

Operationalise Article 6.8 for Non-Market Approach to Real Solutions & Real Zero

International cooperation for real climate action

COP26 reached an agreement over the so-called rulebook of the Paris Agreement. Part of the [decision package](#) summarized how countries should and should not cooperate towards climate mitigation and adaptation under Article 6 of the Paris Agreement. The discourse on how to define international cooperation has largely been dominated by the idea to develop a global market to trade climate action, and, to trade ambition. Those not willing to take radical and much-needed ambitious steps to reduce emissions at source, are enabled to buy the climate mitigation action of others. However, this comes with harmful implications to communities and ecosystems and often implies that large emitters and polluters that have not taken measures to reduce emissions will continue to emit. And those most vulnerable are left to increasingly suffer from the pain of loss and damage and decreasing food and livelihood security, while also being expected to take on the additional burden of polluting countries' and corporations' climate in-action.

From a global climate justice perspective, given the lack of ambition in the Nationally Determined Contributions (NDCs) of historically high emitters, the continuous investments in combustion-based technologies, and the continuing over consumption, the time for this “market” approach is clearly over. It is not time to compensate but to act.

[Article 6.2 of the Paris Agreement](#) is supposed to deliver on the exchange of Internationally Traded Mitigation Options (ITMOs) - offset credits between parties. The guidance developed for this paragraph tries to deliver solutions for parties with high emissions to “compensate” through the exchange of credits for increased sequestration (through removals) potential in other countries. Ensuring the integrity of this market-based cooperative approach is bound to be highly complex if not nearly impossible, and historic experiences with the Clean Development Mechanism (CDM) show how problematic the additionality of the intended generation and exchange of credits can be.

It potentially opens the floodgates for a market approach that will generate the cheapest compensation credit for those emitters, allowing them to avoid taking drastic measures to reduce the emissions they cause. If the price of the credit will define the value, safeguarding the benefit for and rights of people and nature, and ensuring overall mitigation of global emissions under this approach is more than questionable.

Cooperative trust between parties will not thrive under an approach that primarily benefits the elite and the polluters.

[Article 6.4](#) is meant to deliver the structural architecture of a mechanism that will facilitate the intended exchanges under international climate mitigation and adaptation cooperation. Demanding a return of investment for an emission credit that in turn accelerates the climate crisis is neither a honest climate cooperation nor a sustainable development mechanism. Good cooperation means people are jointly working together for a mutual benefit. That mutual benefit is a liveable planet and resilience for those in need of urgent action to adapt to already happening weather extremes and other severe climate impacts.

The transactional environments proposed in the market mechanisms under Article 6.2 and 6.4 remove the question of historical responsibility for emissions from current mitigation mechanisms. This erasure is not consistent with, nor promotive of, the provisions pertaining to equity in both the Convention and the Paris Agreement.

On the other hand, a well-funded and well-defined rights-based and gender responsive non-market approach towards international cooperation under 6.8 could build trust to achieve real climate action and resilience. Climate finance should be channelled to climate mitigation measures that support what can truly be called sustainable development and deliver the urgently needed adaptation measures, especially ecosystem-based adaptation.

Article 6.8 on non-market approach (NMA) highlights the positive opportunity of defining and safeguarding international cooperation for just and joint resilience. NMA, if not ignored and not allowed to be co-opted, can be a pathway to just solutions that respect a rights-based and gender just approach to international climate mitigation and adaptation cooperation. Progress on this issues can be a positive message that should resonate in a COP that will take place under a growing distrust between key parties and little willingness for the North to pay extra for the destruction they cause.

What does 6.8 stand for?

