

A6.4-MEP013-A01

Draft Mechanism Methodology

N₂O abatement from nitric acid production

Version 02.0

Sectoral scope(s): 05

DRAFT



COVER NOTE

1. Procedural background

1. The Supervisory Body of the Article 6.4 mechanism established by Article 6, paragraph 4, of the Paris Agreement (the Article 6.4 mechanism), at its fifteenth meeting,¹ approved the workplan for 2025 for the Methodological Expert Panel (MEP). The workplan includes the item “processing of new methodologies / tools, requests for revision, and requests for clarification”.
2. The present methodology is based on elements of the proposed new methodology “A6.4-PMM002: N₂O abatement from nitric acid production”, which was received on 12 May 2025. The proposed new methodology A6.4-PMM002 also draws on elements of version 4.0 of the Clean Development Mechanism (CDM) methodology “ACM0019: N₂O abatement from nitric acid production”.²
3. A public consultation on the proposed mechanism methodology was open from 16 June to 6 July 2025, and one submission containing 11 comments from one stakeholder was received. A summary of how these comments were addressed in the draft mechanism methodology is provided in section 4.1 of this cover note.
4. The MEP, at its tenth and eleventh meetings, considered the draft mechanism methodology and amended it to ensure alignment with relevant methodological standards and tools under the Article 6.4 mechanism and to expand the range of applicable projects to include the restart and enhancement of N₂O abatement.
5. At its twelfth meeting, the MEP continued the consideration of the draft mechanism methodology and further elaborated an appendix, which describes how some provisions are addressed at the methodology level (see the appendix of this mechanism methodology). The MEP also noted that the methodology has been revised extensively, including changes to the baseline determination, downward adjustment and additionality demonstration compared to the original submission from the stakeholder, and agreed on an exceptional basis to launch a second call for input on the draft methodology.
6. At its thirteen meeting, the MEP considered the comments received. A summary of how these comments were addressed in the draft mechanism methodology is provided in section 4.2 of this cover note. Based on the comments, the MEP finalized the draft mechanism methodology and recommended that the Supervisory Body adopt the methodology.

2. Purpose

7. The purpose of this mechanism methodology is to define requirements for Article 6.4 activities that involve the abatement of N₂O emissions at nitric acid production lines.

¹ See <https://unfccc.int/sites/default/files/resource/A6.4-SBM015.pdf>.

² See <https://cdm.unfccc.int/UserManagement/FileStorage/RDX2Q6IWUVC8Y3H4MFLT7OJ1G05PEA>.

3. Key issues and proposed solutions

8. The following sub-sections outline the key elements of the mechanism methodology.

3.1. Applicability

9. The proposed mechanism methodology is applicable to Article 6.4 activities that abate N₂O emissions contained in the exhaust gases emitted in the production of nitric acid. Whereas the CDM methodology ACM0019 was applicable only to the introduction of N₂O abatement in an existing nitric acid plant, the present methodology is also applicable to the restart or enhancement of N₂O abatement at a nitric acid production line (see section 4). This will enable a broader applicability of the mechanism methodology, in particular because some plants have discontinued their N₂O abatement due to the lack of incentives. Article 6.4 activities must clearly specify in which of these three categories the project falls.
10. This mechanism methodology is not applicable to new nitric acid production lines. Consultations conducted with industry experts indicated that new technological options to produce nitric acid that would nearly fully eliminate N₂O emissions are emerging. A proposed methodology for new nitric acid production lines would thus need to address whether the use of these new technologies is a plausible baseline scenario.
11. This mechanism methodology is restricted to contexts in which neither incentives nor penalties are in place that would drive the installation of secondary or tertiary abatement systems (see paragraph 19 of the mechanism methodology). This is necessary since the mechanism methodology uses simplified approaches for the demonstration of additionality and the establishment of the baseline, for which it is assumed that secondary or tertiary N₂O abatement is not viable. This approach is further described in the appendix to the mechanism methodology.

3.2. Demonstration of additionality

12. The analysis of lock-in risk and investment analysis are conducted at the level of the mechanism methodology (see the appendix of the mechanism methodology). It is concluded that this type of Article 6.4 activity does not pose lock-in risks and is not economically viable under the applicability conditions of the methodology. Activity participants therefore only need to demonstrate regulatory analysis and common practice analysis for each individual Article 6.4 activity. To ensure the continued adequacy of the methodological approach for baseline setting (i.e., the assumption that no legal requirements would influence N₂O emission levels in the baseline), the regulatory analysis shall be repeated for each monitoring period.

3.3. Baseline emissions

13. Baseline emissions under this mechanism methodology are calculated as the product of:
- (a) The quantity of nitric acid production;
 - (b) A baseline emission factor, expressed in kg of nitrous oxide (N₂O) emissions per tonne of nitric acid (HNO₃) production; and
 - (c) An annual downward adjustment factor.

3.4. Quantity of nitric acid production

14. To avoid any potential increases in the nitric acid production level as a result of the implementation of the Article 6.4 activity, such as possible production shifts from non-Article 6.4 production lines to Article 6.4 production lines, this mechanism methodology caps the quantity of nitric acid production used for calculating baseline emissions to the maximum annual production observed in the last five years or, where such data is not available, to a default factor for the capacity utilization based on the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.³ This provision only affects the level of baseline emissions and does not impose any restriction on how much nitric acid the plant may produce.

3.5. Baseline emission factors

15. The baseline is established based on a best available technology (BAT) emission factor for nitric acid production plants without any secondary or tertiary N₂O abatement. In line with the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004), a BAT approach is deemed most appropriate given that nitric acid is a homogenous product and the best available technology in the absence of incentives to abate N₂O emissions can be reasonably identified. Using actual or historical emissions as a baseline approach raises challenges with regard to the representativeness of such data. For this reason, such approaches have been withdrawn under the CDM. Using an ambitious benchmark is challenging as actual recent data on plants is not typically available.⁴
16. For determining the BAT emission factor, baseline data from CDM and Joint Implementation (JI) projects, information from the literature, and findings from interviews with industry experts were used. The value selected represents the best performance achieved among the CDM and JI plants without any secondary or tertiary N₂O abatement. The BAT emission factor corresponds to 3.74 kg N₂O / t HNO₃ for activities that introduce or restart N₂O abatement and 0.60 kg N₂O / t HNO₃ for activities that enhance nitric acid abatement (see paragraph 38 of the mechanism methodology). Detailed information on the derivation of these emission factors is included in the Appendix to the methodology.

3.6. Application of the downward adjustment

17. Since the mechanism methodology applies a BAT approach for the calculation of baseline emissions, in accordance with the provisions in the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004), no downward adjustment applies to the calendar year of the start of the first crediting period.
18. Regarding the downward adjustment in subsequent years, three different levels of annual downward adjustments are provided: 1, 3, and 5 per cent from the baseline emissions at the start of the project (year 1), depending on the extent to which the Article 6.4 activity reduces N₂O emissions (see section 7.2.3 of the mechanism methodology). This approach aims to provide incentives to move towards more advanced N₂O abatement technologies and to promote the optimal use of N₂O abatement systems, noting that the most advanced systems can abate up to 99 per cent of N₂O emissions.

³ See https://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/3_Volume3/V3_3_Ch3_Chemical_Industry.pdf.

⁴ See <https://unfccc.int/sites/default/files/resource/A6.4-STAN-METH-004.pdf>.

3.7. Identification of conservative business as usual (BAU) scenario

19. The BAU scenario is also determined at the level of the mechanism methodology and identified as the continuation of operations without installation of a secondary and/or tertiary N₂O abatement system. Two data sources are used to determine a conservative BAU emission factor: information from the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories,⁵ and baseline data from CDM and JI plants. The more conservative information source is selected in accordance with the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004). Further details on this approach are included in the Appendix to the methodology.

3.8. Project emissions

20. Project emissions include any remaining N₂O emissions and emissions from the operation of tertiary N₂O abatement, including electricity consumption, fossil fuel consumption, steam consumption, and use of other inputs, such as urea or ammonia. The emissions from tertiary N₂O abatement are small compared to the remaining N₂O emissions. Therefore, simplified default emission factors are used to determine these emissions. Although the CDM methodology ACM0019 excluded emissions during the downtime of N₂O abatement equipment (while the nitric acid plant is still operating), this proposed mechanism methodology includes those emissions to provide an incentive to reduce the downtime of N₂O abatement equipment (see equation 5 of the mechanism methodology).

3.9. Leakage

21. The mechanism methodology does not require accounting for leakage emissions related to the transfer of used equipment because this type of leakage is avoided through the applicability condition contained in paragraph 19(a). Leakage emissions from production and transportation of the abatement equipment are accounted for with a default value in equation 13.

3.10. Avoidance of double-counting

22. Consistent with the requirements in the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004), the mechanism methodology contains provisions to avoid double counting of emission reductions.

3.11. Alignment with NDCs, LT-LEDS, and long-term goals of the Paris Agreement

23. Activity participants shall provide the designated operational entity (DOE) with a confirmation from the designated national authority (DNA) of the host Party that the DNA has undertaken an assessment of the activity’s consistency with the provisions of Decision 3/CMA.3 paragraph 40(c) and paragraph 27(a), as part of the host Party’s approval.

4. Consideration of public comments

24. Two calls for public inputs were conducted with respect to this methodology. A first call for input on the submission A6.4-PMM002 was open from 16 June to 6 July 2025. One submission containing 11 comments was received in response to this call for public input. Section 4.1 summarizes how the comments from this call for public input were addressed.

⁵ See <https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-03-v3.pdf>.

25. Noting that the proposed mechanism methodology was amended and revised by the MEP in several key aspects to align it with requirements under the Article 6.4 mechanism, the MEP agreed at its 12th meeting, on an exceptional basis, to open a second call for public input from stakeholders on this mechanism methodology. This second call was open from 17 March to 7 April 2026. Six submissions containing 62 comments were received in response to this call. Section 4.2 summarizes how the comments from this call for public input were addressed.

4.1. First call for public input

26. The comments that are considered of a technical nature are summarized below, including the proposed assessment and action by the MEP (if any):

- (a) One comment suggested allowing for upgrades from secondary to tertiary abatement technology. The MEP considered the proposal and revised the applicability conditions (see section 4 of the mechanism methodology) and scope (see section 1.1 of the mechanism methodology) accordingly;
- (b) One comment recommended expanding the eligibility criteria of the mechanism methodology to allow combining secondary and tertiary abatement. The MEP considered the proposal and revised the applicability conditions of the mechanism methodology accordingly (see section 4 of the mechanism methodology);
- (c) One comment recommended that the mechanism methodology differentiate baseline emission factors between existing and greenfield plants. The MEP noted the comment; however, no corresponding changes were implemented since the current version of this proposed mechanism methodology excludes greenfield plants;
- (d) One comment addressed the alignment of the proposed baseline default N₂O emission values with the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004). The MEP noted the comment and decided to select an approach based on BAT for this parameter (see section 7.2.2);
- (e) One comment identified a potential discrepancy between the 2006 IPCC Guidelines and the IPCC 2019 refinement values for N₂O emissions at nitric acid plants. The MEP noted the comment, however, the comment is no longer relevant, as the MEP proposes to set the baseline emission factor based on BAT values rather than IPCC values;
- (f) One comment addressed the equation for calculating the downward adjustment in subsequent years (see section 7.2.3). The MEP noted the comment and revised the corresponding formula as part of a broader overhaul of the proposed mechanism methodology submission;
- (g) One comment suggested that monitored values should be allowed in addition to default values for setting the baseline emission factor. The MEP noted the comment but decided to take an approach similar to the CDM methodology ACM0019, where the baseline emission factor is set based on default values;
- (h) One comment suggested that, in the case of tertiary abatement, N₂O emissions should be measured before and after the implementation of the abatement device to inform the treatment of uncertainty in baseline emissions. The comment further noted that in the case of secondary abatement, such a measurement is not

possible and a correction factor should therefore be applied. The MEP noted the comment. Since the MEP intends to determine the baseline N₂O emission factor based on BAT, it is expected that the stringency of the approach used will make it unnecessary to conduct such measurements and apply respective correction factors;

- (i) One comment suggested that the annual decrease of the baseline emission factor starts with the start of the crediting period, rather than a fixed year. Based on further analysis of data, the MEP will explore in the future whether an annual change in the BAT emission factors is necessary, beyond the applied downward adjustment;
- (j) One comment expressed concerns about potential double counting between Article 6.4 activities under this proposed methodology and the EU Climate Border Adjustment Mechanism (CBAM). The comment was considered but not incorporated. However, the risk of double counting is addressed in the mechanism methodology, consistent with the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004).

4.2. Second call for public input

27. Several comments referred to matters that are beyond the scope of this methodology, as they would require changes to the other standards adopted by the Supervisory Body, in particular the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004) and the “Standard: Addressing leakage in mechanism methodologies” (A6.4-STAN-METH-005). These comments were therefore not addressed under this mechanism methodology but may be reconsidered by the MEP when these standards are revised. These comments include:

- (a) Proposals not to apply downward adjustments;
- (b) A proposal to amend the approach for the demonstration of alignment with the policies, options and implementation plans of the host Party with regard to its NDC and LT-LEDS and the long-term temperature goal of the Paris Agreement;
- (c) A proposal to use higher common practice thresholds than the maximum values provided in the “Methodological tool: Common practice analysis” (A6.4-AMT-001);
- (d) A proposal that any voluntary market-driven N₂O abatement project should be excluded during assessment of common practice under the “Tool: Common practice analysis”; and
- (e) The use of the global warming potential for N₂O from the 6th Assessment Report of the IPCC.

28. Other comments considered to be technical were addressed as follows:

- (a) Some comments raised concerns that the conditions describing what type of Article 6.4 activities are eligible under the methodology were not sufficiently clear, in particular for activities that restart abatement that has previously stopped or activities that enhance N₂O abatement. The MEP revised the applicability conditions to provide further clarity on this matter;
- (b) Some comments proposed allowing activities that do not introduce any new form of N₂O abatement system but enhance the level of abatement achieved with an

existing N₂O abatement system (e.g., by optimizing the operation of the existing system). The MEP notes that the scope of the methodology has been expanded by the MEP compared to the proposed methodology PMM002 by including the restart and enhancement of N₂O abatement. However, the enhancement of existing abatement systems without introduction of a new abatement technology would require a different approach to determine baseline emissions (historical emissions) than used in this methodology (best available technology). Any such type of activity would also need to address further issues, including the risk of baseline measurement campaigns not being representative, which was one of the key reasons for the withdrawal of the CDM methodology AM0034. The MEP indicated in a footnote that activity participants of such activities may submit a proposed revision to this mechanism methodology or propose a new mechanism methodology;

- (c) One comment suggested deleting a paragraph which states that the methodology is only applicable on a stand-alone basis, unless one or more of the other methodologies specify how the interaction with this mechanism methodology is taken into account. The MEP notes that, if mechanism methodologies were used in combination, it would be important to clarify how they should be used together (e.g., which of the provisions on additionality apply and how additionality is demonstrated for a combined activity or how baseline emissions may be impacted). The comment was therefore not incorporated;
- (d) Some comments proposed revising the approach taken by the MEP to cap the amount of nitric acid production to be considered as basis for crediting of emission reductions under this proposed mechanism methodology. The MEP notes that the “Standard: Setting the baseline in mechanism methodologies” explicitly requires in section 6 of its appendix addressing perverse incentives. The current approach in the methodology addresses any such perverse incentives. The comment was therefore not incorporated;
- (e) One comment proposed revising the applicability condition aimed at ensuring that the activity does not result in an increase in emissions of NO_x. The MEP considered it important that the activity does not increase NO_x emissions in order to be environmentally sound and noted that this applicability condition only refers to the plant design. Because it does not require monitoring of NO_x emissions, the MEP retained the applicability condition. While the comment was not incorporated, the MEP revised the wording of this applicability condition to enhance clarity;
- (f) One comment suggested lowering the values for the annual increase in the downward adjustment. The MEP noted the comment and agreed to use a more lenient threshold for the performance above which the downward adjustment of 5 per cent applies but decided not to change the level of the downward adjustment, also noting that an even higher downward adjustment is applied under the “Mechanism Methodology: Flaring or use of landfill gas” (A6.4-AMM-001);
- (g) Some comments suggested providing more leniency with regard to potential data gaps in monitoring. The MEP did not implement the approaches suggested, as these could lead to long period of crediting without monitoring data or the use of values that are not necessarily conservative. However, the MEP increased the time period during which a conservative approach could be used instead of measured data from 10 to 20 days to allow for more time to repair or replace the monitoring

device to operation in case of any malfunction. The MEP further noted that in the light of relatively low cost of measurement equipment, back-up measurement equipment could be an affordable way forward for activity participants;

