a cooperative approach.**



Any amendments shall be submitted by the participating party to be recorded in Article 6 Database

Article 6 technical expert review

Article 6 technical expert review (A6TER) reviews the consistency of information submitted in the Article 6.2 initial reports, updated initial reports, regular information, and considers the results of the consistency check.

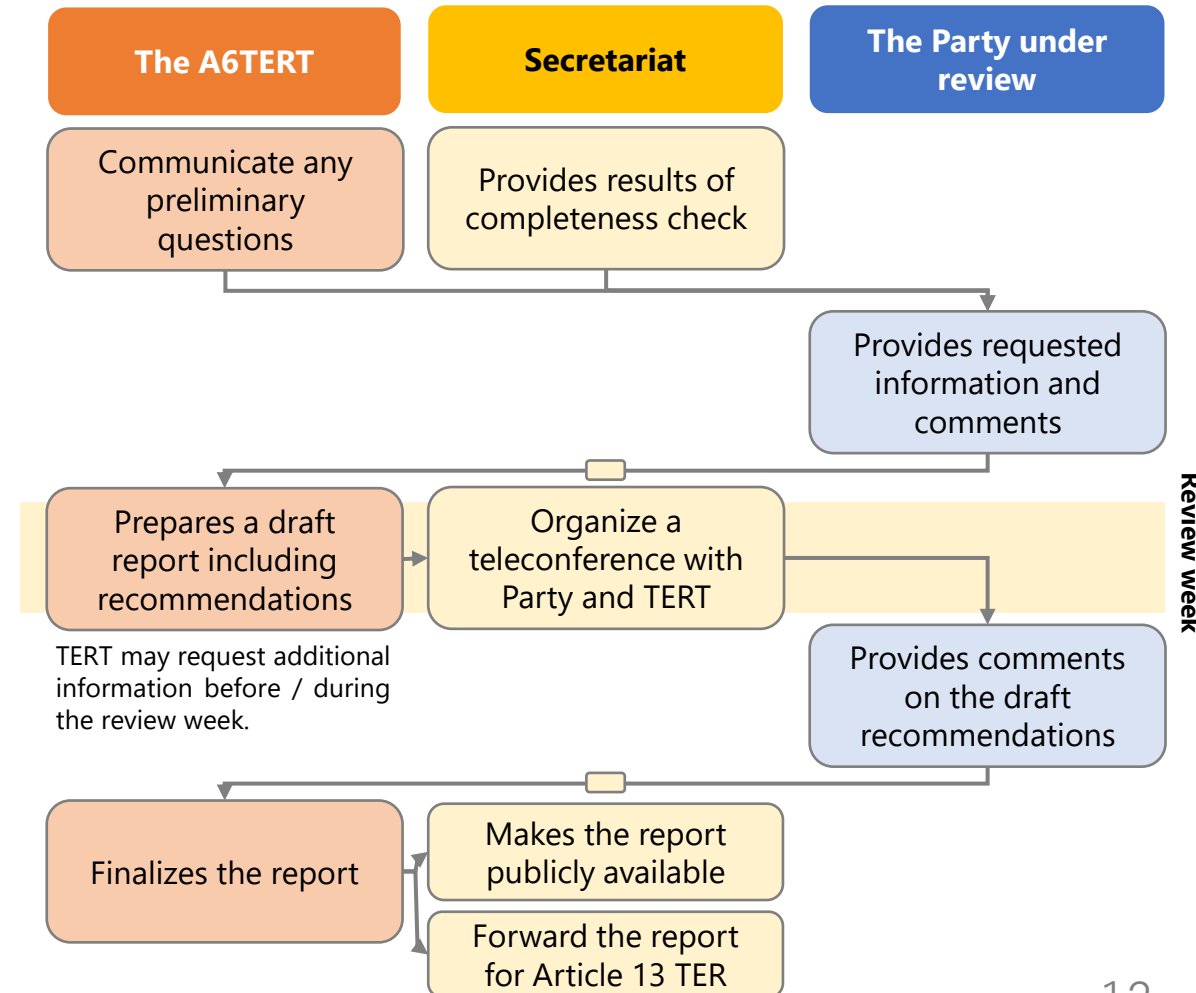
What Article 6 TER checks:

- ✓ The information is complete, transparency and consistent with Article 6.2 guidance and relevant decisions
- ✓ The information is consistent across the different reporting requirements
- ✓ The information is consistent across all Parties participating in the same cooperative approach

Format: Centralized review or desk review

Timing and sequencing: Generally, following a calendar period (a three-month or a six-month calendar period) in which the reports are submitted. (Further details in Decision 6/CMA.4, annex II, chapter IV)

Article 6 Technical Expert Review Procedures (Summary of key steps)*



* For full procedures, please see Decision 6/CMA.4, annex II.

