

A6.4-SBM020-AA-A08

Concept note

Voluntary cancellation platform

Version 01.0



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1. Procedural background

1. The Supervisory Body of the Article 6.4 mechanism, at its thirteenth meeting, took note of the concept note on “Repurposing the clean development mechanism voluntary cancellation platform to serve the Article 6.4 mechanism”¹ and agreed to revisit this matter at a future meeting, taking into account the work undertaken related to the Article 6.4 mechanism registry.² At its eighteenth meeting, the Supervisory Body reconsidered the topic on the functioning of the platform for voluntary cancellation of certified emission reductions to serve the Article 6.4 mechanism and agreed to revisit it at its twentieth meeting.

2. Purpose

2. The purpose of this concept note is to provide recommendations for repurposing the clean development mechanism voluntary cancellation platform (hereinafter referred to as the platform) to serve the Article 6.4 mechanism following, or in parallel with, the clean development mechanism (CDM) conclusion on 31 December 2026 and in line with the CMP 20 decision³ on the discontinuation of the cancellation of CERs and any other transactions in the CDM registry and in the voluntary cancellation platform.

3. Key issues and proposed solutions

3.1. The CDM voluntary cancellation platform

3. The platform⁴ was launched in September 2015 to facilitate the voluntary cancellation of certified emission reductions (CERs) issued to projects under the CDM.
4. The platform is an online e-commerce service that enables project participants to offer CERs for voluntary cancellation to the public. Once an order is placed and paid, the CERs are immediately cancelled in the CDM registry via an application programming interface (API)⁵. A cancellation certificate is then sent to the purchaser.
5. The platform actively promotes climate action, highlighting not only the positive mitigation impact of CDM projects but also their contribution to sustainable development. Consequently, CERs available on the platform tend to hold a higher value compared to those traded for compliance purposes.
6. Since its launch through the end of December 2025, nearly 16 million CERs have been voluntarily cancelled on the platform by organizations and individuals seeking to offset

¹ See: <https://unfccc.int/sites/default/files/resource/a64-sbm013-aa-a15.pdf>.

² Meeting report of the Supervisory Body, thirteenth meeting of the Article 6.4 mechanism, agenda item 3.5, paragraph 22: <https://unfccc.int/sites/default/files/resource/A6.4-SBM013.pdf>.

³ See: https://unfccc.int/sites/default/files/resource/cmp20_5_CDM_AUV.pdf

⁴ The platform can be accessed at: <https://offset.climateneutralnow.org>.

⁵ An API is a set of programming code that enables data transmission between one software product and another.

their emissions. As of December 2025, CERs from 108 projects are available on the platform, a 45 per cent increase compared to December 2023.

7. Since September 2015, the platform has been visited by users from nearly every country worldwide.⁶ A total of 293 CDM activities, in 34 host countries, have opened a provider account on the platform.
8. From launch to 2022, the number of cancelled CERs increased steadily, and by more than 40 per cent from 2021 to 2022. While in 2023 the number of orders increased, the number of cancelled CERs decreased slightly compared to the previous year. Since 2024, however, the number of orders decreased by approximately 13 per cent compared to the previous years, reflecting a noticeable decline in cancelled CERs into a double-digit percentage. This development may result from the declining market value of CERs in the light of the end of the Kyoto Protocol.
9. The platform's users mainly consist of individuals and organizations/companies. In recent reporting periods, companies and organizations continue to cancel the majority of CERs, a change in profile since the early operations of the platform, when individuals were more active. In the last six reporting periods, companies and organizations accounted for upwards of 90 per cent of cancellations on the platform, a change from the earlier reporting periods when individuals accounted for as much as 32 per cent of cancellations (see Appendix, figure 1).

3.2. Benefits of the platform

10. The platform offers several benefits for those providing or purchasing CERs, including:
 - (a) Under the CDM, the platform is free of charge for both providers and purchasers;
 - (b) The platform is accessible to the general public and has a global reach, offers language options in English, French and Spanish, and is accessible from both desktop and mobile devices;
 - (c) CER providers can choose which CERs to offer and the amount, set prices and receive payment directly via bank transfer or PayPal;
 - (d) Purchasers can select CERs based on host country, project technology type, vintage and/or price, purchase and pay for them and receive customizable certificates of cancellation;⁷
 - (e) The platform can integrate customised calculators designed to address different sectors and needs, including private users, businesses, and events. Users can calculate their emissions and offset them within a single platform; and
 - (f) The platform can integrate with other platforms, expanding avenues for voluntary cancellations of CERs and user participation in the private and business sector.