- (h) Some comments suggested providing more flexibility with regard to the cut-off date for the eligibility of projects which restart abatement. The comment was partly accepted, by providing more flexibility to plants that still had a catalyst installed during the nitric acid production campaign running at the cut-off date. The MEP revised the wording of the corresponding paragraph accordingly;
- (i) One comment suggested allowing all projects which restart a tertiary abatement system before the approval of the methodology be eligible. The MEP noted that this may entail the risk that ongoing abatement that occurs without the incentives from the Article 6.4 mechanism is discontinued and then restarted for the purpose of generating A6.4ERs. Therefore, the MEP did not incorporate the comment;
- (j) One comment suggested using different baseline emission values for projects that introduce and restart N₂O abatement. The MEP noted that the restart of a discontinued abatement system and the installation of a new abatement system result in the same level of mitigation and therefore did not incorporate the comment;
- (k) Some comments suggested broadening the applicability conditions to also enable projects implemented at greenfield plants. The MEP noted that new technologies are emerging that may largely avoid any N₂O formation and that further consideration would be needed whether these technologies are a reasonable baseline scenario (see section 3.1 above). Therefore, the MEP did not incorporate the comment;
- (l) One comment suggested determining the baseline based on measurement campaigns for secondary N₂O abatement systems and based on continuous monitoring for tertiary N₂O abatement system. The MEP noted that such an approach may not be representative of actual emissions (see section 3.3 above) and may also provide for a perverse incentive not to make any changes in the primary catalyst even if the technology improves over time. Therefore, the MEP maintained the approach of using BAT emission factors to determine the baseline which addresses such considerations;
- (m) One comment suggested accounting for emissions only during the operating hours of the abatement system. The MEP maintained the current approach since it provides an incentive to lower any downtime of the equipment;
- (n) One comment noted the need to define the project start date. The MEP noted that the project start date is already defined in the "Glossary: Article 6.4 mechanism terms" (A6.4-GLOS-GOV-001), which is referenced in this mechanism methodology;
- (o) One comment suggested to also cover in the methodology the situation where an existing secondary catalyst is left in the plant but not replaced as well as a possible non-replacement of tertiary catalysts. The MEP acknowledges that secondary N₂O abatement catalysts may have been left installed, but not renewed. However, in this case, the emission factor used for projects that restart abatement (the same as for new projects) is not valid. The MEP noted that projects with such

circumstances can still receive A6.4ERs based on the BAT emission factor for activities that enhance N₂O abatement. Furthermore, the MEP revised the draft methodology to provide more flexibility for when the secondary catalyst would need to be installed in order to qualify for a type 2 activity;

- (p) One comment suggested making use of and citing as source a methodology from another carbon crediting programme. The MEP noted that the referenced methodology determines baseline emission based on a different approach than the approach employed under this mechanism methodology and therefore did not incorporate the comment;
- (q) One comment suggested dropping the requirement that the installed abatement equipment must be newly produced. The MEP noted that requirement is necessary in accordance with the “Standard: Addressing leakage in mechanism methodologies” (A6.4-STAN-METH-005) to avoid leakage emissions from the diversion of equipment (see section 3.9 above) since any the use of any second-hand equipment may result in leakage emissions outside of the project boundary;
- (r) One comment suggested that a performance factor of 90 per cent in secondary abatement was not representative for determining the baseline of type 3 activities. The MEP reviewed further information on the abatement level and agreed to select a value of 85 per cent instead;
- (s) One comment suggested providing in a transparent manner the assumptions used for determining the leakage factor. The comment was incorporated and the corresponding assumptions are now described in the non-monitored parameters section;
- (t) Some comments suggested amending the wording in section 3.2 of the appendix on the common use of primary abatement, since plant operators do not necessarily have an incentive to pursue primary abatement measures. The comment was incorporated by refining the wording.

5. Impacts

- 29. Approval of this mechanism methodology will enable the development of Article 6.4 activities that abate N₂O emissions at existing nitric acid production lines.

6. Subsequent work and timelines

- 30. The MEP notes that the proposed mechanism methodology is only applicable to activities implemented at the project level. The mechanism methodology will be amended in the future, following the revision to the additionality standard, the baseline standard and the leakage standard to include methodological requirements for other scales (e.g., programmes of activities or large-scale crediting programmes).
- 31. The MEP also notes that the proposed mechanism methodology shall be revised once the work on the revision of the CDM TOOL03 “Tool to calculate project or leakage CO₂ emissions from fossil fuel combustion” and the CDM TOOL15 “Upstream leakage

emissions associated with fossil fuel use” is concluded and the respective standard(s) are adopted by the Supervisory Body.^{6,7}

7. Recommendations to the Supervisory Body

32. The MEP agreed to recommend that the Supervisory Body adopt the draft mechanism methodology.

⁶ See <https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-03-v3.pdf>.

⁷ See <https://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-15-v2.0.pdf>.

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1. Introduction

1.1. Scope

1. This mechanism methodology applies to Article 6.4 activities that introduce, restart, or enhance nitrous oxide (N₂O) abatement measures in existing nitric acid production lines.¹
2. A6.4ERs issued based on this mechanism methodology represent emission reductions that are not subject to reversal risks.

1.2. Entry into force

3. This mechanism methodology enters into force on **XX Month 2026**.
4. This mechanism methodology remains valid for five years, until **XX Month 2031**, unless an earlier date applies if the mechanism methodology is revised or withdrawn in accordance with the "Procedure: Development, revision and clarification of methodologies and methodological tools" (A6.4-PROC-METH-001).²

1.3. Applicability of sectoral scopes

5. Designated operational entities (DOEs) validating and verifying Article 6.4 activities that use this mechanism methodology shall apply sectoral scope 5.

2. Definitions

2.1. General terms

6. The following general terms are applied to this mechanism methodology:
 - (a) "Shall" is used to indicate requirements that must be followed;
 - (b) "Should" is used to indicate that, among several options, one course of action is recommended as particularly suitable; and
 - (c) "May" is used to indicate what is permitted.

2.2. Methodological terms and definitions

7. The following methodological terms and definitions are applied to this mechanism methodology:

¹ The Methodological Expert Panel (MEP) notes that the mechanism methodology applies only to Article 6.4 projects and it will be amended in the future to cover activities at other scales (e.g., programmes of activities, policies, sectoral approaches) once the adopted standards for the development of mechanism methodologies (e.g., additionality standard, baseline-setting standard) are revised to incorporate other scales.

² See <https://unfccc.int/sites/default/files/resource/A6.4-PROC-METH-001.pdf>.

- (a) **Existing nitric acid production line:** a nitric acid production line that has started operation not later than 31 December 2025 and for which at least one nitric acid production campaign has been completed prior to the earlier of: (i) the start of operation of the Article 6.4 activity; and (ii) the submission of the project design document (PDD) for validation;
- (b) **Nitric acid production plant:** a plant for producing nitric acid, consisting of one or more nitric acid production lines;
- (c) **Nitric acid production line:** a set of components that can be operated independently to produce nitric acid;
- (d) **Non-selective catalytic reduction (NSCR):** an emission control system which reduces nitrous compounds (NO_x and N₂O) to N₂ and H₂O by passing the exhaust gas and a reducing agent (e.g., natural gas, propane, butane or hydrogen) over a catalyst.³ It requires the oxygen concentration in tail gases to be very low (lower than one per cent);⁴
- (e) **Secondary N₂O abatement:** the installation of a catalyst inside an ammonia reactor with the sole purpose of removing N₂O from the gaseous stream;
- (f) **Selective catalytic reduction (SCR):** an emission control system which reduces a targeted nitrous compound (either NO_x or N₂O) using a catalyst and a reducing agent (usually ammonia or urea);
- (g) **Tertiary N₂O abatement:** the installation of an abatement system in the tail gas downstream of the absorption column of a nitric acid production line to destroy the N₂O generated in an ammonia reactor. This may include, inter alia, selective catalytic reduction (SCR) of N₂O, non-selective catalytic reduction (NSCR), or thermal decomposition of N₂O.
8. Furthermore, the terms in the “Glossary: Article 6.4 mechanism terms” (A6.4-GLOS-GOV-001) and the definitions and terms in the methodological tools referred to in section 3 shall apply.⁵

³ This definition is based on the US EPA definition as quoted by the International Sustainable Chemistry Collaborative Centre. See: <https://www.isc3.org/page/best-practice-detail/nonselective-catalytic-reduction-nscr>.

⁴ This definition is based on the US EPA definition as provided in: U.S. Environmental Protection Agency. (2017). Selective catalytic reduction (SCR) (Chapter 2). In EPA air pollution control cost manual (7th ed., 2016 revisions). https://www.epa.gov/sites/default/files/2017-12/documents/scrcostmanualchapter7thedition_2016revisions2017.pdf.

⁵ See <https://unfccc.int/sites/default/files/resource/A6.4-Glossary.pdf>.

3. Normative references

9. This mechanism methodology is based on elements from version 4.0 of the Clean Development Mechanism (CDM) methodology “ACM0019: N₂O abatement from nitric acid production”.⁶
10. The following documents are indispensable for the application of this mechanism methodology. When applying this mechanism methodology, a valid version of the documents listed below shall be used:
 - (a) “Methodological tool: Common practice analysis” (A6.4-AMT-001);⁷
 - (b) “Methodological tool: Mass flow of a greenhouse gas in a gaseous stream” (A6.4-AMT-005),⁸ and
 - (c) “Methodological tool: Emissions from electricity generation and consumption” (A6.4-AMT-007).⁹
11. The following documents provide supporting information that may assist in the application of this mechanism methodology:
 - (a) Intergovernmental Panel on Climate Change (2006). 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 1: General Guidance and Reporting. IPCC, Geneva, Switzerland;¹⁰
 - (b) Intergovernmental Panel on Climate Change (2019). 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 1: General Guidance and Reporting. IPCC, Geneva, Switzerland;¹¹
 - (c) Intergovernmental Panel on Climate Change (2006). 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 3: Industrial Processes and Product Use. IPCC, Geneva, Switzerland;¹² and

⁶ See <https://cdm.unfccc.int/UserManagement/FileStorage/RDX2Q6IWUVC8Y3H4MFLT7OJ1G05PEA>.

⁷ See <https://unfccc.int/process-and-meetings/the-paris-agreement/article-6/article-64-pacm/mechanism-process/methodologies/a64-amt-001>.

⁸ See <https://unfccc.int/process-and-meetings/the-paris-agreement/article-6/article-64-pacm/mechanism-process/methodologies/a64-amt-005>.

⁹ See <https://unfccc.int/process-and-meetings/the-paris-agreement/article-6/article-64-pacm/mechanism-process/methodologies/a64-amt-007-emissions-from-electricity-generation-and-consumption>.

¹⁰ See <https://www.ipcc-nggip.iges.or.jp/public/2006gl/>.

¹¹ See <https://www.ipcc.ch/report/2019-refinement-to-the-2006-ipcc-guidelines-for-national-greenhouse-gas-inventories/>.

¹² See <https://www.ipcc-nggip.iges.or.jp/public/2006gl/>.

- (d) Intergovernmental Panel on Climate Change (2000). Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories. IPCC, Geneva, Switzerland.¹³

4. Applicability

12. This mechanism methodology is applicable to Article 6.4 activities that involve the introduction, restart, or enhancement of secondary and/or tertiary abatement of N₂O at an existing nitric acid production line.
13. The mechanism methodology is only applicable where the conditions for the applicable type of activity are satisfied (see Table 1 for a summary):
- (a) **Type 1: introduction of N₂O abatement.** For this type of Article 6.4 activity, the following two conditions shall be satisfied:
- (i) Prior to the implementation of the Article 6.4 activity, no secondary or tertiary N₂O abatement has been installed at the nitric acid production line at any point since the start of operation of the nitric acid production line; and
 - (ii) The Article 6.4 activity introduces secondary N₂O abatement and/or any type of tertiary N₂O abatement;
- (b) **Type 2: restart of N₂O abatement.** For this type of Article 6.4 activity, the following two conditions shall be satisfied:
- (i) Prior to the implementation of the Article 6.4 activity, a secondary and/or tertiary N₂O abatement system has been installed at the nitric acid production line, but it can be demonstrated that the operation of these abatement system(s) has been discontinued. The discontinuation of the abatement shall be demonstrated as follows:¹⁴
 - a. In the case of a pre-existing secondary N₂O abatement system: Documented evidence is available that the secondary catalyst has been removed prior to the start of the nitric acid production campaign that began on or after 1 January 2021 or and that no secondary or tertiary N₂O abatement system has been installed since then;¹⁵
 - b. In the case of a pre-existing tertiary N₂O abatement system:
 - i. Documented evidence is available that the tertiary catalyst has been removed prior to the start of the nitric acid production campaign that began on or after 1 January 2021 and that no

¹³ See <https://www.ipcc.ch/publication/good-practice-guidance-and-uncertainty-management-in-national-greenhouse-gas-inventories/>.

¹⁴ For other types of verifiable evidence of discontinuation of abatement, activity participants may propose a revision to this mechanism methodology.

¹⁵ The non-replacement of an existing secondary catalyst is not considered a discontinuation of abatement, since installed catalysts may still abate some N₂O emissions.

- secondary or tertiary N₂O abatement system has been installed since then; or
 - ii. Automatically generated plant recordings are available that demonstrate that the tertiary N₂O abatement system has been bypassed continuously since 1 January 2021;
 - c. Where the provisions in sub-paragraphs 13(b)(i)a. and 13(b)(i)b above. cannot be demonstrated, the Article 6.4 activity may be considered as a Type 3 activity, as long as the conditions for Type 3 activities are satisfied; and
- (ii) The Article 6.4 activity involves the following:
 - a. In the case of a pre-existing secondary N₂O abatement system: The Article 6.4 activity reinstalls a secondary N₂O abatement system and/or installs a new tertiary N₂O abatement system; or
 - b. In the case of a pre-existing tertiary N₂O abatement system: The Article 6.4 activity restarts the operation of the pre-existing tertiary N₂O abatement system or introduces a new secondary and/or tertiary N₂O abatement system; or
- (c) **Type 3: enhancement of N₂O abatement.** For this type of Article 6.4 activity, the following two conditions shall be satisfied:
 - (i) Prior to the implementation of the Article 6.4 activity, one of the following two forms of N₂O abatement (but not a combination thereof) has been in operation at any point since 1 January 2021 at the nitric acid production line:¹⁶
 - a. Secondary N₂O abatement; or
 - b. A NSCR abatement system.
 - (ii) The Article 6.4 activity involves the following:¹⁷

¹⁶ Secondary and NSCR abatement systems commonly have a lower abatement efficiency compared to tertiary N₂O abatement systems other than NSCR, such as thermal decomposition of N₂O. Therefore, for secondary and NSCR abatement systems a conservative BAT emission factor can be estimated (see Appendix), such that any further emission reductions achieved by complementing or replacing these systems can be conservatively estimated. This does not hold for any pre-existing tertiary N₂O abatement systems other than NSCR for which high efficiencies may be achieved. For this reason, the enhancement of N₂O abatement is limited to situations where either secondary or NSCR abatement systems are in place.

¹⁷ The replacement of an existing N₂O abatement system by a new N₂O abatement system of the same form but with higher performance is not eligible under this mechanism methodology. For example, the replacement of an existing secondary N₂O abatement with a new secondary N₂O abatement with higher performance is not eligible. For such activities, activity participants may submit a proposed revision to this mechanism methodology or propose a new mechanism methodology.

