Draft decision -/CMA.8

Further guidance for the mechanism established by Article 6, paragraph 4, of the Paris Agreement

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement,

Recalling Article 6, paragraph 1, of the Paris Agreement,

Further recalling Article 6, paragraph 4, of the Paris Agreement, in which a mechanism to contribute to the mitigation of greenhouse gas emissions and support sustainable development was established, including the aims of the mechanism set out therein,

Also recalling the eleventh preambular paragraph of the Paris Agreement,

Further recalling decisions 3/CMA.3, including its annex, 7/CMA.4, including its annexes, 5/CMA.6, 6/CMA.6 and 20/CMA.7,

Recalling decision 2/CMA.3, annex, paragraphs 1(g) and 2,

1. *Welcomes* the annual report of the Supervisory Body for the mechanism established by Article 6, paragraph 4, of the Paris Agreement to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement for 2026[1] and the progress of the work undertaken by the Supervisory Body in 2026 in responding to its mandates, including the progress related to methodologies, the transition of activities from the clean development mechanism, the accreditation of designated operational entities, the mechanism registry and capacity-building;[2]

2. *Expresses appreciation* to the Supervisory Body, including its expert panels, and the secretariat for their work in operationalizing the mechanism established by Article[3] 6, paragraph 4;

3. *Encourages* the Supervisory Body to continue its work towards the full operationalization of the mechanism while maintaining environmental integrity and facilitating broad participation in the mechanism;

4. *Notes* that, in line with the objectives and goals of the business and resource allocation plan of the Supervisory Body for 2026–2027,[4] the work of the Supervisory Body in 2027 will focus on further developing mechanism methodologies, finalizing the core regulatory and infrastructure elements of the mechanism, enhancing participation in the mechanism and supporting the implementation of activities under Article 6, paragraph 4, thereby positioning the mechanism to contribute effectively to efforts aimed at achieving the goals of the Paris Agreement;

5. *Notes* that, by the deadline of 30 June 2026 referred to in decision 20/CMA.7, paragraph 25, 418 clean development mechanism project activities and programmes of

[1] FCCC/PA/CMA/2026/8.
[2] See decisions 3/CMA.3, 7/CMA.4, 5/CMA.6, 6/CMA.6 and 20/CMA.7.
[3] Articles referred to in this decision are Articles of the Paris Agreement.
[4] Supervisory Body document A6.4-INFO-GOV-024.

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activities had obtained host Party approval for transition to the mechanism established by Article 6, paragraph 4;[5]

6. Notes with appreciation the extension of the deadline for submission of additional documentation for transitioning CDM afforestation reforestation activities.

I. Governance

7. *Welcomes* the progress towards gender balance in the membership of the Supervisory Body and its expert panels made since its seventh session[6], while noting with concern that gender balance in membership has not yet been achieved;

8. *Reiterates* the importance of ensuring gender-balanced representation in the Supervisory Body and *encourages* United Nations regional groups to consider gender balance in their nominations of members and alternate members to the Supervisory Body;

9. *Also encourages* United Nations regional groups to nominate experts for any vacant seats in the Supervisory Body;

Option 1:

10. *Notes* the concerns expressed by the Supervisory Body that the provisions related to the limits on the terms of members and alternate members of the Supervisory Body risk impeding its building of institutional memory;

11. *Recalls* its decision to consider those provisions as part of the review of the rules, modalities and procedures for the mechanism in 2028;[7]

End of option 1

Option 2:

12. *Notes* the concerns expressed by the Supervisory Body that the provisions related to the limits on the terms of members and alternate members of the Supervisory Body risk impeding its building of institutional memory;

13. *Decides* to revise the limits on the terms of members and alternate members of the SBM to include the possibility of multiple terms;

End of option 2

14. *Requests* the secretariat to continue enhancing onboarding materials and other support for new members and alternate members of the Supervisory Body, including information on relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement and previous decisions of the Supervisory Body, with a view to supporting institutional continuity;

15. Encourages the Supervisory Body to convene, at least annually, a joint session with the Methodological Expert Panel, with a view to strengthening coordination, the exchange of technical information and institutional continuity;

16. Further requests the Supervisory Body to accelerate its work on preventing, disclosing and managing conflicts of interest, including in relation to members, alternate members of the Supervisory Body, its expert panels, experts included in relevant rosters and consultants supporting the work of the secretariat;

17. *Encourages* the Supervisory Body and its methodological expert bodies to make greater use, as appropriate, of the UNFCCC roster of experts with a view to facilitating the timely development and consideration of methodologies;

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[5] See document FCCC/PA/CMA/2026/8, para. 8.
[6] See document FCCC/PA/CMA/2026/8, para. 40.
[7] Decision https://unfccc.int/sites/default/files/resource/cma2025_19a03E.pdf, para. 7.

