

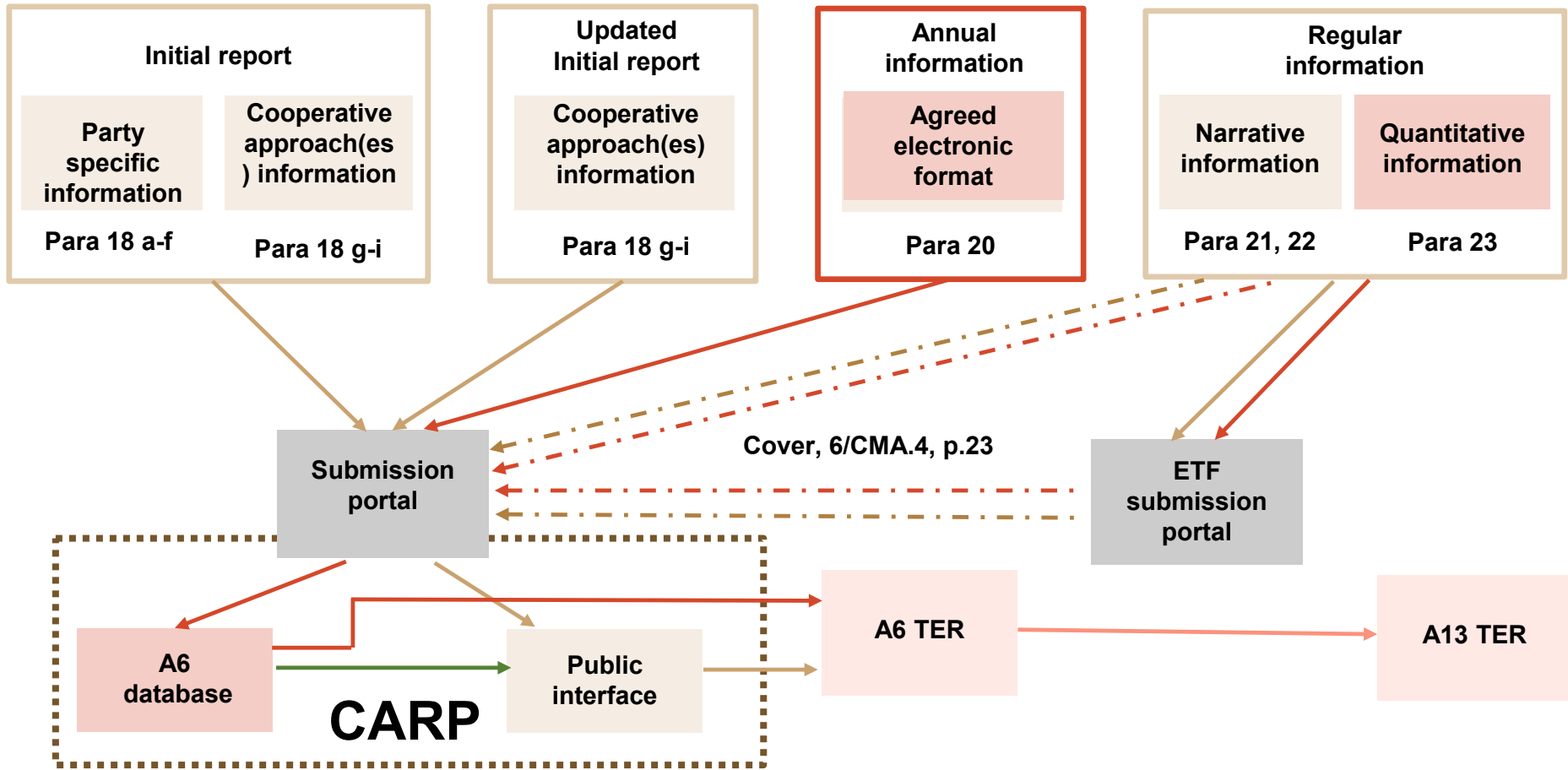
1st Reporting Working Group of the Paris Agreement Article 6 Implementation Partnership

