Japan's Submission on Article 6, paragraph 2, of the Paris Agreement: Options for the tables and outlines for reporting

April 2022

Introduction

We welcome the opportunity for making submission on options for the tables and outlines for the information required pursuant to chapter IV of the annex (Reporting) as referred to in paragraph 4 of decision 2/CMA.3. We present our views on the reporting for A. Initial Report, B. Annual Information, and C. Regular Information by drawing lessons and experiences from implementing the Joint Crediting Mechanism (JCM) in particular.

Proposed tables and outlines for reporting

A. Initial Report

Information required in the initial report are stipulated in paragraph 18(a)-(i) and paragraph 19 in the annex to decision 2/CMA.3, and are mainly the contents related to participation in Article 6.2, including explanations on cooperative approaches such as ensuring environmental integrity and alignment with sustainable development objectives, and background information on a NDC of each Party. We suggest that the reporting format should be elaborated using a template as shown in <u>Appendix 1</u>.

In addition, since it is not clear where to submit the initial reports in decision 2/CMA.3 at this stage, clarifying the temporary procedure, such as uploading the initial reports on the UNFCCC website, is necessary.

B. Annual Information

As the information to be reported in the annual information is quantitative information related to the authorization, transfer of ITMOs, their use towards NDC and other international mitigation purposes, and their supplementary information, reporting by a table format is appropriate and, we propose the following table structure. <u>Appendix 2</u>

There is basic information on reporting in "Report Information" sheet. "ITMOs information" sheet has all information required by paragraph 20(a) and (b) of the annex to decision 2/CMA3, on the basis of unique identifiers. And the total amount for each transaction will be calculated in Article 6 database.

Although authorized ITMOs for other international mitigation purposes are subject to reporting, reporting of their use towards other international mitigation purposes is not covered by annual information. On the other hand, if a transferring Party issue mitigation outcomes and cancels them towards other international mitigation purposes, it is considered to be the same as use towards these purposes. If an acquiring Party acquires ITMOs and a private company cancels them towards other international mitigation purposes, it is also considered to be the same as use towards these purposes.

C. Regular Information

We understand that the regular information required in paragraphs 21 and 22 in the annex to decision/CMA3 will be reported in Annex IV "Information in relation to the Party's participation in cooperative approaches, as applicable" in section IX of Annex IV to decision 5/CMA.3, decision on transparency.

On the other hand, regarding the contents required for reporting in Annex IV above, an outline of reporting can be referred to when preparing the report by the Parties participating in Article 6 as well as facilitating reporting, so it is desirable to have a template in line with paragraphs 21 and 22 in the annex to decision 2/CMA.3. We propose a template. <u>Appendix 3</u>

For quantitative information on ITMOs required in paragraph 23, the tabular format is shown in the "4. Structured summary Tracking progress made in implementing and achieving the NDC under Article 4 of the Paris Agreement" in Annex II to decision 5/CMA.3.

On the other hand, paragraph 23(j) (annual quantity of ITMOs first transferred, authorized for use for other purposes, and use towards achievement of its NDC) is not explicitly included in the above-mentioned structural summary. This is because individual supplementary information is required such as amounts per cooperation approach, sector, transferring Party, using Party, vintage of ITMOs for information in paragraph 23(c-e) and it is necessary to report them apart from the structural summary. Therefore, this information should be reported as part of Annex IV "Information in relation to the Party's participation in cooperative approaches, as applicable" in section IX of Annex IV to decision 5/CMA.3.