- a. In the case of a pre-existing secondary N₂O abatement system:
 - i. The pre-existing secondary N₂O abatement system is complemented by a tertiary N₂O abatement system; or
 - ii. The pre-existing secondary N₂O abatement system is replaced by a tertiary N₂O abatement system;
- b. In the case of a pre-existing NSCR abatement system:
 - i. The pre-existing NSCR abatement system is complemented by a secondary and/or tertiary N₂O abatement system other than an NSCR system; or
 - ii. The pre-existing NSCR abatement system is replaced by a secondary and/or tertiary N₂O abatement system other than an NSCR system.

Table 1. Summary of types of Article 6.4 activities that are eligible under this mechanism methodology

	Historical situation	Project scenario conditions
Type 1: introduction of N₂O abatement	No secondary or tertiary N ₂ O abatement has been installed at any point since the start of operation of the nitric acid production line	Introduction of secondary and/or any type of tertiary N ₂ O abatement
Type 2: restart of N₂O abatement	Secondary and/or tertiary N ₂ O abatement has been installed at the nitric acid production line but has been discontinued	Restart of secondary and/or any type of tertiary N ₂ O abatement
Type 3: enhancement of N₂O abatement	One of the following two forms of N ₂ O abatement (but not a combination thereof) has been in operation at any point since 1 January 2021: secondary N ₂ O abatement or an NSCR abatement system	Complementing or replacing the pre-existing N ₂ O abatement system by a new form of N ₂ O abatement system.

14. Activity participants shall describe in the project design document (PDD) the following elements and provide appropriate evidence:
- (a) The historical conditions at the nitric acid production line prior to the implementation of the Article 6.4 activity, including:
 - (i) Whether any N₂O abatement systems were installed;
 - (ii) Where such systems were in place, what type of system(s) were installed;
 - (iii) Where applicable, when the system(s) were installed, discontinued, or decommissioned; and

- (iv) Where available, what level of N₂O emissions was achieved with the system(s).
 - (b) What type of new N₂O abatement system is installed under the Article 6.4 activity and whether this complements or replaces any existing N₂O abatement system; and
 - (c) To which of the three types above (introduction, restart, or enhancement of N₂O abatement) the Article 6.4 activity belongs, pursuant to paragraph 13.
- 15. Notwithstanding the provisions in paragraphs 13 and 14 above, Clean Development Mechanism (CDM) projects that have transitioned to the Article 6.4 mechanism shall be considered as a type 1 activity (introduction of N₂O abatement), irrespective of whether and when the N₂O abatement system was operating under the CDM.
- 16. This version of the mechanism methodology is applicable to Article 6.4 activities implemented at the project level. The mechanism methodology may be amended in the future to also cover activities implemented at other scales (e.g., programmes of activities, policies, sectoral approaches, etc.).
- 17. Under this mechanism methodology, a PDD and a registered Article 6.4 activity shall only include a single nitric acid production line, except for CDM projects that have transitioned to the Article 6.4 mechanism and that had more than one production line included in the CDM PDD.¹⁸
- 18. This mechanism methodology is only applicable on a standalone basis and shall not be applied in combination with other methodologies, unless one or more of the other methodologies specify how the interaction with this mechanism methodology is taken into account.
- 19. Furthermore, this mechanism methodology is only applicable if the following conditions apply:
 - (a) The N₂O abatement equipment installed under the Article 6.4 activity has not previously been used in any other plant and is newly produced;¹⁹
 - (b) No policies that may affect N₂O emissions from nitric acid production²⁰ (other than legal requirements as addressed in section 6.1) are active or scheduled to take

¹⁸ Once this mechanism methodology becomes applicable to programmes of activities (PoAs), a PoA may include several nitric acid production lines as separate component projects (CPs).

¹⁹ This condition is introduced to avoid leakage from baseline equipment transfer, consistent with section 5.2 Avoidance or minimisation of leakage of the “Standard: Addressing leakage in mechanism methodologies” (version 01.0) (A6.4-STAN-METH-005).

²⁰ Such policies may, for example, include taxes or fees on N₂O emissions, or the inclusion of N₂O emissions in an emissions trading system.

effect within the crediting period, unless they refer to or formally integrate the mechanism as an instrument for implementation;²¹

- (c) There are no specific national or sub-national targets for the sector or the type of activity or, if any such targets exist, they are not supported by policy frameworks for implementation;²²
- (d) Activity participants do not receive any subsidies or funding other than revenues from A6.4ERs for abating N₂O emissions;²³ and
- (e) To ensure that the N₂O abatement system installed under the Article 6.4 activity is environmentally sound, the Article 6.4 activity shall have been designed in a manner that ensures that:
 - (i) The implementation of the Article 6.4 activity does not lead to an increase in emissions of nitrogen oxides (NO_x); and

²¹ This condition is introduced for two reasons: First, the mechanism methodology demonstrates the investment analysis at the level of the mechanism methodology (see the Appendix). In this demonstration, it is assumed that Article 6.4 activities do not generate revenues or cost savings from the installation of secondary or tertiary N₂O abatement. However, policies could potentially generate such revenues or cost savings (see footnote 20). Second, the mechanism methodology determines the business-as-usual (BAU) scenario and quantifies the BAU emission factor at the level of the mechanism methodology (see the Appendix). According to section 8 Determination of a conservative business-as-usual baseline of the “Standard: Setting the baseline in mechanism methodologies” (version 01.0) (A6.4-STAN-METH-004), policies shall be incorporated in the BAU scenario and in quantifying BAU emissions. In determining the BAU scenario and quantifying the BAU emission factor at the mechanism methodology level in the Appendix, this mechanism methodology does not incorporate any such policies. Note that the establishment of a baseline emission factor by the host Party in accordance with paragraph 38 below is not considered to be a policy that affects N₂O emissions.

²² This condition is introduced because the mechanism methodology determines the business-as-usual (BAU) scenario and quantifies the BAU emission factor at the level of the methodology (see the Appendix). According to section 8 Determination of a conservative business-as-usual baseline of the “Standard: Setting the baseline in mechanism methodologies” (version 01.0) (A6.4-STAN-METH-004), any specific national or sub-national targets for the sector or the type of activity, where these are supported by policy frameworks for implementation (but excluding general goals that are not specific to the sector or type of activity, such as national emission targets), shall be incorporated in the BAU scenario and in quantifying BAU emissions. In determining the BAU scenario and quantifying the BAU emission factor at the mechanism methodology level in the Appendix, this mechanism methodology does not consider specific national or sub-national targets. Note that specific national or sub-national targets are (i) only relevant if the policy frameworks in place are sufficient to enable the achievement of the targets; and (ii) not relevant if they refer to or formally integrate the mechanism as an instrument for implementation. Note that the establishment of a baseline emission factor by the host Party in accordance with paragraph 38 below is not considered to be a target in the context of this applicability condition.

²³ This condition is introduced because the mechanism methodology demonstrates the investment analysis at the level of methodology (see the appendix). In this demonstration, it is assumed that Article 6.4 activities do not generate revenues or cost savings from the installation of secondary or tertiary N₂O abatement. However, subsidies or funding other than revenues from A6.4ERs for abating N₂O emissions could make the installation of secondary or tertiary N₂O abatement economically viable.

- (ii) Levels of emissions of NO_x, ammonia, carbon monoxide, and hydrocarbons comply with any legal requirements.

20. The above provisions shall be demonstrated as follows:

- (a) The provisions in paragraphs 12, 13, 14, 15, 17, 18 and 19(e) shall be demonstrated in the PDD and be assessed at the initial validation, as well as in the case of a change in abatement design over the activity lifetime (e.g., addition of tertiary N₂O abatement to a secondary N₂O abatement); and
- (b) The provisions in paragraphs 19(a) to 19(d) above shall be demonstrated in each monitoring report and be assessed at each verification.

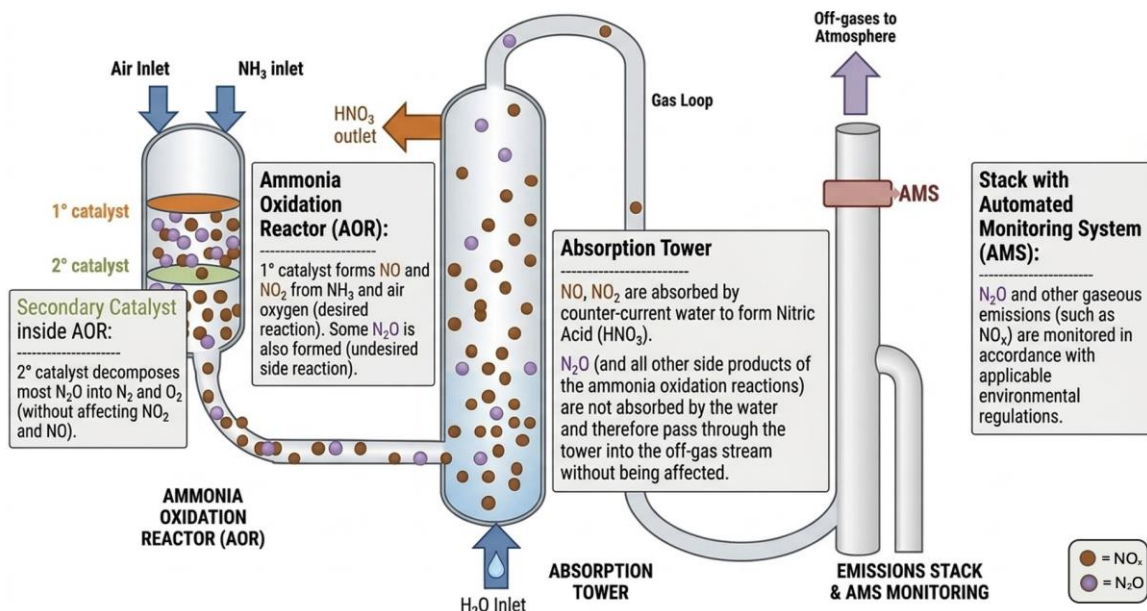
21. The applicability conditions included in the methodological tools referred to in paragraph 10 also apply.

5. Project boundary

22. The spatial extent of the project boundary shall encompass the facility and equipment for the nitric acid production process, from the inlet of the ammonia reactor to the outlet of the tail gas section.

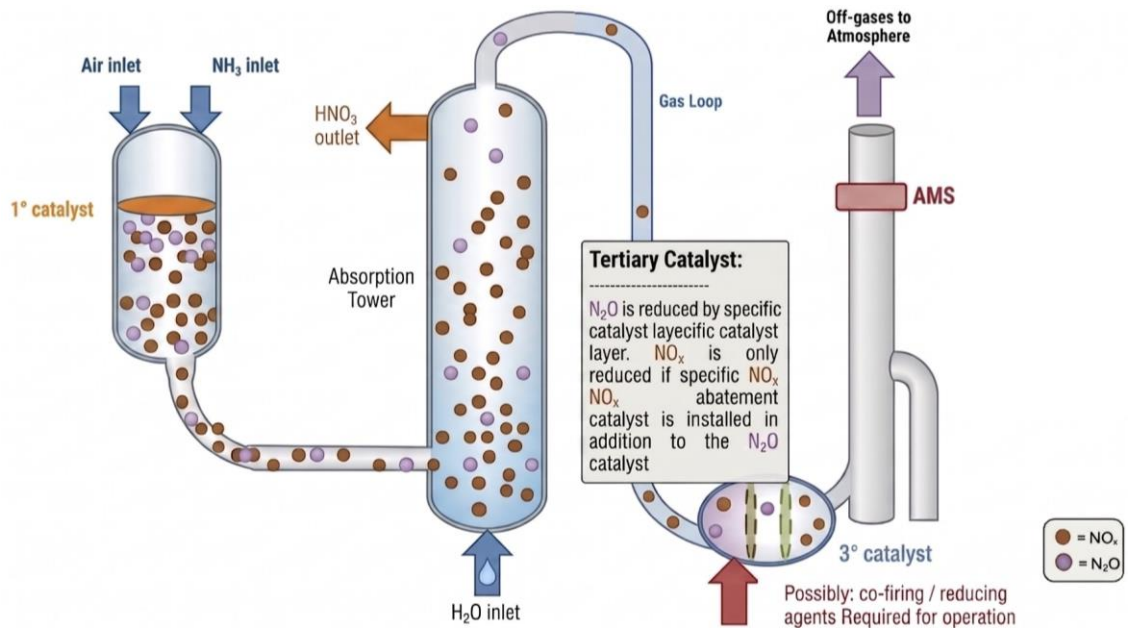
23. If the A6.4 activity operates only secondary and no tertiary N₂O abatement, then the only gas that shall be included as project emissions is the N₂O that is not destroyed and is still present in the tail gas stream of the plant. The situation using a secondary N₂O abatement system is illustrated in Figure 1 below.

Figure 1. Project boundary for an Article 6.4 activity with secondary N₂O abatement only



24. If the Article 6.4 activity operates only tertiary and no secondary N₂O abatement, then any remaining N₂O emissions from the plant and the greenhouse gas (GHG) emissions arising from the operation of the tertiary N₂O abatement system shall be included as project emissions in the project boundary. The situation using a tertiary N₂O abatement system is illustrated in Figure 2 below.

Figure 2. Project boundary for an Article 6.4 activity with tertiary N₂O abatement only



25. If the Article 6.4 activity operates a combination of secondary and tertiary N₂O abatement, the gases to be included as project emissions in the project boundary shall be the N₂O that is not destroyed and is still present in the tail gas stream of the plant and the GHG emissions arising from the operation of the tertiary N₂O abatement system. The situation using a combined operation of secondary and tertiary N₂O abatement systems is illustrated in Figure 3 below.

Figure 3. Project boundary for an Article 6.4 activity with a combination of secondary and tertiary N₂O abatement

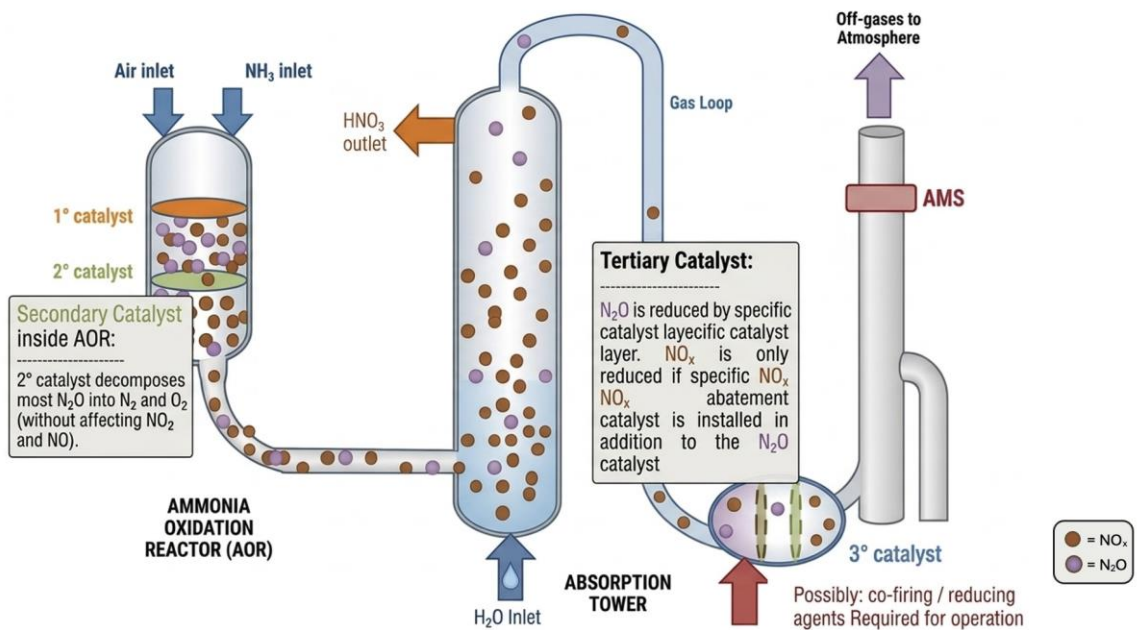


Table 2. Emission sources and sinks included in or excluded from the project boundary

Source		Greenhouse gases	Included?	Controlled / Related to / Affected by?	Justification / Explanation
BASELINE	NH ₃ oxidation at the primary catalyst gauze	CO ₂	Not occurring		
		CH ₄			
		N ₂ O	Included	Controlled	Included, main emission source
PROJECT	NH ₃ oxidation at the primary catalyst gauze	CO ₂	Not occurring		
		CH ₄			
		N ₂ O	Included	Controlled	Included; main emission source.
	Operation of a tertiary N ₂ O abatement system	CO ₂	Included	Controlled or related to	Included. The operation of a tertiary N ₂ O abatement may entail emissions from consumption of electricity, fossil fuels, steam (e.g., for reheating the tail gas), and input materials (e.g., urea or ammonia as reducing agents).
		CH ₄			
		N ₂ O			
LEAKAGE	Production and transport of equipment and catalysts	CO ₂	Included	Related to	Included; minor emission source.
		CH ₄			
		N ₂ O			

26. Activity participants shall include in the PDD the location of the Article 6.4 activity in the form of Keyhole Markup Language (KML) files or similar formats, represented as one or more polygon(s), by specifying the coordinates of the geographic boundary using a known coordinate system or any other established method.

