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Implementing Paris Cooperatively

**Update on market mechanisms
in the latest NDC submissions**

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Summary

In the recent updating process of nationally-determined contributions (NDCs), international market mechanisms have garnered increasing consideration as a means to enable more ambitious climate change mitigation targets. This paper analyses Parties' intentions regarding international cooperation under Article 6 of the Paris Agreement as stated in 124 NDCs submitted before October 31, and, secondly, compares them with previous submissions. It is an update of an analysis published in March 2021 (Brandemann et al., 2021).

Latest NDC updates indicate interest of Parties to engage under Article 6 – but numbers of potential buyers still limited

Although agreement on the Article 6 rulebook was still pending before COP26, **102 of the 124 analysed NDCs state that Parties are open to using market mechanisms** in the future. The trend showing that most of these Parties intend to sell mitigation outcomes, which was already observed in previous papers (Oberghassel & Gornik, 2015; Brandemann et al., 2021), could be confirmed. Only very **few Parties (9) so far consider acquiring emission reductions**, which would result in an oversupply of mitigation outcomes on the market in the future.

It seems that the challenges linked to the new architecture of the Paris Agreement are not yet fully reflected in the NDCs: the risk of double counting mitigation outcomes is only being mentioned in 22 of the 124 NDCs analysed. With regard to Article 6 pilots, the paper finds that the mere fact that a Party is involved in piloting activities does not necessarily mean that market mechanisms play a key role in its NDC implementation.

Comparison with previous NDCs indicates increased openness towards markets

Comparing the submissions of the new climate targets with the previous NDCs of the same Parties, an **increase of the willingness to use market mechanisms** can be observed. Less Parties (from previously 12 to now 6) exclude participation in market mechanisms and more Parties consider (from 36 to 42) or intend (from 25 to 45) to use them. While one half (66) of the Parties did not change their initial position regarding market mechanisms, **nearly half (51) of the surveyed Parties expressed more interest** in market mechanisms than in their first NDCs. Only seven negative changes could be observed.

Lack of clear rules prevented Parties from taking clearer stance regarding markets

Due to the unresolved Article 6 rulebook negotiations in the run-up to COP26, Parties lacked the basis for taking a clear position towards market mechanisms and the potential these might bring as a tool for NDC attainment. The wording in most NDCs on voluntary cooperation under Article 6 is vague. It remains therefore unclear, if the mechanisms meet the expectations of the Parties and if Parties are prepared to get involved.

1 Introduction

Five years after the adoption of the Paris Agreement in 2015, Parties are required to submit new nationally determined contributions (NDCs) or update their existing ones. Parties with a timeframe up to 2025 in their initial NDCs were requested to submit a new NDC, whereas Parties with a timeframe up to 2030 simply had to update their NDCs according to Decision 1/CP.21, paras. 23–24 (UNFCCC, 2016). The NDCs were submitted progressively by the Parties until shortly before COP26.

A report by the UNFCCC Secretariat synthesises the information from the 116 new or updated NDCs communicated by 143 Parties that were submitted until 12 October 2021. The report finds that many Parties have strengthened their mitigation commitments, indicating increased ambition to address climate change. However, full implementation of the targets communicated would lead to a total GHG emission levels that are only 3.7% lower for 2025 and 11% lower for 2030 than the Parties' emission levels according to their previous NDCs. The estimated emission reductions therefore fall far short of what is required to limit global warming to 1.5° Celsius (UNFCCC Secretariat, 2021). The report also finds that most Parties provide information on voluntary cooperation under Article 6 of the Paris Agreement and that the share of Parties that indicated planned or possible use of at least one type of voluntary cooperation has doubled since their previous NDCs (UNFCCC Secretariat, 2021).

Article 6 of the Paris Agreement establishes two approaches for market-based cooperation in the

context of NDC attainment: Parties may either directly engage in cooperative approaches and transfer internationally transferred mitigation outcomes (ITMOs) under Article 6.2, or they could make use of the new mechanism 'to contribute to the mitigation of greenhouse gas emissions and support sustainable development' established with Article 6.4 of the Agreement.¹ Six years after the adoption of the Paris Agreement and after numerous rounds of negotiations, Parties have finally been able to agree on detailed provisions for these new types of market-based cooperation at COP26 in Glasgow. Parties in Glasgow adopted the guidance for Article 6.2 (UNFCCC, 2021a) as well as the rules, modalities and procedures for the Article 6.4 mechanism (UNFCCC, 2021a, 2021c).

Against the background of Article 6 now moving into implementation phase, this paper analyses the 124 NDCs² submitted by Parties until October 31, 2021 (UNFCCC, 2021b) and provides an in-depth analysis of Parties' intention to use market mechanisms. While the analysis explores the most recent official positioning of Parties towards market-based cooperation, it should be highlighted that the NDCs analysed have been prepared before the adoption of the article Article 6 rulebook. The NDCs do therefore not consider the potential impact these rules might have on Parties. This paper surveys NDC text passages regarding international cooperation under Article 6 and compares them with the earlier NDCs of the same Parties. Chapter 2 outlines the methodological approach used for the

¹ In the following, the terms 'mitigation outcomes' and 'emission reductions' will be used for all types of Article 6 transfers, be it under Article 6.2 or 6.4 and including abatement of emissions as well as negative emissions.

² Counting the EU without UK as one Party. The UNFCCC synthesis report covers the 116 NDCs submitted before 12

October 2021. Few Parties such recently submitted their first NDC. These NDCs are also being analysed under the category "second/updated NDC", while their intended NDCs were considered as "first NDCs".

analysis. The results of the analysis are presented in chapter 3, which consists of two parts: The first section of chapter 3, which builds on the approach of a previous study (Obergassel & Gornik, 2015), presents the state of play. It gives detailed insights into the “markets wording” of the NDCs submitted and explores the question of whether Parties (still) consider market mechanisms as a means to achieve their Paris contributions. It also examines which market approaches Parties intend to use and whether they are intending to become sellers or buyers of mitigation outcomes. The analysis also briefly refers to major emitters in order to understand if they are considering acquiring carbon credits. This updated analysis also examines whether Parties’ NDCs indicate their intention to address the risk of double counting of mitigation outcomes. The section further looks at Parties’ piloting activities and addresses the question how this engagement relates to Parties’ position towards markets in their NDCs. The second part of chapter 3 focuses on the comparison with the respective first NDCs of the Parties. It outlines whether Parties’ interest in market mechanisms increased and how individual Party positions have changed. Chapter 4 concludes.

2 Methodology

The paper surveys the recently submitted second or updated nationally determined contributions (NDCs) on the question to what extent they envisage the use of market mechanisms.³ It considers all NDC updates submitted until October 31, 2021. The analysis was carried out with the help of keyword search in order to find the relevant passages in the NDCs concerning international cooperative approaches.⁴ The analysis is solely based on submitted NDC texts and does not take into account other related information sources such as implementation plans, national legislation or other domestic policy documents.