Status and results of Article 6 technical expert review

Review status marked in CARP

Review pending

Review finalized and no inconsistencies identified

Review finalized and inconsistencies identified

Review finalized and significant inconsistencies identified

Review finalized and persistent inconsistencies identified

Review finalized and significant inconsistencies and persistent inconsistencies identified

Review finalized and consistencies identified that are both significant and persistent

The Article 6 technical expert review:

- Will specify **recommended actions** including recommendations on:
 - How to improve consistency
 - How to address identified inconsistencies in quantitative information
- May **identify capacity-building needs and areas for improvement** (in consultation with the participating party)

The Party:

- Shall **respond to recommendations** in the Article 6 technical expert review report by addressing any inconsistencies and reporting back on how they have been addressed

For significant and persistent inconsistencies, the lead reviewer(s) is encouraged to liaise with the Paris Agreement Implementation and Compliance Committee.

Ref: Decision 6/CMA.4, annex II.,
Decision 4/CMA.6, chapter VII, B



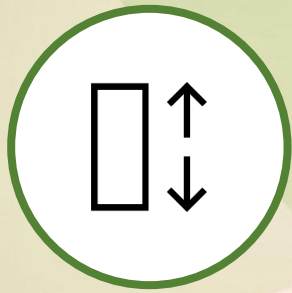
Key consideration on reporting

	Description	Key consideration
1	Review Article 6 reporting elements	<input type="checkbox"/> What are required to report under Article 6 and when to report? Familiarize with reporting templates and outlines
2	Identify sources of reporting information	<input type="checkbox"/> Identifying where to collect information required for reporting – What information is readily available from what sources and what information would require additional policy consideration/decision-making
3	Set up national arrangement and process for Article 6 reporting	<input type="checkbox"/> How should the national arrangement and process for Article 6 reporting look like?
4	Drafting process	<input type="checkbox"/> How to draft the reports – example texts and guiding notes
5.1	Consistency check	<input type="checkbox"/> How to ensure consistency of reported information <input type="checkbox"/> How to respond to inconsistency, if found
5.2	Participate in the review process and consider A6TER report for continuous improvement	<input type="checkbox"/> What is the A6TER review procedure (flow) <input type="checkbox"/> How should countries participate in the review of its IR (Role of party under review) (6/CMA.4, annex II, VIII)

Preparation of 6.2 initial report (Sample flow)



- Familiarize with the IR template provided by the Secretariat (Available on CARP (interim solution))
- Consider whether all information to be reported is readily available? and where/the sources
- Are there any information that would require additional consideration/decision?
- Identify/set up the national procedure to formulate and approve IR
- Set the timeline, ensuring alignment with the timing of submission
- Engage with relevant agencies to collect information and draft the report
- Ensure consistency with partner country's reporting through coordination (where relevant)
- NFP or responsible agency submits IR to the UNFCCC secretariat for publication on CARP (interim solution)



Corresponding adjustments

Concepts of corresponding adjustments

Parties participating in Article 6 must **ensure avoidance of double counting** of ITMOs that they have authorized and first transferred or used by the applying appropriate method of corresponding adjustments specified in the Article 6.2 guidance.

WHY	To avoid double counting of ITMOs used towards NDC and OIMPs
HOW	Article 6.2 guidance provides description on how to apply corresponding adjustments, including the applicable methods for each NDC target type
WHEN	Corresponding adjustments are reported as part of the regular information (every 2 years)
WHERE	Corresponding adjustments are shown in the structured summary of the BTR

Key principles

Each participating Party shall apply corresponding adjustments in a manner that:

- Ensures **transparency, accuracy, completeness, comparability and consistency (TACCC)**;
- Participation in cooperative approaches **does not lead to a net increase in emissions** across participating parties within and between NDC implementation periods;
- Corresponding adjustments shall be **representative and consistent** with the participating Party's NDC implementation and achievement.

