

A6.4-SBM017-A01

Information note

Article 6.4 mechanism two-year business
and resource allocation plan 2026–2027

Version 01.0



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1. Introduction

1. Article 6 of the Paris Agreement¹ established three instruments for Parties to use in pursuing voluntary cooperation when implementing their nationally determined contributions (NDCs): cooperative approaches involving the use of internationally transferred mitigation outcomes (Article 6, paragraph 2); a mechanism to contribute to the mitigation of greenhouse gas emissions and support sustainable development (Article 6, paragraph 4); and non-market approaches to enable cooperation on mitigation, adaptation, and the development of clean energy sources (Article 6, paragraph 8).
2. The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) adopted, at its third meeting, the “Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement”.² This “rulebook” delineates principles, key requirements and processes of the mechanism established by Article 6, paragraph 4, of the Paris Agreement (Article 6.4 mechanism), including the establishment of a Supervisory Body. The CMA requested the Supervisory Body to consider and further develop various elements in the rules, modalities and procedures for its operationalization.
3. At its 14th meeting in Baku, Azerbaijan, the Article 6.4 Supervisory Body adopted new standards facilitating the creation, purchase, and sale of carbon credits. These standards outline methodologies for crediting emissions reductions or removals and provide guidance for developing and accessing Article 6.4 mechanism methodologies, with these it ensures transparency, credibility, and the avoidance of leakage, as well as addressing risks in emissions projects. The CMA took note of these developments, marking a significant step toward operationalizing a global carbon market under the Paris Agreement.
4. The Resource Allocation Plan 2026–2027 (RAP 2026–2027) presented in this document provides an estimated budget for the Supervisory Body to carry out its work in 2026–2027 as specified in its workplan, as well as other activities deemed essential to operationalize the Article 6.4 mechanism. The RAP 2026-2027 takes into consideration the need for flexibility in deploying resources and was prepared noting that the funding shortfall in 2025 had required the implementation of contingency measures to limit expenditures to 72.8 % of the initial budget, and that the prudent management of resources will need to continue in the biennium 2026-2027.

2. Strategic vision and objectives

5. The strategic vision of the Supervisory Body is to provide a mechanism that actively contributes to the global mitigation of emissions and sustainable development, as mandated in Article 6, paragraph 4, of the Paris Agreement. It aims do this through a high-quality, robust and inclusive multilateral crediting mechanism that demonstrates the highest environmental integrity standards and by aiming to become a benchmark-setter.

¹ See document, The Paris Agreement available at: <https://unfccc.int/process/conferences/pastconferences/paris-climate-change-conference-november-2015/paris-agreement>.

² See document FCCC/PA/CMA/2021/10/Add.1 (decision 3/CMA.3) available at <https://unfccc.int/documents/460950>.

6. To support the achievement of the RAP 2026–2027, the Supervisory Body will strive to accomplish the following objectives and related goals:

2.1 Objective 1: Prompt operationalization of the Article 6.4 mechanism as a global benchmark for high-integrity carbon credits

7. The Supervisory Body intends to focus its primary efforts on getting the Article 6.4 mechanism operational and “open-for-business” so that it can take its place as the only multilaterally agreed and governed crediting mechanism that can be the global benchmark for high integrity carbon credits. Once achieved, this objective will evolve into one focused on maintaining the operation of the Article 6.4 mechanism and that it remains ‘fit-for-purpose’.

2.1.1 Goal 1: Develop and adopt efficient and effective procedures, processes, and infrastructure

8. Under this goal, the Supervisory Body intends to:
- (a) Operate efficient activity assessment processes with a focus on meeting all timelines without compromising the quality of assessments;
 - (b) Operate an effective accreditation framework through the development of accreditation standards and procedures that are clear and easy to apply while ensuring the broadest possible regional availability of designated operational entities (DOEs);
 - (c) Provide effective and user-friendly infrastructure that facilitates the participation of public and private entities in the mitigation of greenhouse gas emissions by enabling access and ease of use;
 - (d) Continuously review and improve the procedures, processes and infrastructure for the Article 6.4 mechanism in a nimble manner as a driver of innovation and by being responsive to innovation and best practices as they emerge in the carbon credit markets;
 - (e) Support Parties and stakeholders through the completion of the transition of eligible projects and certified emissions reductions (CERs) from the clean development mechanism to the Article 6.4 mechanism.

