**ROK’s views on** **guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement**

In response to the call for submissions by the SBSTA56 (para. 5 of FCCC/SBSTA/2022/L.12[[1]](#footnote-1)), the Republic of Korea (ROK) is pleased to submit its views on guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement (hereinafter “A6.2 guidance”).

1. **Introduction**

When adopting the A6.2 guidance at the third session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA3), Parties agreed on further works as per paragraph 3 of decision 2/CMA.3 as follows:

(a) Review;

(b) Infrastructure;

(c) Reporting;

(d) Special circumstances of the least developed countries and small island developing States;

(e) Elaboration of further guidance in relation to corresponding adjustments for multi-year and single-year NDCs, in a manner that ensures the avoidance of double counting, including for averaging;

(f) Emissions avoidance.

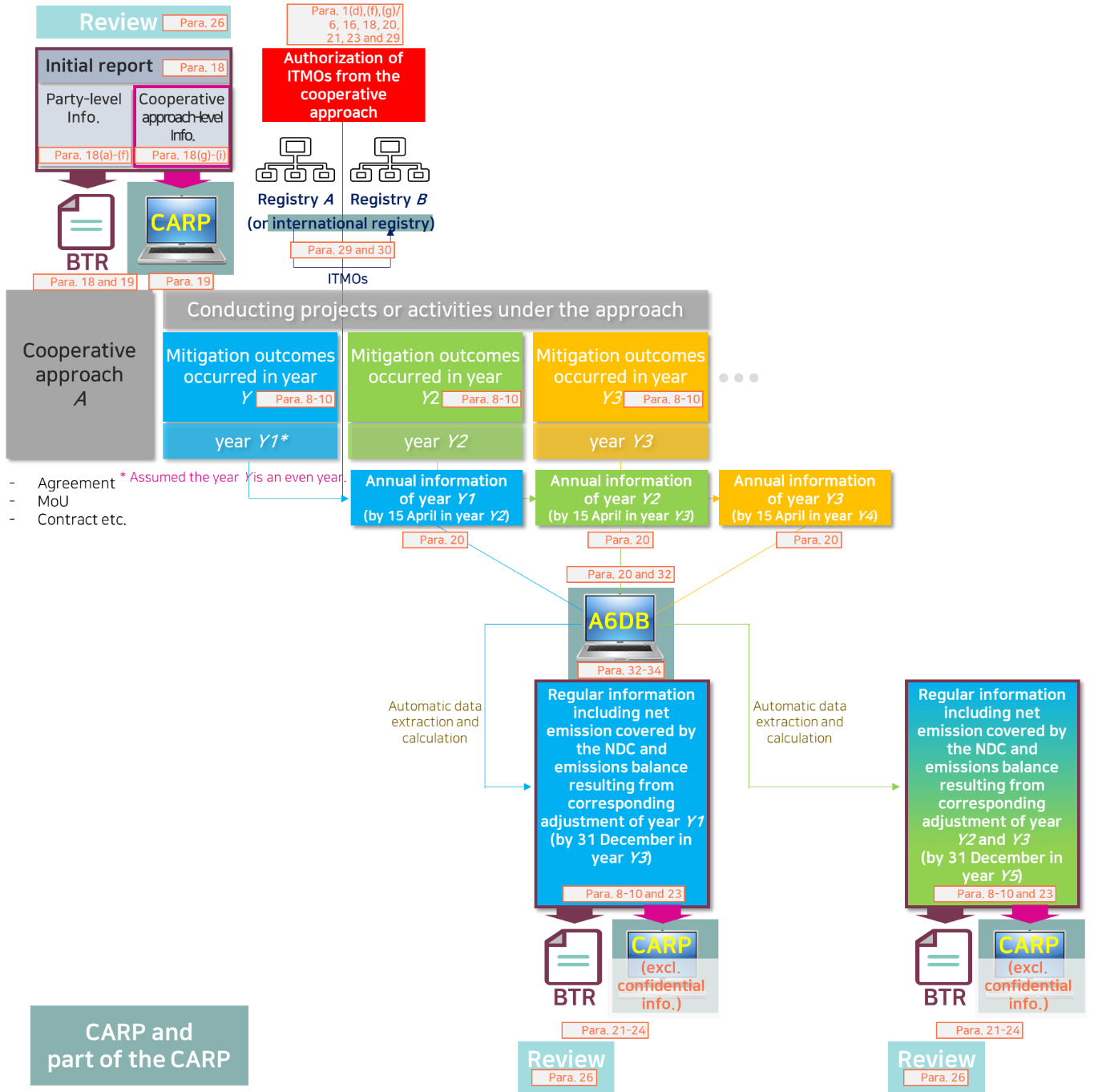
Bearing in mind the fact that some Parties have already started to participate in their own cooperative approaches with authorization, the ROK views that among six mandates above,

(1) reporting, (2) infrastructure, and (3) review should be prioritized to ensure full operationalization of the Article 6.2 and environmental integrity by tracking Parties’ activities including transfer of ITMOs properly.

With regard to 3 issues above, Parties have discussed in a constructive mood during the technical workshops in May 2022 and the SBSTA56. In particular, the informal reports of technical workshops[[2]](#footnote-2) and the informal note prepared by co-facilitators[[3]](#footnote-3) reflected what the Parties discussed well. Specifically, as many Parties pointed out the importance of integrated approach for reporting, infrastructure and review considering interlinkages among themselves.

In this context, the ROK suggests that further guidance of reporting, infrastructure and review would be developed taking into account inter-linkages and work-flows under the whole architecture of the Article 6.2 as figure 1 indicated.

Figure 1. A big picture: inter-linkages between reporting-review process and infrastructure



We will look forward to hearing from other Parties’ views and seeing technical reports which will be prepared by the secretariat to complete our mandates in Sharm El-Sheikh for quick start of the cooperative approaches under the Article 6 of the Paris Agreement.

1. **Reporting**
   1. **General Approaches in regard to Tables and Outlines**

The ROK thinks that developing the tables for the information requested in chapter IV of the A6.2 guidance is a simple, straightforward exercise. The task is to create reporting spaces in tabular format for the set of information clearly defined in the A6.2 guidance. The work, of course, should be done with care, in full accordance with the 6.2 guidance. However, it is, in our view, rather mechanical in nature.