After having identified the relevant text passages, the following categories were used in order to describe the countries' willingness to use market mechanisms (from low to strong): "excluded", "not mentioned", "not excluded", "considered", and "intended". Table 1 gives example sentences for each category. The main difference between "considered" and "intended" lies in stronger wording and more concrete actions in the latter case.

Category	Example NDC text passages
"excluded"	"Contribution from market mechanisms: None"
"not excluded"	"Chile does not rule out using international GHG emission transaction markets (...)" (Gobierno de Chile, 2015)
"considered"	"Singapore (...) will continue to study how it can leverage international cooperation under Article 6 of the Paris Agreement." (Singapore, 2020) "(...) the country will explore how it can use these mechanisms (...)"
"intended"	"Therefore, at the national level, in 2020 we will establish a public-private dialogue roundtable to define specific policy for the use of markets, (...)" (Gobierno de Chile, 2020) "Rwanda intends to meet its conditional contribution through the use of climate finance and international market mechanisms where appropriate (...)" (Republic of Rwanda, 2020)

Table 1: Sample sentences for the categories "excluded", "not excluded", "considered" and "intended".

³ The analysis also includes the NDCs of Parties, e.g. Cambodia, that only submitted their "first NDC" instead of second or updated NDCs.

⁴ As most NDCs are published in English, the following key words were used: "mechanism", "market/s", "crediting",

"JCM", "CDM", "cooperative approach", "international", "Article 6" and "REDD", "ITMO". For submissions in French or Spanish relevant text passages could be found by translating these key words into the respective language.

3 Results

3.1 State of play

Do Parties intend to use market mechanisms in their latest NDCs?

Most of the surveyed Parties are open to participate in international cooperation under Article 6 of the Paris Agreement in the future. The analysis of the 124 NDCs that were submitted until 31 October 2021, however, shows that the degree of interest in using market mechanisms varies significantly. While a very small number of Parties categorically excludes international cooperation under Article 6, others are already in the process of preparing for participating in market mechanisms and mention in their NDCs different policy measures they are going to implement for this purpose.

Figure 1 illustrates the results of the analysis and shows that 102 of the 124 analysed NDCs state openness to use market mechanisms in the future. They either “do not exclude” participation (15 Parties), “consider” (42 Parties) or “intend” (45 Parties) to participate in voluntary cooperation under Article 6. Only in six NDCs international cooperation under Article 6 is “excluded”, while 16 NDCs do “not mention” market mechanisms. As can be seen from Figure 1, 68 Parties to the Paris Agreement did not submit their second or updated NDC until 31 October 2021.

Which market-based approaches are considered for use?

In terms of what type of market-based approaches Parties are considering to use, the information included in the updated and second NDCs provides a somewhat blurred picture.

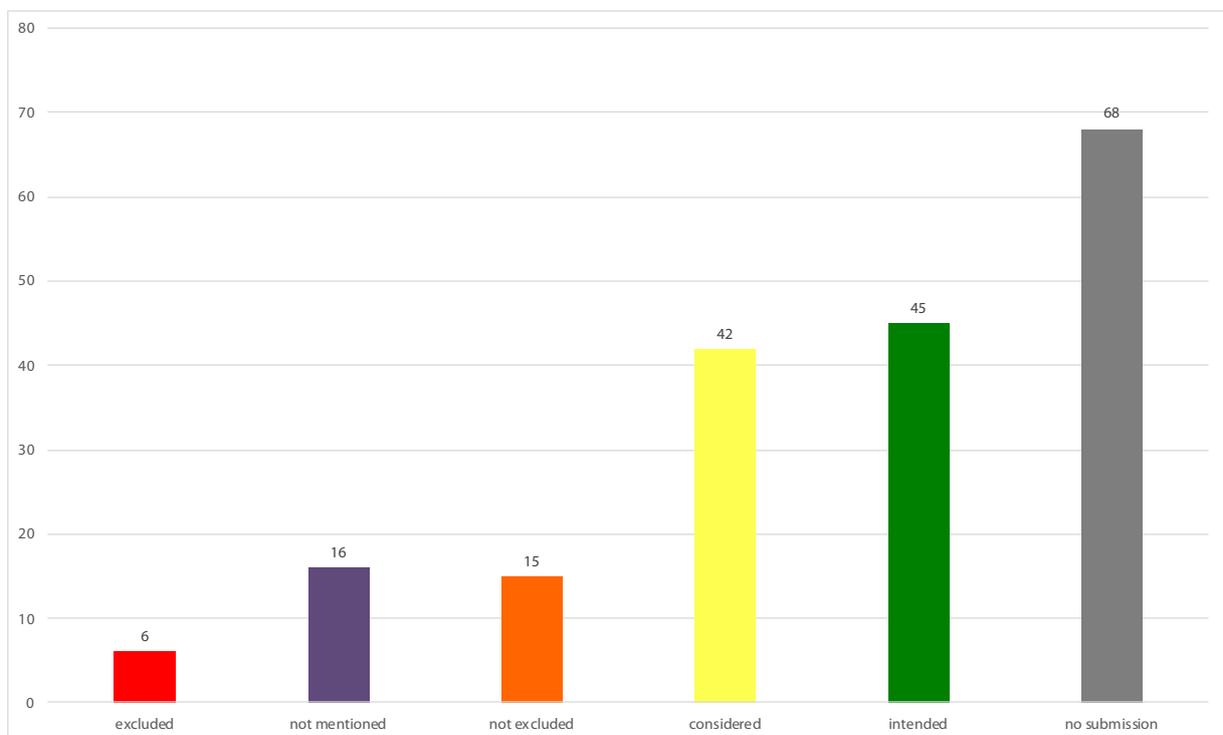


Figure 1: Market mechanisms in latest NDCs

Most Parties refer to Article 6, ‘voluntary cooperation’ (69) or use other generic terms without providing further details (19). Some (17) make explicit reference to Article 6.2 of the Paris Agreement or use the term ‘cooperative approaches’. Only six Parties mention the Article 6.4 mechanism.

While these numbers provide an indication of Parties’ interest in using specific market-based approaches under Art. 6, they must be treated with some caution. First, even if a Party mentions a specific market-based approach in its NDC, this does not imply that it will refrain from (also) using other approaches. Second, there is still a lack of clarity with regards to terminology. The term ‘cooperative approaches’, for instance, is by some Parties also being used to refer to Article 6 in general and not only to cooperative approaches under Article 6.2.⁵

This lack of clarity provides for a large scope of interpretation, which might also explain why the latest NDC synthesis report prepared by the UNFCCC Secretariat provides a somewhat different picture in terms of the approaches considered for use: It finds a significantly larger share of Parties intending to use ‘cooperative approaches’ (see Figure 4 in: UNFCCC Secretariat, 2021).