International cooperation is at the centre of non-market approaches through Article 6.8 of the Paris Agreement. It strengthens actions to holistically support Parties' nationally determined contributions linked to mitigation and adaptation

One of the key elements of Article 6.8 is to provide and distribute in an equitable manner, financial and technical resources onto developing nations in an effort to provide a

collaborative framework to improve climate ambition in the context of the Paris Agreement. As such, the parties to the Convention must constantly seek to legitimize and endorse the value of the UNFCCC to create a means to better allocate financial and technical resources onto all parties under its principles of equity and common but differentiated responsibilities and respective capabilities (CBDR-RC).

The most vulnerable developing country parties may seek NMA under Article 6.8 and means to implement their NDCs in the context of sustainable development and poverty eradication, including through, inter alia, mitigation, adaptation, and the effective provision of finance, technology transfer and capacity building.

Parties have made submissions on enabling ambition, governance, and use of proceeds in Article 6.8, but for the most part these contributions have been side-lined in favour of a negotiating agenda fixed on the creation of carbon markets and ITMOs. There is concern that Annex I countries are working to limit consideration of ‘climate finance’ to discussions as framed in Article 6.2 and 6.4 – ignoring the very real set of climate finance possibilities that can operate outside that framework.

Article 6.8 has unique features to contribute to the continuous improvement cycle expressed through rising ambition, as codified in Nationally Determined Contributions, and supported by new and additional sources of finance.

Improved recognition of land tenure – and women’s access to land in particular -- community governance, and resource rights are themselves climate solutions that can be supported through NMA. A **report** by Rainforest Foundation Norway (RFN) reveals that support for tenure security and forest management by Indigenous Peoples and Local Communities (IPLCs) in tropical countries has received only a small share of international donor funding over the last ten years.

The **‘Missing Pathways’** report shows the size of the non-market opportunity associated with protecting primary ecosystems and improving tenure security for LCIPs and women, together indicate the opportunity for a major scale-up of cost-effective climate action through Article 6.8.

In this respect, we note the congruence between ‘Joint Mitigation and Adaptation’ and the recent recognition of the functional role of ecosystems in climate mitigation and resilience. We also note the importance of Ecosystem-based Adaptation (EbA) as precedent in the Convention on Biological Diversity.

The Green Climate Fund (GCF) in its recent **draft** ‘Forests and Land Use’ sectoral guidance as an appropriate framework for non-market activities, notes that:

“The greatest mitigation potential in the land sector lies in protection, followed by restoration of degraded forests and deforested areas, and many core barriers to paradigm shift in forest protection and restoration are best addressed via grant financing.”

This strong justification for non-market approaches – based on the priorities of Protection, Restoration, and Sustainable Forest Management centered on community forest governance – can anchor an Article 6.8 mechanism, distinct from the less well defined and polluter-backed ‘Nature-based Solutions’ approach now being pursued under Articles 6.2 and 6.4.

Article 6.8 recognizes the continued relevance of the concept of climate debt cited by a range of Parties whose interventions during the past two years have noted the serious fiscal situation and vulnerabilities of developing countries as a result of the need to respond to the global pandemic.

Support of meaningful, gender-just and rights-based activities under 6.8 provides a just and practical mechanism for addressing the ongoing challenge of climate debt, including the possibility of debt forgiveness and debt swaps to provide countries with the fiscal space necessary to pursue the land-sector activities already outlined in Nationally Determined Contributions.

Delivering ambition on mitigation

Article 6.8 proposes three mechanisms for delivering ambition on mitigation.

1. A transparent Registry that links NDC achievement to Means of Implementation.

A mechanism that recognises, particularly, the appropriateness of non-market approaches to increasing ambition in ‘conditional NDCs’, since these efforts can both underwrite mitigation benefits and not lead to indebtedness or further financial liabilities for developing countries.

A registry under 6.8 can open the much-required direct access of climate finance to communities – the Local Communities and Indigenous Peoples, women and farmers and peasants pursuing climate action and resilience.

Creating linkages between the LCIP Platform and Article 6.8 mechanisms would improve opportunities for Indigenous Peoples and local communities to act as agents of climate action, giving concrete expression to Paragraph 7 of the COP26 decision on the LCIP Platform regarding LCIP’s traditional knowledge and wisdom about ecosystem management.