18. *Further requests* the Supervisory Body to enhance transparency in its prioritization of methodological work, including through providing rationales for such prioritisation in its workplans;

19. *Requests* the Supervisory Body to establish structured opportunities for activity participants and project developers, in particular those from developing country Parties, to provide direct feedback on practical limitations, transaction costs, data and infrastructure constraints and the feasibility of applying the standards, methodologies, tools and procedures of the mechanism;

20. *Encourages* the Supervisory Body, when developing any procedure for the deregistration of activities, to ensure that the procedure is clear, fair and transparent and provides for prior consultation with the host Party concerned;

21. *Also requests* the secretariat, in supporting the preparation of future annual reports of the Supervisory Body, to include an annex presenting key implementation and financial indicators in a consolidated and accessible manner, including, as available, information on units issued by unit type and methodology, accredited designated operational entities, methodologies submitted and approved, projected income, expenditure and liabilities and the expected timing of any funding shortfall;

22. *Also affirms* that the mechanism shall respect the nationally determined nature of the Paris Agreement and shall not prescribe national or sectoral net-zero pathways;

23. *Affirms* that ongoing technical improvements to standards, methodologies and tools shall not prejudge or bring forward the review of the rules, modalities and procedures for the mechanism scheduled to commence in 2028;

II. Designated national authorities

24. *Reiterates* its invitation to developed country Parties to nominate a representative to serve as co-chair of the forum for designated national authorities for the mechanism;[8]

25. *Also reiterates* its invitation to Parties that have not already done so to establish designated national authorities for the mechanism;[9]

26. *Further reiterates* its invitation to Parties to complete and submit to the secretariat the "Host Parties participation requirements for Article 6.4 mechanism" form;[10, 11]

III. Capacity building

27. *Notes with appreciation* the support provided by the secretariat, including through its regional collaboration centres, to Parties for strengthening their national institutional arrangements relevant to participating in the mechanism, including designating national authorities, developing host Party participation requirements and establishing authorization and approval procedures, in response to decision 20/CMA.7, paragraph 30;[12]

28. *Reiterates* its request[13] to the Supervisory Body to strengthen its capacity-building support, with a view to enabling designated national authorities to effectively evaluate activities, provide input into the development of relevant regulatory documents, undertake approval and authorization processes, support the application of methodologies and effectively use the mechanism registry;

29. *Requests* the secretariat and the Supervisory Body, in implementing capacity-building activities related to the mechanism, to seek opportunities for cooperation with relevant

[8] Decision 20/CMA.7, para. 13.
[9] Decision 20/CMA.7, para. 13.
[10] Supervisory Body form A6.4-FORM-GOV-001.
[11] Decision 20/CMA.7, para. 14.
[12] FCCC/PA/CMA/2026/8, paras. 52–53.
[13] Decision 20/CMA.7, paragraph 30.

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partners and providers, as appropriate, with a view to promoting complementarity and the efficient use of available resources;

IV. Participation in the mechanism

30. *Requests* the Supervisory Body to continue making efforts to enable demand for Article 6, paragraph 4, emission reductions and mitigation outcomes under the Article 6.4 mechanism and including through engagement with public and private stakeholders, relevant regulatory authorities and entities using mitigation outcomes for other international mitigation purposes to facilitate the participation of Parties and non-Party stakeholders in the mechanism, with a view to ensuring that the mechanism fulfils its potential as a tool for contributing to the achievement of the goals of the Paris Agreement;

31. Further requests the Supervisory Body to report to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its ninth session on actions undertaken, progress achieved and challenges encountered in its engagement;