Do Parties intend to transfer or acquire mitigation outcomes?

In the 124 analysed NDCs, few Parties are stating explicitly whether they intend to be buyer or seller of mitigation outcomes. Only nine Parties explicitly explain that they are potentially going to acquire carbon credits (see Figure 2). 53 Parties indicate the objective to sell emission reductions. 40 Parties do not clearly state if they aim at becoming sellers or buyers.

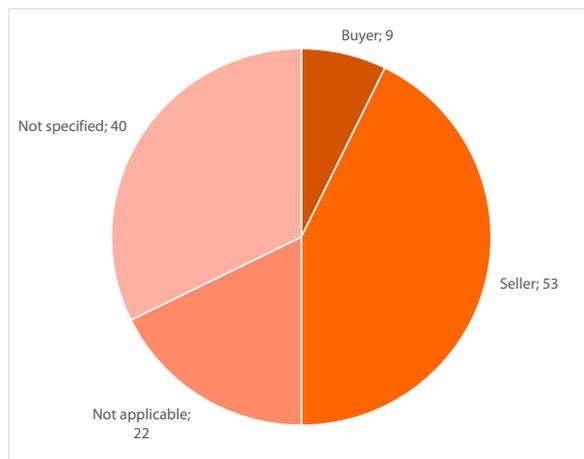


Figure 2: Buyer or seller of mitigation outcomes?

Most major emitters are “considering” or “intending” to use market mechanisms. (see next page) summarizes the major emitters’ positions with regard to market mechanisms. The US and the EU, two of the three biggest emitters among the Parties that have submitted updated/second NDCs, state that they are not intending to buy carbon credits for NDC attainment. The use of market mechanisms in China remains unclear as China did not mention market mechanisms in its NDC. Among the 124 NDCs analysed, only few big emitters could be identified as potential buyers of mitigation outcomes, such as Japan, Canada, South Korea and the UK.

Do Parties’ NDCs mention the risk of double counting?

One of the particularly contentious issues in the Article 6 negotiations relates to the rules of how to account for ITMOs and emission reductions transferred under Article 6.2 and 6.4, respectively. The rules of how to implement ‘corresponding adjustments’ in order to avoid double counting of mitigation outcomes are particularly relevant from the perspective of a country considering to export mitigation outcomes: If robust accounting rules are agreed, exporting ITMOs

⁵ Suriname for instance states that “[it] will consider the use of the cooperative approaches available to it under

Art. 6 of the Paris Agreement, especially those under Article 6.8.” (The Republic of Suriname 2020).

Party	Share of Global GHG Emissions ¹	Future Use of Market Mechanisms	Seller or Buyer
China	23.92%	not mentioned	N.a.
United States of America	11.84%	excluded	N.a.
EU 27	6.81%	excluded	N.a.
Russia	4.07%	considered	Not specified
Indonesia	3.48%	considered	Seller
Brazil	2.90%	considered	Seller
Japan	2.36%	intended	Buyer
Canada	1.56%	considered	Not specified
Mexico	1.42%	considered	Seller
Republic of Korea	1.38%	intended	Buyer
Saudi Arabia	1.30%	not mentioned	Not specified
Australia	1.27%	not excluded	Not specified
South Africa	1.06%	intended	Seller
Pakistan	.90%	considered	Not specified
United Kingdom	0.90%	not excluded	Buyer
Thailand	0.88%	considered	Seller
Argentina	.81%	not excluded	Not specified
Malaysia	.79%	excluded	N.a.

Table 2: Major emitters' positions on market mechanisms and their intention to buy or sell mitigation outcomes

(or emission reductions) could make it more difficult for the host country to achieve its own NDC, at least in the short term.

As one can see from the analysis, only some Parties take a clear stance on the issue of double counting in their latest NDC submissions. Of the 124 second or updated NDCs analysed, 22 contain wording in favor of robust accounting rules.⁶ Among these are, above all, members of the San José Principles Coalition, such as Costa Rica, Peru and New Zealand.

Switzerland, one of the few buyer countries, stands out for being the most explicit. The country “commits, in line with the San José principles for high ambition and integrity in international carbon markets, to apply robust rules that avoid any form of double counting(...)” (Switzerland, 2020). The NDC further specifies: “Therefore, Switzerland will apply the guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement as presented by the CMA-2 presidency on 15 December 2019 at 00:50 [(UNFCCC, 2019)], until multilateral rules are agreed. Thereby, Switzerland will apply

⁶ Albania, Antigua and Barbuda, Barbados, Canada, Chile, Costa Rica, Dominican Republic, Ethiopia, Japan, Jordan,

Kenya, Liberia, Montenegro, New Zealand, Panama, Peru, Republic of Moldova, Senegal, Somalia, South Africa, Switzerland, the Gambia.

corresponding adjustment of the emission level covered by the NDC as reported in the inventory applying accounting by addition/subtraction of ITMOs first transferred and used towards the NDC" (Switzerland, 2020).

Another country, Canada, puts an emphasis on advocacy for strong international rules. The NDC states that "Canada will continue to work with international and subnational partners to ensure robust accounting of all international cooperative approaches (...)" (Canada, 2021).

Do Parties' NDCs reflect piloting activities on the ground?

Since the adoption of the Paris Agreement in 2015, a considerable number of Article 6 piloting activities have been initiated worldwide. In our previous analysis (Brandemann et al., 2021), we used the UNEP DTU Partnership database to assess the relationship of piloting activities on the ground and the NDCs of countries involved in these pilots. However, since the publication of the analysis no new activities have been added to the Article 6 pipeline (UNEP DTU Partnership, 2021), which still lists a total number of 44 such pilots. This includes 7 activities that are global in scale or for which host Parties have not yet been selected. The analysis of the remaining 37 piloting activities shows that 28 of the 124 Parties analysed in this paper are involved in piloting activities as host Parties.

The database further lists Switzerland, Japan and Canada as buyer Parties. All these Parties have submitted an updated or new NDC. There are, however, also EU countries engaged in piloting activities, namely Sweden and Germany. While Sweden is also listed as a potential buyer of numerous piloting activities, Germany is involved by providing financial support. More recently, Germany is also becoming more actively involved in the implementation of Article 6 pilots, including through its new IKI-SPAR6C program (CarbonMechanisms, 2021). EU and (non-EU) Parties might further be involved in piloting

through international activities, including World Bank programmes such as the Carbon Initiative for Development (Ci-Dev) or the Transformative Carbon Asset Facility (TCAF).

By looking at the NDCs of those Parties directly involved in piloting activities, the relationship between their piloting engagement and their position towards market mechanisms in their NDCs can be explored. Among the Parties involved as a buyer, two (Japan and Switzerland) state in their NDCs their intention to use market mechanisms, while one (Canada) is considering their use.