One key issue that Parties need to agree on is the scope of the work. Parties have the option of developing tables for the entirety of chapter IV, including both the quantitative and qualitative information. Parties could also opt to create tables for the quantitative information only, which is more suitable for tabula format.

The ROK thinks that there are considerable merits in developing tables for the entirety of chapter IV. First, such an approach will facilitate and enhance completeness of reporting by Parties. This approach could enable crosschecking between tables and reports for completeness of reporting, by asking Parties to identify the specific reporting place for those pieces of information that are not reported through the tables, as exemplified in the reporting tables for biennial transparency reports (also see the tables contained in Annex I of this submission). Second, Parties could avoid the difficult task of distinguishing quantitative information from qualitative information. Distilling quantitative information from the set of information defined in chapter IV may well prove to be much trickier than expected, given the diversity of NDCs and the ambivalence of certain information. And relatedly, by bypassing the fiddly distillation process, Parties could minimize complexities, keeping the task purely mechanical. Parties could, therefore, carry out the task with great efficiency and minimum friction.

The advantages of reporting both quantitative and qualitative information through tabula format have been well demonstrated by Parties’ NDCs. Many Parties have submitted their NDCs in tabular format, and NDCs in tabular format have proven to be great in terms of clarity, transparency and understanding. The ROK hence thinks that the above approach is a sensible and practical way to proceed with the task.

The key issue concerning options for the outlines for the information requested in chapter IV of the 6.2 guidance is the level of specificity. The outlines could be simplified condensations of chapter IV, grouping the various pieces of information into a few broad categories à la the outline of the biennial transparency report (Annex IV of Decision 5/CMA.3). They could also be detailed replicas of chapter IV in the manner of the outline of the national inventory document (Annex V of Decision 5/CAM.3).

The ROK thinks that simplified outlines serve little purpose. A key merit of detailed outlines is that they could help and encourage not only complete reporting but also more organized reporting by Parties. The various pieces of information defined in chapter IV are quite distinct from one another and as such need to be reported distinctively. Detailed outlines ensure that each distinct piece of information will be reported distinctively, thereby enhancing clarity, transparency and understanding of the reported information. The ROK prefers, therefore, the option of developing detailed outlines in the manner of the outline of the national inventory document, as mentioned above.

**B. Initial report**

As per paragraph 18 of the A6.2 guidance, an initial report is composed by Party-level information (paragraph 18(a)-(f)) and cooperative approach-level information (paragraph 18(g)-(i)). In case of information on each cooperative approach, each participating Party shall submit the information in an updated initial report and for inclusion in the centralized accounting and reporting platform (CARP) and include it in the next biennial transparency report (BTR) due pursuant to paragraph 19 of the A6.2 guidance.

Since the information to be reported in the initial report consists of both qualitative (narrative) and quantitative one, the ROK sees that some level of flexibility should be provided to the outline of the initial report. A table for the initial report should accommodate all the information referred to in paragraph 18 of the A6.2 guidance as shown in the table 1 below. This table could enable crosschecking between tables and reports for completeness of reporting, providing support to the Article 6 technical expert review (TER). With this table as a basis, we also propose an outline of the initial report as shown in Box Ⅰ of this submission.

Table 1. Table for the initial report proposed by the ROK

|  |  |
| --- | --- |
| **Reporting requirements** | **Description or reference to the relevant section of the initial report** |
| Demonstrate that the participating Party fulfils the participation responsibilities referred to in chapter II (Participation) *(para. 18.(a))* |  |
| Provide, where the participating Party has not yet submitted a biennial transparency report, the information referred to in paragraph 64 of the annex to decision 18/CMA.1 *(para. 18.(b))* |  |
| Communicate the ITMO metrics and the method for applying corresponding adjustments as per chapter III.B for multi- or single-year NDCs that will be applied consistently throughout the period of NDC implementation and where the method is a multi-year emissions trajectory, trajectories or budget, describe the method *(para. 18.(c))* |  |
| Quantify the Party’s mitigation information in its NDC in t CO2 eq, including the sectors, sources, GHGs and time periods covered by the NDC, the reference level of emissions and removals for the relevant year or period, and the target level for its NDC; or where this is not possible, provide the methodology for the quantification of the NDC in tCO2 eq *(para. 18.(d))* |  |
| Quantify the NDC, or the portion in the relevant non-GHG indicator, in a non-GHG metric determined by each participating Party, if applicable *(para. 18.(e))* |  |
| For a first or first updated NDC consisting of policies and measures that is not quantified, quantify the emission level resulting from the policies and measures that are relevant to the implementation of the cooperative approach and its mitigation activities for the categories of anthropogenic emissions by sources and removals by sinks as identified by the host Party pursuant to paragraph 9, and the time periods covered by the NDC *(para. 18.(f))* |  |
| Provide, for each cooperative approach, a copy of the authorization by the participating Party, a description of the approach, its duration, the expected mitigation for each year of its duration, and the participating Parties involved and authorized entities *(para. 18.(g))* |  |
| *Describe how each cooperative approach ensures environmental integrity, including:* |  |
| That there is no net increase in global emissions within and between NDC implementation periods *(para. 18.(h).(i))* |  |
| Through robust, transparent governance and the quality of mitigation outcomes, including through conservative reference levels, baselines set in a conservative way and below ‘business as usual’ emission projections (including by taking into account all existing policies and addressing uncertainties in quantification and potential leakage) *(para. 18.(h).(ii))* |  |
| By minimizing the risk of non-permanence of mitigation across several NDC periods and how, when reversals of emission reductions or removals occur, the cooperative approach will ensure that these are addressed in full *(para. 18.(h).(iii))* |  |
| *Describe how each cooperative approach will:* |  |
| Minimize and, where possible, avoid negative environmental, economic and social impacts; *(para. 18.(i).(i))* |  |
| Reflect the eleventh preambular paragraph of the Paris Agreement *(para. 18.(i).(ii))* |  |
| Be consistent with the sustainable development objectives of the Party, noting national prerogatives *(para. 18.(i).(iii))* |  |
| Apply any safeguards and limits set out in further guidance from the CMA pursuant to chapter III.E (Safeguards and limits to the transfer and use of internationally transferred mitigation outcomes) *(para. 18.(i).(iv))* |  |
| Contribute resources for adaptation pursuant to chapter VII (Ambition in mitigation and adaptation actions), if applicable; *(para. 18.(i).(v))* |  |