Reporting: Initial Report and Agreed Electronic Format

19 April 2023



Article 6 Reporting Overview



Unless otherwise specified, references refer to 2/CMA.3



Initial Report



Initial Reports

- CMA.4 in Sharm el-Sheikh agreed the “Outline for the initial and updated initial reports” for cooperative approaches – **these are available in electronic format from the interim CARP**
- Requested the secretariat to organize a workshop on ***potential challenges participating Parties may face in addressing different elements of the initial report*** and ***support the identification of related capacity-building needs***
 - 24-26 April 2023 – Hybrid format
- Invited Parties to submit their views on potential challenges in the preparation of the reporting on elements listed in the initial report
- Requested the secretariat to:
 - prepare a technical paper, to be considered at SBSTA 58
 - **develop a manual** (with official status) containing illustrative elements of information for the initial report, updated initial report and regular reports



Reporting Template

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

(English only)

Party	Party name
NDC period	xxxx/xxxx
Report number for the NDC period³	1
Version⁴	1.0
Date	dd/mm/xxxx

* Ascribe sequential number for updated initial reports. The number "1" is reserved for the initial report.
¹ Ascribe version number as follows: decimal increase for minor revisions (typos, corrections) and digit increase for content changes (where unavoidable).

Note: For updated initial report fill in only section IV. Information on each cooperative approach (para. 18(g-c), 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 NDC's pursuant to Article 6, paragraph 3 (para. 18(a), para. 4(c), to be updated by para. 21(a))

D. Information on how the Party ensures it has arrangements in place that are consistent with the Article 6, paragraph 2, guidance and relevant decisions of the CMA for tracking ITMOs (para. 18(a), para. 4(d), to be updated by para. 21(a))

E. Information on whether the most recent national inventory report required in accordance with decision 18/CMA.1 has been provided (para. 18(a), para. 4(e), to be updated by para. 21(a))

F. Information on how the Party ensures participation contributes to the implementation of its NDC and long-term low-emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement (para. 18(a), para. 4(f), to be updated by para. 21(a))

II. Description of the Party's nationally determined contribution, as referred to in decision 18/CMA.1, annex, paragraph 64, where a participating Party has not yet submitted a biennial transparency report (para. 18(b), to be updated by para. 21(b))

A. Target(s) and description, including target type(s) (decision 18/CMA.1, annex, para. 64(a))

B. Target year(s) or period(s), and whether they are single-year or multi-year target(s) (decision 18/CMA.1, annex, para. 64(b))

C. Reference point(s), level(s), baseline(s), base year(s) or starting point(s), and their respective value(s) (decision 18/CMA.1, annex, para. 64(c))

D. Time frame(s) and/or periods for implementation (decision 18/CMA.1, annex, para. 64(d))

E. Scope and coverage, including, as relevant, sectors, categories, activities, sources and sinks, ~~and~~ gains (decision 18/CMA.1, annex, para. 64(e))

F. Intention to use cooperative approaches that involve the use of internationally transferred mitigation outcomes under Article 6 towards NDC's under Article 4 of the Paris Agreement (decision 18/CMA.1, annex, para. 64(f))

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.

1

2

-Party and NDC genuine information {Party name, NDC period and last update etc.}



- **Participation responsibilities**

- How the Party ensures that it is a Party to the Paris Agreement
- Information that it has prepared, communicated, and is maintaining an NDC
- How the Party ensures it has arrangements in place for authorizing the use of ITMOs
- How the Party ensures it has arrangements in place for tracking ITMOs
- Whether the Party has submitted the most recent national inventory report required
- How the Party ensures participation contributes to the implementation of its NDC and LT-LEDS, if it has submitted one, and the long-term goals of the Paris Agreement