6. Demonstration of additionality

27. To demonstrate additionality, activity participants shall apply:
- (a) A regulatory analysis (section 6.1); and
 - (b) A common practice analysis (section 6.2).
28. The proposed Article 6.4 activity shall only be considered additional if the two analyses are concluded positively. The investment analysis and the analysis of lock-in risk are conducted at the level of the methodology and are concluded positively for all applicable Article 6.4 activities under this methodology (see appendix).

6.1. Regulatory analysis

29. Activity participants shall review relevant legal requirements applicable to the host Party and to the nitric acid plant and demonstrate and justify, for each relevant legal requirement, that either:
- (a) The law or regulation refers to or formally integrates the mechanism as an instrument for implementation;²⁴ or
 - (b) The emission reductions resulting from the Article 6.4 activity would not occur as a result of the legal requirement, by confirming that all of the following conditions are true:
 - (i) The legal requirement does not explicitly require nitric acid production lines or plants to install a secondary and/or tertiary N₂O abatement system;
 - (ii) The legal requirement does not include direct or indirect requirements regarding any flue gases from nitric acid production lines or plants, which can only be achieved by installing secondary and/or tertiary N₂O abatement systems, such as:
 - a. Absolute or relative GHG or N₂O emission performance standards for nitric acid plants;
 - b. Legal requirements for the N₂O concentration in the flue gases;
 - c. Absolute or relative N₂O or GHG performance standards to produce nitric acid or downstream products obtained from nitric acid (e.g., fertilizers); or
 - d. Legal requirements concerning gases other than N₂O, such as requirements for NO_x emissions, which would result in the installation of a non-selective catalytic reduction (NSCR) system; and
 - (iii) The Article 6.4 activity does neither participate in any support scheme, nor is subject to any penalty scheme, that:
 - a. Is applicable to N₂O emissions from nitric acid production and their abatement;
 - b. Is designed to achieve a quantitative target or outcome; and
 - c. Would likely result in the same amount of emission reductions if the activity were not implemented as an Article 6.4 activity.
30. If one or more of the legal requirements identified in paragraph 29 above do not meet the requirements of that paragraph, then A6.4ERs cannot be claimed, except for any emission reductions in excess of those that would be achieved to comply with relevant regulations (e.g., regarding the abatement of NO_x emissions).

²⁴ For example, where the regulations explicitly state that Article 6.4ERs and their generated revenues are to be used as incentives to achieve the emission reductions in a specific sector.

31. Activity participants shall assess the requirements of paragraphs 29 and 30 for each monitoring period. Crediting shall cease on the date on which a new relevant legal requirement enters into force.

6.2. Common practice analysis

32. Activity participants shall use a valid version of the “Methodological tool: Common practice analysis” (A6.4-AMT-001) to conduct the common practice analysis. The methodological tool shall be applied as follows:
- (a) **Approach for common practice analysis:** approach A (which is based on the identification of existing “comparable activities” and differentiation between “similar” and “different” activities) shall be applied;
 - (b) **Indicator of common practice:** the nameplate capacity of nitric acid production lines, expressed in metric tonnes of nitric acid per year, shall be used;
 - (c) **Stock-based or time-bound approach:** a stock-based approach shall be used (i.e., considering all nitric acid production lines that are in operation at the earlier of: (i) the start of operation of the Article 6.4 activity; or (ii) the submission of the PDD for validation);
 - (d) **Applicable geographical area:** the host Party shall be used.²⁵ Where the applicable geographical area must be widened in accordance with step 4 of the “Methodological tool: Common practice analysis” (A6.4-AMT-001), the widening shall be conducted as follows:
 - (i) For Article 6.4 activities implemented in a least developed country (LDC) or small island developing state (SIDS), the applicable geographical area shall consist of all LDCs and SIDS;
 - (ii) For Article 6.4 activities implemented in countries other than LDCs or SIDS, the applicable geographical area shall correspond to the relevant continent; and
 - (iii) Where the widening based on sub-paragraphs 32(d)(i) and 32(d)(ii) above is not sufficient in accordance with step 4 of the methodological tool, the applicable geographical area shall be global (i.e., including all countries);
 - (e) **Consideration of scale of output or capacity of the technology, measure, or practice:** all scales of nitric acid plants shall be considered;
 - (f) **Common practice threshold:** the common practice factor thresholds to be applied under this mechanism methodology shall be:
 - (i) 16 per cent of nitric acid production capacity for Article 6.4 activities located in countries other than LDCs or SIDS; and

²⁵ While the baseline scenario, the BAU scenario, and the analysis of lock-in risk are conducted at the global level, the common practice analysis is conducted at the level of the host Party, as the actual deployment of secondary or tertiary N₂O abatement could be influenced by country-specific factors.

- (ii) 20 per cent of nitric acid production capacity for Article 6.4 activities located in LDCs or SIDS.
- (g) **Comparable, similar, and different activities:**
 - (i) Comparable activities shall be all nitric acid production lines;
 - (ii) Similar activities shall be nitric acid production lines where secondary and/or tertiary N₂O abatement other than NSCR is in operation; and
 - (iii) Different activities shall be nitric acid production lines where neither secondary nor tertiary N₂O abatement other than NSCR is in operation.

7. Baseline emissions

33. This mechanism methodology applies the following provisions in the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004) at the level of the mechanism methodology, as specified in the appendix:²⁶
- (a) The application of the best available technology (BAT) approach to derive a BAT emission factor;
 - (b) The determination of a conservative business-as-usual (BAU) baseline; and
 - (c) The comparison of the downward-adjusted baseline and the conservative BAU baseline.

7.1. Selection of the baseline approaches from paragraph 36 of the rules, modalities and procedures

34. The following approach from the Rules, Modalities and Procedures (RMPs), as per decision 3/CMA.3, is used to determine the baseline in this mechanism methodology:²⁷
- Best available technologies that represent an economically feasible and environmentally sound course of action, where appropriate.
 - An ambitious benchmark approach where the baseline is set at least at the average emission level of the best performing comparable activities providing similar outputs and services in a defined scope in similar social, economic, environmental and technological circumstances.
 - An approach based on existing actual or historical emissions, adjusted downwards to ensure alignment with paragraph 33 above of the RMP.

²⁶ See <https://unfccc.int/sites/default/files/resource/A6.4-STAN-METH-004.pdf>.

²⁷ The approach is selected on the basis that nitric acid production and alternative technologies for N₂O abatement provide a homogeneous output.

7.2. Calculation of the downward-adjusted baseline emissions

35. The downward-adjusted baseline emissions shall be calculated as follows:

$$BE_{adj,y} = MIN[BE_{adj,BAT,y}; BE_{legal,y}] \quad \text{Equation (1)}$$

and

$$BE_{adj,BAT,y} = MIN[P_{NA,y}; P_{NA,cap}] \times EF_{BL,y} \times GWP_{N2O} \times 10^{-3} \times [1 - INDA \times (y - y1)] \quad \text{Equation (2)}$$

Where:

$BE_{adj,y}$	=	Downward-adjusted baseline emissions in year y (t CO ₂ eq)
$BE_{adj,BAT,y}$	=	Downward-adjusted baseline emissions determined based on best available technology in year y (t CO ₂ eq)
$BE_{legal,y}$	=	Baseline emissions that occur due to any legal requirements in year y (t CO ₂ eq), where applicable
$P_{NA,y}$	=	Amount of nitric acid produced in the Article 6.4 nitric acid production line in year y (t HNO ₃)
$P_{NA,cap}$	=	Cap on the nitric acid production level used for determining baseline emissions (t HNO ₃)
$EF_{BL,y}$	=	BAT baseline N ₂ O emission factor in year y (kg N ₂ O / t HNO ₃)
GWP_{N2O}	=	Global warming potential of N ₂ O (t CO ₂ eq / t N ₂ O)
10^{-3}	=	A unit conversion factor (10 ⁻³ t CO ₂ eq / kg CO ₂ eq)
$INDA$	=	Annual increase in the downward adjustment for calendar years following the calendar year of the start date of the first crediting period (dimensionless)
y	=	Calendar year of the crediting period
$y1$	=	Calendar year of the start date of the first crediting period

36. The following sections describe how the relevant parameters shall be determined.

7.2.1. Determination of the cap on the nitric acid production level used for determining baseline emissions ($P_{NA,cap}$)

37. The cap on the nitric acid production level used for determining baseline emissions ($P_{NA,cap}$) is introduced to avoid the possibility that A6.4ERs are claimed from any increases in nitric acid production levels as a result of incentives associated with A6.4ERs. $P_{NA,cap}$ shall be determined as follows:

- (a) Where the nitric acid production line has been in operation for at least five years prior to the start date of the Article 6.4 activity, the maximum annual production across these five years shall be used; or
- (b) Where the nitric acid production line has not been in operation for at least five years prior to the start date of the Article 6.4 activity, $P_{NA,cap}$ shall be determined as follows:

$$P_{NA,cap} = P_{NA,NPC} \times CF_{default} \quad \text{Equation (3)}$$

Where:

- $P_{NA,cap}$ = Cap on the nitric acid production level used for determining baseline emissions (t HNO₃)
- $P_{NA,NPC}$ = Nameplate capacity of the nitric acid production line at the time of the start date of the Article 6.4 activity (t HNO₃/year)
- $CF_{default}$ = Default value for the capacity utilization factor (dimensionless)

7.2.2. Determination of the BAT baseline N₂O emission factor ($EF_{BL,y}$)

38. To determine the baseline N₂O emission factor ($EF_{BL,y}$), activity participants shall apply the lowest of the following values:
- (a) A value of **3.74 kg N₂O / t HNO₃** for type 1 and type 2 activities (i.e., Article 6.4 activities that involve the introduction or restart of N₂O abatement) and a value of **0.56 kg N₂O / t HNO₃** for type 3 activities (i.e., Article 6.4 activities that involve the enhancement of N₂O abatement),²⁸ and
 - (b) Where applicable, any value for the baseline emission factor specified by the host Party.

7.2.3. Determination of the annual increase in the downward adjustment ($INDA$)

39. An initial downward adjustment is not applicable under this mechanism methodology because it uses the BAT approach to determine baseline emissions.
40. The choice of the annual increase in downward adjustment in subsequent years ($INDA$) is informed by the principles and considerations referred to in section 7.2. Downward adjustment in subsequent years of the “Standard: Setting the baseline in mechanism methodologies” (version 01.0) (A6.4-STAN-METH-004). The chosen approach aims to set incentives for activity participants to adopt N₂O abatement practices that lead to lower remaining emissions. Accordingly, a relatively higher downward adjustment is applied where the remaining N₂O emissions are higher. It is also noted that achieving a high N₂O abatement level is generally economically viable with the support of A6.4ERs. Based on these considerations, the parameter $INDA$ shall be determined as follows:
- (a) Where the project emissions of N₂O in the period covered by a monitoring report, divided by the amount of nitric acid produced in that period, are lower than 0.20 kg N₂O / t HNO₃, then $INDA = 0.01$ shall apply;²⁹

²⁸ The appendix describes how these values have been derived.

²⁹ The value of 0.2 kg N₂O / t HNO₃ was derived based on the performance of best-performing plants that abate N₂O emissions through secondary and/or tertiary N₂O abatement. These data were derived from information on CDM and JI plants.

- (b) Where the project emissions of N₂O in the period covered by a monitoring report, divided by the amount of nitric acid produced in that period, are higher than 1.00 kg N₂O / t HNO₃, then INDA = 0.05 shall apply;³⁰ and
- (c) Otherwise, INDA = 0.03 shall apply.
41. Notwithstanding the provisions in paragraph 40 above, where the DNA of the host Party has specified a more ambitious value for INDA to be used under this mechanism methodology, this value shall be used.
42. The annual increase in the downward adjustment shall be applied starting on 1 January of a calendar year. The first increase shall be applied in the calendar year following the calendar year of the start date of the first crediting period. A pro-rata approach may be used to apply this value to periods other than a full calendar year.³¹ The value for INDA shall be determined for each monitoring period and may thus differ between monitoring periods.³²

8. Project emissions

43. Project emissions include emissions of N₂O in the tail gas of the nitric acid production line ($PE_{N_2O,y}$) and, where applicable, emissions from the operation of a tertiary N₂O abatement system. They shall be calculated as follows:

$$PE_y = PE_{N_2O,y} + PE_{tertiary,y} \quad \text{Equation (4)}$$

Where:

-
- ³⁰ The value of 0.6 kg N₂O / t HNO₃ was derived based on approximately the median performance of plants that abate N₂O emissions through tertiary N₂O abatement. The value of 1.0 kg N₂O / t HNO₃ was derived based on approximately the median performance of plants that abate N₂O emissions through secondary or tertiary N₂O abatement. These data were derived from information on CDM and JI plants.
- ³¹ The pro-rata approach is illustrated through the following numerical example: The first crediting period of an Article 6.4 activity starts on 1 October 2025. The unadjusted baseline emissions correspond to 500 t CO₂eq in all years of the crediting period. Consistent with this methodology, no initial downward adjustment is applied. The downward adjustment for subsequent calendar years is calculated based on an increase of 1 percent per year (i.e., the parameter INDA in equation 2 equals 0.01). In this example, no downward adjustment is applied for the period from 1 October 2025 to 31 December 2025 (i.e., in equation 2 the parameter y is equal to y_1 and the term $[1 - INDA \times (y - y_1)]$ is equal to 1). For the calendar year 2026 (i.e., the period from 1 January 2026 to 31 December 2026), a downward adjustment of 1.26 t CO₂eq shall be applied, calculated as the sum of (i) 273 days divided by 365 days multiplied by 0 t CO₂eq and (ii) 92 days divided by 365 days multiplied by 5 t CO₂eq. Starting in 2027, the annual downward adjustment is increased by 5 t CO₂eq on 1 January of each year, resulting in a value of 6.26 t CO₂eq for 2027, 11.26 t CO₂eq for 2028, and so forth.
- ³² This is illustrated through the following example. An Article 6.4 activity starts operation on 1 January 2027. In a monitoring report covering the period from 1 July 2030 to 31 December 2030 (i.e., in the fourth calendar year of the crediting period), the nitric acid plant has an average performance of 0.4 kg N₂O / t HNO₃. Therefore, INDA corresponds to 0.03. The total downward adjustment (i.e., the term $INDA \times (y - y_1)$) corresponds to 0.12 for that monitoring period (0.03×4). In the subsequent monitoring period from 1 January 2031 to 30 June 2031, the nitric acid plant has an average performance of 0.1 kg N₂O / t HNO₃. Therefore, INDA corresponds to 0.01. The total downward adjustment (i.e., the term $INDA \times (y - y_1)$) corresponds to 0.05 for that monitoring period (0.01×5).