Box 1. Outline of the initial report proposed by the ROK

|  |
| --- |
| **1. Introduction / National circumstances**  **2. Fulfilment of participation responsibilities as per para. 4(a) – (f) of the 6.2 guidance *(para.18.(a))***  **3. Description of NDC *(para.18.(b))***  3.1. Target(s) and description including target type(s) *(decision 18/CMA.1 Annex para.64.(a))*  3.2. 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))*  3.3. 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))*  3.4. Time frame(s) and/or periods for implementation *(decision 18/CMA.1 Annex para.64.(d))*  3.5. Scope and coverage, including, as relevant, sectors, categories, activities, sources and sinks, pools and gases *(decision 18/CMA.1 Annex para.64.(e))*  3.6. Intention to use cooperative approaches that involve the use of internationally transferred mitigation outcomes under Article 6 towards NDCs under Article 4 of the Paris Agreement *(decision 18/CMA.1 Annex para.64.(f))*  3.7. Any updates or clarifications of previously reported information *(decision 18/CMA.1 Annex para.64.(g))*  **4. ITMO metrics, the method for applying corresponding adjustments, and description of the method (if the method is a multi-year trajectory, trajectories or budget) *(para.18.(c))***  **5. Quantified information on mitigation information in the NDC: *(para.18.(d))***  5.1. Sectors  5.2. Sources  5.3. GHGs  5.4. Time periods  5.5. Reference level of emissions and removals  5.6. Target level  5.7. Methodology for quantification of the NDC in CO2 eq, if applicable  **6. Quantified information, in a non-GHG metric, on the NDC or the portion in the relevant non-GHG indicator, if applicable *(para.18.(e))***  **7. Quantified emission level resulting from the policies and measures in the NDC relevant to the cooperative approaches, and the time periods covered by the NDC *(para.18.(f))***  **8. Information on each cooperative approach: *(para.18.(g))***  **9. Environmental integrity of each cooperative approach, including detailed information on: *(para.18.(h))***  9.1. Avoidance of net increase in global emissions *(para.18.(h).(i))*  9.2. Robustness, transparent governance and the quality of mitigation outcomes, in terms of: *(para.18.(h).(ii))*  9.2.1. Conservative reference levels  9.2.2. Baselines set in a conservative way and below BAU emissions projects  9.2.3. Minimization of the risks of non-permanence *(para.18.(h).(iii))*  **10. Further information on each cooperative approach, in terms of: *(para.18.( i))***  10.1. Minimization of negative environmental, economic and social impacts *(para.18.( i).(i))*  10.2. Reflection of the 11th preambular paragraph of the PA *(para.18.( i).(ii))*  10.3. Consistency with the sustainable development objectives *(para.18.( i).(iii))*  10.4. Application of safeguards and limits set out in further guidance from the CMA *(para.18.( i).(iv))*  10.5. Contribution of resources for adaptation pursuant to chapter VII of the guidance on cooperative approaches *(para.18.( i).(v))*  10.6. Overall mitigation in global emissions pursuant to chapter VII of the 6.2 guidance *(para.18.( i).(vi))* |

In the meanwhile, we do see additional value for Parties if further guidance could provide recommended tables for some information elements such as summary table for each cooperative approach based on paragraph 18.(g) of the A6.2 guidance as table 2 below. This sample table could be used for the centralized accounting and reporting platform as per paragraph 19 of the guidance.

Table 2. Sample summary table for each cooperative approach proposed by the ROK

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Participating Parties** | | **Host Party** | | | **Acquiring and/or using Party** | | |
|  | | |  | | |
| **Name of the cooperative approach** | |  | | | | | |
| **Information related to authorization** | |  | | | | | |
| **Authorized entities** | |  | | | | | |
| **General information of the cooperative approach** | **Sector(s)** |  | | | | | |
| **Type(s)** |  | | | | | |
| **Duration** |  | | | | | |
| **Expected mitigation outcomes** | **Year** | **Y** | **Y+1** | **Y+2** | **Y+3** | **…** | **Total** |
| **tCO₂eq or other non-GHG metrics** |  |  |  |  |  |  |

Additionally, since an “authorization” is a trigger for the submission of the initial report and the application of corresponding adjustments in the context of A6.2 guidance, further definition of authorization would be needed including how to operationalize it using Article 6.2 infrastructure.

1. **Annual information**

One of the clearest mandates is to develop an agreed electronic format (AEF) for an annual information as per paragraph 20 of the A6.2 guidance. Since an annual information referred to in paragraph 20 deals with quantitative information directly related to ITMOs’ transaction, the AEF should be developed as clear as possible including the definition of each terminology to avoid human errors and to minimize the burden of the Parties.

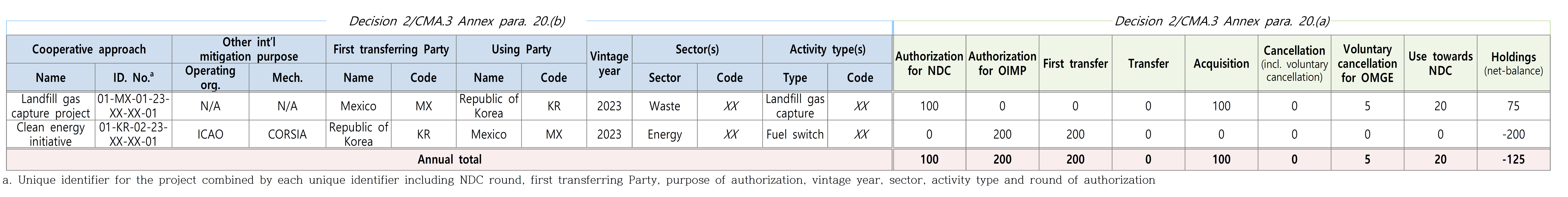
The ROK suggests that the AEF should be developed as one aggregated table as table 3 below and appendix 1, and of course, we are open to accommodate other Parties’ views since, as it named, the AEF should be agreed by all Parties.

