**VIEWS OF ARGENTINA, BRAZIL AND URUGUAY (ABU) ON THE GUIDANCE ON COOPERATIVE APPROACHES REFERRED TO IN ARTICLE 6, PARAGRAPH 2, OF THE PARIS AGREEMENT**

1. The governments of Argentina, Brazil and Uruguay (ABU) welcome the opportunity to express their views on guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement, as per paragraph 5 of the draft conclusions proposed by the Chair of the Subsidiary Body for Scientific and Technological Advice (SBSTA) at its Fifty-sixth session (SBSTA 56).
2. ABU wishes to focus on the following topics: a) the review process for Article 6.2. and b) the Article 6.2. Infrastructure (Recording and Tracking).
3. Substantial capacity building will be required to allow developing countries to design and implement Article 6.2. cooperative approaches, particularly to establish the necessary institutional arrangements to implement the participation requirements and develop the national technical and institutional capacity. For this aim to be achieved, predictable financial, technical and technological support is needed to enable developing countries to properly manage and fully account for the effects of activities developed within their territories.
4. As this is the first ABU submission on Article 6, we recall the general ABU principles guiding the implementation of cooperative approaches under Article 6, in the spirit of reading all 3 submissions (i.e. 6.2., 6.4. and 6.8) as a whole package and ensuring a balanced implementation and progress on all three of them.

**ABU PRINCIPLES ON ARTICLE 6**

1. The implementation of cooperative approaches under Article 6 of the Paris Agreement must be firmly grounded in what the best available science tells us is necessary to deliver on the long-term temperature goal of the Agreement.
2. It must reflect equity and the principle of common but differentiated responsibilities and respective capabilities, in light of different national circumstances, as well as respect for contracts and agreements, in particular the political bargain that made the Paris Agreement and the Glasgow package possible. Cooperative approaches referred to in Article 6 of the Paris Agreement shall neither deepen the current inequity in the distribution of efforts against climate change, nor change the nationally determined nature of contributions of Parties.
3. Any cooperative approaches established under Article 6, notably Article 6.2, must be transparent, ensure environmental integrity and provide incentives for Parties to progressively increase their ambition levels, so as to promote real, verifiable and measurable reductions of GHG emissions, as well as being in line with the SDGs.
4. Cooperative approaches should also provide additional, predictable and adequate resources, in line with the principle of common but differentiated responsibilities and national efforts against climate change. In this regard, Article 6 also offers us a unique opportunity to explore synergies between mitigation and adaptation actions and provide scaled-up resources for adaptation at the same time mitigation action is incentivised.
5. ABU recalls the need for a robust global governance and operational structure, with well-defined roles and responsibilities for every stakeholder for the operationalization of Article 6. A robust governance should include solid rules, to be multilaterally agreed upon, so as to hold every Party accountable in a predictable and transparent manner, and in accordance with Article 13 of the Paris Agreement and Decision 18/CMA.1.
6. Regarding ambition, ABU supports the establishment of rigorous criteria for the voluntary participation in cooperative approaches, including accounting options for diverse types of NDCs. In the case of Article 6.2, which does not count on the same centralized multilateral structure and international oversight, nor the same stringency provided by Article 6.4´s rules, modalities and procedures to ensure the high quality of ITMOs, it is of the utmost importance to strengthen the safeguards to be applied by cooperative approaches, as well as ensure a robust account framework for single-year NDCs that avoids allowing for emissions to increase within and between NDC periods.
7. ABU supports the nationally determined nature of the authorization process, with a view to allowing the international transfer of mitigation outcomes for all types of ITMOs uses (i.e., NDCs, other international mitigation purposes and other purposes). Any international transfer of ITMOs from one country's territory, must count on the explicit and upfront authorization of the national governments that are Parties to the Paris Agreement.

