COP 30 A6 Ambition Dialogue

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A6 Ambition Dialogue

Date	Monday 10.11. 2025
Time	3-6 pm
Chair(s)	Perumal Aruguram, UNFCCC Sec.
Dynamic	"Tired and formal"
Key outcomes of session/Progress achieved during session	• Relevant countries (Australia, EU) stressed why they do not want to use A6 • Most interventions were not really "engaged" o Exception: Mbaye, who gave a very coherent and powerful intervention • Martin Hession heeded our advice and was cautious regarding the SiSePuede model.

Introduction

Daniele Violetti, UNFCCC Sec.

- Synthesis of NDCs and BTRs: ambition continues to rise, strong rise in A6 interest
- Key lever of long term LED
- CB for CAs and tracking use
- A6 and ETF: Pillars of trust and transparency

Marina, COP presidency

- SBCE (Brazilian ETS) to be operationalized by 2030
- Link with A6 contemplated

Perumal, UNFCCC Sec.

- Got a bigger room this time than at SB62
- 39 A6.2 submitted (35 sellers, 2 mixed =4), 18 IRs submitted, 24 LoAs from 15 parties
- CA0001 used for PACM
- 6 unilateral approaches – all for CORSIA
- PACM: 13 standards, 16 procedures, 3 tools, 1 meth adopted
- 116 DNAs, 36 host party forms, 14 transition requests registered, 10 DOEs accredited
- Plan to adopt 5-6 meths by Q2 2026
- Issuance of A6.4ERs latest Q 1 2026
- 100 CB activities in 2025: "No one left behind"
- Deeper discussion this time!

Pacifica (Kenya) and Peer (Norway) are moderating

- 30 years of experience with int. carbon markets
- No virtual participation possible

Strategic considerations for participating in Article 6

- What were the domestic decision-making processes and key considerations in determining whether to participate in Article 6?
- Which tools and approaches for strategic assessment do you use to ensure optimal mitigation policy choices at the national level in line with your NDC and LT-LEDS?
- What opportunities and challenges do you anticipate in implementing Article 6?

Korea

- Always used carbon markets
- A6.2 pursued since 2023
- No LoAs yet, limited host country understanding of CAs
- New funding for CB in host countries in 2026

Australia, Kate Hancock

- No plan to use A6 for 2035 NDC
- Supports work on high integrity A6

EU, Martin Hession

- Range 66.5%-72.5% in 2035 NDC
- No ITMOs for that NDC
- Ongoing discussion on ITMO use for 2040 target
- Extensive impact assessment and stakeholder consultation, will be done in 2026 (2 years period)
- Trajectories need to be compatible with Paris goals
- Balancing interests of buyers and sellers in context of progression in NDCs
- Short term: Capacity crunch
- Hesitation to authorize because of uncertainties on long term strategies
    - Integrated approach to policy analysis and implementation
    - CB not part of purchase programme
    - Arms length approach based on South South cooperation
    - Flexible, iterative and complementary decision support tools
    - IAA6 project
        - Systemic framework for assessment and prioritization
        - Piloting, toolbox based on experience
        - Modelling – informing decision, reporting, communication and stakeholder engmt.
        - Scope and limitations of SiSePuede
        - Peru, Tanzania, Sri Lanka piloting, PCR shown on slides
        - “One small tool”

Interventions

GROUP/ COUNTRY	NAME (IF POSSIBLE)	INTERVENTION
Nepal		• NDC submitted • CB need

UK		• Impossible to understand due to tropical downpour
Honduras obo CfRN		• Surprised about Australian and EU reticence • Private sector is excited
Japan		• Support Korea's approach: ETS +JCM • Deepening NDC effort of host country
Chile obo AILAC		• Majority of AILAC is host country • Positive list giving security to private sector • Private sector is key action in Chile's NDC implementation • Improvement of national inventory • Challenge is CA
Azerbaijan		• JCM with Japan • Readiness support

Responses:

EU: Long term investment signal needs to be well thought through. Credibility of credits is critical. A6.4 provides "interesting and credible standards". Limited experience with review reports on A6.2. Governance, permanence, baseline quality

Australia: Strong processes for finalizing the NDC – signal for domestic industries to transform is more effective if not engaging in A6. Private sector was closely engaged.