2. A web-based platform.

The UNFCCC web-based platform, referred to in paragraph 8 (b)(i) of the **CMA.3 decision Annex**, would support the “identification of opportunities for participating Parties to identify, develop and implement NMAs.” The web-based platform for non-market mechanisms should be developed in ways that are consistent with the **enhanced transparency framework**. The Glasgow Committee could be guided by Section V of activities of the Work Programme of Decision CMA/3: first identifying focus areas of work, then identifying appropriate areas of financial and technical cooperation, and finally listing Means of Implementation in the Registry to be established.

A simple web-based platform that a) identifies activities and b) provides ‘matchmaking’ between the ideas listed and the funding sources interested in promoting land tenure, agroforestry, and other integrated conservation and development approaches is a relatively simple step to take, and one that will provide greater visibility to those entities, be they Parties or companies, that have proven willing to go beyond the ‘compensation’ logic of offsetting and toward making a contribution to the Convention’s long-term temperature goal through support of non-market activities related to mitigation. The platform should be open to use by Parties as well as accredited private sector and philanthropic entities.

Reporting requirements are simple because under a non-market mechanism, there is no crediting or offsetting requirement – no need to parse the action with respect to relative contributions from private and Party actors. One hundred percent of the mitigation efforts under Article 6.8 can be counted toward achieving the goal of the Convention found in Article II of the Paris Agreement and will be reflected in developing-country NDCs.

3. New finance for non-market activities

In COP26 a number of announcements were made regarding Party, corporate, and philanthropic support for rights-based mitigation and adaptation efforts.

The Glasgow Leaders’ [Declaration on Forests and Land Use](#) refers to “shared efforts” to “reduce vulnerability, build resilience and enhance rural livelihoods, including through empowering communities...and recognition of the multiple values of forests, while recognising the rights of Indigenous Peoples, as well as local communities.”

Local community and indigenous leaders from the Global Alliance for Territorial Communities announced in Glasgow on 1 November 2021 the [‘Shandia Vision’](#) for channeling direct funding to Indigenous Peoples and Local Communities to secure their rights and effectively manage their territories. The International Land and Forest Tenure Facility, which focuses on securing land and forest rights for Indigenous Peoples and local communities, is also now scaling up its support to LCIPs. The Community Land Rights and Conservation Finance Initiative ([CLARIFI](#)), spearheaded by the Rights and Resources Initiative and the Campaign for Nature, is a further example of this approach.

Leaders from a number of countries, as well as different European and US philanthropic entities, together announced at COP26 new support for Indigenous Peoples and local communities, [pledges totalling USD 1.7 billion](#). This COP26 announcement cited the “proven role” of Indigenous Peoples and local communities in preventing deforestation.

Each of these efforts could be registered at the web-based platform to be developed for listing and characterizing non-market activities under Article 6.8. There are many other such non-market activities found in integrated conservation and development projects, community conservation areas

(ICCAs) and co-managed protected areas, as well as forest restoration efforts.

Climate Land Ambition and Rights Alliance (CLARA) in their [submission](#) on 6.8 have clearly posited new sources of support for non-market activities and additional funding mechanisms. These include levy on international air travel and, the LDC proposal to levy charges on air ticket and charges on the use of private and chartered jets, levies on fossil fuel extraction and taxes on speculative behaviour in financial markets.

The potential for scale-up from these resources dwarfs the current size of the Voluntary Carbon market and mobilizes finance for real mitigation action at a greater level than even the most optimistic projections of carbon-market growth, and thus is poised for much greater impact than can be achieved through Article 6.2 and 6.4 mechanisms.

Urgent immediate operationalisation of Article 6.8

After years of Article 6.8 negotiations being marginalized and joint mitigation-adaptation activity proposals being ignored, finally there was an outcome on Article 6.8 from Glasgow.