32. *Encourages* the Supervisory Body to facilitate increased participation in and use of the mechanism, including through the continued timely development of methodologies and completion of the infrastructure necessary for its operation;

V. Methodologies and standards

33. *Welcomes* the adoption by the Supervisory Body of four mechanism methodologies, in 2026,[14] "A6.4-AMM-002: Nitrous oxide abatement from nitric acid production", "A6.4-AMM-003: Electricity generation from renewable sources connected to an electricity system", "A6.4-AMM-004: Cooking energy transitions" and "A6.4-AMM-005: Energy efficiency measures in household cooking", which, together with the first adopted methodology, "A6.4-AMM-001: Flaring or use of landfill gas", covering 77 per cent of activities transitioning from the clean development mechanism to the mechanism established by Article 6, paragraph 4. It further welcomes the adoption or revision of 10 methodological tools and five methodological standards;[15]

34. *Also welcomes* the approval by the Supervisory Body of the first issuance of Article 6, paragraph 4, emission reductions under the mechanism, demonstrating the practical implementation of the regulatory framework for the mechanism, and *notes* the application of enhanced methodological requirements for activities transitioning from the clean development mechanism to the mechanism established by Article 6, paragraph 4, designed to deliver high-integrity emission reductions under the Paris Agreement and reduce the risk of over crediting;[16]

35. *Requests* the Supervisory Body to ensure that its work on methodologies is consistent with relevant decisions of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

36. *Also requests* the Supervisory Body to report transparently on how comments received during stakeholder consultations on the development or revisions of standards, methodologies and tools were taken into account, including the rationale for accepting or not accepting substantive comments;

37. *Reiterates* its request[17] to the Supervisory Body to ensure that the Methodological Expert Panel recommendations draw on the best available science and robust evidence and reflect technical and scientific assessments rather than policy considerations, and where relevant, transparently reflect differing scientific views;

[14] See https://unfccc.int/process-and-meetings/the-paris-agreement/article-6/article-64-pacm/methodologies for the complete list of approved mechanism methodologies

[15] See document FCCC/PA/CMA/2026/8, para. 6.

[16] See document FCCC/PA/CMA/2026/8, para. 9.

[17] Decision 20/CMA.7, para. 23.

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38. *Requests* the Supervisory Body to strengthen, within its work and that of the Methodological Expert Panel, expertise relating to forestry, other land use and jurisdictional approaches, including by drawing, as appropriate, on relevant national expertise, existing REDD+ methodologies and the Warsaw Framework for REDD+;

39. *Also requests* the Supervisory Body, in further developing, approving and revising standards, methodologies and tools, to consider their practical applicability and implications for the participation of developing country Parties and small-scale activities, while maintaining strong environmental integrity and avoiding over conservativeness and prescriptiveness;

40. *Requests* the Supervisory Body, in prioritizing its methodological work, to give appropriate consideration to activities with significant mitigation potential and a high degree of host Party and activity readiness, while maintaining the requirements and principles applicable to the mechanism;

41. Reiterates the importance of ensuring equal attention to the development of methodologies relevant to all sectors and scales of activities, thereby, supporting broad range of activities, approaches and technologies under the Mechanism, while preserving environmental integrity;

42. Encourages the Supervisory Body, in accordance with the rules, modalities and procedures for the mechanism and as resources allow, to give due consideration to the development of methodologies and standardized baselines at the highest possible level of aggregation in relevant sectors, including for forestry, other land use and blue carbon activities, for both emission reductions and removals, while ensuring environmental integrity;

43. Clarifies that decisions and methodological approaches adopted in relation to project-level activities shall not prejudge the consideration or treatment of future large-scale, sectoral or jurisdictional crediting approaches under the mechanism, and requests the Supervisory Body to reassess relevant standards, methodologies and tools, as appropriate, in conjunction with its consideration of such approaches;

44. *Requests* the Supervisory Body to commence, in 2027, its consideration of the concept note on large-scale crediting, taking into account its other methodological priorities;

45. *Welcomes* the methodological proposals submitted by stakeholders and encourages stakeholders to continue submitting proposals for methodologies in accordance with the applicable rules and procedures;