Table 3 thoroughly reflects all required information elements referred to in paragraph 20 of the A6.2 guidance. In our view, paragraph 20(b) is about identification information of each cooperative approach and 20(a) is about annual total amount of ITMOs’ transaction of the approach. With that this logic, we suggest to arrange 20(b) on the left side of the table to enable to sort the annual information of each cooperative approach. Additionally, we think this format could provide the information required for paragraph 23(j) of the A6.2 guidance by automatic data exporting from the Article 6 database (A6DB).

Table 3 below also contains sample transactions between the ROK and Mexico for better understanding. Assuming that in year 2023, the ROK, a reporting Party, participates in only two cooperative approaches and has only one partner Party, Mexico, to simplify our proposal. The first column shows that the ROK acquires 100 ITMOs from the “Landfill gas capture project” in Mexico and after that, the ROK cancels 5 ITMOs voluntarily for overall mitigation in global emissions and uses 20 ITMOs for achieving its NDC in 2023. The second column indicates that the ROK is the host Party for “Clean energy initiative” and a couple of aviation companies in Mexico will use 200 ITMOs for the purpose of compliance their obligation under the CORSIA of the ICAO. In our understanding, paragraph 20(a) of the A6.2 guidance could be re-arranged considering arithmetical consequences for calculating annual net-balance. This annual net-balance means the amounts of ITMOs a Party neither used nor cancelled at the end of given year.

For calculating holdings, “first transfer”, “transfer”, “cancellation”, “cancellation for OMGE” and “use towards NDC” have negative value (-) while only “acquisition” has positive value (+) from the view of the reporting Party. Whereas, the amounts of authorization does not affect the result value and these amounts should be identically reported by all participating Parties of the same cooperative approach.

**Table 3. An Agreed electronic format for an annual information proposed by the ROK**

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Regarding the terminology, the ROK suggests definition of key information items as follows:

(a) Annual: 1 January to 31 December of the reported year;

(b) Party code: ISO3166 alpha-2 code;

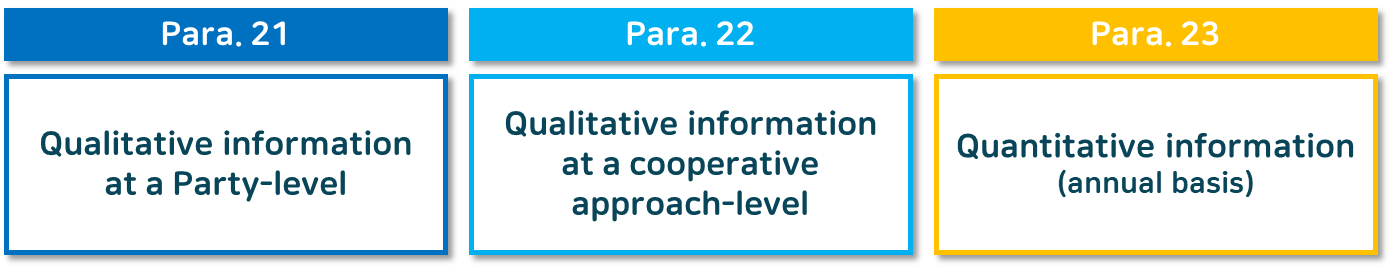
(c) Authorization of ITMOs toward NDC or mitigation outcomes for other international mitigation purpose: authorization of first transfer pursuant to paragraph 2(a) and (b) of the A6.2 guidance;

(d) Holdings: Annual net balance of each cooperative approach. The absolute value of the holdings represents the ITMOs neither used nor cancelled at the end of the reported year.]

**D. Regular information**

The ROK views that the regular information referred to in paragraph 21 to 23 of the A6.2 guidance could be categorised as figure 2 bellow.

**Figure 1. Composition of regular information**

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Since the regular information is a comprehensive report for cooperative approaches that a Party participates and paragraph 1(d) of the decision 5/CMA.3 and its relevant annexes requires the regular information shall include as an annex Ⅳ to the BTR without any outline, the ROK suggests that the outline of the regular information could be flexible to consider different national circumstances as far as the Party could report all information elements required for the A6.2 guidance. Having said that, a table for the regular information should accommodate all the information referred to in paragraph 21 to 23 of the A6.2 guidance as table 3 below. This table could work a navigating table which enables support for the Article 6 technical expert review (TER), in particular, in terms of completeness check. With this table as a basis, we also propose an outline of the regular information as Box 2 below.