PE_y	=	Project emissions in year y (t CO ₂ eq)
$PE_{N_2O,y}$	=	Project emissions of N ₂ O from the tail gas of the nitric acid production line in year y (t CO ₂ eq)
$PE_{tertiary,y}$	=	Project emissions from the operation of the tertiary N ₂ O abatement system in year y (t CO ₂ eq)
y	=	Calendar year of the crediting period

8.1. Project emissions of N₂O from the tail gas of the nitric acid production line

44. The project emissions of N₂O from the tail gas of the nitric acid production line ($PE_{N_2O,y}$) shall be calculated based on the mass flow of N₂O in the gaseous stream of the tail gas in each hour h that the nitric acid production line was in operation ($F_{N_2O,tailgas,h}$) and the global warming potential of N₂O (GWP_{N_2O}), as follows:

$$PE_{N_2O,y} = \sum_h F_{N_2O,tailgas,h} \times GWP_{N_2O} \times 10^{-3} \quad \text{Equation (5)}$$

Where:

$PE_{N_2O,y}$	=	Project emissions of N ₂ O from the tail gas of the nitric acid production line in year y (t CO ₂ eq)
$F_{N_2O,tailgas,h}$	=	Mass flow of N ₂ O in the gaseous stream of the tail gas in hour h (kg N ₂ O)
GWP_{N_2O}	=	Global warming potential of N ₂ O (t CO ₂ eq / t N ₂ O)
10^{-3}	=	A unit conversion factor (10 ⁻³ t CO ₂ eq / kg CO ₂ eq)
h	=	Hours in calendar year y during which the nitric acid production line was in operation
y	=	Calendar year of the crediting period

45. The mass flow of N₂O in the gaseous stream of the tail gas for each hour h during which the nitric acid production line was in operation ($F_{N_2O,tailgas,h}$) shall be determined using a valid version of the “Methodological tool: Mass flow of a greenhouse gas in a gaseous stream” (A6.4-AMT-005). In applying the tool, the following provisions apply:
- Throughout the crediting periods of the Article 6.4 activity, the N₂O concentration and volume or mass flow of the tail gas shall be monitored continuously. The monitoring system shall be installed and maintained throughout the crediting periods based on the European Norm 14181 “Stationary source emissions – Quality assurance of automated measuring systems” (2015) or any update of that standard, or any equivalent national or international standard;
 - An automatic monitoring system (AMS) shall be used for the measurements. The AMS shall provide hourly average values for the N₂O concentration and the volume or mass flow of the tail gas, based on intervals readings that occur no less frequently than every two seconds and that are recorded and stored electronically. These measurement record sets shall be identified by means of a unique time/date key indicating when exactly the values were measured;

- (c) The simplification offered for calculating the molecular mass of the gaseous stream in equations (3) or (17) in version 01.0 of the methodological tool (A6.4-AMT-005) may be applied;
- (d) The correction factors derived from the calibration curve of the QAL2 audit for the monitoring components as determined during the QAL2 test in accordance with chapter 6 of European Norm 14181 shall be applied to both the N₂O concentration and the volume or mass flow of the tail gas. This may either be applied automatically to the raw data recorded by the AMS at the plant or to the calculated hourly averages as part of the calculation of project emissions;
- (e) If data for the N₂O concentration and/or the volume or mass flow of the tail gas are not available for more than one third of any hour while the nitric acid production line was in operation, the value for that hour shall be replaced with the maximum hourly value of the N₂O concentration and/or volume or mass flow of the tail gas observed since the start of operation of the Article 6.4 activity. Values observed during the five operating hours following the start-up of the nitric acid production line and during the five operating hours before a shutdown of the nitric acid production line shall not be used for the determination of the maximum values;
- (f) If data for the N₂O concentration and/or the volume or mass flow of the tail gas are not available for more than 20 days, then no emission reductions shall be claimed for the period thereafter until the measurements have been resumed;
- (g) In the case that the N₂O concentration and the volume or mass flow of the tail gas and by-pass are automatically converted to normal conditions by the AMS during the monitoring process, the parameters P_t and T_t in the methodological tool do not need to be monitored, except if applicable, for the purpose of determining the moisture content in the gaseous stream; and
- (h) In determining the mass flow of N₂O in the gaseous stream of the tail gas in each hour h that the nitric acid production line was in operation ($F_{N_2O,tailgas,h}$), activity participants shall use the average value for each hour, adjusted upwards based on the upper bound of the uncertainty interval at a 95 per cent confidence. The uncertainty shall be determined using error propagation in accordance with the provisions in the methodological tool.

8.2. Project emissions from the operation of the tertiary N₂O abatement system

46. Project emissions from the operation of the tertiary N₂O abatement system ($PE_{tertiary,y}$) shall be estimated if:
- (a) A tertiary N₂O abatement system is installed or restarted under the Article 6.4 activity; and
 - (b) Fossil fuels, steam, electricity, or other inputs (e.g., ammonia or urea) are used to operate the tertiary N₂O abatement system or reheat the tail gas.

47. Project emissions from the operation of the tertiary N₂O abatement system ($PE_{tertiary,y}$) shall include, where applicable:
- (a) Project emissions from fossil fuel use for the operation of the tertiary N₂O abatement system in year y ($PE_{FF,y}$);
 - (b) Project emissions from electricity consumption for the operation of the tertiary N₂O abatement system in year y ($PE_{EC,y}$);
 - (c) Project emissions from steam consumption for the operation of the tertiary N₂O abatement system in year y ($PE_{steam,y}$); and
 - (d) Project emissions from the use of inputs i for the for the operation of the tertiary N₂O abatement system in year y ($PE_{input,i,y}$).
48. Activity participants shall document and justify in the PDD which of the project emission sources listed in paragraph 47 above are applicable to the tertiary N₂O abatement system used under the Article 6.4 activity, including which inputs i are used (e.g., ammonia, urea, etc.) and how the quantities of fossil fuels, electricity consumption, steam, and any other inputs is monitored and quantified in accordance with the monitoring tables in section 014.
49. Project emissions from the operation of the tertiary N₂O abatement system ($PE_{tertiary,y}$) shall be calculated as follows:

$$PE_{tertiary,y} = PE_{FF,y} + PE_{EC,y} + PE_{steam,y} + \sum_i PE_{input,i,y} \quad \text{Equation (6)}$$

Where:

- $PE_{tertiary,y}$ = Project emissions of CO₂ from the operation of the tertiary N₂O abatement system in year y (t CO₂eq)
- $PE_{FF,y}$ = Project emissions from fossil fuel use for the operation of the tertiary N₂O abatement system in year y (t CO₂), where applicable
- $PE_{EC,y}$ = Project emissions from electricity consumption for the operation of the tertiary N₂O abatement system in year y (t CO₂), where applicable
- $PE_{steam,y}$ = Project emissions from steam consumption for the operation of the tertiary N₂O abatement system in year y (t CO₂), where applicable
- $PE_{input,i,y}$ = Project emissions from the use of input i for the operation of the tertiary N₂O abatement system in year y (t CO₂), where applicable
- i = Inputs used for the operation of the tertiary N₂O abatement system in year y

50. Where steam is produced in a boiler and based on fossil fuels only, activity participants shall account for these emissions either as project emissions from fossil fuel use ($PE_{FF,y}$) or as project emissions from steam consumption ($PE_{steam,y}$), and not include them in both terms.

8.2.1. Project emissions from fossil fuel use for the operation of the tertiary N₂O abatement system ($PE_{FF,y}$)

51. This source of project emissions shall be calculated as follows:

$$PE_{FF,y} = \sum_i (FC_{i,y} \times EF_{FC,CO_2,i,y}) \times (1 + F_{CH_4/N_2O,i} + F_{upstream,i,y}) \quad \text{Equation (7)}$$

Where:

- $PE_{FF,y}$ = Project emissions from fossil fuel use for the operation of the tertiary N₂O abatement system in year y (t CO₂eq)
- $FC_{i,y}$ = Quantity of fuel type i combusted during the year y (mass or volume unit / year)
- $EF_{FC,CO_2,i,y}$ = CO₂ emission factor of fuel type i in year y (t CO₂ / mass or volume unit)
- $F_{CH_4/N_2O,i}$ = Factor to account for CH₄ and N₂O emissions in relation to CO₂ emissions for fuel type i (dimensionless)
- $F_{upstream,i,y}$ = Factor to account for upstream emissions in relation to CO₂ emissions for fuel type i (dimensionless)
- i = Fuel types combusted

52. The emission factor may be calculated using one of the following three options, depending on the availability of data on fossil fuel type i , as follows:

- (a) Option A.1: calculated based on the chemical composition of fossil fuel type i , if $FC_{i,y}$ is measured in a mass unit:

$$EF_{FC,CO_2,i,y} = w_{c,i,y} \times 44/12 \quad \text{Equation (8)}$$

Where:

- $EF_{FC,CO_2,i,y}$ = CO₂ emission factor of fuel type i in year y (t CO₂ / mass or volume unit)
- $w_{c,i,y}$ = Mass fraction of carbon in fuel type i in year y (t C / mass unit of the fuel)

- (b) Option A.2: calculated based on the chemical composition of the fossil fuel type i , if $FC_{i,y}$ is measured in a volume unit:

$$EF_{FC,CO_2,i,y} = w_{c,i,y} \times \rho_{i,y} \times 44/12 \quad \text{Equation (9)}$$

Where:

- $EF_{FC,CO_2,i,y}$ = CO₂ emission factor of fuel type i in year y (t CO₂ / mass or volume unit)
- $w_{c,i,y}$ = Mass fraction of carbon in fuel type i in year y (t C / mass unit of the fuel)

$\rho_{i,y}$ = Density of fuel type i in year y (mass unit / volume unit of the fuel)

- (c) **Option B:** calculated based on the net calorific value and CO₂ emission factor of fuel type i , as follows:

$$EF_{FC,CO_2,i,y} = NCV_{i,y} \times EF_{CO_2,i,y} \quad \text{Equation (10)}$$

Where:

$EF_{FC,CO_2,i,y}$ = CO₂ emission factor of fuel type i in year y (t CO₂ / mass or volume unit)

$NCV_{i,y}$ = Net calorific value of the fuel type i in year y (GJ / mass or volume unit)

$EF_{CO_2,i,y}$ = CO₂ emission factor of fuel type i in year y (t CO₂ / GJ)

53. Activity participants shall use **options A.1 or A.2** unless they can demonstrate that the necessary data are unavailable. If the necessary data are unavailable, activity participants may use **option B**.
54. Given the small size of this emission source and that a conservative BAT baseline emission factor is used, activity participants do not need to quantify and account for the uncertainty from this emission source.

8.2.2. Project emissions from electricity consumption for the operation of the tertiary N₂O abatement system in year y ($PE_{EC,y}$)

55. Activity participants shall use a valid version of the “Methodological tool: Emissions from electricity generation and/or consumption” (A6.4-AMT-007) to calculate the project emissions from electricity consumption for the operation of the tertiary N₂O abatement system in year y ($PE_{EC,y}$). The methodological tool shall be applied as follows:
- (a) **Electricity generation or consumption sources s :** the electricity consumption sources s shall include any electricity consumption from the operation of the N₂O destruction system and from reheating the flue gas;
 - (b) **Determination of the amount of electricity generated or consumed:** the amount of electricity consumption for each consumption source s shall be directly metered, consistent with the provisions of the methodological tool;
 - (c) **Type of electricity generation or consumption source s :** the electricity consumption sources s shall be deemed to be non-intermittent;
 - (d) **Applicable scenarios:** where a captive power plant at the site of the industrial facility uses fossil fuels, scenario B shall apply. Otherwise, scenario A shall apply; and
 - (e) **Whether Case 1 or Case 2 applies:** case 1, as defined in step 4 of the methodological tool shall apply.
56. Given the small size of this emission source and a conservative baseline emission factor is used, activity participants do not need to quantify and account for the uncertainty of (i) the

emission factor, (ii) the transmission and distribution losses, and (iii) the electricity consumption.

8.2.3. Project emissions from steam consumption for the operation of the tertiary N₂O abatement system ($PE_{steam,y}$)

57. This source of project emissions shall be calculated based on the monitored amount of steam consumption for the operation of the tertiary N₂O abatement system and an emission factor for steam consumption, as follows:

$$PE_{steam,y} = ST_{PJ,y} \times EF_{steam} \quad \text{Equation (11)}$$

Where:

- $PE_{steam,y}$ = Project emissions from steam consumption for the operation of the tertiary N₂O abatement system in year y (t CO₂eq)
 $ST_{PJ,y}$ = Amount of steam consumed for the operation of the tertiary N₂O abatement system in year y (GJ)
 EF_{steam} = Emission factor for steam consumption (t CO₂eq / GJ)

8.2.4. Project emissions from the use of inputs i for the operation of the tertiary N₂O abatement system ($PE_{input,i,y}$)

58. This source of project emissions shall be calculated based on the monitored amount of inputs i used for the operation of the tertiary N₂O abatement system and a respective emission factor. For each input, it shall be calculated as follows:

$$PE_{input,i,y} = IN_{PJ,i,y} \times EF_{IN,i} \times 10^{-3} \quad \text{Equation (12)}$$

Where:

- $PE_{input,i,y}$ = Project emissions from the use of input i for the operation of the tertiary N₂O abatement system in year y (t CO₂eq)
 $IN_{PJ,i,y}$ = Amount of input i consumed for the operation of the tertiary N₂O abatement system in year y (kg input)
 $EF_{IN,i}$ = Emission factor for input i (kg CO₂eq / kg input)
 10^{-3} = A unit conversion factor (10⁻³ t CO₂eq / kg CO₂eq)
 i = Inputs consumed for the operation of the tertiary N₂O abatement (ammonia or urea)

9. Leakage

59. Leakage emissions include emissions arising from the manufacturing, transportation, and installation of secondary and/or tertiary N₂O abatement systems under the Article 6.4 activity.³³ They shall be determined as follows:

³³ Leakage emissions from the diversion of baseline equipment are addressed through an applicability condition.

$$LE_y = LF \times P_{NA,y} \quad \text{Equation (13)}$$

Where:

- LE_y = Leakage emissions in year y (t CO₂eq)
 LF = Factor to account for leakage emissions (t CO₂eq / t HNO₃)
 $P_{NA,y}$ = Amount of nitric acid produced in the Article 6.4 nitric acid production line in year y (t HNO₃)

10. Emission reductions

60. Emission reductions shall be determined as follows:

$$ER_y = BE_{adj,y} - PE_y - LE_y \quad \text{Equation (14)}$$

Where:

- ER_y = Emission reductions in year y (t CO₂eq)
 $BE_{adj,y}$ = Downward adjusted baseline emissions in year y (t CO₂eq)
 PE_y = Project emissions in year y (t CO₂eq)
 LE_y = Leakage emissions in year y (t CO₂eq)

61. For informational purposes, the following equation reflects the number of A6.4ERs to be issued to the accounts of activity participants:³⁴

$$A6.4ER_{activity,y} = ER_y - A6.4ER_{SOP,y} - A6.4ER_{OMGE,y} \quad \text{Equation (15)}$$

Where:

- $A6.4ER_{activity,y}$ = The number of Article 6.4ERs to be forwarded to the accounts of the activity participants for year y (t CO₂eq)
 $A6.4ER_{SOP,y}$ = The number of A6.4ERs to be forwarded or first transferred to an account of the Adaptation Fund for year y (t CO₂eq) (where applicable)
 $A6.4ER_{OMGE,y}$ = The number of A6.4ERs to be forwarded to the account for cancellation towards delivering overall mitigation in global emissions for year y (t CO₂eq)

62. This mechanism methodology addresses uncertainty in the determination of individual parameters and through conservative assumptions. It is therefore not necessary to determine the overall uncertainty of the aggregated emission reductions.

³⁴ The forwarding or first-transfer of A6.4ERs is operationalized through the "Procedure: Article 6.4 mechanism registry" (A6.4-PROC-REGS-001).

