

COP29 Article 6.2 breakdown



What is it?

Article 6, paragraph 2 of the Paris Agreement establishes the option for “voluntary cooperative approaches” between Parties in implementing their Nationally Determined Contribution (NDC) in the pursuit of higher ambition in mitigation and adaptation approaches. This can involve the full or partial transfer of emissions reduction units from one country (the host) to another country (the buyer) in order to contribute to the buyer’s NDC. These carbon credits are known as Internationally Transferred Mitigation Outcomes (ITMOs). If a carbon credit created through an agreement under Article 6.2 is not intended to contribute towards a buyer’s NDC – i.e. if a private sector participant is the buyer – it is referred to as a “Mitigation Outcome”

Importantly, projects under A6.2 must not only facilitate emissions reductions, but also align with the United Nations’ sustainable development objectives, including an assurance that projects promote human rights as an integral component, alongside environmental adaptation, restoration, and economic diversification.

How does it work?

The Article 6 “Rulebook” agreed upon at COP26 in Glasgow contains guidance around cooperative approaches and a number of safeguards to ensure transparency and accuracy of transactions under this mechanism. These include:

Authorisation: ITMOs can only be transferred from a host Party to a buying Party’s registry once authorisation from both Parties is granted. If there is not existing MOU, a selling Party can unilaterally authorise the A6.2 activities before finding a buyer.

Corresponding Adjustments (CAs): When an ITMO is transferred towards a buying Party’s NDC, the host Party must add the equivalent tonne of carbon dioxide (tCO₂e) to its national GHG inventory, to ensure that the emissions reduction is not double counted.

Party Registries: Parties looking to engage in the A6.2 mechanism must have access to a registry to record holdings and transactions under this mechanism.

International Registry: The Secretariat will create and maintain an International Registry for the purpose of ensuring transparency of information regarding activities under A6.2. COP29 made the decision to allow countries without resources to establish a National Registry (namely Small Island Developing States, and Least Developed Countries) to use the International Registry in the same function as a National Registry, i.e. to record holdings and complete transactions of A6.2 mitigation outcomes. The Article 6.4 Registry will be connected with the International Registry to support the

transfer of authorised Article 6.4 Emissions Reductions as ITMOs.

Article 6 Database: This database will contain all records pertaining to projects under A6.2 including: project-level technical information, CAs, national emissions balances, information on ITMOs first 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 public-facing platform for all projects registered under A6.2, increasing transparency of deals under A6.2, while also providing accountability across jurisdictions to prevent inaccurate counting and reporting. The CARP will house the International Registry and the Article 6 Database.



Dawul Wuru Aboriginal Corporation's Gavin Singleton (front) with Yirrganydji Land and Sea Rangers, who are restoring land with traditional practices through a blue carbon project in Qld, Australia.

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Authorisations

Under A6.2, authorisations refer to the formal approval given by a participating party covering three components: authorisation of the cooperative approach, authorisation of ITMOs, and authorisation of entities who are not the participating parties. Authorisation must be granted -prior to the transfer and use of any ITMOs. For bilateral authorisations, both participating parties must agree on the terms of the authorisation prior to the ITMOs being used. Changes cannot be made to the authorisation once ITMOs have been first transferred, unless agreed by both Parties under specific circumstances. If a change is to occur, there are stringent requirements on both Parties to ensure that there is no double counting of the Mitigation Outcome.

In authorising the use of ITMOs, each Party must include several key information, including:

- Duration of the authorisation: final date for mitigation outcomes to be issued, used or cancelled as related to the first transfer;
- Uses covered by authorisation: either to achieve the buying Party's NDC, or other mitigation purposes;
- Any underlying regulations, frameworks, standards or procedures – including methodologies – underpinning the cooperative approach;
- Agreed circumstances under which a change of authorisation may occur, and process to ensure that the change avoids double counting;
- Vintage(s) of the credits covered by the authorisation;
- Metrics and units of measurement/conversion, and greenhouse gases covered;

As well as other technical details outlined in Chapter I.B of the 6.2 Decision agreed on at COP29.[1]

Safeguards to ensure integrity

There are several safeguards built into the A6.2 framework to ensure that cooperative approaches deliver genuine and verifiable mitigation outcomes,

which do not have adverse environmental, social or economic impacts. These include:

- Automatic identification of inconsistencies via the Article 6 database;
- Additional consistency checks of reports through the Article 6 technical expert review function, with results available on the CARP;
- Where a consistency check identifies inconsistencies, the Party will work with the Secretariat to address these;
- Request for Parties not to use ITMOs with flagged inconsistencies towards their NDCs; and
- Additional information required in the initial report, submitted no later than authorisation for mitigation outcomes from the cooperative approach.

Initial Reports

Parties must submit an initial report prior to or in conjunction with the timing annual information is submitted. Subsequently, an updated initial report, is also required for each further cooperative approach between the two Parties. These reports will be made available on the CARP and should provide several details including:

- Details of how the cooperative approach avoids locking in emissions, technologies or practices that are inconsistent with the goals of the Paris Agreement;
- Details of how the cooperative approach ensures environmental integrity;
- Details of how the cooperative approach ensures social integrity ;
- If applicable, details of how the cooperative approach contributes to resourcing for adaptation, including through contributions to the Adaptation Fund; and
- If applicable, details of how the cooperative approach contributes to the delivery of overall mitigation in global emissions (OMGE).[2]
- As well as other elements outlined in annex I of the 6.2 Decision agreed on at COP29.[3]

[1] UNFCCC, FCCC/PA/CMA/2024/L.15: Matters relating to cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement. Available [here](#).