Table 4. Table for the regular information proposed by the ROK

|  |  |
| --- | --- |
| **Reporting requirements** | **Description or reference to the relevant section of the BTR** |
| How the Party is fulfilling the participation responsibilities referred to in chapter II (Participation) *(para. 21.(a))* |  |
| Updates to the information provided in its initial report as per chapter IV.A, and any previous biennial transparency reports for any information that is not included in the biennial transparency report pursuant to paragraph 64 of the annex to decision 18/CMA.1 *(para. 21.(b))* |  |
| Authorizations and information on its authorization(s) of use of ITMOs towards achievement of NDCs and authorization for use for other international mitigation purposes, including any changes to earlier authorizations, pursuant to Article 6, paragraph 3 *(para. 21.(c))* |  |
| How corresponding adjustments undertaken in the latest reporting period, pursuant to chapter III (Corresponding adjustments), ensure that double counting is avoided in accordance with paragraph 36 of decision 1/CP.21 and are representative of progress towards implementation and achievement of its NDC, and how those corresponding adjustments ensure that participation in cooperative approaches does not lead to a net increase in emissions across participating Parties within and between NDC implementation periods *(para. 21.(d))* |  |
| How it has ensured that ITMOs that have been used towards achievement of its NDC or mitigation outcome(s) authorized for use and that have been used for other international mitigation purposes will not be further transferred, further cancelled or otherwise used *(para. 21.(e))* |  |
| *Each participating Party shall also include, as an annex to its biennial transparency reports that are submitted in accordance with paragraph 10(b) of the annex to decision 18/CMA.1 and no later than 31 December of the relevant year, the following information on how each cooperative approach in which it participates:* |  |
| Contributes to the mitigation of GHGs and the implementation of its NDC *(para. 22.(a))* |  |
| *Ensures environmental integrity, including:* |  |
| That there is no net increase in global emissions within and between NDC implementation periods *(para. 22.(b).(i))* |  |
| Through robust, transparent governance and the quality of mitigation outcomes, including through conservative reference levels, baselines set in a conservative way and below ‘business as usual’ emission projections (including by taking into account all existing policies and addressing uncertainties in quantification and potential leakage) *(para. 22.(b).(ii))* |  |
| By minimizing the risk of non-permanence of mitigation across several NDC periods and when reversals of emission removals occur, ensuring that these are addressed in full *(para. 22.(b).(iii))* |  |
| Where a mitigation outcome is measured and transferred in t CO2 eq, provides for the measurement of mitigation outcomes in accordance with the methodologies and metrics assessed by the Intergovernmental Panel on Climate Change and adopted by the CMA *(para. 22.(c))* |  |
| *Where a mitigation outcome is measured and first transferred in a non-GHG metric determined by the participating Parties, ensures that the method for converting the non-GHG metric into t CO2 eq is appropriate for the specific non-GHG metric and the mitigation scenario in which it is applied, including how the conversion method:* |  |
| Represents the emission reductions or removals that occur within the geographical boundaries and time frame in which the non-GHG mitigation outcome was generated *(para. 22.(d).(i))* |  |
| Is appropriate for the specific non-CO2 eq metric, including a demonstration of how the selection of the conversion method and conversion factor(s) applied take into consideration the specific scenario in which the mitigation action occurs *(para. 22.(d).(ii))* |  |
| Is transparent, including a description of the method, the source of the underlying data, how the data are used, and how the method is applied in a conservative manner that addresses uncertainty and ensures environmental integrity *(para. 22.(d).(iii))* |  |
| Provides for, as applicable, the measurement of mitigation co-benefits resulting from adaptation actions and/or economic diversification plans *(para. 22.(e))* |  |
| Minimizes and where possible avoids negative, environmental, economic and social impacts *(para. 22.(f))* |  |
| Reflects the eleventh preambular paragraph of the Paris Agreement *(para. 22.(g))* |  |
| Is consistent with and contributes to the sustainable development objectives of the Party, noting national prerogatives *(para. 22.(h))* |  |
| Applies any safeguards and limits set out in further guidance from the CMA pursuant to chapter III.D (Safeguards and limits to the transfer and use of internationally transferred mitigation outcomes) *(para. 22.(i))* |  |
| Contributes resources for adaptation pursuant to chapter VII (Ambition in mitigation and adaptation actions), if applicable *(para. 22.(j))* |  |
| Delivers overall mitigation in global emissions pursuant to chapter VII (Ambition in mitigation and adaptation actions), if applicable *(para. 22.(k))* |  |

Box 2. Outline of the regular information proposed by the ROK

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| --- |
| **1. Introduction**  **2. Information in relation to the Party’s participation in cooperative approaches *(para. 21)***  2.1. Fulfillment of the participation responsibilities as per para. 4(a) – (f) of the 6.2 guidance *(para. 21.(a))*  2.2. Updates to the information provided in: *(para. 21.(b))*  2.2.1. The Initial report  2.2.2. BTRs, in relation to paragraph 64 of the annex to decision 18/CMA.1  2.3. Authorizations, including information on: *(para. 21.(c))*  2.3.1. Authorizations of use of ITMO towards achievement of NDCs  2.3.2. Authorization for use for other international mitigation purposes  2.4. Information on corresponding adjustments, including detailed information on: *(para. 21.(d))*  2.4.1. Avoidance of double counting  2.4.2 Representativeness of progress towards implementation and achievement of its NDC  2.4.3. Avoidance of net increase in emissions across participating Parties within and between NDC implementation periods  2.5. Ensuring of no further transfer, further cancellation or further use of ITMOs and mitigation outcome(s) *(para. 21.(e))*  **3. Further information on each cooperative approach, in terms of: *(para. 22)***  3.1. Contribution to the mitigation of GHGs and the implementation of its NDC *(para. 22.(a))*  3.2. Environmental integrity, including: *(para. 22.(b))*  3.2.1. Avoidance of net increase in global emissions *(para. 22.(b).(i))*  3.2.2. Transparency of governance and the quality of mitigation outcomes, in terms of: *(para. 22.(b).(ii))*  3.2.2.1. Conservative reference levels  3.2.2.2. Baselines set in a conservative way and below BAU emissions projects  3.2.3. Minimization of the risks of non-permanence *(para. 22.(b).(iii))*  3.3. Description of the measurement of mitigation outcomes in accordance with the methodologies and metrics assessed by the IPCC and adopted by the CMA *(para. 22.(c))*  3.4. Appropriateness of the conversion method, including: *(para. 22.(d))*  3.4.1. Consistency with the geographical boundaries and the relevant time frame *(para. 22.(d).(i))*  3.4.2. Appropriateness for the specific non-CO2 eq metric *(para. 22.(d).(ii))*  3.4.3. Transparency, including: *(para. 22.(b).(iii))*  3.4.3.1. Description of the method  3.4.3.2. The source of the underlying data,  3.4.3.3. Data usage  3.4.3.4. Conservative application of the method  3.5. Description of the measurement of mitigation co-benefits resulting from adaptation actions and/or economic diversification plans *(para. 22.(e))*  3.6. Minimization of negative environmental, economic and social impacts *(para. 22.(f))*  3.7. Reflection of the eleventh preambular paragraph of the Paris Agreement *(para. 22.(g))*  3.8. Consistency with and contributions to the sustainable development objectives of the Party *(para. 22.(h))*  3.9. Application of any safeguards and limits set out in further guidance from the CMA *(para. 22.(i))*  3.10. Contribution of resources for adaptation pursuant to chapter VII of the guidance on cooperative approaches *(para. 22.(j))*  3.11. Overall mitigation in global emissions pursuant to chapter VII of the guidance on cooperative approaches *(para. 22.(k))* |

The ROK views that the quantitative information referred to in paragraph 23 in the A6.2 guidance should be reported in a standardized table based on the structured summary table contained in the decision 5/CMA.3. In our understanding, the structured summary table already provides the space for the information elements defined in paragraph 23(a)-(i) and (k), so we can use this table for biennial reporting for the quantitative information related to the cooperative approaches in an annual basis (please refer to table 5 below and appendix 2 of this submission).

