

# COP27

## Article 6.4 breakdown



### What is it

**Article 6, paragraph 4 of the Paris Agreement provides for a global mechanism to foster the mitigation of greenhouse gas emissions via the participation of public and private entities.**

**In part, Article 6.4 operates as the transition mechanism for Clean Development Mechanism (CDM) projects renewed in the second period of the Kyoto Protocol.**

**By registering authorised projects under the A6.4 Mechanism, Parties can be issued A6.4 Emissions Reductions (A6.4ERs) to contribute towards NDCs.**

### How does it work

A6.4's established processes so far include:

- Host Parties for a project must submit the proposed activity to the Supervisory Body for registration under the A6.4 Mechanism in order to have A6.4ERs issued
- Host Parties must specify in their application to the SB whether the A6.4ERs will contribute towards the host Party's NDC, or if they will become ITMOs

In the case of the latter, a corresponding adjustment must occur in the host Party's inventory

- Activities to be registered under the Mechanism must deliver an overall mitigation in global emissions (OMGE) and must be aligned with sustainable development objectives in the host Party
- Non-authorised A6.4ERs are known as 'mitigation contribution A6.4ERs' and can be used as a voluntary contribution to the host Party's NDC
- 5% value of first transferred A6.4ERs will be channeled to the Adaptation Fund, with multi-tiered
- fixed rates for later cancellations established at COP27

### CDM Transfer

- Project proponents wishing to transfer a CDM project to the A6.4 Mechanism, must inform the Secretariat via the Designated National Authority (DNA) of

their intention to transfer by December 31, 2023 with final approval for the transfer to be given to the Supervisory Body before December 31, 2025

- CDM methodologies applied to transferring projects must be compliant with A6.4 methodologies, and must apply the same global warming potentials to ensure accuracy
- Certified Emissions Reductions (CERs) under the CDM registered from January 1, 2013 can be used towards the first, or first updated NDC only

### Areas to watch

- Whether or not A6.4ERs can include emissions avoidance, and conservation enhancement
- Integration of the A6.4 Mechanism Registry with the International Registry of 6.2
- Corresponding Adjustments for mitigation outcome A6.4ERs
- Further SBSTA guidance on timing, relevant information required, authorisation and revision of guidelines for A6.4 activities used for the achievement of NDCs or transferred to ITMOs
- Guidelines around assurance of human rights for parties impacted by projects under the Mechanism