**6.2. REVIEW**

1. Since the beginning of negotiations, ABU has been in favor of a robust review process that allows for cooperative approaches under Article 6.2 to be reliable, environmentally sound and beneficial to the ambition levels of the Paris Agreement. The primary purpose of the review process is to ensure the environmental integrity in the implementation of 6.2 cooperative approaches.
2. The review process in Article 6.2 is the closest we have to international oversight and the only way to ensure transparency and generate confidence in this modality of cooperation. It is also a way to provide a technical exchange of information on cooperative approaches with a view to supporting the establishment and improvements of national arrangements for Parties and provide potential inputs for the review of the guidance in the future, according to paragraph 14 of Decision 2/CMA.3.
3. For the review process to be effective and fulfil its mandate, adequate recommendations and guidelines must address the challenges posed by Article 6.2, including the variety of NDCs and lack of fungibility of ITMOs and enforcement challenges associated with the loose nature of Article 6.2.
4. ABU proposes therefore that we benefit from successful experiences and well-established processes of review under the convention, notably that of REDD+, to develop specific recommendations on the coordination of the review process by the Article 6 technical review team and the Technical Expert Review (TER) team of Article 13 and on the organization of work.
5. The reviewers of Article 6 should receive a mandate to check the consistency of information provided by Parties in relation to the reporting obligations established by Decision 2/CMA.3. When information is submitted by Parties, the Secretariat could be tasked with performing a preliminary consistency and completeness check, to speed up the whole process. The Article 6 TER would then assess the consistency of the reports (Initial and Regular) on each cooperative approach.
6. This assessment would be more effective if all those Parties involved in a cooperative approach are able to present the information at the same time, although this is not a requirement in the guidance. In this case, some consistency checks would have to be done independently, which should not be an impediment when it comes to aspects such as participation requirements, which are more narrative in nature, and do not require that the process be paired up with the review of the information to be provided by any other Parties involved. In other cases, reviewers will need to compare the information of all participant Parties, if not submitted at the same time. This is the case for information on ITMO tracking and methods for corresponding adjustment, as well as accounting and reassurance that there has been no double counting of units. Guidance to assess descriptive/narrative information is also desirable, with a view to making the review process as objective as possible. Under no circumstances are reviewers to make political assessments or judgements on the reports submitted by Parties.
7. A lot of the consistency checks in the review will be made easier if we build the infrastructure with the reviewers in mind. In this regard, if national registries are connected to the database and the international registry, as well as the CARP, the work of the reviewers will be simpler and the whole process faster.
8. The review process should also be organised in periodic cycles, either once or twice a year. If it is organised twice a year, the load of work for each cycle can be minimized, as it is better distributed throughout the year, and there is also greater chance of giving Parties the opportunity to interact more frequently with the review team to answer questions or providing additional information. As with other review processes under the Convention, the Secretariat is to not only organise the Article 6 review sessions, which are to happen before the work of the TER team, but also facilitate the communication between the Article 6 review team and Parties involved in the cooperative approaches that are to be reviewed. We need a clear workflow, besides predictability, coherence and transparency in terms of frequency of the review cycles.
9. The review should always start with the revision of the Initial Report, followed by a follow-up review and consistency check of the content of the Initial Report and subsequent regular information provided in the BTRs. In cases when information by different Parties has to be checked in tandem but the submission of information has not happened at the same time, this is to be signaled by the current review team to the next, with a view to allowing the latter pick up the work from where the previous team left.
10. We should bear in mind that the lack of synchronisation of Parties in a cooperative approach to present information and the fact that the same cooperative approach will have different reporting requirements assessed in different moments will require that a specific template is developed for the review, to provide for the appropriate formats that are necessary for an effective review. It is therefore necessary to develop the templates for the Article 6 review team to fill in throughout the review process, with specific sections to be filled with the conclusions and recommendations of one team of reviewers to the next, with a view to organising and facilitating the follow-up.
11. The final report of Article 6 reviewers, containing their conclusions and recommendations, is then to be forwarded to the TER team, who will not, under no circumstances, reassess the review by the Article 6 team. The role of the TER team would be limited to checking the BTR information and the consistency of the information provided by the Article 6 review, such as data on the emissions balances and accounting information throughout the NDC period. The TER team is also to append the conclusions and recommendations of the Article 6 review in the TER report.
12. The Article 6 review team for each cooperative approach shall be comprised of at least 2 members, one from a developed country Party and another from a developing country Party, who should be nominated based on the relevant qualifications to the UNFCCC roster of experts. Further capacities would need to be built to increase the number of reviewers, especially from developing countries.
13. Finally, ABU understands that inconsistencies identified during the review process and cases of non-responsiveness are to be made public in the conclusions and recommendations of the Article 6 review team, which will also be made public in the TER report and therefore subject to the Facilitative Multilateral Consideration of Progress under Article 13. The annual synthesis report to be presented by the Secretariat should also contain explicit information on the Parties that have been non-responsive to the recommendations of the Article 6 review team and the types of inconsistencies identified in the cooperative approaches they take part in. When the same inconsistencies become recurrent and identified for more than 2 review cycles, the Article 15 Committee shall also have the possibility to be involved.

**6.2\_RECORDING AND TRACKING (INFRASTRUCTURE)**

1. This section should be read in conjunction with the submission of ABU on the rules, modalities and procedures for the mechanism established under Article 6, paragraph 4 of the Paris Agreement.
2. The issue of registry and registries is central to Article 6.2, but also challenging, given the diversity of transactions that are likely to occur and also the differences in capacities, experience and contributions of Parties to participate in cooperative approaches under 6.2. In this regard and considering paragraphs 29 and 30 of Decision 2/CMA.3, focus shall be put in developing an international registry that can also serve the purposes of 6.2. without the need for national registries to be implemented, considering in particular, the limited capacities of developing countries and the particularities of the 6.2 review process.
3. The functionalities of the international registry then shall allow participating countries to comply with their reporting and tracking requirements ensure the environmental integrity of the 6.2 cooperative approaches, including with specific requirements associated with the application of social and environmental safeguards, as well as support the review of information. ABU supports the view that a centralized international registry that can ensure proper accounting of mitigation outcomes is the best way forward. Having a credible international registry that allows for accurate verification of emissions and removals give all Parties the reassurance that every other Party is doing its part in their cooperative approaches and not ‘free-riding.
4. ABU’s choices for the issue of infrastructure are then those that could 1. enhance transparency at the national and entity level when it comes to cooperative approaches and 2. facilitate the work of reviewers, which means that information shall be centralized as much as possible and some sort of communication between national and international systems are to exist.
5. In this regard, the first functionality to be considered is the level of disaggregation of information, so that the international registry allows for transactions to be captured at the entity level, when appropriate. On this, it is well-known that in many cases Article 6.2 will allow for cooperation involving entities and ABU thus supports that whenever this is the case, the international registry should allow for this kind of disaggregation level to be captured.
6. The second functionality to be considered is the linkage that is necessary to ensure the transparency and accuracy of transactions to be recorded. This means that some sort of communication or links between the international registry, national registries, the CARP, the database the mechanism registry under Article 6.4 and existing infrastructure for other international mitigation purposes will need to be developed. These linkages are essential for the tracking functions expected from registries to be properly operational and effective in our attempt to give 6.2 a more robust and trustworthy system. This is important to ensure accurate accounting and verification of transactions.
7. The issue of unique identifiers is also critical to ensure the environmental integrity of ITMO transactions and facilitate the work of the reviewers. ABU supports the idea of having a unique system for ITMOS tracking, based on Article 6.2 International Registry, with a single codification system, as implemented in the CDM. The ITMOs unique identifiers shall provide the minimum information concerning the ITMO that allow appropriate tracking and recording.