



MINISTERO DELL'AMBIENTE  
E DELLA SICUREZZA ENERGETICA

# **Opportunities for the Paris Agreement's art. 6 cooperative approaches**

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# BACKGROUND

## The Paris Agreement



**Article 6 of the Paris Agreement** recognizes that «*Parties choose to pursue voluntary cooperation in the implementation of their nationally determined contributions to allow for **higher ambition** in their mitigation and adaptation actions and to **promote sustainable development and environmental integrity***».

### Article 6 establishes three approaches:

- **Article 6.2** provides an accounting framework for international cooperation.  
It allows for the international transfer of carbon credits between countries.
- **Article 6.4** establishes a central UN mechanism to trade credits from emissions reductions generated through specific projects.
- **Article 6.8** establishes a work program for non-market approaches (NMA) toward mitigation and adaptation.

# Operationalize the provisions of the Paris Agreement



PARIS2015  
UN CLIMATE CHANGE CONFERENCE  
COP21-CMP11

Decision 1/CP.21 (COP19) mandated the SBSTA to operationalize the provisions of this Article through recommending a set of decisions to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its first session.



COP26

After several years of inconclusive negotiations, at COP 26 in Glasgow in 2021 countries agreed on **a package of rules** to implement article 6:

- **Guidance** on cooperative approaches **Article 6.2**
- **Rules, modalities and procedures** for the mechanism **Article 6.4**
- **Work programme** under the framework for non-market approaches **Article 6.8**



COP27  
SHARM EL-SHEIKH  
EGYPT 2022

At COP27, countries made progress on further operationalising international cooperation under Article 6, in particular on the structure of Article 6.2 and Article 6.4 market mechanisms, the legal definition and eligibility of Article 6.4 emission reductions (A6ERs). These offsets will be traded in the new market.



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# Opportunities for cooperation

## The Article 6.4 mechanism

**Article 6.4** offers many opportunities for countries to work together and enhance ambition for climate action under the Paris Agreement.

It builds on the lessons learned from the flexibility mechanisms of the Kyoto Protocol (CDM, JI, IET), and provides a pathway for the private sector to directly engage in the achievement of targets set under Paris.

**Article 6.4** will create a global carbon market.

The projects must be approved by both the country where it is implemented

Project developers will need to request to register their projects with the Supervisory Body. .

UNFCCC credits can be bought by countries, companies, and individuals.



# Opportunities for cooperation

## The Article 6.8 non-market approaches (NMA)

- **Article 6.8** establishes a work program for non-market approaches (NMA) toward mitigation and adaptation.
- This introduces cooperation between parties through finance, technology transfer and capacity building, where no trading of emission reductions is involved.
- This mechanism is less defined but in general would provide a formal framework for climate cooperation between countries, where no trade is involved (such as development aid).

### What kind of Cooperation projects can be developed?

COP26 Decision states that initial focus areas of the work programme activities includes :

- **Adaptation, resilience and sustainability;**
- **Mitigation** measures to address climate change and contribute to sustainable development;
- Development of **clean energy sources;**

COP 27 Requests the Glasgow Committee on Non-market Approaches to identify and recommend additional focus areas.



# Opportunities for cooperation

## Capacity Building: the Way Forward

The relevance of cooperative approaches for NDC implementation has doubled, 85% of countries indicated they plan to use voluntary cooperation in new and updated NDCs.

Countries and Regions like Central Asia need to start a concrete evaluation of their current framework and potential for developing future cooperation activities as early as possible.

**Capacity building** has a fundamental role:

**The first step is the identify institutional needs** such as strengthening the infrastructure and knowledge base, ensure the availability of well-structured information that is easy to understand by all stakeholders, and enhance technical capacity for determining baseline, monitoring and reporting.



# Opportunities for cooperation

## Initiatives on Capacity Building

Decisions in Glasgow on Article 6 of the Paris Agreement outlined specific focus areas for capacity building and many international initiatives are addressing this issue.

Italy is involved in many of them, such as

### **Paris Agreement Article 6 Implementation Partnership *Towards high integrity carbon markets***

The partnership recognize the need for CB in developing countries for implementation of Article 6 and enhanced transparency framework under Article 13 as well as to increase the readiness for accessing climate finance resources for private and public sectors, to support international cooperation.

### **The Initiative for Climate Action Transparency**

ICAT in line with the enhanced transparency framework of the Paris Agreement, included projects for baseline setting for the activities in the energy sector integrated with sectoral monitoring, reporting and verification allowing for attracting result-based finance through the mechanisms of Article 6 of the Paris Agreement.



**ICAT** Initiative for Climate Action Transparency



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**Thank YOU**

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