2.1.2 Goal 2: Set the global benchmark for high environmental integrity in the quantification of mitigation outcomes from activities

9. Under this goal, the Supervisory Body intends to:
- (a) Operate an effective methodology development process that supports the needed transformational change, and facilitate the achievement of ambitious emission reductions that are real, additional and verifiable as well as enhancements of long-term removals;
 - (b) Engage the best expert knowledge by applying a science- and evidence-based approach;
 - (c) Ensure transparent and inclusive processes for the engagement of stakeholders and local communities;

- (d) Take a leading role in the discussions on environmental integrity and harmonization of standards for carbon crediting through outreach and engagement with other crediting standards and initiatives.

2.2 Objective 2: To support the effective utilization of the Article 6.4 mechanism by the full range of stakeholders

- 10. Once the Article 6.4 mechanism is sufficiently operational, the Supervisory Body will increase its focus on enhancing the use of the Article 6.4 mechanism by stakeholders, while noting that some activities will be undertaken to support this objective in parallel with the objective above.

2.2.1 Goal 3: Enable Party and non-Party stakeholders to understand and participate in the Article 6.4 mechanism

- 11. Under this goal, the Supervisory Body intends to:
 - (a) Support the highest quality of submissions through the development and strengthening of the capacity and skills of designated national authorities, DOEs, activity participants and other stakeholders' regarding the requirements of the Article 6.4 mechanism;
 - (b) Present and protect a positive image of the Article 6.4 mechanism by developing and proactively disseminating information and materials that promote awareness of the Article 6.4 mechanism and its benefits;
 - (c) Empower host Parties to use the Article 6.4 mechanism as part of their national approaches to support the achievement of ambitious NDCs and long-term low-emission development strategies by promoting greater understanding of how the Article 6.4 mechanism works in their interests.

2.2.2 Goal 4: Promote that the Article 6.4 mechanism achieves an equitable regional distribution of Article 6.4 activities and an equitable sharing in benefits from those activities

- 12. Under this goal, the Supervisory Body intends to:
 - (a) Promote the regional distribution of Article 6.4 activities and ensure that no Party is left behind by ensuring (i) the adaptability of the Article 6.4 mechanism to local conditions, (ii) its usability, and (iii) the minimization of its transaction cost and by actively engaging with potential host Parties through the provision of support by the United Nations Framework Convention on Climate Change Regional Collaboration Centres, including by the facilitation of market access;
 - (b) Promote the broadest possible participation and ensure that benefits are shared by all, taking into consideration the interests of host Parties, public and private investors, and the users of the Article 6, paragraph 4, mitigation outcomes (A6.4ERs (either as MCUs³ or AERs⁴)).

³ Article 6, paragraph 4, emissions reductions (mitigation contribution A6.4ERs), as per decision 6/CMA.4, annex, paragraph 29(b)

⁴ Article 6, paragraph 4, emissions reductions (authorized A6.4ERs), as per decision 6/CMA.4, annex, paragraph 29(a)

2.2.3 Goal 5: Enable demand for Article 6.4 mitigation outcomes from the Article 6.4 mechanism

13. Under this goal, the Supervisory Body intends to:

- (a) Engage with public and private stakeholders using MCUs for national policy and voluntary purposes by promoting the use of MCUs for reporting on the climate impact of activities financed through the purchase and voluntary cancellation of MCUs as results-based finance; and/or engage with public and private entities contributing to the achievement of the host Party's NDC.
- (b) Engage with regulatory authorities and other entities on the use of AERs for NDC achievement by showcasing the potential of the Article 6.4 mechanism to supply the highest-quality credits while ensuring that double-counting is avoided;
- (c) Take the necessary steps to ensure that the Article 6.4 mechanism is a leading supplier of mitigation outcomes for use in other international mitigation purposes, specifically through direct engagement with existing regulatory and national bodies and with any future market-based mechanism(s) that may be developed.

Appendix. Resource Allocation Plan 2026–2027

1. Introduction

1. This Resource Allocation Plan 2026–2027 (RAP 2026–2027) outlines the activities and resource requirements needed to support the Supervisory Body’s goals for 2026 and 2027 under the Article 6.4 mechanism, noting that additional funding will be needed to cover the expenditures for both years, considering the available resources and projected income.