Article 6.8 is the appropriate place to pursue the four interlocking focus areas – mitigation, adaptation, ecosystem integrity, and rights; and finally, to better operationalize and ‘mainstream’ the work programme of the Local Communities and Indigenous Peoples Platform, as well as the Gender Action Plan adopted at COP25. Non-market approaches that enable countries to pursue ‘integrated, holistic, and balanced’ outcomes in the conditional portion of their respective NDCs should be paired with appropriate technical and financial cooperation, from both public and private sources.

The immediate development of this stand-alone non-market approach mechanism must be a priority, because of its intrinsic merit, but also due to concern that the conclusion of weak market mechanisms elsewhere in Article 6 entrench offset approaches that are harmful to a rapid and transformative global mitigation effort. Article 6.8 must provide an appropriate counter-weight, more focused on climate resilience, biodiversity conservation, and the gender-responsive rights of local communities and Indigenous Peoples.

The unique features of Article 6.8 – the focus on poverty alleviation, JMA, and capacity building – can provide vital support to developing countries.

Article 6.8 and the non-market approach provides Parties, especially from the Global South, the LDCs, the AGN, the AOSIS, to unleash powerful climate action through the broader mobilization of public resources to address this critical moment of inter-locking global crises of climate, health, and biodiversity. The creation of a mechanism under Article 6.8 to scale up these non-market and cost-effective approaches to joint mitigation and adaptation need not await the outcome of other Article 6 discussions.

Article 6.8 – a better mechanism for international cooperation

Supports NDC ambition – Non-market approaches under Article 6.8 of the Paris Agreement strengthens NDC actions linked to mitigation and adaptation in a holistic manner.

Supports NDC ambition – Article 6.8’s unique features contribute to the continuous improvement cycle that is expressed through rising ambition in NDCs, supported by new and additional sources of finance.

Supports broader development objectives – Holistic support. This includes the effective provision of finance, technology transfer and capacity building. Article 6.8 is centered on the equitable provision of financial and technical resources for developing nations, providing a collaborative framework for improving ambition in the context of the Paris Agreement.

Supports broader development objectives – The most vulnerable developing country parties may use non-market approaches under Article 6.8 to implement their NDCs in the context of sustainable development and poverty eradication.

‘Balanced Package’ – The immediate development of non-market mechanisms is a high priority first because of its intrinsic merit: the focus in 6.8 on poverty alleviation, joint mitigation adaptation (JMA), and capacity building provides vital support to developing countries. Also, the conclusion of weak market mechanisms elsewhere in Article 6 could entrench offset approaches that are harmful to the transformative global mitigation effort. Article 6.8 provides the appropriate counterweight to the discussion focused solely on carbon-market creation.

How to deliver ambition on mitigation through Art. 6.8?

A web-based platform supports “opportunities for participating Parties to identify, develop and implement non-market activities”.

A web-based platform that a) identifies activities and b) provides ‘matchmaking’ between the ideas listed and the funding sources interested in promoting land tenure, agroforestry, and other integrated conservation and development approaches is a relatively simple step to take.

The platform should be open to use by Parties as well as accredited private sector and philanthropic entities. The platform should be developed in ways consistent with the **enhanced transparency framework**.

Creating linkages between the LCIP Platform and the Article 6.8 web-based platform would improve opportunities for Indigenous Peoples and local communities to act as agents of climate action.

Registry linking NDC achievement to Means of Implementation. A registry under 6.8 can open the much-required direct access of climate finance to communities – the Local Communities and Indigenous Peoples, women and farmers and peasants pursuing climate action and resilience.

A mechanism that increases ambition in ‘conditional NDCs’, since these efforts can both underwrite mitigation benefits and not lead to indebtedness or further financial liabilities for developing countries.

New finance for non-market activities taking advantage of the important announcements made at COP26 for implementation of rights-based mitigation and adaptation.