11. Avoidance of double counting

63. Activity participants shall demonstrate that the Article 6.4 activity will not result in double counting by:
- (a) Providing evidence, in each monitoring report, that the outcomes from the Article 6.4 activity (N₂O abatement in the production of nitric acid) for which they intend to request issuance of A6.4ERs are not also claimed in other environmental markets or accounting frameworks, except for outcomes not related to reducing greenhouse gas emissions (e.g., social impacts); and
 - (b) Demonstrating that the reported GHG emission reductions for which they intend to request issuance of A6.4ERs do not overlap with mandatory domestic mitigation schemes (e.g., emissions trading systems), or that measures are in place to ensure that any relevant impacts of the activity (i.e., the N₂O emission reductions achieved) are not counted towards the achievement of targets or obligations under the mandatory domestic mitigation scheme (e.g., by cancelling allowances from the emissions trading system before issuing carbon credits), if the overlap exists, by:
 - (i) Declaring and providing evidence in each monitoring report that the Article 6.4 activity does not fall within the scope of any mandatory domestic mitigation scheme; or
 - (ii) Where the Article 6.4 activity falls within the scope of a mandatory domestic mitigation scheme, activity participants shall provide evidence in each monitoring report that the mitigation outcomes of the Article 6.4 activity are not counted in the scheme to reduce the obligations of entities covered by the scheme. For example, in the case of an emissions trading system covering N₂O emissions from nitric acid production, a confirmation from the operator of the emissions trading system may be sought that a number of allowances equal to the difference between the downward adjusted baseline emissions ($BE_{adj,y}$) and the project emissions of N₂O from the tail gas of the nitric acid production line in year y ($PE_{N_2O,y}$) were cancelled before the issuance of the A6.4ERs.
64. Notwithstanding paragraph 63 above, where the policy establishing the framework or environmental market or the mandatory domestic mitigation scheme refers to or formally integrates the mechanism as an instrument for implementation, participation in such a framework, or environmental market, or domestic mitigation scheme does not result in double counting.

12. Demonstration of alignment with the policies, options and implementation plans of the host Party with regard to its NDC and LT-LEDs and the long-term temperature goal of the Paris Agreement and long-term goals of the Paris Agreement

65. Activity participants shall attach to the PDD, submitted to the DOE performing the validation, a confirmation from the DNA of the host Party that it has undertaken an assessment of the activity's consistency with the provisions in Decision 3/CMA.3, paragraph 40 (c), and paragraph 27 (a), as part of the host Party's approval. This assessment shall demonstrate that the activity does not constrain, but aligns with, the policies, options and implementation plans of the host Party with regard to -its nationally determined contribution (NDC), its long-term low greenhouse gas emission development strategies (LT-LEDs), if submitted, and the long-term temperature goal of the Paris Agreement and long-term goals of the Paris Agreement.

13. Data and parameters not monitored

Data / Parameter table 1.

Data/parameter	<i>Operating pressure and plant classification</i>																					
Description	Operating pressure of nitric acid plant (ammonia oxidation reactor and absorber) and the classification of the plant based on this operating pressure																					
Data unit	Bar/plant types specified below																					
Equations referred	N/A																					
Purpose of data	<input checked="" type="checkbox"/> Baseline emissions <input type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions																					
Value(s) applied	<p>The following table provides the different ranges of nitric acid plant pressure (according to the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories):</p> <table border="1"> <thead> <tr> <th rowspan="2">Operating conditions</th> <th colspan="2">Applied pressure in Bar</th> </tr> <tr> <th>Oxidation</th> <th>Absorption</th> </tr> </thead> <tbody> <tr> <td>Single low pressure</td> <td colspan="2">0 – 1.7</td> </tr> <tr> <td>Dual low/medium (L/M) pressure</td> <td><1.7</td> <td>1.7 – 6.5</td> </tr> <tr> <td>Single medium pressure</td> <td colspan="2">1.7 – 6.5</td> </tr> <tr> <td>Dual medium/high (M/H) pressure</td> <td>1.7 – 6.5</td> <td>6.5 – 13</td> </tr> <tr> <td>Single high pressure</td> <td colspan="2">6.5 – 13</td> </tr> </tbody> </table>		Operating conditions	Applied pressure in Bar		Oxidation	Absorption	Single low pressure	0 – 1.7		Dual low/medium (L/M) pressure	<1.7	1.7 – 6.5	Single medium pressure	1.7 – 6.5		Dual medium/high (M/H) pressure	1.7 – 6.5	6.5 – 13	Single high pressure	6.5 – 13	
Operating conditions	Applied pressure in Bar																					
	Oxidation	Absorption																				
Single low pressure	0 – 1.7																					
Dual low/medium (L/M) pressure	<1.7	1.7 – 6.5																				
Single medium pressure	1.7 – 6.5																					
Dual medium/high (M/H) pressure	1.7 – 6.5	6.5 – 13																				
Single high pressure	6.5 – 13																					
Source of data	<input type="checkbox"/> Measured <input checked="" type="checkbox"/> Other sources																					

Choice of data or measurement methods and procedures	Manufacturer specifications
Treatment of uncertainty	Not applicable (the operating pressure of the nitric acid plant is used solely for classification of the plant's pressure category in accordance with the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories)
Additional comments	The parameter is used to determine the nitric acid plant's operating pressure classification

Data / Parameter table 2.

Data/parameter	$EF_{BL,y}$
Description	BAT baseline N ₂ O emission factor in year y (kg N ₂ O / t HNO ₃)
Data unit	kg N ₂ O/t HNO ₃
Equations referred	Equation (2)
Purpose of data	<input checked="" type="checkbox"/> Baseline emissions <input type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Value(s) applied	The emission factor for all plant types is provided below: - Type (1) and (2) activities: 3.74 kg N ₂ O / t HNO ₃ - Type (3) activities: 0.56 kg N ₂ O / t HNO ₃
Source of data	<input type="checkbox"/> Measured <input checked="" type="checkbox"/> Other sources
Choice of data or measurement methods and procedures	As per Appendix
Treatment of uncertainty	Not applicable (no further adjustments for uncertainty are applied to best available technology (BAT) values)
Additional comments	-

Data / Parameter table 3.

Data/parameter	GWP_{N_2O}
Description	Global warming potential of N ₂ O
Data unit	t CO _{2eq} / t N ₂ O
Equations referred	Equation (2), Equation (5)

Purpose of data	<input checked="" type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Value(s) applied	265
Source of data	<input type="checkbox"/> Measured <input checked="" type="checkbox"/> Other sources
Choice of data or measurement methods and procedures	Default value taken from the IPCC Fifth Assessment Report (AR5). The use of this value is subject to any further decisions by the CMA or the Supervisory Body of the Article 6.4 mechanism
Treatment of uncertainty	N/A
Additional comments	-

Data / Parameter table 4.

Data/parameter	$P_{NA,NPC}$
Description	Nameplate capacity of the nitric acid production line at the time of the start date of the Article 6.4 activity
Data unit	t HNO ₃ / year
Equations referred	Equation (3), Equation (5)
Purpose of data	<input checked="" type="checkbox"/> Baseline emissions <input type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Value(s) applied	Variable (depends on the production line)
Source of data	Project operator and/or technology provider
Choice of data or measurement methods and procedures	As per design specification and/or permitting documents
Treatment of uncertainty	Not applicable
Additional comments	-

Data / Parameter table 5.

Data/parameter	$CF_{default}$
Description	Default value for the capacity utilization factor
Data unit	dimensionless
Equations referred	Equation (3)
Purpose of data	<input checked="" type="checkbox"/> Baseline emissions <input type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions

Value(s) applied	80%
Source of data	<input type="checkbox"/> Measured <input checked="" type="checkbox"/> Other sources
Choice of data or measurement methods and procedures	Intergovernmental Panel on Climate Change (2006). 2006 IPCC Guidelines for National Greenhouse Gas Inventories. Volume 1: General Guidance and Reporting (chapter 3: Chemical Industry Emissions, page 23). IPCC, Geneva, Switzerland
Treatment of uncertainty	Not applicable
Additional comments	-

Data / Parameter table 6.

Data/parameter	$F_{CH_4/N_2O,i}$
Description	Factor to account for CH ₄ and N ₂ O emissions in relation to CO ₂ emissions for fuel type <i>i</i>
Data unit	dimensionless
Equations referred	Equation (7)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Value(s) applied	1.002
Source of data	<input type="checkbox"/> Measured <input checked="" type="checkbox"/> Other sources
Choice of data or measurement methods and procedures	This value was derived from table 2.2 of volume 2, chapter 1 of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories
Treatment of uncertainty	Not applicable (uncertainty is taken into account in determining a conservative default value)
Additional comments	-

Data / Parameter table 7.

Data/parameter	$F_{upstream,i}$
Description	Factor to account for upstream emissions in relation to CO ₂ emissions for fuel type <i>i</i>
Data unit	dimensionless
Equations referred	Equation (7)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Value(s) applied	0.2

Source of data	<input type="checkbox"/> Measured <input checked="" type="checkbox"/> Other sources
Choice of data or measurement methods and procedures	A global value of 0.2 shall be used
Treatment of uncertainty	Not applicable (uncertainty has been taken into account in determining the conservative default value)
Additional comments	-

Data / Parameter table 8.

Data/parameter	EF_{steam}
Description	Emission factor for steam consumption
Data unit	t CO ₂ eq / GJ
Equations referred	Equation (10)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Value(s) applied	Variable (depends on the type of fuel)
Source of data	<input type="checkbox"/> Measured <input checked="" type="checkbox"/> Other sources
Choice of data or measurement methods and procedures	Use the applicable conservative default value specified in
Treatment of uncertainty	N/A (uncertainty has been taken into account in determining the conservative default values)
Additional comments	-

Data / Parameter table 9.

Data/parameter	EF_{steam}
Description	Emission factor for steam consumption
Data unit	t CO ₂ eq / GJ
Equations referred	Equation (11)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Value(s) applied	Steam produced from natural gas boilers: 0.0988 Steam produced from oil boilers: 0.1224 Steam produced from coal boilers: 0.1752

Source of data	<input type="checkbox"/> Measured <input checked="" type="checkbox"/> Other sources
Choice of data or measurement methods and procedures	<p>Activity participants shall select the value based on the most carbon-intensive fuel type used at the industrial facility where the nitric acid production line is located.</p> <p>The figures provided in the table are derived based on the assumption that the steam would be generated in a boiler. The values include CO₂, CH₄ and N₂O emissions from the combustion of the fuel and upstream emissions from associated with fuel production. The following data sources were used: (i) for the emission factors from combustion of the fuels, the upper bound of the uncertainty range provided in table 2.2 of volume 2, chapter 1 of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories has been used; (ii) for upstream emissions associated with the fossil fuel use, the values provided in Table 3 of CDM TOOL15 have been used; (iii) for the energy efficiency of the boiler, the lowest bound of boiler efficiencies for the applicable fuels provided by Barmaa et al. (2017) have been used (respectively 81% for coal, 78% for gas, and 76% for oil). See: Barmaa, M. C., Saidur, R., Rahman, S. M. A., Allouhi, A., Akash, B. A., & Sait, S. M. (2017). A review on boilers energy use, energy savings, and emissions reductions. <i>Renewable and Sustainable Energy Reviews</i>, 79, 970–983. https://doi.org/10.1016/j.rser.2017.05.186. The values provided in the table may be updated if new default values for upstream emissions become available once a corresponding tool covering upstream emissions from fossil fuels has been approved by the Supervisory Body of the Article 6.4 mechanism</p>
Treatment of uncertainty	Value based on conservative assumptions
Additional comments	-

Data / Parameter table 10.

Data/parameter	LF
Description	Factor to account for leakage emissions
Data unit	t CO ₂ eq / t HNO ₃
Equations referred	Equation (13)
Purpose of data	<input type="checkbox"/> Baseline emissions <input type="checkbox"/> Project emissions <input checked="" type="checkbox"/> Leakage emissions
Value(s) applied	0.00015
Source of data	<input type="checkbox"/> Measured <input checked="" type="checkbox"/> Other sources
Choice of data or measurement methods and procedures	<p>This emission factor has been calculated based on the following assumptions: A nitric acid plant operates with a capacity of 500 tonnes HNO₃ per year operating 330 days per year; For the operation of a secondary N₂O abatement system the following assumptions are used: 1.5 t of catalyst is replaced every year with the following emissions: (i) 14 t CO₂eq per tonne of catalyst for the production of the catalyst; (ii) 0.3 t CO₂eq per tonne of catalyst for the transportation of the catalyst; 0.5 t</p>

	CO ₂ eq per tonne of catalyst for the disposal or recycling of the catalyst; This results in about 0.135 kg CO ₂ eq / t HNO ₃ produced. For the operation of a tertiary N ₂ O abatement system the following assumptions are used: (i) 15 years of operation of the Article 6.4 activity; (ii) 3 years of catalyst lifetime; (iii) a weight of 25 tonnes of the tertiary N ₂ O abatement system consisting mostly of steel; (iv) 10 tonnes of catalyst; (v) a steel emission intensity of 2.1 tCO ₂ eq / t steel; (vi) a catalyst emission intensity of 4 tCO ₂ eq / t; (vii) emissions of 10 CO ₂ eq for all transportation over the span of 15 years. This results in about 0.106 kg CO ₂ eq / t HNO ₃ produced
Treatment of uncertainty	As a conservative approach, a value of 0.00015 t CO ₂ eq / t HNO ₃ is used
Additional comments	-

Data / Parameter table 11.

Data/parameter	$EF_{IN,i}$
Description	Emission factor for input <i>i</i>
Data unit	kg CO ₂ eq / kg input
Equations referred	Equation (12)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Value(s) applied	Ammonia: 4.37 Urea: 3.41
Source of data	<input type="checkbox"/> Measured <input checked="" type="checkbox"/> Other sources
Choice of data or measurement methods and procedures	<u>For ammonia:</u> This value was calculated based on an assumed share of 70 per cent of the global ammonia produced from steam methane reforming with an emission intensity of 2.9 t CO ₂ eq / t NH ₃ and 30 per cent of global ammonia produced using coal with an emission intensity of 7.8 t CO ₂ eq / t NH ₃ . These numbers were sourced from: Stafford, W. H. L., Chaba, K. J., Russo, V., Goga, T., Roos, T. H., Sharp, M., & Nahman, A. (2025). <i>Life cycle assessment of green ammonia production at a coastal facility in South Africa</i> . <i>Frontiers in Energy</i> , 19(6), 1072–1092. https://doi.org/10.1007/s11708-025-1013-5 . <u>For urea:</u> This value was derived from the following data and assumptions: (i) the emission factor for urea is sourced from: Shi, L., Liu, L., Yang, B., Sheng, G., & Xu, T. (2020). <i>Evaluation of industrial urea energy consumption (EC) based on life cycle assessment (LCA)</i> . <i>Sustainability</i> , 12(9), 3793. https://doi.org/10.14288/1.0390686 and (ii) a value of 0.73 t CO ₂ per t urea is added, based on molecular weight of urea and the CO ₂ to which it decomposes
Treatment of uncertainty	Value based on conservative assumptions

Additional comments	-
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14. Data and parameters monitored

66. Under this mechanism methodology, monitoring periods shall cover the full duration of a nitric acid production campaign. Several nitric acid production campaigns may be included in a single monitoring period.
67. Activity participants shall provide the information on data monitored hourly in a spreadsheet. For each hour, data shall at least be provided on;
- (a) whether the nitric acid production was in operation during the hour; and
 - (b) for any hour in which the nitric acid production line was in operation:
 - (i) The volume or mass flow of the tail gas;
 - (ii) The N₂O concentration in the volume or mass flow of the tail gas; and
 - (iii) The resulting mass flow of N₂O in the gaseous stream of the tail gas in hour h (kg N₂O), calculated based on the parameters in sub-paragraphs 67(b)(i) and 67(b)(ii) above.

Data / Parameter table 12.

Data/parameter	$P_{NA,y}$	
Description	Amount of nitric acid produced in the Article 6.4 nitric acid production line in year y	
Data unit	t HNO ₃	
Equations referred	Equation (2)	
Purpose of data	<input checked="" type="checkbox"/> Baseline emissions <input type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions	
Measurement and updating frequency	Measurements by activity participants and production reports	
Measurement methods and procedures	N/A	
Entity/person responsible for the measurement	Activity participants	
Measuring instrument(s)	<i>Type of instrument</i>	- Instruments for determining the mass or volumetric flow of the nitric acid solution; and - Instruments for determining the HNO ₃ concentration of that solution

	<i>Accuracy class</i>	As per manufacturer specification
	<i>Calibration requirements</i>	As per manufacturer specification
	<i>Location</i>	N/A
Measurement intervals	Continuous	
QA/QC procedures	For measurement devices (e.g. as weight scales), the QA/QC procedures specified by the supplier of the measurement devices shall be followed	
Treatment of uncertainty	<ul style="list-style-type: none"> For measurement devices, the uncertainty specified by the supplier of the measurement devices shall be used; and The higher bound of the uncertainty shall be applied to the measured value for the purpose of determining this parameter in equation (2) 	
Additional comment	-	

Data / Parameter table 13.