GROUP/ COUNTRY	NAME (IF POSSIBLE)	INTERVENTION
ENGO		• A6 is aiming at higher ambition • Parties are still using it as flexibility mechanism • Developed countries need to focus on domestic mitigation • Take responsibility for gray emissions • Parliamentary debate : debate about saving money • Env. integrity is problematic • Need for good climate finance
TUNGO		• Mitigation contribution instead of offsetting • Higher ambition • Focus on domestic mitigation

IPO		• IPs need to be at centre of cooperation, equal and involved at every stage • Not flexibility/offsetting, but ambition • Co-design, not consultation after the fact

Session 2 – Cooperation as a driver for collective ambition

Guiding questions

- How has international cooperation under Article 6 contributed to building trust and advancing collective ambition among Parties?
- In what ways can cooperative approaches achieve ambition in mitigation and support actions?
- What enabling conditions are needed to strengthen cooperation and ensure that it leads to enhanced mutual trust and progress toward ambition?

AOSIS, MJ Mace

- High integrity essential
- Not erode ambition or create wrong incentives
- A6 for measures that are truly difficult or impossible to implement domestically
- Recycle savings, discounting ITMOs at use
- Land based removals should be financed directly, not through A6, due to permanence challenges. Removals need to come on top of emission reductions
- A6.2/underlying VCM should pay full SOP/OMGE as per 6.4 rules

AILAC, Xavier Martinez, Panama

- Cooperation in LAC through various channels
- How to ensure that ITMOs go beyond the NDC?
- Structural challenges: governance and tech infrastructure
- Alignment with VCM/CORSIA
- Role of additionality
- Compliance with transparency framework
- Difficulty to build trust

UNDP, Laetitia Guimares

- Natl registries, etc. are public goods that need substantial upfront investments
- Aligning project level accounting and national inventories – interoperable data platforms
- Quality has a cost – transaction and opportunity costs need to be covered
- Countries are concerned about overselling, caution is justified
- Complementarity with other financial mechanisms needs to be ensured
- Accelerate, not substitute climate finance
- Ensure resources stay in host countries
- Too much focus on low cost opportunities
- Stable partnership
- Pricing that rewards integrity

GROUP/ COUNTRY	NAME (IF POSSIBLE)	INTERVENTION
LMDC		• Proper due diligence done by host countries takes time • Support needs to start long before and needs to be tailored • Gain mutual trust • Expertise is vested in different entities
CfRN		• Forests are important
EU		• Support LMDC on cooperation • How long do removals /reductions benefit – reversal risk, needs to be addressed in A6.2 reviews, is a fairness issue

Session 3 – Financing and market signals to achieve ambition

Guiding questions

- What approaches can enable Article 6 to effectively catalyse low-carbon innovation and investment in developing countries?
- What type of enablers and market maturity is needed to attract private sector engagement and accelerate investment?
- How can Parties and stakeholders balance the goal of achieving ambition with the need to build market capacities?

IETA, Agustina Cundari

- No A6.2 negotiations – dialogue thus is very important
- A6: Finance and ambition multiplier
- Additionality is important, enhance ambition
- 90% of countries want to use A6, up from 60% in previous round
- Foundational-Enabling-Operational ladder of country capacity
- Ready to collaborate with parties

MSCI, Lucien Georgeson

- Estimate A6 to cover 50% of demand until 2040
- Readiness assessment for about 70 countries, scores are increasing consistently

AGN, Mbaye

- Additionality is crucial for all carbon market mechanisms. Revenue needs to drive activity. New project!
- Savings reinvested in mitigation and adaptation only if developer desires so
- Strengthening of rules for add, bl, short crediting periods will lead to increased ambition
- Robust institutional framework needed aligned with SDGs

- Alignment with LT-LEDS required
- Focus on conditional part of NDC, supports AOSIS
- Study MAC curves, concentrate on the high cost options
- Robust and equitable benefit sharing – OMGE also under A6.2. All other stakeholders as well
- Transparency, full disclosure, active role of civil society
- Robust env integrity required!
- Public and clear regulation within host country
- Alignment between different mechanisms – A6.2, VCM – harmonization, principles
- Robust and transparent review of A6.2
- CB for host countries needed

GROUP/ COUNTRY	NAME (IF POSSIBLE)	INTERVENTION
Honduras		• Scale forestry under A6.2 using A5.2 approaches • Refers to CfRN
YOUNGO		• Raising ambition • Not as flexibility mechanism • A6.2 if mismanaged could repeat failures of CDM • Allow stakeholders to oversee quality • Prioritize high-hanging fruit

Summary by Peer

Wed session in MR 20