2. Activities, forecasted volumes and resource requirements

2. As shown in table 1, the budget proposal covered by the RAP 2026–2027 is USD 20.8 million for 2026 (column (c)) and USD 17.3 million for 2027 (column (d)), compared to the approved budget for 2024 and 2025 of USD 18.6 million (column (a)) and USD 19.8 million (column (b)) respectively.

3. In 2026 and 2027, the proposed staff count is 57 per year.

Table 1. Overview of the approved 2024-2025 budget, and budget proposal for 2026 and 2027

Budget	Resource Allocation Plan 2024–2025		Proposed Resource Allocation Plan 2026–2027	
	Approved budget 2024 (a)	Approved budget 2025 (b)	Budget proposal 2026 (c)	Budget proposal 2027 (d)
Staff (head count)	52	63	57	57
Staff costs⁽ⁱ⁾	8 339 370	9 924 161	9 320 455	9 320 455
Non-staff costs⁽ⁱⁱ⁾	10 219 414	9 887 785	11 521 525	8 005 603
Total (USD)	18 558 784	19 811 946	20 841 979	17 326 058

(i) Staff costs include Staff, General Temporary Assistance, and related costs such as salaries, overtime payments, dependency allowance, education grant, rental subsidy, home leave travel, travel on appointment and separation, after-service health insurance costs, etc.

(ii) Non-staff costs include Total Cost of Ownership (TCO) and the 13 per cent Programme Support Costs (PSC).

TCO – Service programmes in the secretariat (Information and Communication Technology and Administrative Services) render services to all secretariat activities funded from both core and non-core sources of funding. The purpose of TCO charges is to ensure the allocation of costs of these support services to the sources of funding to which they relate. The TCO charge per capita of EUR 17,290 is applied.

PSC – In accordance with the financial procedures of the United Nations, 13 per cent of overhead charges are payable on all trust funds of the United Nations Framework Convention on Climate Change (UNFCCC) to cover administrative services provided by the United Nations Office at Geneva and the UNFCCC secretariat.

4. Table 2 reflects the level of activities that are envisaged under the planned resource allocation for 2026 and 2027. To deliver the proposed activities and outputs, total estimated resource needs are 603 person-months per year. During the implementation of the RAP 2026–2027, adjustments may be necessary. Other Mitigation Division staff resources may be utilized to support the delivery of outputs as required. The “person-months” column in table 2 provides an indication of the effort required to perform each activity per year.

Table 2. Overview of the area, outputs, activities and resources allocated for 2026 and 2027

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Accreditation system	Support for entities' assessment	1	Entity administration	Entities	33	33	8	8	-	-
		1	Entity assessment planning	Assessments	18	18	3	3	-	-
	Performance monitoring system	1	Maintenance of an entity performance monitoring system	System	1	1	2	2	-	-
		1	Handling of complaints and requests for review	Reports	1	1	1	1	-	-
Entity assessment	Assessments of operating entities	1	Performance assessments (validation and verification)	Assessments	3	3	2	2	-	-
		1	Regular surveillance and spot checks	Assessments	2	2	2	2	-	-
		1	Requests for initial and re-accreditation	Requests	10	10	3	3	-	-

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Entity assessment <i>(cont.)</i>	Workshops for accreditation experts and designated operational entities (DOEs)	1	Calibration of assessment team leads	Workshops	2	2	2	2	50 909	50 909
		1	DOE calibration workshop	Workshops	2	2	2	2	31 136	31 136
Activity assessments	Assessments of activity submissions	1	Requests for direct communication, renewal of crediting period, and review	Requests	35	35	5	5	75 000	75 000
		1	Requests for programmes of activities (PoAs) issuance covering component activities (CAs)	Requests	15	15	4	4	-	-
		1	Requests for PoA post-registration change (PRC)	Requests	25	25	5	5	-	-
		1	Requests for PoA registration	Requests	10	10	1	1	-	-
		1	Requests for activity issuance	Requests	150	150	9	9	-	-
		1	Requests for activity PRC	Requests	15	15	2	2	-	-
		1	Requests for activity registration	Requests	50	50	6	6	-	-
		1	PoA post-registration CA inclusion requests	CA inclusions	50	50	1	1	-	-