However, the picture is less clear among those countries involved as host Parties: While none of the Parties aiming to host Article 6 piloting activities does explicitly exclude market mechanisms, there are four Parties that do "not mention" (Benin, Burkina Faso, Mali, Mongolia) and two Parties that do "not exclude" (Bangladesh, Kenya) the use of market mechanisms in their NDCs. While nine Parties "consider" market mechanisms (Cambodia, Chile, Indonesia, Jordan, Mexico, Nigeria, Philippines, Saudi Arabia, Thailand) a majority of 13 Parties involved in piloting express their intention to use market mechanisms (Colombia, Costa Rica, Ethiopia, Ghana, Maldives, Morocco, Myanmar, Peru, Rwanda, Senegal, Tunisia, Uganda and Vietnam). This might indicate that the mere fact that a Party is involved in piloting activities does not automatically mean that market mechanisms play a role in the development and implementation of the NDC. Figure 3 below illustrates the consideration of Art. 6 in NDCs of Parties involved in piloting activities.

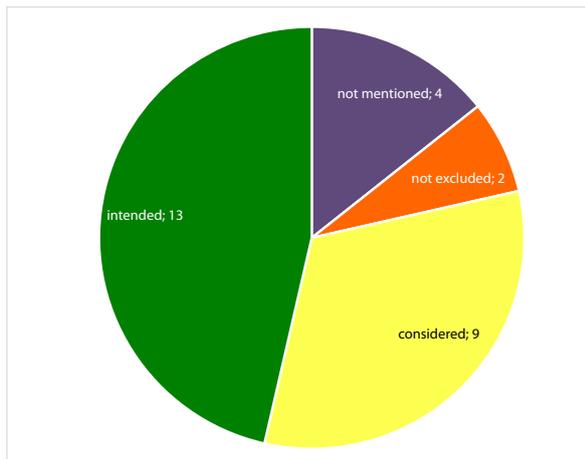


Figure 3: Consideration of market mechanisms in latest NDCs of Parties involved in piloting activities.

To be precise, in the first NDCs of the 124 Parties, 12 Parties “excluded” participation in market mechanisms and 33 Parties “did not mention” market mechanisms. In the updated or second NDCs the numbers went down to six (“excluded”) and 16 (“not mentioned”). In the 124 previous NDCs, 18 did “not exclude” the use of market mechanisms as compared to 15 in the second/updated NDCs. In the first NDC submissions, 36 Parties “considered” market mechanisms (as compared to 42 in the second / updated NDCs) and 25 “intended” to use market mechanisms (45 in the second/updated NDCs). For more details, please refer to Figure 4.

3.2 Observed trends

Has the interest in market mechanisms increased?

The analysis of the 124 new or updated NDCs shows that market mechanisms find stronger resonance in the recent submissions compared to the first NDCs of the same Parties.⁷ Figure 3 shows that a positive trend can be observed in four of the five categories⁸: Less countries “exclude” or “do not mention” market mechanisms and more countries “consider” or “intend” to use market mechanisms in the future. Our data in Figure 3 show that 102 Parties now “intend”, “consider” and “do not exclude” voluntary cooperation as compared to 79 Parties in previous NDC submissions. Notwithstanding this positive development, the analysis does not reach the same conclusion as the report of the UNFCCC Secretariat (UNFCCC Secretariat, 2021), which states that the share of Parties communicating that they plan to or will possibly use voluntary cooperation has more than doubled in comparison with their previous NDC – see above for the underlying methodological differences.⁹

⁷ The EU (without UK) is counted as one Party.

⁸ “excluded”, “not mentioned”, “not excluded” “considered” and “intended use of market mechanisms”.

⁹ As the UNFCCC report does not provide further details on the methodology applied, the underlying reasons for the diverging findings could not be explored any further due to time constraints.

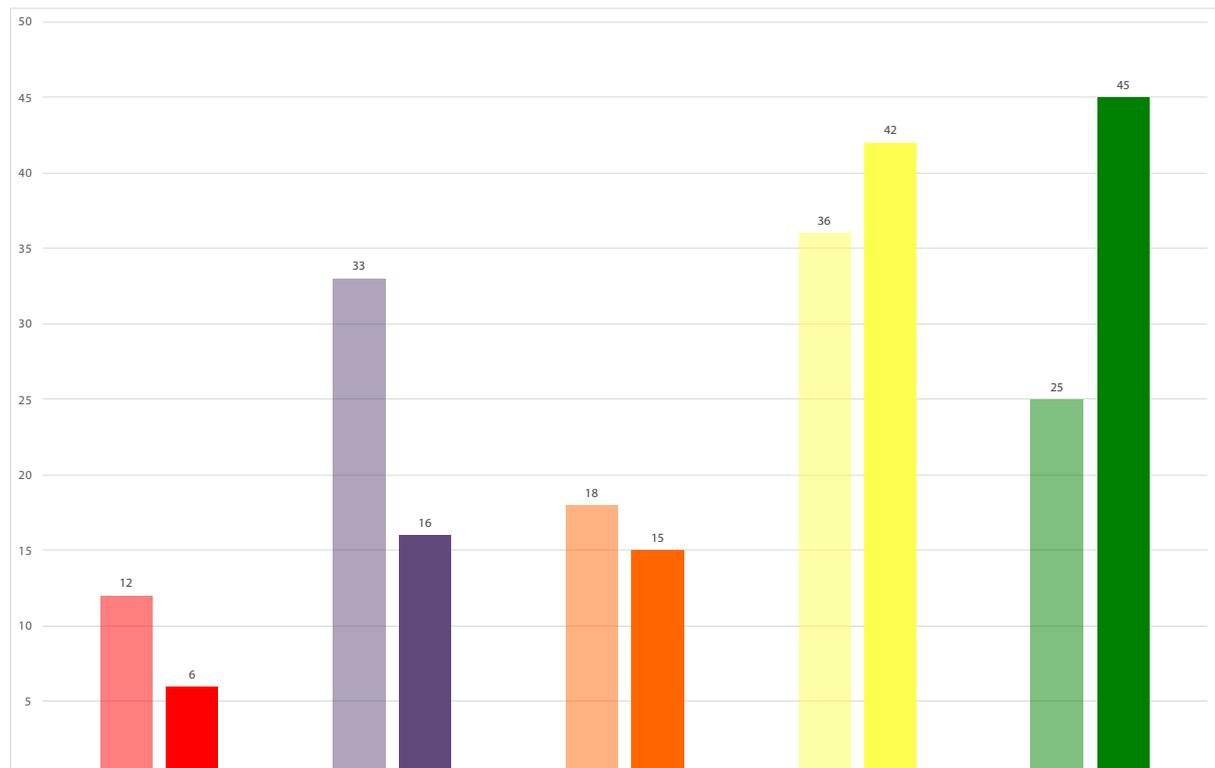


Figure 4: Comparison of market mechanisms in first (left) and latest NDCs (right)

(How) have Party positions changed?