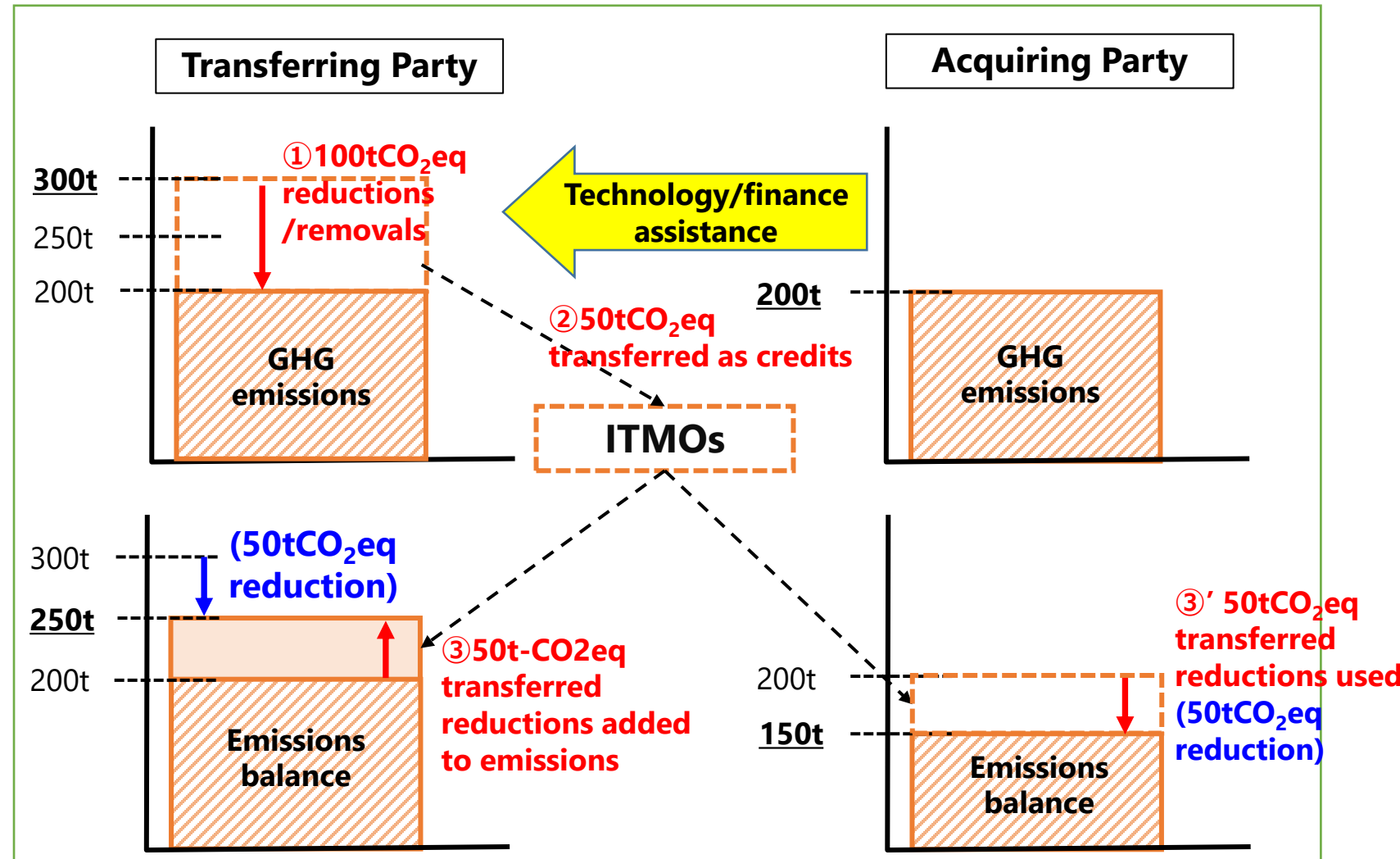
How to apply corresponding adjustments

For ITMOs measured in tCO₂eq:

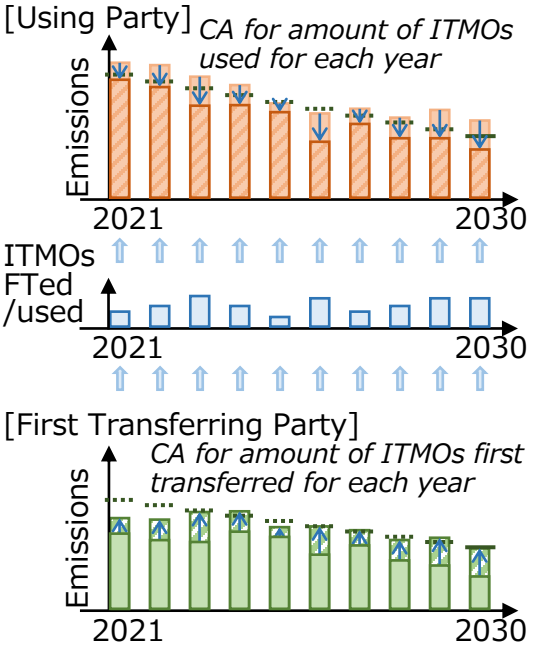
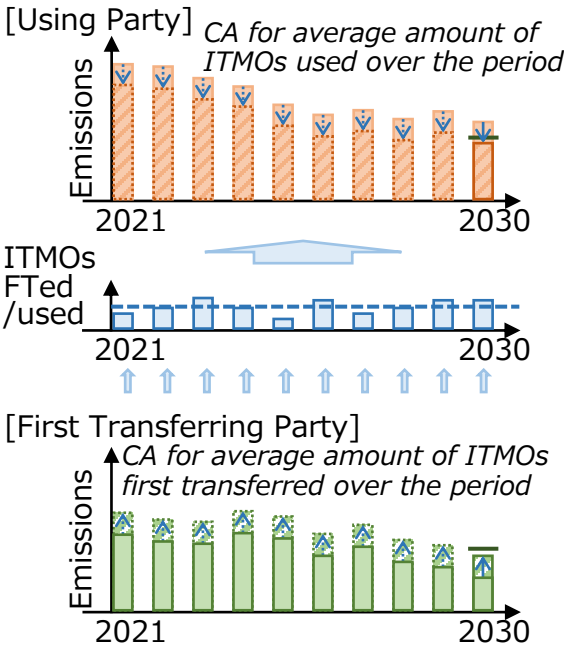
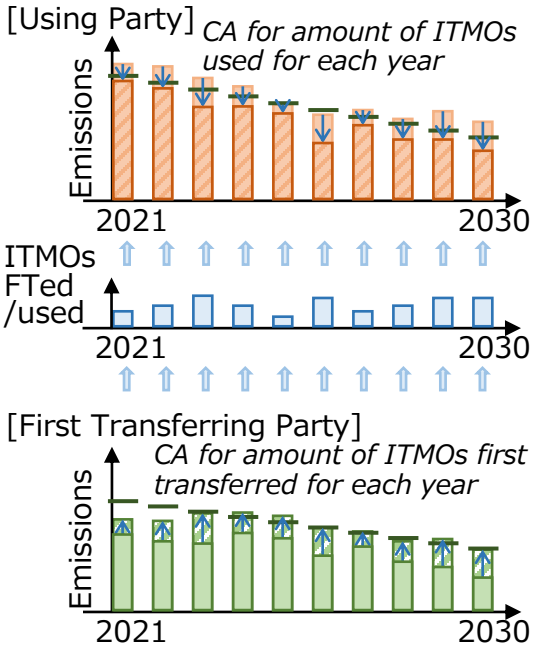
CAs are applied to the **emissions and removals covered by the NDC**, resulting in an **emissions balance**.

CAs are applied by:

- Transferring party: **adding the quantity of ITMOs authorized and first transferred**, for the calendar year in which the mitigation outcomes occurred.
- Acquiring party: **subtracting the quantity of ITMOs used**, for the calendar year in which the mitigation outcomes are used.



Corresponding adjustment methods

NDC	Single-year NDC		Multi-year NDC
Methods	Providing an indicative multi-year emissions trajectory, trajectories or budget that is consistent with NDC implementation	Calculating the average annual amount of ITMOs first transferred/used over the NDC period (Cumulative ITMOs divided by the number of elapsed years)	Calculating a multi-year emissions trajectory, trajectories or budget for its NDC implementation period that is consistent with the NDC
CA amount / timing	Annually apply CAs for the total amount of ITMOs first transferred/used for each year	Apply indicative CAs equal to this average amount for each year and apply CAs equal to this average amount in the NDC year	Annually apply CAs for the total amount of ITMOs first transferred/used each year and cumulatively at the end of the NDC implementation period
Image			

Example of country's selection of corresponding adjustment methods

NDC target type	Single-year NDC		Multi-year NDC
CA methods	Indicative multi-year emissions trajectory method	Averaging method	Emissions trajectory method
Country	Switzerland	Cambodia Ghana Japan Mongolia Suriname Thailand Vanuatu	Switzerland

Note: The above list is based on information communicated in the initial reports.

Important notes about corresponding adjustments

- The selected method of corresponding adjustments must **be applied consistently throughout the period of NDC implementation.**
- Corresponding adjustments must be applied for **both** ITMOs from emission reductions and removals **covered** by its NDC as well as emission reductions and removals that are **not covered** by its NDC. (Decision 2/CMA.3, annex, paras. 13, 14)
- The Article 6.2 guidance requires each participating party to communicate in the Article 6.2 initial report the method for applying corresponding adjustments that will be applied. It is therefore recommendable that a country should consider and **make a decision on the selected method of corresponding adjustments at the early stage.**

Reporting of corresponding adjustments

Corresponding adjustments are shown in the structured summary of the BTR using a common tabular format (CTF) provided under the Enhanced Transparency Framework (ETF).