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Activity cycle	Article 6.4 mechanism information system	2	Development and operation of the Article 6.4 mechanism information system	IT system	1	1	12	12	3 500 000	1 534 091
		2	Workflow support for activity cycle	Tasks	675	675	11	11	-	-
	Support to Appeal and Grievance (A&G) Processes	2	Managing of the A&G experts including call for and selection of experts	Experts	0	0	0	0	-	-
		2	Operation of appeal panel process	Cases	5	5	4	4	15 000	30 000
		2	Operation of grievance process	Cases	5	5	4	4	30 000	60 000
Methodologies	Methodologies, standards and tools	2	Processing of requests for clarification, deviation, revision, and new submissions	Requests	45	45	37	37	-	-
	Sustainable Development Tool	2	Revision of Sustainable Development Tool and related forms	Revisions	3	3	6	6	-	-

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Methodologies <i>(cont.)</i>	Sustainable Development Tool <i>(cont.)</i>	2	Development of new annexes for carbon dioxide removal activities and land use, land-use change and forestry activities and other type of technologies	Number of new annexes	2	2	6	6	60 000	30 000
	Technical documents, procedures and guidelines on methodological aspects, including removals	2	Processing of submitted new standardized baselines	Evaluation of submissions	5	5	6	6	-	-
		2	Scientific editors/technical writers: support for methodological work and other technical documents		-	-	2	2	39 000	39 000
		2	Analysis and revision of existing methodologies and standardized baselines	Revisions	10	10	30	30	6 041	6 041
	Support for methodologies-related clarifications and inquiries	2	Development / revision of technical procedures and guidelines on methodological aspects	Procedures and guidelines	10	10	30	30	-	-

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Methodologies <i>(cont.)</i>	Support for methodologies-related clarifications and inquiries <i>(cont.)</i>	2	Methodological requests from the Supervisory Body, including city-wide/ jurisdictional approaches	Requests	15	15	15	15	15 000	15 000
	Digitized methodologies	1, 2, 3, 4	Digitization of A6.4 methodologies to enhance automatization of activity cycle	Number of digitized methodologies	5	5	10	10	25 000	25 000
	Modularization of methodologies	1, 2, 3, 4	To make the methodology framework modular	Number of methodologies that are re-built from modular component	25	25	10	10	25 000	25 000
Registry	Article 6.4 mechanism registry	1, 2	Changes to modalities of communication	Requests	400	400	2	2	-	-
		1, 2	Transactions	Transactions	1320	1320	5	5	-	-
		1	Registry reports	Reports	300	300	3	3	-	-
		1	IT systems requirements support, testing and acceptance		-	-	15	15	1 931 818	795 455

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Regulatory management	Regulatory standards and procedures, clarifications, guidelines and forms	2	Regulations and procedures	Procedures and Standards	10	10	7	7	25 000	25 000
		2	Develop and maintain regulatory documents	Forms	18	18	30	30	-	-
Market and policy analysis	Analytical reports	3, 5	Public policy analysis, development and reports	Reports	1	1	2	2	50 000	50 000
Servicing of regulatory body	Support to the constituted body meetings	2	Legal support		-	-	10	10	-	-
		2	Support to the Supervisory Body, including preparation of meetings	Meetings	5	5	30	30	648 282	648 282
		2	Governance matters related to the Supervisory Body		-	-	8	8	31 616	31 616
		2	Documents management for the Supervisory Body		-	-	15	15	25 000	25 000

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Servicing of panels / working groups	Operationalization of Accreditation Expert Panel (AEP) and Methodological Expert Panel (MEP)	2	Support to the Accreditation Expert Panel, including preparation of meetings	Meetings	4	4	18	18	60 266	60 266
		2	Support to the Methodological Expert Panel, including preparation of meetings	Meetings	6	6	15	15	648 014	648 014
		2	Managing of the support structure of the Supervisory Body (e.g., panels and roster of experts, as appropriate), development of terms of references, call for and selection of membership and roster of experts		-	-	6	6	35 000	35 000
		2	Documents management for the AEP and MEP		-	-	6	6	-	-

