

# Article 6 of the Paris Agreement: Supporting International Climate Cooperation and CORSIA

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Article 6 of the Paris Agreement facilitates international cooperation on climate action through market and non-market mechanisms. This framework plays an important role in supporting countries to achieve their climate goals and complements the international aviation sector's efforts under ICAO's Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

With ICAO's triannual Assembly approaching at the end of May 2025, recent developments under Article 6.4 are particularly relevant. Under ICAO's Resolution A39-3, UNFCCC mechanisms are considered eligible for use under CORSIA, provided that they align with the decisions by the ICAO Council. Given this context, it is timely to highlight recent progress in implementing and operationalizing Article 6.4 of the Paris Agreement crediting mechanism (PACM).

### Article 6.2: Country-to-Country Carbon Trading

<u>Article 6.2</u> enables bilateral trading of emissions reductions, known as Internationally Transferred Mitigation Outcomes (ITMOs), between countries.

Article 6.2 provides the transparency and accountability framework for countries to report their cooperation under Article 6. The countries that authorize the use of carbon credits for CORSIA purposes have reporting obligations and would have to follow the relevant guidance.



Recent decisions at COP29 have clarified how such trades are authorized, tracked via registries, and reported to ensure transparency and environmental integrity.

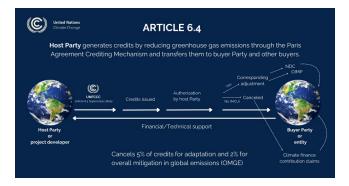
#### Article 6.4: The Paris Agreement Crediting Mechanism

Article 6.4 establishes a centralized UN mechanism (known as the <u>Paris Agreement Crediting Mechanism</u>) for generating high-integrity carbon credits that can support countries in meeting their national climate targets.

The mechanism is also relevant to CORSIA, as it enables the issuance of credits that align with robust environmental and human rights safeguards—key considerations for ICAO's eligible emissions unit criteria.

The Paris Agreement Crediting Mechanism is advancing toward full operationalization: an interim registry is already in place while development of the permanent registry continues.





In early 2025, the first two projects were approved for transition from the Clean Development Mechanism, and the first independent auditor was accredited. Methodological standards and safeguards were finalized at COP29, and the Letter of Authorization process has been clarified. The first issuance of Article 6.4 units is expected by the end of 2025.

With Designated National Authorities (DNAs) establishing governance processes, the groundwork is now in place for countries to participate in CORSIA-compliant transactions.

### **Article 6.8: Non-Market Approaches** (NMAs)

Non-market approaches under <u>Article 6.8</u> allow Parties to cooperate through finance, technology transfer, and capacity-building without trading emissions.

The NMA Platform was launched to connect Parties and stakeholders, share resources, and match needs with available support, enhancing ambition beyond markets.



## Interlinkages between Article 6 and CORSIA to ensure environmental integrity

Mitigation outcomes generated through cooperative approaches under Article 6.2, that are from programs eligible under CORSIA or from activities under the Article 6.4 mechanism can be used for compliance under CORSIA, provided that the host country of the activity authorizes their use for "other international mitigation purposes (OIMP)."

To enable transparent tracking and recording, the host country must submit up-front information on such activities intended for use under CORSIA through the initial report to the UNFCCC secretariat. Furthermore, by 15 April of the following year, the host country must report the annual quantities of mitigation outcomes transferred and used for CORSIA purposes in the agreed electronic format. Verified mitigation outcomes used for CORSIA must be reported and accounted for as an annex to the biennial transparency report (BTR), which each Party to the Paris Agreement is required to submit every two years.

#### Looking ahead

The UNFCCC secretariat and ICAO will work in close coordination to ensure that mitigation outcomes transferred and used for CORSIA are properly reported and accounted for, thereby ensuring that the efforts of aircraft operators under CORSIA are accurately accounted in the international aviation sector's contributions to the achievement of goals set out in the Paris Agreement.

These developments under Article 6 provide a foundation for strengthened collaboration between the UNFCCC and ICAO and support the effective implementation of CORSIA through high-integrity, transparent, and inclusive climate action.