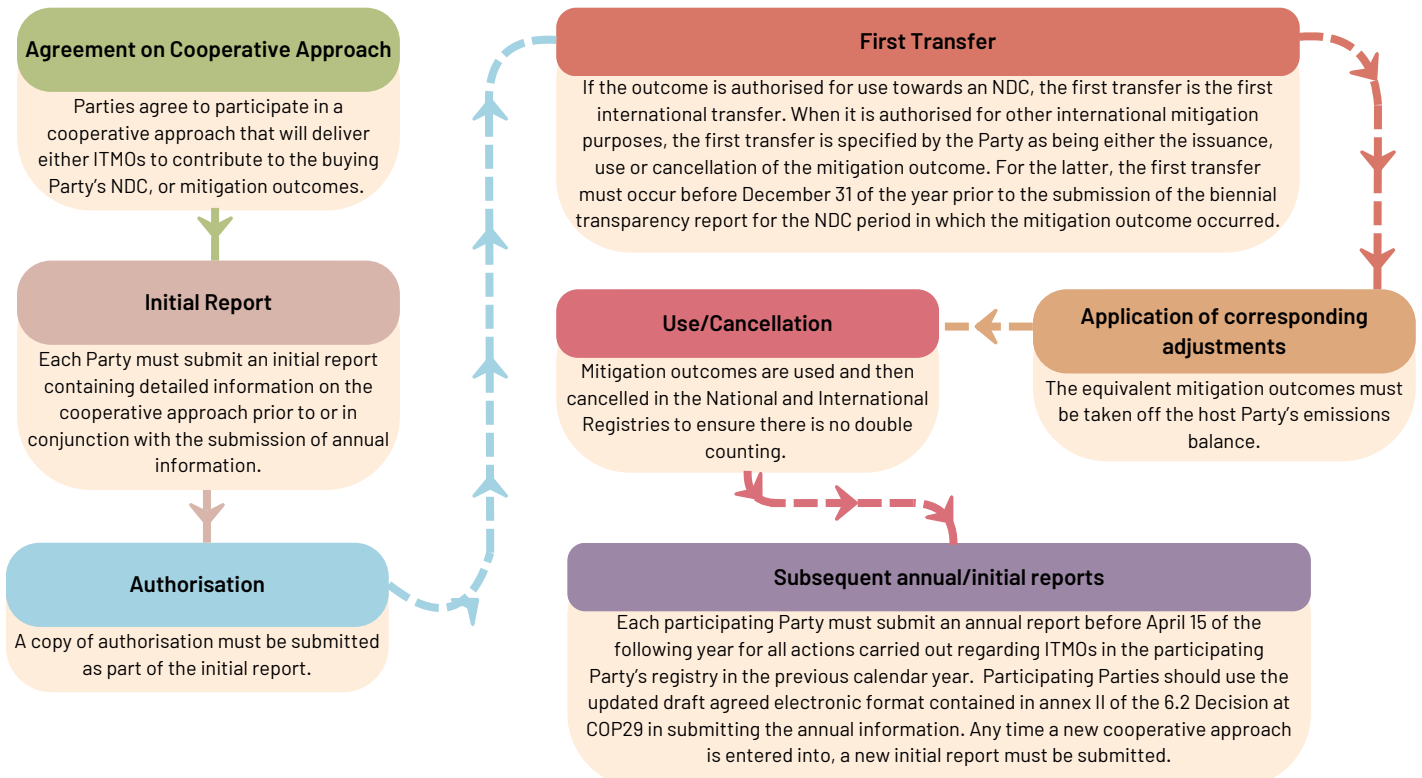
[2] Further information can be found in FCCC/PA/CMA/2024/L.15

[3] UNFCCC, FCCC/PA/CMA/2024/L.15: Matters relating to cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement. Available [here](#).

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Sequencing

The sequencing order for development and execution of a cooperative approach under A6.2 is outlined in the diagram below.



Forward Workplan

While Article 6.2 has technically been operational since COP24 in Katowice, Poland, there are still some outstanding items as follows:

Operationalising the Article 6 Database: The Article 6 Database has not yet been operationalised due to resourcing constraints, and ongoing negotiations around the automated detection of inconsistencies. COP29 delivered an agreement that the Database will automatically detect and publish inconsistencies based on information submitted. Full implementation is still contingent on additional financial resourcing.

Standardised Reporting Templates: The Secretariat is requested to develop a voluntary, standardised template for Parties to provide information pertaining to authorisations.

Capacity Building Programme: The Secretariat is requested to design and implement a capacity building program to support developing countries (particularly least developed countries and small island developing states) to use the draft agreed electronic format for the submission of annual information.

Draft Electronic Reporting Format Review: The Secretariat is requested to prepare a report on the use of the draft electronic reporting format proposed in annex II of the COP29 decision, including recommendations for improvements for consideration at CMA10.

Confidential Information: Work is to continue on the treatment of information as confidential, and the process for review this at CMA10.

Emissions Avoidance: Consideration of whether ITMOs can include emissions avoidance activities will be pushed back to CMA10.

Multi-year NDCs: Guidance on applying corresponding adjustments to avoid double counting on multi-year NDCs, including the methods for establishing indicative emissions trajectories and budgets to avoid double counting, will be considered at CMA10.