Initial Report Template – II

- **Description of the Party's NDC**

- Target(s) and description, including target type(s)
- Target year(s) or period(s), and whether they are single-year or multi-year target(s)
- Time frame(s) and/or periods for implementation
- Scope and coverage, including, as relevant, sectors, categories, activities, sources and sinks, pools and gases
- Intention to use cooperative approaches that involve the use of ITMOs under Article 6 towards NDCs
- Any updates or clarifications of previously reported information (e.g. recalculation of previously reported inventory data, or greater detail on methodologies or use of cooperative approaches)



Initial Report Template – III

- **Information on ITMO metrics, method for applying corresponding adjustments and method for quantification of the NDC**
 - ITMO metrics
 - Method for applying corresponding adjustments
 - Indicative multi-year emission trajectory, trajectory, budget or averaging (Single-year)
 - Multi-year emission trajectory, trajectory or budget (Multi-year)
 - Quantification of the Party's mitigation information in its NDC, or portion, in tCO₂ eq or methodology for the quantification
 - Quantification of the Party's mitigation information in its NDC, or portion, in non-GHG
 - For policies and measures that is not quantified, quantify the emission levels that are relevant to the cooperative approach



Initial Report Template – IV

- **For EACH cooperative approach (replicated for each)**
 - Copy of the authorization by the participating Party.
 - Description of the cooperative approach:
 - Duration, Expected mitigation, Participating Parties, Authorized entities,
 - Ensures environmental integrity:
 - No net increase in global emissions, the quality of mitigation outcomes; Minimize risk of reversals
 - Additional information on cooperative approaches:
 - Negative environmental, economic and social impacts, 11th preambular paragraph of Paris Agreement, link with sustainable development objectives of the Party, resources for adaptation , overall mitigation in global emissions



Agreed Electronic Format



The agreed electronic format – I

In paragraph 20 (a), annex, 2/CMA.3 is requested to submit information on:

- Annual information on **authorization** of ITMOs for use towards achievement of NDCs
- **Authorization** of ITMOs for use towards other international mitigation purposes
- **First transfer**
- **Transfer**
- **Acquisition**
- **Holdings**
- **Cancellation**
- Voluntary **cancellation**
- Voluntary **cancellation** of mitigation outcomes or ITMOs towards overall mitigation in global emissions
- **Use** towards NDCs

Summarizing, it is requested to provide annual information on: **Authorizations, first transfers, transfers and holdings and uses or cancellations.**

This provide a good picture of the ITMOs lifecycle.



The agreed electronic format – II

In paragraph 20 (b), annex, 2/CMA.3 is requested to submit information on:

- The **cooperative approach**
- The **other international mitigation purpose authorized** by the Party
- The **first transferring participating Party**
- The **using participating Party or authorized entity or entities**, as soon as known
- The **year** in which the **mitigation occurred**
- The **sector(s)** and **activity type(s)**
- The **unique identifiers**

Summarizing, it is requested to provide details on the ITMO reported pursuant para 20 (a), at the level of identification of those ITMOs.



The agreed electronic format – III

Information to be provided in the AEF can be classified in three main blocks.

- Actions performed with ITMOS, including:
 - Authorization, First transfer, Transfer, Acquisition and use or cancellation.
- Holdings of ITMOs remaining in the balance of the Parties at the end of the reported period.
- Information on ITMOs reported in the previous points (ITMO details):
 - Information on unique identifiers
 - Information the metric and the quantity of the reported block of ITMOs
 - Information on the vintage, First transferring participating Party, the sector and the activity type of the ITMOs
 - Information on the authorization, including identifier and uses
 - Information on the first transfer flag when authorized uses include OIMP



The agreed electronic format – IV

Design the AEF to serve the purpose of the Article 6 database:

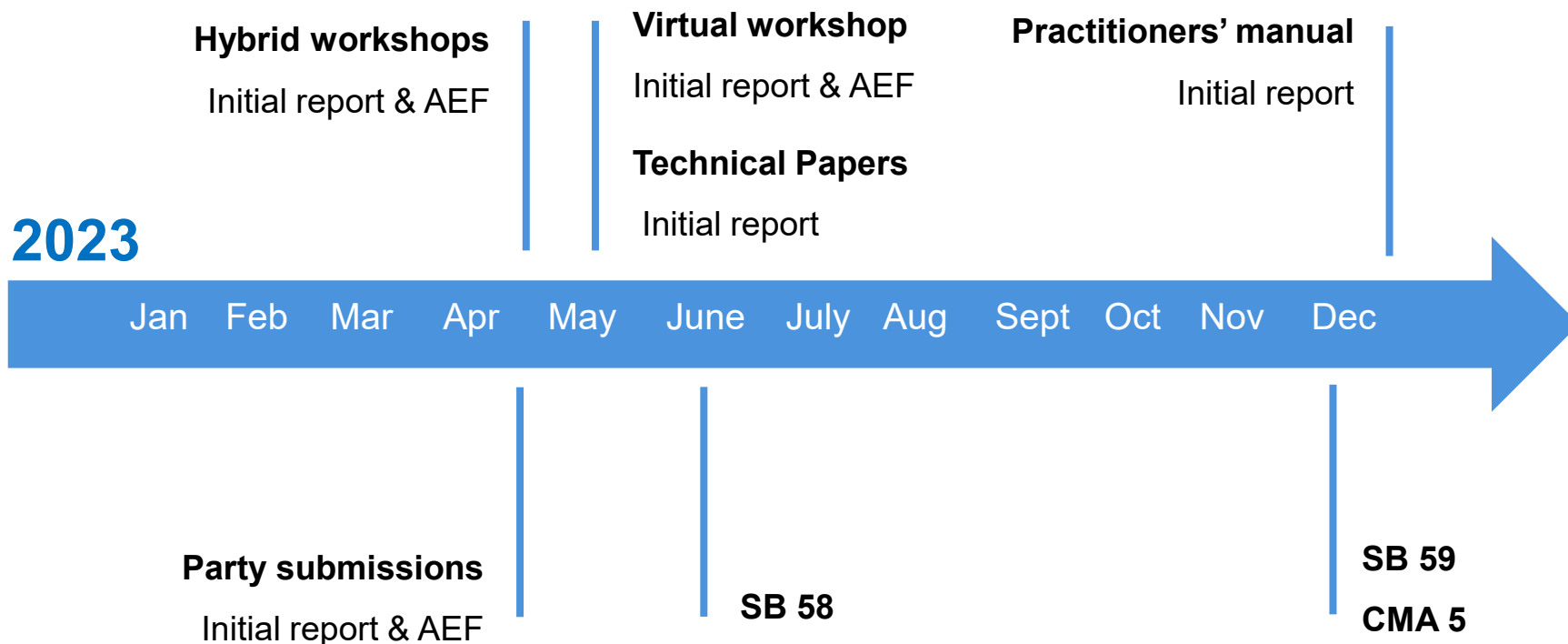
- The annual information together with the regular information report, serve as the quantitative support for the Article 6 database implemented „For **transparency** in relation to cooperative approaches, to **record and compile** the information submitted by participating Parties pursuant to chapter IV.B–C above (Reporting) and **to support the review** referred to in chapter V above (Review)” (annex, para.32 2/CMA.2, bold is not in the mandate). This implies that the Article 6 database has to:
 - a) “Recording of corresponding adjustments and emissions balances (regular information) and information on ITMOs transferred, first transferred, ...” (AEF)
 - b) Identifying inconsistencies to be notified to the participating Party or participating Parties, as applicable.
- Therefore, the annual information has to provide information in a way that consistency checks can verify that there are no mistakes in the reported information and the information matches with the one in the regular information and the one used into the adjusted balance.



Article 6.2 work-programme on initial report and AEF



Article 6.2 work-programme on initial report and AEF



Thank you