46. Requests the Supervisory Body to assess, the cumulative impact of proposed and approved methodologies, standards and methodological tools on the quantification of emission reductions and removals and on the feasibility of activities, including their implications for activity costs and Article 6, paragraph 4 emission reductions prices, with a view to informing the continuous improvement of standards, tools and methodologies to avoid excessive compounding of conservative adjustments while ensuring environmental integrity;

47. Requests the Supervisory Body, when assessing and addressing reversal risk, to ensure that the applicable requirements are evidence-based and reflect the actual risks and circumstances of different activity types, while maintaining environmental integrity and avoiding unnecessarily uniform or restrictive approaches;

48. *Reiterates* its request to the Supervisory Body to strive to ensure regulatory stability by avoiding frequent substantive revisions to its adopted standards, tools and procedures;[18]

49. Further requests the Supervisory Body to ensure that the revised sustainable development tool provides equally robust environmental and social safeguards for all communities and individuals potentially affected by activities under the mechanism;

[18] Decision 6/CMA.6, para. 6.

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50. *Requests* the Supervisory Body to accelerate the development of methodologies that enable the implementation of transformative mitigation activities, as well as removal activities, to support sectoral and national transitions to net zero;

51. *Requests* the Supervisory Body to continue to uphold a high level of environmental integrity, including by ensuring that Article 6.4 activities are additional, that emission reductions are very unlikely to be overestimated and that non-permanence is addressed over time scales that are relevant for addressing climate change;

52. *Welcomes* the adoption of a first version of the reversal risk assessment tool, including that natural reversal risk factors based on an empirical basis, *notes* with concern that the selected values for natural and human-induced reversal risks do not represent conservative estimates, and requests the Supervisory Body to ensure that reversal risks are estimated in a conservative manner;

VI. Share of proceeds and overall mitigation in global emissions

53. *Notes* that, given the limited experience gathered to date in the operational aspects of the regulatory framework for the mechanism, the Supervisory Body has postponed its evaluation of the implementation of the following matters until 2027 with a view to making recommendations thereon for consideration by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its ninth session (November 2027):

(a) The share of proceeds for administrative expenses;

(b) The share of proceeds for adaptation;

(c) Overall mitigation in global emissions, as well as possible improvements to optimize the delivery thereof;

54. *Also notes* the complexities associated with implementing the share of proceeds for Adaptation and the proposed solutions contained in the concept note considered by the Supervisory Body at its 22nd meeting,[19] as well as the request of the Supervisory Body that the secretariat seek feedback from the Adaptation Fund Board thereon

55. *Further notes* that no emission reductions under Article 6, paragraph 4, had been forwarded to the Adaptation Fund as the share of proceeds for adaptation or cancelled to deliver overall mitigation in global emissions;[20]

56. *Notes* the decision of the Supervisory Body to deem the Adaptation Fund, or its trustee, an authorized entity for the Article 6, paragraph 4, mechanism cooperative approach (CA 0001), thereby avoiding the need for each participating Party to separately authorize the Adaptation Fund, or its trustee, as an authorized entity;[21]

57. *Decides* that the Article 6, paragraph 4, emission reductions that are authorized and forwarded to the Adaptation Fund may be acquired, transferred, used or cancelled for any purpose consistent with the applicable decisions of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

58. *Also decides* that once an authorized Article 6, paragraph 4, emission reduction has been forwarded to the Adaptation Fund, its authorization status shall not subsequently be changed;

VII. Funding for the operation of the mechanism established by Article 6, paragraph 4

59. *Notes with appreciation* the continued prudent management by the secretariat, under the guidance and oversight of the Supervisory Body, of the limited resources available for the Supervisory Body to conduct its mandated activities, including the implementation of

[19] Supervisory Body document A6.4-SBM022-AA-A04.
[20] Included in document FCCC/PA/CMA/2026/8, para. 44, pursuant to decision 20/CMA.7, para. 11.
[21] See document FCCC/PA/CMA/2026/8, para. 79(b)(iv).

