

## What.

Article 6, paragraph 2 of the Paris Agreement provides for voluntary cooperative approaches that can contribute towards Parties' NDCs. These approaches can involve regional, and international partnerships to deliver internationally transferred mitigation outcomes (ITMOs). Importantly, projects under A6.2 must align with sustainable development objectives, including an assurance that projects promote human rights as an integral co-benefit, alongside environmental adaptation and restoration, and economic diversification.

## How.

A6.2 will put in place a number of safeguards to ensure transparency and accuracy of transactions under this mechanism. These include:

- **Corresponding Adjustments (CAs):** When an ITMOs is transferred towards a Parties' NDC, the host Party must cancel the tCO<sub>2</sub>e from their domestic registry, to ensure that the emissions reduction is not double counted
- **National Registries:** Parties looking to engage in the A6.2 mechanism must establish a National Registry in which to record holdings and transactions under this mechanism.
- **International Registry:** For Parties unable to create or access a National Registry, the Secretariat will create and maintain an International Registry for the purpose of ensuring transparency of information regarding activities under A6.2
- **Article 6 Database:** This database contains all records pertaining to projects under A6.2 including: CAs, national emissions balances, information on ITMOs first transferred; transferred; acquired; held; cancelled; cancelled for overall mitigation in global emissions; and/or use by participating Parties in the agreement
- **Centralised Accounting and Reporting Platform (CARP):** The CARP is a standardised accounting and reporting platform for all projects registered under the Article 6 Registry. The CARP is designed to provide consistency in carbon abatement measurements across jurisdictions and prevent inaccurate counting and reporting. The CARP will house the International Registry and the Article 6 Database.

## Areas to watch.

- Interim measures to be announced while final rules are confirmed, to enable A6.2 agreements to commence
- Guidance on applying CAs across single and multi-year NDCs to avoid double counting
- Development of standardised accounting methodologies, especially for non-GHG emissions
- Guidelines on how confidential information is to be treated
- How A6.4ERs can be transferred to the International Registry if voluntarily requested by participating Parties
- Queries on whether or not ITMOs could include emissions avoidance
- Scope for integrating the CARP with the ETF of Article 13 to streamline the submission process
- Australia's development of the IPCOS Scheme throughout 2023