4. Structured summary: Tracking progress made in implementing and achieving the NDC under Article 4 of the Paris Agreement^a

Unit, as applicable	Reference point(s), level(s), baseline(s), base year(s) or starting point(s), as appropriate (paras. 67 and 77(a)(i) of the MPGs)	Implementation period of the NDC covering information for previous reporting years, as applicable, and the most recent year, including the end year or end of period (paras. 68 and 77(a)(ii–iii) of the MPGs)						Target level ^b	Target year or period	Progress made towards the NDC, as determined by comparing the most recent information for each selected indicator, including for the end year or end of period, with the reference point(s), level(s), baseline(s), base year(s) or starting point(s) (paras. 69–70 of the MPGs)
		Year 1	Year 2	End year			
...										
Each Party that participates in cooperative approaches that involve the use of ITMOs towards an NDC under Article 4 of the Paris Agreement, or authorizes the use of mitigation outcomes for international mitigation purposes other than achievement of the NDC, shall provide (para. 77(d) of the MPGs):										
...										
Total quantitative corresponding adjustments used to calculate the emissions balance referred to in para. 23(k)(i), annex to decision 2/CMA.3, in accordance with the Party's method for applying corresponding adjustments consistent with section III.B, annex to decision 2/CMA.3 (Application of corresponding adjustments) (para. 23(g), annex to decision 2/CMA.3)										
The cumulative information in respect of the annual information in para. 23(f), annex to decision 2/CMA.3, as applicable (para. 23(h), annex to decision 2/CMA.3)										
For metrics in tonnes of CO ₂ eq. or non-GHG, an annual emissions balance consistent with chapter III.B (Application of corresponding adjustment), annex, decision 2/CMA.3 (para. ...										
...										

Example of CA reporting in the structured summary



Scenario: A country with a single-year NDC participates in Article 6.2 and first transferred ITMOs in the following amounts: 100 ITMOs resulted from mitigation occurred during NDC Year 1 (vintage year); 150 ITMOs - NDC Year 2; and 200 ITMOs - NDC Year 3. No ITMOs are used (All ITMOs measured in tCO₂eq)

Method: Averaging method

	NDC implementation period		
	Year 1	Year 2	Year 3
Annual emissions and removals covered by NDC	X	X	X
Annual quantity of ITMOs first transferred	100	150	200
Annual quantity of ITMOs used	0	0	0
Net annual quantity of ITMOs	100 (100-0)	150 (150-0)	200 (200-0)
The cumulative amount of ITMOs, divided by the number of elapsed years in the NDC implementation period	100 (100/1)	125 ((100+150)/2)	150 ((100+150+200)/3)
Total quantitative corresponding adjustments	100	125	150
An annual emissions balance	X+100	X+125	X+150

Remarks: This table is simplified for the purpose of building understanding of key reporting information. For the complete structured summary, please see Decision 5/CMA.3, annex I 23

Example of CA reporting in the structured summary



Scenario: A country with a single-year NDC participates in Article 6.2 and first transferred ITMOs in the following amounts: 100 ITMOs resulted from mitigation occurred during NDC Year 1 (vintage year); 150 ITMOs - NDC Year 2; and 200 ITMOs - NDC Year 3. No ITMOs are used (All ITMOs measured in tCO₂eq)

Method: Indicative multi-year trajectory method

	NDC implementation period		
	Year 1	Year 2	Year 3
An indicative multi-year emissions trajectory	<i>To specify</i>	<i>To specify</i>	<i>To specify</i>
Annual emissions and removals covered by NDC	X	X	X
Annual quantity of ITMOs first transferred	100	150	200
Annual quantity of ITMOs used	0	0	0
Net annual quantity of ITMOs	100 (100-0)	150 (150-0)	200 (200-0)
Total quantitative corresponding adjustments	100	150	200
An annual emissions balance	X+100	X+150	X+200

Remarks: This table is simplified for the purpose of building understanding of key reporting information. For the complete structured summary, please see Decision 5/CMA.3, annex I 24



Article 6 Expert Training, Sep. 25-27, 2024, Hayama, Japan

With resource persons from A6IP Center, UNFCCC secretariat, World Bank, UNEP CCC, IETA, CAD Trust, IATA, and MoEJ.

Any questions

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Website: <https://a6partnership.org>