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contingency measures and fundraising efforts aimed at addressing funding constraints in 2026;

60. *Notes* that, on the basis of the projected income and expenditure for 2026–2027, the expected flow of revenue and the outcomes of contingency measures implemented, a balance between available funding and expenditure may be achieved for the Supervisory Body through to the end of 2027. However, the sustained, predictable funding needed to enable the Supervisory Body to fully implement all activities planned under its business and resource allocation plan for 2026–2027 has not been secured;

61. *Notes with concern* that a critical shortfall in funding required for the mandated activities of the Supervisory Body is projected for 2028 and beyond and that additional resources will be required to support the continued operationalization of the mechanism;

62. *Agrees* to continue to urgently make efforts to secure the additional resources essential for enabling and expediting the full operationalization of the mechanism, noting that the Supervisory Body remains committed to joining those efforts, with the support of the secretariat and in line with guidance from the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

63. *Requests* the secretariat to continue to explore possible sources of funding for ensuring the continuity of operations of the Supervisory Body and its expert panels and to provide clarity and ensure transparency regarding the financial situation of the mechanism and to report on progress in the annual report of the Supervisory Body to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement at its ninth session;

64. Requests the Supervisory Body, under the guidance of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, to consider temporary measures, including through increasing issuance fees for activities with vintages between 2021 and 2025 as appropriate, to improve the financial situation of the mechanism and safeguard the continuity of its operations, without prejudicing future activities or increasing the financial burden on developing country Parties;

65. *Requests* the Supervisory Body, taking into account updated information on expected income, expenditure and liabilities during 2027, to take appropriate measures to safeguard the continued operation of the mechanism in 2028 and beyond, while maintaining the effective implementation of its mandates;

66. *Agrees*, in the light of the financial situation of the mechanism, to consider reviewing, at its ninth session, in conjunction with the evaluation of the implementation of the share of proceeds for administrative expenses referred to in paragraph 53 (a) above, the application of the exemption from the share of proceeds for administrative expenses provided for in paragraph 58 of annex I to decision 7/CMA.4 with respect to eligible clean development mechanism activities that have transitioned to and are registered under the mechanism established by Article 6, paragraph 4, while continuing to take into account the special circumstances and needs of the least developed countries and small island developing States;

67. *Agrees* that any consideration of the exemption from the share of proceeds for administrative expenses shall continue to take into account equity, accessibility and the special circumstances and needs of the least developed countries and small island developing States, and shall not prejudge the outcome of the evaluation to be undertaken in 2027;

68. Emphasizes that measures to enhance the financial sustainability of the mechanism should avoid creating barriers to participation or increasing the financial burden on developing country Parties, while taking into account the special circumstances and needs of the least developed countries and small island developing States;

69. Requests Parties and public and private entities to provide voluntary monetary contributions to the mechanism to support its continued operation and financial sustainability while it transitions towards self-financing;

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VIII. Post-issuance authorization

70. *Recognizes* the need for clarity regarding the implementation of post-issuance authorization, including its implications for the share of proceeds for adaptation and overall mitigation in global emissions;

Option 1:

71. *Decides* that a host Party may post-issuance authorize an article 6, paragraph 4 mitigation contribution unit no later than [two years][X years] following its issuance;

End of option 1

Option 2:

72. *Requests* the Supervisory Body to review, on the basis of experience with implementation, whether the time limit referred to in paragraph 13 of 6/CMA.6 remains appropriate and to make recommendations, as appropriate, for consideration by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement;

End of option 2

73. *Reiterates* its decision contained in paragraph 14(c) of its decision 6/CMA.6 that the respective shares of proceeds for adaptation are comprised of authorized article 6 paragraph 4 emission reductions rather than mitigation contribution units.

74. *Decides* that, upon receipt by the secretariat of a valid request for post-issuance authorization of eligible mitigation contribution units, the mechanism registry administrator shall:

(a) Update, as applicable, the authorization status of the corresponding mitigation contribution units previously forwarded to the account of the Adaptation Fund and still held in that account;

(b) Forward to the Adaptation Fund account, from the accounts of the relevant activity participants, as first-transferred authorized Article 6, paragraph 4, emission reductions, a quantity equivalent to the difference between the quantity of corresponding mitigation contribution units previously forwarded to the Adaptation Fund account and the quantity remaining in that account; and

(c) Update the authorization status of the corresponding mitigation contribution units cancelled for the purpose of delivering overall mitigation in global emissions to authorized Article 6, paragraph 4, emission reductions.

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