Table 5. A standardized table for regular information pursuant para. 23(a)-(i), and (k) proposed by the ROK



However, there is no room for paragraph 23(j) of the A6.2 guidance, so we suggest the regular information tables to accommodate all information referred to in paragraph 23 as appendix 2 of this submission. Especially, in our view, the table for paragraph 23(j) could be filled in automatically using the annual data which have submitted to the A6DB by participating Parties in the cooperative approaches to the.

Furthermore, the A6DB could be functioned for automatic calculation for corresponding adjustments and emissions balance based on the annual information and annual anthropogenic emissions and removals a Party entered into it. Figure 3 below describes this interaction and we do believe that it could ensure consistency in terms of calculating the result value of emissions balance across the Parties applying the same corresponding adjustments method.

**Figure 2. Interaction between annual information and regular information through the A6DB**



1. **Infrastructure**

The A6.2 guidance spells out the minimum technological integration that will be demanded from all Parties participating in Article 6 spanning from the (national) registry to the summary information gathered in the Article 6 database (A6 Database) and in the public interface of the centralized accounting and reporting platform (CARP). It makes reporting by Parties (chapter IV sections B and C of the guidance) the main vehicle to gather summary information on realized cooperative approaches, which are subsequently collected in the A6DB. This reported information held in the A6DB is not directly connected to the electronic vehicles, like national registries or accounts within the international registry, where issuances, transfers, uses and other functions of ITMOs are tracked.

1. **Level of integration and transparency**

While the A6.2 guidance spells out the minimal functions and level of integration of systems, the ROK proposes that higher degrees of electronic integration and automation among registries, the A6 DB and the CARP should be considered for Parties that feel comfortable with this. By higher integration we mean a system that would allow for the transfers of units to occur between national registries or accounts within the international registry. The integrated registry system or connection of decentralized registries would enable, centrally record and track transfers as they move.

Alternatively, should a direct link between registries be too cumbersome to implement, one can consider a system where transfer information from individual registries can be reliably mirrored in a centralized place and matched (e.g. the A6DB). In this way, the A6DB could perform a role akin to a clearing house across individual registries, even if only indirectly. While the A6.22 guidance already provides for these consistency check functions related to the A6DB (para. 32(b) and 33), we suggest that this information could be directly gathered from the individual registries if a Party wishes to do so, rather than when Parties report information with a sometimes significant time lag. Such a more integrated system could facilitate the translation of the mandated national unique identifiers on the level of registries (para. 29) or accounts in the international registry (para. 30) into unique international identifiers within the A6DB (para. 32(a)).

A more integrated infrastructure approach would allow for a direct output of summarized transfer information as authorized by Parties to be available for reporting purposes. It not only bears significant potential for reducing transaction costs and manual reporting work. It could also improve the reliability and traceability of information over time and lead to enhanced transparency overall. We see special potential for a more integrated approach between the international registry and the A6 Database since they all fall under the same unifying structure of the CARP. However, the same level of integration of information should also be rendered possible for Parties that use their own national registry.

1. **Integrity of information over time**

The starting point for any activity to enter within the framework of Article 6 is the authorization by Parties, alongside the Parties’ commitment to follow the A6.2 guidance. In the context of Article 6.2, cooperating Parties thus take on the role of a gatekeeper, ensuring compliance with multilaterally agreed rules. They decide what to authorize and determine themselves the initial input information provided on all ITMOs (vintage, activity type, sector). For Article 6.2, the system for inserting information is very much bottom-up in nature. Yet, for the system to be reliable and credible, one needs to ensure that officially entered information remains official over time. The infrastructure thus needs to become more centralized as information moves beyond the national sphere and international transfers occur. The information entered into the national registry or the respective country account within the international registry at the time of authorization for tracking purposes should be the immutable basis for reporting and accounting. Officially communicated information should only be changed in clearly defined circumstances (e.g. manual errors etc.). In an ideal case, relevant reporting information can be generated automatically by summing up all the activities authorized and entered into the infrastructure system from the start, only to be reviewed as summary information by Parties. This is essential for the credibility of the system, the reliability of information and the investment security of private actors.

1. **Timeliness of information**

The A6.2 guidance creates a system that reports information at the earliest in annual cycles (Chapter IV. B) and mostly biennially (Chapter IV. C). The Article 6 infrastructure can provide an opportunity for Parties and private actors authorized by Parties to communicate official decisions and activities (authorization, transfer, use, cancellation etc.) at shorter time intervals and thereby enhance transparency for participating Parties and observers alike. This does not mean that all Parties or private actors would be forced to communicate any steps instantaneously. Instead, we should provide the opportunity for Parties and private actors to share information in real time or as soon as they wish, if necessary requirements in the guidance are upheld. For Parties and other actors that do not wish to provide information earlier, the Article 6 guidance defines the latest time for reporting on activities that will need to be upheld by all.

1. **Scope of the Article 6 infrastructure**

In today’s landscape of compliance and voluntary markets, many standards register activities that could fall under Article 6. However, the scope of the Article 6 infrastructure should a priori be limited to those activities that are authorized by Parties either under Article 6.2 or under Article 6.4. Further levels of integration and central mirroring to independent standards whose activities are not authorized under Article 6 can be considered, but would only be a secondary priority.

Many countries have developed their own national registries, which are used for domestic and international purposes. These registries sometimes operate on different data standards and are not always interoperable. It remains the independent decision of all Parties maintain, connect or not connect their own national registries, depending on the technical complexity involved. As the guidance text notes, any Party may request an account in the international registry (para. 30) and could decide to use its existing national registry complementarily, should a direct integration not be desired.

1. **Synergies between Article 6.2 and Article 6.4**

The ROK believes that the Article 6 infrastructure will need to be able to include both information on A6.2 and A6.4. It should allow for the transparent transfer of both types of units on the international level and into the national registries or accounts within the international registry. This means that a link between the Art. 6.4 mechanism registry and national registries may be permitted if a Party wishes to do so to allow for tracking and recording the transfer, acquisition, and usage of A6.4ERs.

1. **Relevant accounts**

Any infrastructure system needs to ensure that accounts are available for Parties under which they can declare the use of ITMOs towards their NDC. At the same time, the infrastructure solutions needs to cater for private sector actors that will take on different roles (entity authorized to transfer, intermediate holder, or final user for voluntary purposes).