Data/parameter	$F_{N_2O, tailgas, h}$	
Description	Mass flow of N ₂ O in the gaseous stream of the tail gas in hour h	
Data unit	kg N ₂ O	
Equations referred	Equation (5)	
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions	
Measurement and updating frequency	As per the provisions in section 8.1 above	
Measurement methods and procedures	As per the requirements of the “Methodological tool: Mass flow of a greenhouse gas in a gaseous stream” (A6.4-AMT-005)	
Entity/person responsible for the measurement	Activity participants	
Measuring instrument(s)	<i>Type of instrument</i>	As per the requirements of the “Methodological tool: Mass flow of a greenhouse gas in a gaseous stream” (A6.4-AMT-005)
	<i>Accuracy class</i>	As per the requirements of the “Methodological tool: Mass flow of a greenhouse gas in a gaseous stream” (A6.4-AMT-005)
	<i>Calibration requirements</i>	As per the requirements of the “Methodological tool: Mass flow of a greenhouse gas in a gaseous stream” (A6.4-AMT-005)

	<i>Location</i>	As per the requirements of the “Methodological tool: Mass flow of a greenhouse gas in a gaseous stream” (A6.4-AMT-005)
QA/QC procedures	As per the calibration requirements	
Treatment of uncertainty	Uncertainty shall be determined based on the measuring instruments	
Additional comment	-	

Data / Parameter table 14.

Data/parameter	$EF_{CO_2,i,y}$	
Description	CO ₂ emission factor of fuel type <i>i</i> in year <i>y</i>	
Data unit	t CO ₂ / GJ	
Equations referred	Equation (7)	
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions	
Measurement and updating frequency	<u>Option 1:</u> At each fuel delivery; <u>Option 2:</u> At each fuel delivery; <u>Option 3:</u> Annually; <u>Option 4:</u> Updated based on future revisions of the IPCC Guidelines	
Measurement methods and procedures	<u>Option 1:</u> Values provided by the fuel supplier (preferred source), in line with national or international fuel standards; <u>Option 2:</u> Measurements by activity participants undertaken in line with national or international fuel standards (if supplier-provided values are not available); <u>Option 3:</u> Regional or national default values (if supplier-provided values are not available and only for liquid fuels). Values shall be reviewed annually; <u>Option 4:</u> Upper bound for case 1 and lower bound for case 2, at a 95 per cent confidence interval, from IPCC default values provided in the 2019 Refinement to the 2006 IPCC Guidelines on National Greenhouse Gas Inventories (if supplier-provided values are not available)	
Entity/person responsible for the measurement	Activity participants	
Measuring instrument(s)	<i>Type of instrument</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Accuracy class</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Calibration requirements</i>	As per the national or international standard if the parameter is measured by activity participants

	<i>Location</i>	N/A
QA/QC procedures	<ul style="list-style-type: none"> The recorded data shall be stored monthly in a central database with backup; Laboratories in options 1 and 2 shall have ISO/IEC 17025 accreditation or justify compliance with equivalent quality standards 	
Treatment of uncertainty	Verify whether the values under options 1, 2, and 3 fall within the uncertainty range of the IPCC default values as provided in table 1.2, volume 2 of the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. If the values fall outside of this range, additional information shall be collected from the testing laboratory to justify the outcome, or additional measurements shall be conducted	
Additional comment	For option 1, if the fuel supplier provides both the NCV and CO ₂ emission factor on the invoice and these values are based on measurements for the specific fuel delivered, the provided CO ₂ emission factor shall be used. If another source is used for the CO ₂ emission factor, or no CO ₂ emission factor is provided, Options 2, 3, or 4 shall be used	

Data / Parameter table 15.

Data/parameter	$FC_{i,y}$
Description	Quantity of fuel type <i>i</i> combusted in process <i>j</i> during year <i>y</i>
Data unit	Mass or volume unit
Equations referred	Equation (7)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Measurement and updating frequency	Continuously
Measurement methods and procedures	<ul style="list-style-type: none"> Use either mass or volume meters; In cases where fuel is supplied from small daily tanks, ruler gauges can be used to determine mass or volume of fuel consumed, subject to the following conditions: the ruler gauge shall be part of the daily tank, shall be calibrated at least once a year and, shall have a logbook for recording measurements (on a daily basis or per shift); Accessories such as transducers, sonar and piezoelectronic devices may be used if they are properly calibrated with the ruler gauge and maintained appropriately; and In the case of daily tanks with pre-heaters for heavy oil, calibration shall be conducted under typical operational conditions
Entity/person responsible for the measurement	Activity participants

Measuring instrument(s)	<i>Type of instrument</i>	Mass or volume meters, ruler gauges (installed in daily tanks), transducers, sonar and piezoelectronic devices
	<i>Accuracy class</i>	As per manufacturer specification
	<i>Calibration requirements</i>	Ruler gauges shall be calibrated at least once a year. Transducers, sonar and piezoelectronic devices shall be calibrated with the ruler gauge and maintained appropriately
	<i>Location</i>	N/A
QA/QC procedures	The recorded data shall be stored monthly in a central database with backup	
Treatment of uncertainty	Uncertainties are determined based on the measuring instruments	
Additional comment	<ul style="list-style-type: none"> • The consistency of metered fuel consumption quantities shall be cross-checked by an annual energy balance based on purchased quantities and stock changes; • Where purchased fuel invoices can be attributed specifically to the Article 6.4 activity, the metered fuel consumption quantities shall also be cross-checked against available purchase invoices from financial records; • Where data gaps occur due to meter failure or other unforeseen reasons, activity participants may estimate the quantity of fuel using one of the following options, provided that the gap period does not exceed 30 consecutive days within six consecutive months: <ul style="list-style-type: none"> ○ Purchased fuel or energy invoices/bills, where the purchased fuel can be attributed specifically to the Article 6.4 activity; ○ Energy produced by the equipment, adjusted for efficiency. Conservative default values of 40 per cent for combustion engines and generators and 80 per cent for thermal heaters shall be used. Energy produced shall be measured directly or calculated based on operating hours; or ⊖ The highest value of the parameter for the same calendar period in the previous years 	

Data / Parameter table 16.

Data/parameter	$\rho_{i,y}$
Description	Density of fuel type <i>i</i> in year <i>y</i>
Data unit	Mass unit/volume unit of the fuel
Equations referred	Equation (8), Equation (9)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions

Measurement and updating frequency	Continuously or for each fuel batch	
Measurement methods and procedures	<ul style="list-style-type: none"> • Values provided by the supplier of the fuel (preferred source); • Measurements by activity participants undertaken in line with national or international fuel standards (if supplier-provided values are not available); and • Regional or national default values (if supplier-provided values are not available and only for liquid fuels) 	
Entity/person responsible for the measurement	Activity participants	
Measuring instrument(s)	<i>Type of instrument</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Accuracy class</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Calibration requirements</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Location</i>	N/A
QA/QC procedures	The recorded data must be stored monthly in a central database with backup	
Treatment of uncertainty	Apply uncertainties based on the IPCC (2019 Refinement)	
Additional comments	For values provided by the fuel supplier, the density of the fuel shall be obtained for each fuel delivery, from which weighted average annual values shall be calculated	

Data / Parameter table 17.

Data/parameter	$w_{c,i,y}$
Description	Mass fraction of carbon in fuel type <i>i</i> in year <i>y</i>
Data unit	t C / mass unit of the fuel
Equations referred	Equation (8), Equation (9)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Measurement and updating frequency	Continuously or for each fuel batch
Measurement methods and procedures	<p>a) Values provided by the fuel supplier (preferred source);</p> <p>b) Measurements by activity participants undertaken in line with national or international fuel standards (if supplier-provided values are not available); and</p>

	c) Regional or national default values (if supplier-provided values are not available and only for liquid fuels)	
Entity/person responsible for the measurement	Activity participants	
Measuring instrument(s)	<i>Type of instrument</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Accuracy class</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Calibration requirements</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Location</i>	N/A
QA/QC procedures	The recorded data shall be stored monthly in a central database with backup	
Treatment of uncertainty	Uncertainties are determined based on the measuring instruments	
Additional comments	Verify whether the values measured or obtained from the fuel supplier fall within the uncertainty range derived from the product of the IPCC default values provided in table 1.2 and table 1.3, volume 2 of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. If the values fall below this range, additional information shall be obtained from the testing laboratory to justify the outcome, or additional measurements shall be conducted. Laboratories performing measurements in (b) should have ISO/IEC 17025 accreditation or demonstrate compliance with equivalent quality standards	

Data / Parameter table 18.

Data/parameter	NCV _{i,y}
Description	Net calorific value of fuel type <i>i</i> in year <i>y</i>
Data unit	GJ / mass or volume unit
Equations referred	Equation (10)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Measurement and updating frequency	<u>Option 1</u> : At each fuel delivery; <u>Option 2</u> : At each fuel delivery; <u>Option 3</u> : Annually; <u>Option 4</u> : Updated based on future revisions of the IPCC Guidelines
Measurement methods and procedures	<ul style="list-style-type: none"> <u>Option 1</u>: Values provided by the fuel supplier (preferred source). The NCV of the fuel shall be obtained for each fuel delivery, from which weighted average annual values shall be calculated; <u>Option 2</u>: Measurements by activity participants undertaken in line with national or international fuel standards (if supplier-provided values are

	<p>not available). The NCV of the fuel shall be obtained for each fuel delivery, from which weighted average annual values shall be calculated;</p> <ul style="list-style-type: none"> • <u>Option 3</u>: Regional or national default values (if supplier-provided values are not available and only for liquid fuels). Values shall be reviewed annually; • <u>Option 4</u>: Upper bound of the 95 per cent confidence interval from IPCC default values provided in table 1.2 of chapter 1, volume 2 (Energy), of the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, if supplier-provided values are not available. Values shall be updated based on future revisions of the IPCC Guidelines 	
Entity/person responsible for the measurement	Activity participants or fuel supplier	
Measuring instrument(s)	<i>Type of instrument</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Accuracy class</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Calibration requirements</i>	As per the national or international standard if the parameter is measured by activity participants
	<i>Location</i>	As per the national or international standard if the parameter is measured by activity participants
QA/QC procedures	The recorded data shall be stored monthly in a central database with backup	
Treatment of uncertainty	Verify whether the values under options 1, 2 and 3 fall within the uncertainty range of the IPCC default values as provided in table 1.2, volume 2 of the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories. If the values fall below this range, additional information shall be obtained from the testing laboratory to justify the outcome, or additional measurements shall be conducted. Laboratories in options 1, 2 and 3 – shall have ISO/IEC 17025 accreditation or demonstrate compliance with similar quality standards	
Additional comments	-	

Data / Parameter table 19.

Data/parameter	$ST_{P,j,y}$
Description	Amount of steam consumed for the operation of the tertiary N ₂ O abatement system in year <i>y</i>
Data unit	GJ
Equations referred	Equation (11)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions

Measurement and updating frequency	Continuous measurement and at least monthly recording	
Measurement methods and procedures	Mass, volume or differential pressure meters	
Entity/person responsible for the measurement	Activity participants	
Measuring instrument(s)	<i>Type of instrument</i>	Steam meter
	<i>Accuracy class</i>	In accordance with national, international, or meter supplier instructions
	<i>Calibration requirements</i>	Calibration shall be conducted in accordance with national, international, or manufacturer's instructions
	<i>Location</i>	At the outlet of the equipment providing/generating the steam to be used for reheating the tail gas for the tertiary abatement system
QA/QC procedures	The recorded data shall be stored daily in a central database with backup	
Treatment of uncertainty	Uncertainty shall be determined based on the specifications of the measuring instruments	
Additional comment	Where applicable, the values shall be cross-checked against fuel use records for steam production or calculated amounts of steam diverted from other processes	

Data / Parameter table 20.

Data/parameter	$IN_{P,J,I,y}$
Description	Amount of input <i>i</i> consumed for the operation of the tertiary N ₂ O abatement system in year <i>y</i>
Data unit	kg input
Equations referred	Equation (12)
Purpose of data	<input type="checkbox"/> Baseline emissions <input checked="" type="checkbox"/> Project emissions <input type="checkbox"/> Leakage emissions
Measurement methods and procedures	<ul style="list-style-type: none"> Use either mass or volume meters; In cases where the input is supplied from small daily tanks, ruler gauges may be used to determine the mass or volume of fuel consumed, subject to the following conditions: the ruler gauge shall be part of the daily tank, shall be calibrated at least once a year, and shall have a logbook for recording measurements (on a daily basis or per shift);

	<ul style="list-style-type: none"> Accessories such as transducers, sonar and piezoelectronic devices may be used if they are properly calibrated with the ruler gauge and maintained appropriately; In case of daily tanks with pre-heaters for heavy oil, the calibration shall be conducted under typical operating conditions 	
Entity/person responsible for the measurement	Activity participants	
Measuring instrument(s)	<i>Type of instrument</i>	Mass or volume meters, ruler gauges (installed in daily tanks), transducers, sonar and piezoelectronic devices
	<i>Accuracy Class</i>	N/A
	<i>Calibration requirements</i>	<ul style="list-style-type: none"> Ruler gauges shall be calibrated at least once a year; Transducers, sonar and piezoelectronic: devices shall be calibrated with the ruler gauge and maintained appropriately
	<i>Location</i>	N/A
QA/QC procedures	The recorded data shall be stored daily in a central database with backup	
Treatment of uncertainty	Uncertainty shall be determined based on the measuring instruments	
Additional comment	<ul style="list-style-type: none"> The consistency of metered input consumption quantities shall be cross-checked by an annual mass/flow balance based on purchased quantities and stock changes; Where purchased input invoices can be attributed specifically to the Article 6.4 activity, metered input consumption quantities should also be cross-checked against available purchase invoices from financial records; Where data gaps occur due to meter failure or other unforeseen reasons, activity participants may estimate the quantity of inputs using one of the following options, provided that the gap period does not exceed 30 consecutive days within six consecutive months: <ul style="list-style-type: none"> Purchased input invoices or bills, where the purchased inputs can be attributed specifically to the Article 6.4 activity; or The highest value of the parameter for the same calendar period in previous years 	

Appendix. Demonstration of requirements at the level of the mechanism methodology

1. This section describes how specific requirements in the provisions of the “Standard: Demonstration of additionality in mechanism methodologies” (A6.4-STAN-METH-003)¹ and the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004) are demonstrated at the level of the mechanism methodology.

1. Analysis of lock-in risk

2. Article 6.4 activities using this mechanism methodology are not deemed to cause lock-in risk for the following reasons:
 - (a) The installation of secondary or tertiary N₂O abatement is very unlikely to prolong the technical lifetime of existing nitric acid plants. Therefore, Article 6.4 activities do not prolong N₂O emissions;
 - (b) Secondary N₂O abatement systems have a technical lifetime of less than 10 years. Therefore, these abatement systems are not considered to cause any lock-in risk with regard to GHG emissions intensity;
 - (c) Tertiary N₂O abatement systems can have a technical lifetime of more than 10 years. However, these systems can achieve high abatement levels and often exceed the performance of secondary N₂O abatement. Tertiary N₂O abatement at existing plants is therefore the technology with the lowest GHG emissions intensity and is not considered to cause lock-in risk with regard to GHG emissions intensity; and
 - (d) Article 6.4 activities using this mechanism methodology are not expected to result in an inefficient use of resources for mitigating climate change or achieving other policy objectives.