Compared to the interest in market mechanisms in the first NDCs, the analysis shows a slight positive trend. Figure 5 shows that of the 124 updated or second NDCs analysed, 51 express more interest in market mechanisms. In 66 NDCs, however, the position on the use of market mechanisms remained the same as in the previous versions.

By comparing the NDCs, only seven¹⁰ negative changes could be observed. As an example, Nepal stated in its first NDC that it “aims to put in place forest carbon trade and payment mechanism” (Government of Nepal, 2016), but in the second NDC the wording on market mechanism is weaker: “Nepal may explore potential markets that allow higher mitigation ambition while promoting sustainable development and environmental integrity” (Government of Nepal, 2020).

Burkina Faso, Mali, Mongolia, Nicaragua and Sudan simply do not mention market mechanisms anymore in their updated NDCs.

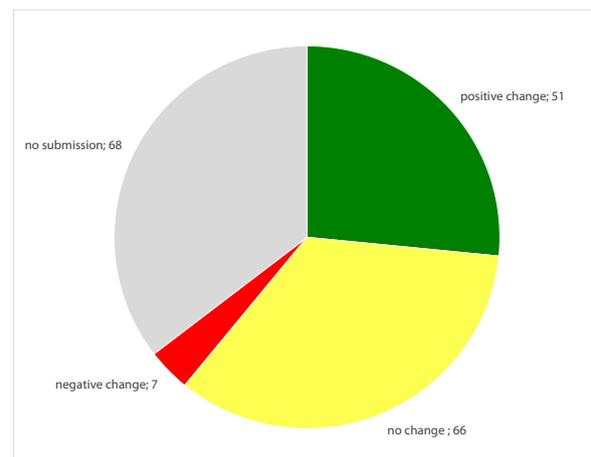


Figure 5: Change in Party positions regarding market mechanisms compared to their first NDCs

¹⁰ Burkina Faso, Mali, Mongolia, Montenegro, Nepal, Nicaragua and Sudan

4 Conclusions

The analysis shows that, in theory, Parties are increasingly interested in using international cooperation under Article 6. However, it remains unclear how this will look like in practice. As compared to their first NDCs, a considerable number of Parties is more open to the use of market mechanisms today. The 124 submitted updated or second NDCs analysed in this paper show that most Parties welcome the potential benefits of voluntary cooperation under Article 6, but give very little details on how exactly market mechanisms are going to be used. Given the lack of clarity on Article 6 rules prior to COP26, this comes, of course, as no surprise.

Parties' statements on voluntary cooperation under Article 6 are mostly very vague. It is unclear if, firstly, the mechanisms meet the expectations of Parties and if, secondly, they are prepared to get involved.

Do future market mechanisms align with host Parties' expectations?

Concerning the first question, we see two potential stumbling blocks. Many Parties mention market mechanisms in the same context as climate finance. While many countries are hoping for future resource mobilization via market mechanisms, it is very unclear where the demand for emission reductions could come from. As described above, only nine Parties mention interest in acquiring emission reductions. Therefore, the trend observed in previous papers (Brandemann, Victoria et al., 2021; Obergassel & Gornik, 2015) that there is an imbalance between demand and supply is still up to date.

Will there be an increase in demand in the future? Will there be more countries like Norway who are willing to acquire ITMOs in order to go beyond the self-set NDC target? Countries like Canada underline that they "prioritizes action to

reduce emissions within Canada" (Canada, 2021) and that acquired ITMOs only complement domestic efforts. This might call for a rather limited role for Article 6 as a means for NDC attainment. At the same time, however, some Parties have set ambitious net-zero pledges, the achievement of which will presumably require emission reductions (or negative emissions) to be transferred from abroad. Furthermore, future demand could also be generated outside the UNFCCC itself: With the recent rise of corporate net zero pledges, there could be an increased interest from corporates to use emission reductions generated under Article 6. Further demand might come from airline operators affected by the offsetting scheme CORSIA that is operational under the International Civil Aviation Organisation (ICAO).

The second stumbling block concerns the new architecture of the Paris Agreement. In contrast with the Kyoto Protocol, all Parties to the Paris Agreement must now develop and communicate national mitigation targets. This puts Parties that did not have mitigation targets before in a new situation, having to consider the impact sold mitigation outcomes might have on the attainment of their own mitigation targets. Some observers expected that these changed circumstances in the Paris architecture are likely to result in reduced potential ITMO supply compared with the first round of NDCs (e.g. Kachi et al., 2020). Since most second and updated NDCs contain very vague wording on market mechanisms, it is not clear if these new circumstances and their implications have already been fully understood and integrated into the positions of Parties. The analysis shows that only 22 NDCs contain explicit language on 'corresponding adjustments'. It seems that potential buyer countries, such as Japan, have greater interest in

addressing the double counting issue, presumably also due to the high reputational risks associated to double counting. Further research could be undertaken to explore whether there is a mismatch between expectations and what voluntary cooperation under Article 6 can really deliver.

Are Parties ready to use market mechanisms?

While many countries claim in their NDCs their willingness to engage in market mechanisms, the question arises if they are ready for this new endeavour. An analysis on Article 6 pilots (Climate Finance innovators, 2020) observes that many host countries adopt a cautious attitude toward piloting Article 6 while buyer countries usually initiate the development of pilot activities. Only a few countries mention preparatory action in their new and updated NDCs, such as institutional arrangements, regulations and procedures (Michaelowa et al., 2021). More research and support action might be needed on the level of preparedness of those countries willing to engage with market mechanisms.

To obtain a more solid understanding of Parties' positions regarding market mechanisms, further analysis would be needed that takes into account other country-specific documents. More in-depth consideration of national circumstances could provide relevant insights regarding the actual potential Parties see in the market mechanisms and how prepared they are for their use. Progress on the ground could also be an important driver of Party positions. While current NDCs do not seem to reflect piloting activities on the ground, this could change in the future, as there is now, after the adoption of the Article 6 rulebook, more clarity about the potential Article 6 might hold, in particular for host Parties.

In summary, the findings of the analysis of the second and updated NDCs indicate that there is a strengthened role for international market mechanisms in climate change mitigation – but only in theory. After the completion of the rulebook at COP26, Parties can now start to put

Article 6 into practice. It will be much easier to take a clearer stance on market mechanisms in the next NDCs as rules concerning former crunch issues such as 'corresponding adjustments' were finally adopted. After the successful conclusion of Article 6 negotiations, Parties can now take the next steps towards implementation.