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Capacity-building	Workshops/trainings Knowledge products Partnerships	4	Coordination and delivery of Article 6.4 capacity-building activities including through Regional Collaboration Centres (RCCs), such as preparation of training materials and other knowledge products, engagement of experts, direct country support, and participation in training events organized by other organizations		-	-	50	50	94 735	94 735
Secretariat interactions with stakeholders	Dissemination of information to stakeholders, including clarifications	3, 4	External queries	Transactions	200	200	6	6	-	-
	Stakeholders' interactions	3	Calls for input and feedback to stakeholders	Transactions and reports	30	30	2	2	-	-

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Secretariat interactions with stakeholders <i>(cont.)</i>	Capacity-building of designated national authorities (DNAs) and DOEs	3	Regional DNA forums	Events	2	2	3	3	186 747	186 747
	Provision of technical support	3	Nairobi Framework Partnership coordination and regional activities with a specific focus on Africa, least developed countries and small island developing states		-	-	3	3	-	-
		3, 4, 5	Support to stakeholders and capacity-building of DOEs	Interactions	15	15	5	5	-	-
		3, 4, 5	External engagement activities (technical support to stakeholders and regional engagement)		-	-	8	8	-	-

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Secretariat interactions with stakeholders <i>(cont.)</i>	Provision of technical support <i>(cont.)</i>	3, 4, 5	RCC engagement, methodological and procedural support to Article 6.4 mechanism activities	Interactions	180	180	24	24	-	-
Cross-cutting	Strategic guidance, coordination and oversight, including supervision of deliverables	1–5	Regular engagement with the Supervisory Body	Meetings	-	-	3	3	-	-
		3	Strategy development and implementation		-	-	2	2	-	-
		1–5	Ensuring consistency, coherence, and quality of outputs across workstreams		-	-	2	2	-	-

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Cross-cutting <i>(cont.)</i>	Communication Strategy Strategic and external communications Media-related activities (e.g., blogs, social media) Communication products and media relationships	3, 5	Communications		-	-	10	10	105 302	81 140
	Websites, extranets and repositories Catalogue of decisions and taxonomy Records management	1, 3, 4	Information and knowledge management		-	-	20	20	40 800	40 800
	Secretariat-wide responsibilities	1–5	Secretariat-wide responsibilities		-	-	5	5	-	-
	Data gathering, analysis and reports	2	Data management	Analysis and Reports	11	11	7	7	-	-

Area	Outputs	Goals ^(a)	Activity	Units	Forecasted volume ^(b)		Person-months		Non-staff costs (USD)	
					2026	2027	2026	2027	2026	2027
Cross-cutting: internal administration	Recruitments and contract management	1–5	Human resources, skills development, and learning materials		-	-	9	9	50 000	50 000
	Financial management and reporting	1–5	Finance (including budget, expert payments, fee payments, and procurement)		-	-	9	9	-	-
	Business Plan and Resource Allocation Plan (RAP) development	1–5	Intra-secretariat engagement agreement		-	-	1	1	10 000	10 000
	Mid-year and end-year review reports on the status of RAP 2026–2027 implementation	1–5	Planning, monitoring and reporting		-	-	16	16	-	-
		1–5	Travel management		-	-	2	2	100 000	100 000
		1–5	Management and meetings		-	-	2	2	-	-
		1–5	Supplies and subscriptions		-	-	1	1	89 188	89 188
Total							603	603	8 003 855	4 892 419

^(a) Description of the goals are included in section 2 "Strategic vision and goals".

^(b) The forecasted volume estimates may be further reviewed and updated during implementation of RAP 2026-2027.

3. Programme budget

5. Table 3 displays the breakdown of the budget proposals for 2026 and 2027 by different cost categories: the 2024 and 2025 approved budget, the budgets for 2026 and 2027, and the comparison of budget proposals against the 2025 approved budget.
6. The 2026 budget proposal shows a 5.2 per cent increase compared to the 2025 budget, and the 2027 budget proposal shows a -12.5 per cent decrease compared to 2025 budget.