Relevant accounts will be needed not only for use towards NDCs (retirement account) but also for use towards other international mitigation purposes. These accounts will have to be clearly distinguished and should be publicly available in order to allow for cross-comparisons with e.g. the CORSIA Central Registry and other mitigation purposes that may follow in the future.

1. **Format for unique identification**

For international unique identifiers for reporting ITMO information, we suggest the inclusion of information on the round of the NDC, party identifiers, types of units, vintage, project number and the purpose of use.

1. **Review**

The informal note from the SBSTA56 provides valuable contents for the review guidance, therefore this informal note would be good basis to develop detailed review guidance. The ROK suggests an outline, including key elements needed to include in the guidance as follows.

1. **Objectives**

The Article 6 technical expert review (TER) should aim~~s~~ to deliver integrity and trust in the system by ensuring the avoidance of double counting and the environmental integrity of cooperative approaches because in particular, cooperative approaches under the Article 6.2 are not governed centrally, but only overseen by the Participating Parties.

In this regard, the Article 6 TER should function to comprehensively review and cross-check information of the participating Parties on cooperative approaches to facilitate establishment and improvement of national arrangements of the participating Parties. Furthermore, the recommendations from Article 6 TER could help Parties improve reporting capabilities in the subsequent reporting and provide input for consideration to the Article 13 TER.

1. **Principle**

Article 6 TER should form a part of the whole Article 13 technical expert review be implemented in a facilitative, non-intrusive and non-punitive manner that is respectful of national sovereignty. And the Article 6 TER shall not make any political judgments. Moreover, the Article 6 TER will avoid pacing undue burden on Parties and the secretariat.

However, the Article 6 TER should be as robust as possible and should not provide flexibility for the participating Parties because unlike the reporting and review under the enhanced transparency framework, the Article 6 activities are voluntary in nature.

1. **Scope**

The Article 6 review is qualitative and quantitative. It should review the consistency and completeness of the information submitted by the Party pursuant to chapter IV. A and C of the guidance as per paragraph 26 (in the chapter V) of the A6.2 guidance.

1. **Format**

Pursuant to paragraph 25 of the guidance, the format of the Article 6 TER is desk or centralized review. And further format or modalities of desk or centralized review can be adopted from paragraph 152 and 154 of the annex to the decision 18/CMA.1 respectively as:

(a) A desk review is when the members of a technical expert review team conduct the review remotely from their respective countries;

(b) A centralized review is when the members of a technical expert review team conduct the review from a single, centralized location.

Given the nature of cooperative approaches that the participating Parties should provide the inter-linked information, such as the internationally transferred mitigation outcomes from the same cooperative approaches among those participating Parties, we suggest that a single technical expert review team should review all participating Parties in the same cooperative approach. It would make the work of the technical expert review team more efficiently and facilitate the consistency check of information submitted by the Parties.

1. **Timeline and frequency**

The ROK views that the Article 6 TER should be conducted taking into account the reporting sequence and cycle of the initial report and regular information. In this context, the review should start with the review of the initial report and be followed by the review of the regular information.

In this regard, timeline and frequency of the review of each reporting should be elaborated in the further guidance which will be adopted at CMA4. This timeline should include the timing of initiation and completion of the review process. Furthermore, the timeline and frequency of the Article 6 TER should be considered the interlinkages with the Article 13 TER, in particular its timeline for review process.

1. **Procedures**

The ROK proposes the Article 6 TER procedures for the desk and centralized reviews as below;

1. Initial report (desk review)

* The secretariat shall commence the preparation of the A6 TER process immediately following the submission of the initial report specified in chapter IV.A of the A6.2 guidance and agree with the Parties the dates of the A6 TER week at least 14 weeks prior to the A6 TER week;
* The secretariat shall compose a A6 TER team at least 10 weeks prior to the A6 TER week;
* The A6 TER team should communicate any preliminary questions to the Party at least 4 weeks prior to the A6 TER week. The A6 TER team may request additional information before or during the A6 TER week;
* The A6 TER team shall communicate to the Party concerned draft areas of improvement, constituting preliminary “recommendations”;
* The A6 TER team shall, under its collective responsibility, prepare a draft A6 TER report on the initial reports and through the secretariat send it to the Party concerned for comment within 2 months of the A6 TER week;
* The Party concerned shall then be given up to one month from its receipt to provide comments;
* The A6 TER team shall prepare the final version of the A6 TER report, taking into account the comments of the Party, within 1 month of receipt of the comments;
* Taking into account the procedures in the preceding paragraphs, the A6 TER team shall make every effort to complete the A6 TER report as early as possible and no later than 12 months from the start of the A6 TER process.

1. Regular information (desk or centralized review)

* A6 TER team on regular information should be part of A13 TER on the biennial transparency report (BTR) and follow exactly the same process of the A13 TER.
* In case, a participating party will undergo an in-country review, A6 TER team shall take the desk review on the participating party and other participating parties in the same cooperative approaches.

1. **Confidentiality**

A Party may designate information provided to the A6 TER teams during the review as confidential. In such a case, the Party should provide the basis for protecting such information. In this case, technical expert review teams and the secretariat shall not make the information publicly available. The obligation of the members of the A6 TER team to maintain confidentiality continues after the completion of the A6 TER.

1. **Role of the Party**

The party concerned shall cooperate with the A6 TER team and the secretariat and make every reasonable effort to respond to all questions and provide additional clarifying information and comments to the technical expert review reports in a timely manner.

1. **Role of the secretariat**

The secretariat shall organize technical expert reviews, including the coordination of a schedule, logistical and administrative arrangements of the A6 TER and provision of A6 review tool and materials to the A6 TER as a part of the whole Article 13 technical expert review.

1. **Article 6 TER team**

Article 6 technical experts shall be nominated to the UNFCCC roster of experts by Parties and, as appropriate, by intergovernmental organizations and they shall pass an exam at the end of the training programme after completing the appropriate training programme to become eligible for Article 6 TER.

The Article 6 TER team could be composed of two technical experts taking into account the format (desk or centralized review) and workload. In case of a cooperative approach which more than three Parties participate, additional technical expert can be nominated. The Article 6 TER team needs to have the recognized competence and collective skills to meet the requirements for review and to provide meaningful recommendations to the reviewed Parties. When composing the review team, the balance between developed and developing Party, regions and gender should be considered.