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Annex

Party	NDC category	Seller or buyer	Intention to use Market Mechanisms	Which mechanisms to be used?	Date of submission	Change
Albania	first NDC		intended		21.09.16	
Albania	update of first NDC	seller	intended	international cooperation under Article 6	12.10.21	no change
Andorra	first NDC		excluded		24.03.17	
Andorra	update of first NDC	seller	considered	not specified	20.05.20	positive change
Angola	first NDC		intended		16.11.20	
Angola	update of first NDC	seller	intended	international cooperation under Article 6	31.05.21	no change
Antigua and Barbuda	first NDC		considered		21.09.16	
Antigua and Barbuda	update of first NDC	not specified	considered	international cooperation under Article 6	02.09.21	no change
Argentina	first NDC		not excluded		17.11.16	
Argentina	second NDC	not specified	not excluded	international cooperation under Article 6	30.12.20	no change
Armenia	first NDC		considered		23.03.17	
Armenia	update of first NDC	seller	intended	international cooperation under Article 6	05.05.21	positive change
Australia	first NDC		not mentioned		31.12.20	
Australia	update of first NDC	not specified	not excluded	international cooperation under Article 6	28.10.21	positive change
Bahrain	first NDC		not mentioned		30.12.16	
Bahrain	update of first NDC	not specified	considered	international cooperation under Article 6	18.10.21	positive change
Bangladesh	first NDC		not excluded		21.09.16	
Bangladesh	update of first NDC	seller	considered	cooperative approaches under Article 6, paragraph 2	26.08.21	positive change
Barbados	first NDC		intended		22.04.16	
Barbados	update of first NDC	seller	intended	international cooperation under Article 6	30.07.21	no change
Belarus	first NDC		not mentioned		21.09.16	

Party	NDC category	Seller or buyer	Intention to use Market Mechanisms	Which mechanisms to be used?	Date of submission	Change
Belarus	update of first NDC	n.a.	not mentioned	n.a.	11.10.21	no change
Belize	first NDC		considered		20.04.16	
Belize	update of first NDC	seller	considered	international cooperation under Article 6, REDD+	01.09.21	no change
Benin	first NDC		excluded		09.09.18	
Benin	update of first NDC	n.a.	not mentioned	n.a.	12.10.21	no change
Bhutan	first NDC		intended		19.09.17	
Bhutan	second NDC	seller	intended	cooperative approaches under Article 6, paragraph 2, international cooperation under Article 6	24.06.21	no change
Bosnia and Herzegovina	first NDC		not excluded		16.03.17	
Bosnia and Herzegovina	update of first NDC	not specified	not excluded	not specified	20.04.21	no change
Brazil	first NDC		not excluded	international cooperation under Article 6	21.09.16	
Brazil	update of first NDC	seller	considered	not specified	09.12.20	positive change
Brunei	INDC		not excluded		01.11.15	
Brunei	first NDC	not specified	considered	not specified	31.12.20	positive change
Burkina Faso	first NDC		considered		11.11.16	
Burkina Faso	update of first NDC	n.a.	not mentioned	n.a.	09.10.21	negative change
Burundi	first NDC		not mentioned		17.01.18	
Burundi	update of first NDC	seller	intended	international cooperation under Article 6	05.10.21	positive change
Cabo Verde	first NDC		considered		02.04.21	
Cabo Verde	update of first NDC	seller	considered	cooperative approaches under Article 6, paragraph 2	02.04.21	no change
Cambodia	INDC		considered		06.02.17	
Cambodia	first NDC	seller	considered	not specified	31.12.20	no change
Cameroon	first NDC		considered		29.07.16	
Cameroon	update of first NDC	seller	intended	international cooperation under Article 6	11.10.21	positive change
Canada	first NDC		considered		11.05.17	
Canada	update of first NDC	buyer	considered	international cooperation under Article 6	12.07.21	no change
Chad	first NDC		intended			

Party	NDC category	Seller or buyer	Intention to use Market Mechanisms	Which mechanisms to be used?	Date of submission	Change
Chad	update of first NDC	seller	intended	Article 6.4		no change
Chile	first NDC		not excluded		10.02.17	
Chile	update of first NDC	seller	considered	international cooperation under Article 6	09.04.20	positive change
China	first NDC		not mentioned		03.09.16	
China	update of first NDC	n.a.	not mentioned	n.a.	28.10.21	no change
Colombia	first NDC		considered		12.07.18	
Colombia	update of first NDC	seller	intended	Article 6 2	30.12.20	positive change
Congo	first NDC		not mentioned		21.04.17	
Congo	update of first NDC	seller	intended	international cooperation under Article 6	02.08.21	positive change
Costa Rica	first NDC		not excluded		13.10.16	
Costa Rica	update of first NDC	not specified	intended	international cooperation under Article 6	29.12.20	positive change
Cuba	first NDC		excluded		30.12.16	
Cuba	update of first NDC	not specified	intended	international cooperation under Article 6	10.12.20	positive change
Democratic People's Republic of Korea	first NDC		not mentioned		03.10.16	
Democratic People's Republic of Korea	update of first NDC	n.a.	not mentioned	n.a.	19.09.19	no change
Dominican Republic	first NDC		considered		21.09.17	
Dominican Republic	update of first NDC	seller	intended	international cooperation under Article 6	29.12.20	positive change
Ecuador	INDC		not mentioned		13.10.15	
Ecuador	first NDC	Na.	not mentioned	n.a.	29.03.19	no change
Eswatini	first NDC		intended		21.09.16	
Eswatini	update of first NDC	seller	intended	international cooperation under Article 6, cooperative approaches under Article 6, paragraph 2	12.10.21	no change
Ethiopia	first NDC		intended		09.03.17	
Ethiopia	update of first NDC	seller	intended	international cooperation under Article 6	23.07.21	no change
EU	first NDC		excluded		05.10.16	
EU 27	update of first NDC	n.a.	excluded	n.a.	18.12.20	no change
Fiji	first NDC		considered		22.04.16	