2. Investment analysis

3. In accordance with the applicability conditions in paragraph 19 of the mechanism methodology, Article 6.4 activities eligible to apply this mechanism methodology do not have any incentive, in the form of either a financial incentive or a penalty, for reducing their N₂O emissions from nitric acid production. At the same time, the installation of secondary or tertiary N₂O abatement involves costs and does not generate cost savings or revenues other than from A6.4ERs.
4. For this project type, a simple cost analysis is applied. It is found that:
 - (a) The implementation of the Article 6.4 activity does not generate any cost savings or revenues other than from A6.4ERs (as ensured through the applicability conditions); and
 - (b) Alternative scenarios to the Article 6.4 activity also do not generate cost savings or revenues, since the installation of secondary or tertiary N₂O abatement involves capital and/or operational expenditures and does not generate cost savings or revenues other than from A6.4ERs.

¹ See <https://unfccc.int/sites/default/files/resource/A6.4-STAN-METH-005.pdf>.

5. The simple cost analysis is therefore concluded positively at the methodology level.

3. Determination of the best available technology (BAT)

6. This mechanism methodology determines baseline emissions using a baseline emission factor based on best available technology (BAT). This section explains how this emission factor has been derived.

3.1. Level of aggregation at which BAT is determined

7. In this mechanism methodology, the BAT emission factor is determined at the global level, as the technologies used to produce nitric acid and abate N₂O emissions do not differ between countries.

8. The values determined here are applicable throughout the entire validity of this mechanism methodology. As the technologies used to abate N₂O emissions have not changed significantly over the past 20 years, it is expected that similar technologies will be applied over the next five years. This applies to existing nitric acid production lines, noting that new technologies may be employed in new nitric acid facilities that could result in significantly lower N₂O formation.

3.2. Determination of the BAT baseline scenario

9. The available technologies for reducing N₂O emissions from nitric acid production include primary, secondary and tertiary N₂O abatement.

10. All these technologies can be considered environmentally sound under the applicability conditions of this mechanism methodology, in particular with regard to emissions other than N₂O.

11. Among the three technologies, only primary abatement is considered economically viable under the applicability conditions of this mechanism methodology, for the following reasons:

- (a) Operators of nitric acid production plants have incentives to use advanced primary catalytic gauzes that reduce the formation of N₂O, as this can enhance yield and may also reduce NO_x emissions. Though advanced primary catalytic gauzes are not installed throughout the industry, advanced primary catalytic gauzes are being installed in some plants and can be considered to be an economically viable course of action; and
- (b) Under the applicability conditions of this mechanism methodology, secondary and tertiary N₂O abatement are not economically viable because these technologies involve capital and/or operating expenditures but do not generate cost savings or revenues other than from A6.4ERs, in the absence of relevant legal requirements, policies or targets.

3.3. Determination of the BAT emission factor

12. The emission performance of nitric acid plants depends on plant design, such as the type of primary catalyst and the plant pressure, and, for activities enhancing N₂O abatement, on any pre-existing N₂O abatement. The 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories differentiates between the following types of plants:

- (a) Single low pressure (0–1.7 bar);

- (b) Single medium pressure (1.7–6.5 bar);
 - (c) Single high pressure (6.5–13 bar);
 - (d) Dual low/medium pressure, with low pressure in the ammonia reactor and medium pressure in the absorption column; and
 - (e) Dual medium/high pressure, with medium pressure in the ammonia reactor and high pressure in the absorption column.
13. Plant pressure has two effects on the N₂O emission factor. A high plant pressure in the ammonia burner generally leads to higher N₂O formation, whereas lower pressures lead to lower N₂O formation. By contrast, a higher pressure in the absorption column leads to a higher nitric acid yield and thus a relatively lower N₂O emission factor per tonne of nitric acid production. For this reason, dual pressure plants with low pressure in the ammonia reactor and medium pressure in the absorption column can be expected to have the lowest N₂O emissions per tonne of nitric acid produced.
14. IPCC default values are not considered for determining the BAT emission factor, as they typically reflect average plant performance and may therefore represent business-as-usual (BAU) emission factors rather than BAT emission factors.
15. Data on best-performing primary abatement technologies are scarce. One reason is that many plants only perform N₂O measurements when secondary or tertiary abatement is applied, typically in response to legal requirements or incentives. There is also limited data available in the literature.
16. One available data source consists of baseline measurement campaigns conducted by CDM projects prior to installing the secondary N₂O abatement systems using the CDM methodology “AM0034: Catalytic reduction of N₂O inside the ammonia burner of nitric acid plants,” and measurements conducted by CDM projects in the gaseous stream prior to the tertiary N₂O abatement system using the CDM methodology “AM0028: N₂O destruction in the tail gas of Nitric Acid or Caprolactam production plants” up to version 4.0.^{2,3}. Similar data are also available from some JI projects. Data from other carbon crediting programmes were not publicly available or not sufficiently complete to derive baseline emission factors. Table 3 below shows the lowest baseline emission factor reported among CDM and JI plants for each plant pressure category.

Table 3. Lowest baseline emission factor reported among CDM and JI nitric acid production plants (kg N₂O / t HNO₃)⁴

Plant pressure	Lowest observed baseline emission factor	Number of plants for which data is available
Single low pressure	4.84	8
Single medium pressure	3.99	44

² See <https://cdm.unfccc.int/UserManagement/FileStorage/XY91IV0P6MU5L782WQ4C3AOZHJDBE>.

³ See <https://cdm.unfccc.int/UserManagement/FileStorage/IV326LBA5XCTF04RUQ7MWDKG8SPNZ1>.

⁴ The data is based on information provided in project design documents and first monitoring reports. Data from one project (CDM reference number 2995) with a lower performance (3.57 kg N₂O / t HNO₃) was excluded because the project campaign was shorter than the normal campaign length of that plant. Therefore, the baseline emission factor may not be representative for the full normal length of a nitric acid production campaign.

Plant pressure	Lowest observed baseline emission factor	Number of plants for which data is available
Single high pressure	3.74	27
Dual low/medium pressure	7.19	5
Dual medium/high pressure	4.65	12

17. The data shows that a performance in the range of 3.74 to 4.84 kg N₂O / t HNO₃ has been achieved for all pressure levels in the ammonia burner. The MEP considers that the higher value of 7.19 kg N₂O / t HNO₃ for dual low/medium pressure plants is owed to the limited number of plants for which data is available, noting that generally dual low/medium pressure plants can be expected to have a lower emission factor than single - low-pressure plants. Overall, based on this data there is not sufficient basis to assign different BAT values for different pressure levels in the ammonia burner. For this reason, a single BAT value is used for all pressure levels in this mechanism methodology.
18. The data on CDM and JI plants date back to the time when these projects were registered, mostly during the first commitment period of the Kyoto Protocol. However, according to industry experts, no major technological changes have occurred since that time but some improvements in primary catalytic gauzes may have reduced N₂O emissions to some degree.
19. A review of information from manufacturers of primary catalysts and the literature also provides limited data:
- An article by Jantsch and Hesse (2024) of Heraeus Precious Metals reports process performance results for N₂O reduction using FTC gauze systems.⁵ Figure 3 in this article shows a low-pressure plant, running with a Heraeus FTC-Flex gauze, yielding tail-gas concentrations of around 200 ppm without secondary or tertiary abatement. The gas flow is not specified. Assuming a gas flow of 10.000 Nm³/h, this corresponds to approximately 3.9 kg N₂O / t HNO₃ (200 x 1.96 x 10.000 x 10⁻⁶). For a dual pressure plant, assuming a 2 per cent higher yield, this would correspond to approximately 3.8 kg N₂O / t HNO₃.
 - A vendor brochure by Heraeus Precious Metals indicates that the FTC-Flex gauze can reduce N₂O formation by up to 70 per cent and indicates (in a figure on page 8) a 30 per cent reduction compared to a “standard gauze” system. Although absolute values are not provided (assuming a “standard gauze” performance of 5 kg N₂O / t HNO₃ for low pressure, this broadly confirms the estimate in the literature source cited in sub-paragraph 19(a) above.⁶
20. Based on these considerations, a value of 3.74 kg N₂O / t HNO₃ is used as the BAT emission factor for type 1 and type 2 activities, i.e. the introduction or restart of N₂O abatement. This value is derived from the best performance observed from CDM and JI plants. It also broadly aligns with information from the literature and manufacturers.

⁵ Jantsch, U. & Hesse, J (2024): Catalyst systems for N₂O abatement. In: Nitrogen+Syngas Issue 391. Pages 22-23. September-October 2024. https://www.bcinsight.crugroup.com/wp-content/uploads/sites/7/2024/11/NS_391.pdf.

⁶ Heraeus Precious Metals. Ammonia oxidation — Solutions to avoid and reduce N₂O emissions — vendor brochure. <https://www.heraeus-precious-metals.com/dam/jcr%3Ae7d35b52-568c-40ed-b97c-41aa20ed0483/avoid-n2o-emissions.pdf>.

21. The BAT emission factors for type 3 activities, i.e. activities that enhance N₂O abatement, is based on the BAT emission factor for type 1 and type 2 activities and the abatement level expected to be achieved through secondary N₂O abatement and tertiary N₂O abatement using non-selective catalytic reduction (NSCR).
22. To determine this abatement level, IPCC default emission values are not suitable for this purpose, as they reflect average rather than best available performance (BAT) and do not differentiate by type of N₂O abatement system. In addition, the default values provided by the IPCC are significantly higher than the values reported by countries with policies for N₂O abatement in their national greenhouse gas inventories.⁷
23. The following information was identified with respect to the abatement level achieved with secondary N₂O abatement systems:
- (a) Performance data from CDM and JI plants: An average abatement performance was calculated based on CDM and JI data. In total, 147 production lines registered as CDM or JI projects abated N₂O emissions using a secondary abatement system. The abatement performance, expressed in per cent reduction from measured baseline emissions achieved during the first monitoring period, was retrieved from these projects. Abatement performance data was available for 70 of these nitric acid production lines. Abatement performance values lower than 70 per cent were excluded in the analysis, as these do not represent well operated secondary abatement systems. This leads to a narrowed down set of 51 nitric acid production lines considered. The average abatement performance of these nitric acid production lines was calculated to be 84.8 per cent abatement compared to the baseline emissions;
 - (b) A report commissioned by the International Climate Initiative indicates that secondary abatement systems abate around 80 to 90 per cent of baseline emissions from nitric acid plants;⁸ and
 - (c) A report from the federal ministry of environment of Austria provided an abatement performance between 70 per cent and 90 per cent for secondary abatement systems;⁹
24. The following information was identified with respect to the abatement level achieved with NSCR abatement systems:

⁷ For example, the European Union has included N₂O emissions from nitric acid production in its emissions trading system. For this reason, nitric acid production plants generally have secondary and/or tertiary N₂O abatement installed. In its GHG inventory submitted to the UNFCCC, the European Union reports N₂O emissions of 7.036 kt N₂O and nitric acid production of 11,599.617 kt HNO₃. This corresponds to an emission factor of 0.61 kg N₂O / t HNO₃. This is significantly lower than the IPCC default values of 1.5 and 2.5 kg N₂O / t HNO₃ indicated in the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories for plants with abatement.

⁸ Scholz, D., & Nickel, F. (2022). Handbook on N₂O mitigation experience in Germany/Europe. FutureCamp Climate GmbH (commissioned by GIZ, International Climate Initiative).

⁹ Umweltbundesamt. (2001). State-of-the-art for the production of nitric acid (M-150). Umweltbundesamt (Federal Environment Agency Austria).
<https://www.umweltbundesamt.at/fileadmin/site/publikationen/M150z.pdf>.

- (a) A report from the federal ministry of environment of Austria provided an abatement performance of 85 per cent for NSCR abatement systems;¹⁰ and
 - (b) The IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories (2000) indicates a range of 80 per cent to 90 per cent abatement of N₂O achieved with NSCR systems.¹¹
25. Based on these considerations, an abatement level of 85% is assumed for both secondary and NSCR abatement systems. This value is expected to represent the performance of well-managed systems. A value at the higher end of the possible range is not used because this abatement level is applied to an already conservative BAT value for type 1 and type 2 activities.
26. The above approach results in a BAT emission factor for type 3 activities of 0.56 kg N₂O / t HNO₃ for type 3 activities (calculated as 3.74 kg N₂O / t HNO₃ multiplied with (1-0.85)).

4. Determination of a conservative BAU scenario and BAU emissions

27. The conservative BAU scenario is assumed to be the absence of secondary or tertiary N₂O abatement. This is a reasonable assumption in light of the applicability conditions of the methodology.
28. The conservative BAU emission factor is derived from two different data sources: the IPCC default values and data from CDM and JI plants. Consistent with the “Standard: Setting the baseline in mechanism methodologies” (A6.4-STAN-METH-004), the lower bound of the uncertainty interval relative to the central estimate is used to derive the conservative BAU emission factor, and the lower BAU emission factor between the two approaches is used. Table 4 summarizes this information for type 1 and type 2 activities.
29. IPCC values are provided for different plant pressure levels. The conservative BAU values derived based on data from CDM and JI plants are indicated for all pressure levels. However, given that a single BAT emission factor is used for all pressure levels, a single BAU value is selected. The selected value of 3.99 kg N₂O / t HNO₃ is based on all CDM and JI plants, including all pressure levels. The value is lower than all IPCC values and thus conservative.

¹⁰ Umweltbundesamt. (2001). State-of-the-art for the production of nitric acid (M-150). Umweltbundesamt (Federal Environment Agency Austria).

<https://www.umweltbundesamt.at/fileadmin/site/publikationen/M150z.pdf>.

¹¹ Intergovernmental Panel on Climate Change (2000). Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories. IPCC, Geneva, Switzerland.

Table 4. Conservative BAU emission factors derived from different data sources for type 1 and 2 activities (kg N₂O / t HNO₃)¹²

Plant pressure	IPCC default values for plants without N ₂ O abatement adjusted for uncertainty	Calculated values from CDM and JI plants adjusted for uncertainty at a 95 % confidence interval ¹³	Selected BAU value
Single low pressure	4.50	4.84	3.99
Single medium pressure	6.40	3.99	
Single high pressure	5.40	3.74	
Dual low/medium pressure	5.60	7.19	
Dual medium/high pressure	6.30	4.65	
All pressure levels	Not applicable	3.99	

30. For type 3 activities, the conservative BAU emission factor is derived in the same way, based on IPCC default values with N₂O abatement and data from CDM and JI plants. For the latter, the values for type 1 and 2 activities are used, adjusted for an abatement level of 85%. Table 4 summarizes this information for type 3 activities.
31. The selected value of 0.60 kg N₂O / t HNO₃ is based on all CDM and JI plants, including all pressure levels. The value is lower than all IPCC values and thus conservative.

Table 5. Conservative BAU emission factors derived from different data sources for type 3 activities (kg N₂O / t HNO₃)

Plant pressure	IPCC default values for plants with N ₂ O abatement adjusted for uncertainty	Calculated values from CDM and JI plants adjusted for uncertainty at a 95 % confidence interval	Selected BAU value
Single low pressure	2.25	0.73	0.60
Single medium pressure	2.25	0.60	
Single high pressure	2.25	0.56	
Dual low/medium pressure	1.35	1.08	
Dual medium/high pressure	2.00	0.70	
All pressure levels	Not applicable	0.60	

5. Comparison of the downward adjusted emissions baseline with the BAU emissions

32. The BAT value for type 1 and type 2 activities is lower than the selected BAU value provided in Table 4 and the BAT value for type 3 activities is lower than the selected BAU value in Table 5. Therefore, the downward adjusted baselines emissions are also consistently lower than the conservative BAU emissions.

¹² As data does not have a normal distribution, a bootstrap analysis was conducted to determine the uncertainty at a 95% confidence level.

¹³ The data is sourced from the first monitoring report of 97 CDM and JI projects for which measured baseline emission factors are provided. In the case of JI projects, only baseline emission factors not influenced by regulatory requirements were used.

Document information

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01.0	17 March 2026	MEP 012, Annex 5. A call for input on this document will be issued following the conclusion of the MEP 012 meeting. Any input received will be considered by the MEP for the further development of this document at a future meeting. This draft mechanism methodology was developed based on PMM002, as submitted Carbon Climate Protection GmbH.

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