Table 3. Breakdown of budgets by cost categories and comparison of budget proposals for 2026 and 2027 against 2025 budget (USD)

Expense classification	Proposed budget 2026	Proposed budget 2027	Approved budget 2024	Approved budget 2025	Budget proposal 2026 against budget 2025 (%)	Budget proposal 2027 against budget 2025 (%)
Staff ^(a)	9 320 455	9 320 455	8 339 371	9 924 161	-6.1	-6.1
Consultants ^(b)	371 399	327 399	524 136	340 411	9.1	-3.8
Expert fees ^(c)	564 765	609 765	471 279	576 008	-2.0	5.9
Expert travel ^(d)	204 562	204 562	303 488	303 488	-32.6	-32.6
Travel of representatives ^(e)	177 566	177 566	338 917	338 917	-47.6	-47.6
Travel of representatives – Supervisory Body ^(f)	468 714	468 714	511 849	511 849	-8.4	-8.4
Travel of staff ^(g)	268 544	258 544	404 818	404 818	-33.7	-36.1
Training ^(h)	50 000	50 000	50 000	50 000	—	—
Operating expenses ⁽ⁱ⁾	407 988	407 826	463 089	463 089	-11.9	-11.9
Total cost of ownership (TCO) ^(j)	1 119 920	1 119 920	948 258	1 151 457	-2.7	-2.7
Engagement agreement (IT) ^(k)	5 490 316	2 388 043	4 068 498	3 468 498	58.3	-31.2
Subtotal	18 444 229	15 332 794	16 423 703	17 532 696	5.2	-12.5
Programme support costs (PSC) ^(l)	2 397 750	1 993 263	2 135 081	2 279 250	5.2	-12.5
Total	20 841 979	17 326 058	18 558 784	19 811 946	5.2	-12.5

- (a) Staff costs include staff, General Temporary Assistance and related costs such as salaries, overtime payments, dependency allowance, education grant, rental subsidy, home leave travel, travel on appointment and separation, after-service health insurance costs, etc.
 - (b) Consultant costs include consultants and individual contractor fees, and ticket costs, DSA, terminal expenses and miscellaneous expenses.
 - (c) Expert costs include panels attendance fees and case fees and costs of experts who provide technical input to the Supervisory Body.
 - (d) Expert travel includes ticket costs and daily subsistence allowance (DSA) of panels members.
 - (e) Travel of representatives includes ticket costs and DSA for participants in meetings and workshops.
 - (f) Travel of representatives (Supervisory Body) includes ticket costs and DSA.
 - (g) Travel of staff costs includes staff, ticket costs, DSA, terminal expenses and miscellaneous expenses.
 - (h) Training costs include staff attendance or course fees, consultant costs for training, ticket costs and DSA.
 - (i) Operating expenses include rental of equipment, shipping and transport costs, maintenance costs, other logistics costs, supplies and materials.
 - (j) Total cost of ownership (TCO) – Service programmes in the secretariat (Information and Communication Technology and Administrative Services) render services to all secretariat activities funded from both core and non-core sources of funding. The purpose of TCO charges is to ensure the allocation of costs of these support services to the sources of funding to which they relate. The TCO charge per capita of EUR 17,290 is applied.
 - (k) Engagement agreement (Information Technology) includes IT- related costs to support the implementation of the Resource Allocation Plan, including the development and operation of the Article 6.4 mechanism registry and the Article 6.4 mechanism information system.
 - (l) Programme support costs (PSC) – In accordance with the financial procedures of the United Nations, 13 per cent of overhead charges are payable on all trust funds of the United Nations Framework Convention on Climate Change (UNFCCC) to cover administrative services provided by the United Nations Office at Geneva and the UNFCCC secretariat.
7. The increased engagement agreement (Information Technology (IT)) cost category in the budget proposal for 2026, compared to the approved budgets for 2024 and 2025, reflects the continual development costs of IT systems such as the next phases and operation of the Article 6.4 mechanism registry and the Article 6.4 mechanism information system. IT development costs for 2026–2027 are estimates.

4. Ensuring the prudent management of resources

8. The secretariat will continue to ensure the prudent management and monitoring of resource allocations against priority areas of work to ensure the optimal use of available staff in delivering high-quality products on time.
9. The Supervisory Body will have opportunities to review the implementation of its RAP 2026–2027 and adjust the allocation of resources as appropriate, considering relevant decisions made by the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, as well as the funding status of the mechanism established by Article 6, paragraph 4, of the Paris Agreement.

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