Party	NDC category	Seller or buyer	Intention to use Market Mechanisms	Which mechanisms to be used?	Date of submission	Change
Fiji	update of first NDC	not specified	considered	international cooperation under Article 6	31.12.20	no change
Georgia	first NDC		not mentioned		08.05.17	
Georgia	update of first NDC	n.a.	not mentioned	n.a.	05.05.21	no change
Ghana	first NDC		intended		21.09.16	
Ghana	Interim updated submission	seller	intended	not specified	15.10.21	no change
Grenada	first NDC		considered		22.04.16	
Grenada	second NDC	not specified	considered	international cooperation under Article 6	01.12.20	no change
Guinea	first NDC		considered		21.09.16	
Guinea	update of first NDC	seller	intended	international cooperation under Article 6	28.07.21	positive change
Guinea-Bissau	first NDC		not mentioned		11.10.18	
Guinea-Bissau	update of first NDC	seller	intended	international cooperation under Article 6, Article 6.4 and Article 6.2	12.10.21	positive change
Honduras	first NDC		not excluded		21.09.16	
Honduras	update of first NDC	not specified	not excluded	international cooperation under Article 6	19.05.21	no change
Iceland	first NDC		excluded		21.09.16	
Iceland	update of first NDC	n.a.	excluded	n.a.	18.02.21	no change
Indonesia	first NDC		considered		06.11.16	
Indonesia	update of first NDC	seller	considered	international cooperation under Article 6	22.07.21	no change
Israel	first NDC		not mentioned		22.11.16	
Israel	update of first NDC	not specified	not excluded	international cooperation under Article 6	29.07.21	positive change
Jamaica	first NDC		excluded		10.04.17	
Jamaica	update of first NDC	not specified	considered	international cooperation under Article 6	01.07.20	positive change
Japan	first NDC		intended		08.11.16	
Japan	update of first NDC	buyer	intended	JCM, not specified	22.10.21	no change
Jordan	first NDC		not mentioned		04.11.16	
Jordan	update of first NDC	not specified	considered	international cooperation under Article 6	12.10.21	positive change
Kenya	first NDC		not excluded		28.12.16	

Party	NDC category	Seller or buyer	Intention to use Market Mechanisms	Which mechanisms to be used?	Date of submission	Change
Kenya	update of first NDC	not specified	not excluded	not specified	28.12.20	no change
Kuwait	first NDC		not mentioned		23.04.18	
Kuwait	update of first NDC	seller	intended	international cooperation under Article 6	12.10.21	positive change
Kyrgyzstan	first NDC		not mentioned		18.02.20	
Kyrgyzstan	update of first NDC	n.a.	not mentioned	n.a.	09.10.21	no change
Lao People's Democratic Republic	first NDC		considered		07.09.16	
Lao People's Democratic Republic	update of first NDC	not specified	considered	international cooperation under Article 6	11.05.21	no change
Lebanon	first NDC		not excluded		05.02.20	
Lebanon	update of first NDC	not specified	not excluded	not specified	16.03.21	no change
Liberia	first NDC		not excluded		27.08.18	
Liberia	update of first NDC	seller	considered	cooperative approaches under Article 6, paragraph 2	04.08.21	positive change
Malawi	first NDC		not mentioned		29.06.17	
Malawi	update of first NDC	seller	intended	international cooperation under Article 6	30.07.21	positive change
Malaysia	first NDC		excluded		16.11.16	
Malaysia	update of first NDC	n.a.	excluded	n.a.	30.07.21	no change
Maldives	first NDC		not mentioned		22.04.16	
Maldives	update of first NDC	not specified	intended	international cooperation under Article 6	28.12.20	positive change
Mali	first NDC		intended		23.09.16	
Mali	update of first NDC	n.a.	not mentioned	n.a.	11.10.21	negative change
Morocco	first NDC		considered		19.09.16	
Morocco	update of first NDC	seller	intended	international cooperation under Article 6	22.06.21	positive change
Marshall Islands	first NDC		excluded		22.04.16	
Marshall Islands	second NDC	n.a.	excluded	n.a.	22.11.18	no change
Mauritania	first NDC		intended		27.02.17	
Mauritania	update of first NDC	seller	intended	international cooperation under Article 6	17.10.21	no change
Mauritius	first NDC		not mentioned		22.04.16	

Party	NDC category	Seller or buyer	Intention to use Market Mechanisms	Which mechanisms to be used?	Date of submission	Change
Mauritius	update of first NDC	seller	intended	international cooperation under Article 6	05.10.21	positive change
Mexico	first NDC		considered		21.09.16	
Mexico	update of first NDC	not specified	considered	international cooperation under Article 6	30.12.20	no change
Monaco	first NDC		not excluded		26.10.16	
Monaco	update of first NDC	buyer	considered	international cooperation under Article 6	28.12.20	positive change
Mongolia	first NDC		considered		21.09.16	
Mongolia	update of first NDC	n.a.	not mentioned	n.a.	13.10.20	negative change
Montenegro	first NDC		intended		21.12.17	
Montenegro	update of first NDC	not specified	not excluded	not specified	15.06.21	negative change
Myanmar	first NDC		intended		19.09.17	
Myanmar	update of first NDC	seller	intended	international cooperation under Article 6	03.08.21	no change
Namibia	first NDC		not excluded		21.09.16	
Namibia	update of first NDC	seller	not excluded	not specified	30.07.21	no change
Nauru	first NDC		not mentioned			
Nauru	update of first NDC	n.a.	not mentioned	n.a.		no change
Nepal	first NDC		considered		05.10.16	
Nepal	second NDC	not specified	not excluded	not specified	08.12.20	negative change
New Zealand	first NDC		intended		05.10.16	
New Zealand	update of first NDC	not specified	intended	cooperative approaches under Article 6, paragraph 2, international cooperation under Article 6	03.11.21	no change
Nicaragua	first NDC		intended		03.09.18	
Nicaragua	update of first NDC	n.a.	not mentioned	n.a.	n.a.	negative change
Nigeria	first NDC		considered		16.05.17	
Nigeria	update of first NDC	not specified	considered	international cooperation under Article 6	30.07.21	no change
Norway	first NDC		intended		20.06.16	
Norway	update of first NDC	buyer	intended	international cooperation under Article 6	07.02.20	no change
Oman	first NDC		not mentioned		22.05.19	
Oman	second NDC	not specified	considered	international cooperation under Article 6	29.07.21	positive change

Party	NDC category	Seller or buyer	Intention to use Market Mechanisms	Which mechanisms to be used?	Date of submission	Change
Pakistan	first NDC		considered			
Pakistan	update of first NDC	not specified	considered	cooperative approaches under Article 6, paragraph 2, international cooperation under Article 6, Article 6.4		no change
Panama	first NDC		considered		18.04.16	
Panama	update of first NDC	not specified	intended	cooperative approaches under Article 6, paragraph 2, international cooperation under Article 6	28.12.20	positive change
Papua New Guinea	first NDC		not mentioned		24.03.16	
Papua New Guinea	second NDC	seller	considered	international cooperation under Article 6	16.12.20	positive change
Paraguay	first NDC		considered		14.10.16	
Paraguay	updated first NDC	not specified	considered	not specified	16.07.21	no change
Peru	first NDC		considered		25.07.16	
Peru	update of first NDC	seller	intended	international cooperation under Article 6	18.12.20	positive change
Philippines	INDC		not mentioned		October 2015	
Philippines	first NDC	not specified	considered	international cooperation under Article 6	15.04.21	positive change
Qatar	first NDC		not mentioned		23.06.17	
Qatar	update of first NDC	not specified	considered	international cooperation under Article 6	24.08.21	positive change
Republic of Korea	first NDC		intended		03.11.16	
Republic of Korea	update of first NDC	buyer	intended	international cooperation under Article 6	30.12.20	no change
Republic of Moldova	first NDC		considered		20.06.17	
Republic of Moldova	update of first NDC	seller	considered	not specified	04.03.20	no change
Russia	INDC		excluded		31.03.15	
Russia	first NDC	not specified	considered	international cooperation under Article 6	25.11.20	positive change
Rwanda	first NDC		intended		06.10.16	
Rwanda	update of first NDC	seller	intended	cooperative approaches under Article 6, paragraph 2	20.05.20	no change
Saint Kitts and Nevis	first NDC		considered		22.04.16	
Saint Kitts and Nevis	update of first NDC	not specified	considered	not specified	25.10.21	no change
Saint Lucia	first NDC		not excluded		22.04.16	
Saint Lucia	update of first NDC	not specified	not excluded	not specified	27.01.21	no change