1. **Article 6 TER report**

The Article 6 TER team should prepare the review report for the review cooperative approach and the report should contain the recommendations for the future enhancement. These recommendations need to include ways to improve consistency with the A6.2 guidance and with respect to inconsistencies in the quantified information as it relates to the information of other Parties.

1. **Interlinkage with the Article 13 TER**

As per paragraph 28 of the A6.2 guidance, the article 6 TER team shall forward its reports to the Article 13 TER. In this regard, further guidance is needed to clearly distinguish the functions of the Article 6 TER team from those of the Article 13 TER team and to clarify the implications of their functions.

1. **Relationship with Warsaw Framework for REDD-plus review**

The Warsaw Framework for REDD+ is a framework for reducing  emissions from deforestation and forest degradation and conservation of forest carbon stocks , sustainable forest management and enhancement of forest carbon stock which was approved by UNFCCC COP19 (para. 44, FCCC/CP/2013/10). In terms of emission reductions and removals through the REDD+ activities, it should be considered that the mitigation outcomes through the Warsaw Framework for REDD+ are reported in the Report on the technical assessment under the supervision of UNFFF after technical assessment team consisting of LULUCF review experts under UNFCCC technically assesses Forest Reference Emission Level/Forest Reference Level (FREL/FRL) (Decision 13/CP.19) and conducts International Consultation and Analysis (ICA) of BUR (Decision 14/CP.19, para. 39~44 & 56~62 of Decision 2/CP.17), although the Warsaw Framework for REDD+ is subject to the review for the Article 6 since it is also based on cooperative approach. Also, the outcomes through the Warsaw Framework for REDD+ under the Paris regime are reported through BTR (Annex I) which require to be authorized for the Article 13 TER. Therefore, reviews on the outcomes through the WRF should not be duplicated, pursuant to the principles towards less burden on Parties and the secretariat. However, this opinion corresponds the cooperative approach of the Article 6.2 when relating to the nation-driven the Warsaw Framework for REDD+, meaning that REDD+ projects in voluntary markets are not considered here.

Box 3 shows what were decided for the Warsaw Framework for REDD+ through UNFCCC negotiations over the last decade.

Box 3. Summary on the Warsaw Framework for REDD-plus

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| **(Activities)** The WRF contributes to reducing GHGs emission through five activities included in two types of activities (emission reductions and removals) under the cooperative approach (para. 70, Decision 1/CP.16).   * **Emission reductions**: reducing GHGs emissions from deforestation and from forest degradation * **Removals:** conservation of forest carbon stocks, sustainable forest management and enhancement of forest carbon stock   **(Requirements)** Parties which intend to participate in the WRF are requested to develop ① **a national strategy** or action plan, ② a national forest reference emission level/forest reference level (FREL/FRL), ③ a national forest monitoring system and, ④ a system for providing information on how the safeguards are being implemented (para. 71(a~d), Decision 1/CP.16).  **(Scope)** The mitigation outcomes (emission reductions and removals) through the REDD+ activities are requested to be monitored and reported at the national level (para. 71(c), Decision 1/CP.16), while subnational monitoring and reporting are acceptable as an interim measure (para. 7, Annex, Decision 2/CP.13).  **(Consistency)** The (emission reductions and removals) through the REDD+ activities are requested to maintain consistency with **GHGs emissions and removals of the Land Use, Land-Use Change and Forestry sector in the national GHGs inventory** and **the FREL/FRL** (para. 2(a), Annex, Decision 13/CP.19).  **(Application of the Latest Guidance)** The outcomes (emission reductions and removals) through the REDD+ activities are requested to follow Good Practice Guidance for Land Use, Land-Use Change and Forestry (LULUCF) (IPCC, 2003) (para. 6, Decision 2/CP.13), but do **the latest guidance by IPCC** (para. 1(c), Decision 4/CP.15, para. 2, Decision 11/CP.19).  **(Use of National Reporting)** The outcomes (emission reductions and removals) through the REDD+ activities are being reported **in technical annexes of Biennial Update Report (BUR)** pursuant to paragraph 6~7 of decision 14/CP.19 and paragraph 19 of annex III to decision 2/CP.17, and it will be submitted through **the annex I of BUR** under the Paris regime (Annex IV, Decision 18/CMA.1).  **(Review by UNFCCC)** The technical assessment team consisting of LULUCF experts by the UNFCCC secretariat technically assesses FREL/FRL (Decision 13/CP.19) and conducts International Consultation and Analysis (ICA) for BUR (Decision 14/CP.19, para. 39~44 & 56~62 of Decision 2/CP.17), and the results are submitted the Technical Assessment Reports.  **(Safeguard)** The WRF requires for Parties to periodically submit how address and respect (para. 4, Decision 9/CP.19, para. 2, Decision 12/CP.19) **the referred seven issues on social/environmental safeguards of** national forest governance, respect for rights of indigenous peoples and participation, the conservation of natural forests and **actions to address the risks of reversals** (Para. 2(a~g), Appendix I, Decision 1/CP.16) through safeguards information systems, and do in a way that ensures transparency, consistency, comprehensiveness and effectiveness (para. 3, Decision 17/CP.21).  **(REDD+ Registry)** All information, documents submitted by each Party and TAR by UNFCCC over the issues and procedures above are registered to and disclosed in **the REDD+ web platform established and operated by UNFCCC (https://redd.unfccc.int)** (para. 10, Decision 2/CP.13, para. 18, Annex, Decision 13/CP.19, para. 14/CP.19). Also, this web platform includes REDD+ registry and transparently manages approved FRELs/FRLs, results per year and information on result-based payments corresponding to the results (para. 14, Decision 12/CP.17, para. 9, Decision 9/CP.19). |

In addition, the provision to clarify the sequence the Article 6 TER and the Article 13 TER is needed so that the Article 6 TER is completed with sufficient time for the report to be sent to the Article 13 TER.

The end

1. <https://unfccc.int/documents/510309> [↑](#footnote-ref-1)
2. <https://unfccc.int/sites/default/files/resource/Informal_Report_Art.6.2%20workshop_Reporting.pdf> and <https://unfccc.int/sites/default/files/resource/Informal_Report_Art.6.2%20workshop_Infrastructure.pdf> [↑](#footnote-ref-2)
3. https://unfccc.int/documents/510489 [↑](#footnote-ref-3)