Party	NDC category	Seller or buyer	Intention to use Market Mechanisms	Which mechanisms to be used?	Date of submission	Change
Samoa	first NDC		considered		22.04.16	
Samoa	second NDC	seller	considered	international cooperation under Article 6	30.07.21	no change
Sao Tome and Principe	first NDC		considered		02.11.16	
Sao Tome and Principe	update of first NDC	seller	intended	not specified	30.07.21	positive change
Saudi Arabia	first NDC		not mentioned		03.11.16	
Saudi Arabia	update of first NDC	not specified	considered	cooperative approaches under Article 6, paragraph 2, Article 6.4	23.10.21	positive change
Senegal	INDC		intended		26.09.15	
Senegal	update of first NDC	seller	intended	international cooperation under Article 6	29.12.20	no change
Seychelles	first NDC		excluded		29.04.16	
Seychelles	update of first NDC	seller	not excluded	cooperative approaches under Article 6, paragraph 2, Article 6.4	30.07.21	positive change
Sierra Leone	first NDC		considered		01.11.16	
Sierra Leone	update of first NDC	not specified	considered	international cooperation under Article 6	31.07.21	no change
Singapore	first NDC		considered		21.09.16	
Singapore	update of first NDC	buyer	considered	international cooperation under Article 6	31 Mar 2020	no change
Solomon Islands	first NDC		considered		21.06.16	
Solomon Islands	update of first NDC	not specified	intended	international cooperation under Article 6	19.07.21	positive change
Somalia	first NDC		not mentioned		22.04.16	
Somalia	update of first NDC	seller	not excluded	international cooperation under Article 6	31.07.21	positive change
South Africa	first NDC		not mentioned	n.a.	01.11.16	
South Africa	update of first NDC	seller	intended	cooperative approaches under Article 6, paragraph 2, Article 6.4	27.09.21	positive change
South Sudan	first NDC		intended		23.02.21	
South Sudan	second NDC	seller	intended	not specified	21.09.21	no change
Sri Lanka	first NDC		not mentioned		06.11.16	
Sri Lanka	update of first NDC	n.a.	not mentioned	n.a.	24.09.21	no change
State of Palestine	first NDC		not excluded		21.08.17	
State of Palestine	update of first NDC	not specified	considered	international cooperation under Article 6	10.10.21	positive change

Party	NDC category	Seller or buyer	Intention to use Market Mechanisms	Which mechanisms to be used?	Date of submission	Change
Sudan	first NDC		not excluded		02.08.17	
Sudan	update of first NDC	n.a.	not mentioned	n.a.	31.05.21	negative change
Switzerland	first NDC		intended		06.10.17	
Switzerland	update of first NDC	buyer	intended	cooperative approaches under Article 6, paragraph 2	09.12.20	no change
Tajikistan	first NDC		not mentioned		22.03.17	
Tajikistan	update of first NDC	n.a.	not mentioned	n.a.	12.10.21	no change
Thailand	first NDC		considered		21.09.16	
Thailand	update of first NDC	seller	considered	international cooperation under Article 6	26.10.20	no change
The Gambia	first NDC		considered		07.11.16	
The Gambia	second NDC	seller	intended	international cooperation under Article 6		positive change
The Republic of North Macedonia	first NDC		considered		09.01.18	
The Republic of North Macedonia	update of first NDC	not specified	considered	cooperative approaches under Article 6, paragraph 2	16.04.21	no change
The Republic of Suriname	first NDC		not excluded		13.02.19	
The Republic of Suriname	second NDC	seller	considered	cooperative approaches under Article 6, paragraph 2	9 Dec 2019	positive change
Togo	first NDC		considered			
Togo	update of first NDC	seller	considered	international cooperation under Article 6		no change
Tonga	first NDC		not mentioned		21.09.2016	
Tonga	second NDC	n.a.	excluded	n.a.	09.12.2020	no change
Tunisia	first NDC		Intended		10.02.2017	
Tunisia	update of first NDC	seller	Intended	cooperative approaches under Article 6, paragraph 2	10.10.2021	no change
UAE			not mentioned		21.09.16	
UAE	second NDC	buyer	considered	international cooperation under Article 6	29.12.20	positive change
Uganda	first NDC		intended		21.09.16	
Uganda	update of first NDC	seller	intended	international cooperation under Article 6	12.10.21	positive change

Party	NDC category	Seller or buyer	Intention to use Market Mechanisms	Which mechanisms to be used?	Date of submission	Change
Ukraine	first NDC		considered			
Ukraine	update of first NDC	seller	intended	international cooperation under Article 6		positive change
United Kingdom (as part of EU)	EU first NDC		excluded			
United Kingdom	first NDC	buyer	not excluded	international cooperation under Article 6	12.12.20	positive change
United Republic of Tanzania	first NDC		not mentioned		18.05.18	
United Republic of Tanzania	update of first NDC	seller	considered	not specified	30.07.21	positive change
United States of America	first NDC		excluded		03.09.16	
United States of America	update of first NDC	n.a.	excluded	n.a.	22.04.21	no change
Uruguay	INDC		not mentioned		29.09.15	
Uruguay	first NDC	not specified	not excluded	not specified	14.11.17	positive change
Uzbekistan	first NDC		not mentioned		09.11.18	
Uzbekistan	update of first NDC	n.a.	not mentioned	n.a.	30.10.21	no change
Vanuatu	first NDC		not mentioned		21.09.16	
Vanuatu	update of first NDC	seller	considered	international cooperation under Article 6	22.03.21	positive change
Viet Nam	first NDC		intended		03.11.16	
Viet Nam	update of first NDC	seller	intended	international cooperation under Article 6	11.09.20	no change
Zambia	first NDC		not excluded		09.12.16	
Zambia	update of first NDC	not specified	intended	international cooperation under Article 6	30.07.21	positive change
Zimbabwe	first NDC		intended		07.08.17	
Zimbabwe	update of first NDC	seller	intended	not specified	24.09.21	no change

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