⁶ See: <https://cdm.unfccc.int/EB/report/index.html>.

⁷ See: <https://offset.climateutralnow.org/vchistory>.

3.3. Options for an Article 6.4 voluntary cancellation platform

3.3.1. Repurposing of the CDM platform

11. The CDM platform's e-commerce system requires updates to ensure continued operability. Repurposing the platform for the Article 6.4 mechanism will entail investing in software upgrades for improved functionality, security and scalability. Moreover, it will require investing in development to meet the Article 6.4 requirements of offering different types of emission reductions.
12. The CDM platform offers three payment methods: payment by bank transfer and payment through PayPal Adaptive Payments plugin that allows payment with credit card, or via PayPal directly. The platform is designed to ensure that the secretariat is not involved in the collection of payments and that payments go directly to the CER providers. To ensure ongoing secure and stable transactions, the system may require migration to an updated payment module.
13. In order to ensure secure and stable payment transactions under PayPal, migration to a new payment module is required to provide a smooth, fit for purpose service. Currently, there is no alternative payment plugin that offers comparable global coverage, integrates with the platform, and enables payments to be made directly to the provider of the emission reductions rather than through the secretariat.
14. While under CDM the use of the platform was free of charge, under the Article 6.4 mechanism, a service fee for vendors could be justified. This would reflect increased costs related to security patches and related premium insurances, as well as the resources required to list projects and monitor orders. A staggered fee model could be considered.

3.3.2. Voluntary cancellation functionality on the Article 6.4 mechanism registry via API

15. Alternatively, the API is made publicly available, or upon request, to enable the voluntary cancellation in the Article 6.4 mechanism registry. This will allow public and private entities to develop their own voluntary cancellation platforms or build voluntary cancellation functionality into their applications. This option might increase transparency, liquidity and recognizability to Article 6.4 Emission Reductions (A6.4ERs) on the market.

4. Impacts and key considerations

16. Although repurposing the CDM platform will entail investments for upgrades to meet security parameters and for development to meet the mechanism's requirements as outlined in section 3.3.1, it may still be a cost-efficient solution able to generate revenue via service fees. As the CDM registry and the interim mechanism registry are built on the same system, A6.4ERs and CERs could be offered in parallel before shifting to the final mechanism registry – currently expected in early 2027 – at which point only A6.4ERs would be offered.
17. Repurposing a familiar system may encourage existing vendors to continue using the platform under the new mechanism, building on a customer base accumulated through over a decade of platform operation. In addition, the features and safeguards offered under the Article 6.4 mechanism could attract new participants and broaden the user base. Once finalized, the new mechanism may attract additional vendors and purchasers, depending on the features adopted.

18. In relation to the option presented under section 3.3.2, the level of industry's interest is currently difficult to predict, and it cannot be excluded that no independent voluntary cancellation platforms will emerge.

5. Subsequent work and timelines

19. As the first phase of the mechanism registry development is completed and the interim mechanism registry is fully operational, the Supervisory Body may wish to request the secretariat to conduct a survey to understand the potential demand for voluntary cancellation of A6.4ERs prior to making an investment decision.
20. However, the Supervisory Body may take into consideration that as per CMP 20 decision,⁸ the CDM registry along with the platform will be closed for transactions by the end of 2026. A decision on whether to repurpose the existing platform for use under the Article 6.4 mechanism should ideally be made prior to the platform's closure, in alignment with that decision.
21. The Supervisory Body may also request the secretariat to further explore the cost of operationalizing the option in paragraph 15 above.

6. Budget and costs for development and maintenance of the platform

22. Initial cost estimates (for the option in section 3.3.1 above) cover both development and annual maintenance. As of January 2026, development costs (one-off) are estimated at USD 210,000 (including software upgrade, connection to Article 6.4 mechanism registry), and annual maintenance at about USD 120,000.
23. Costs for developing and deploying the voluntary cancellation API for the mechanism registry (for the option in section 3.3.2 above) will need to be determined at a future date in collaboration with the registry vendor.

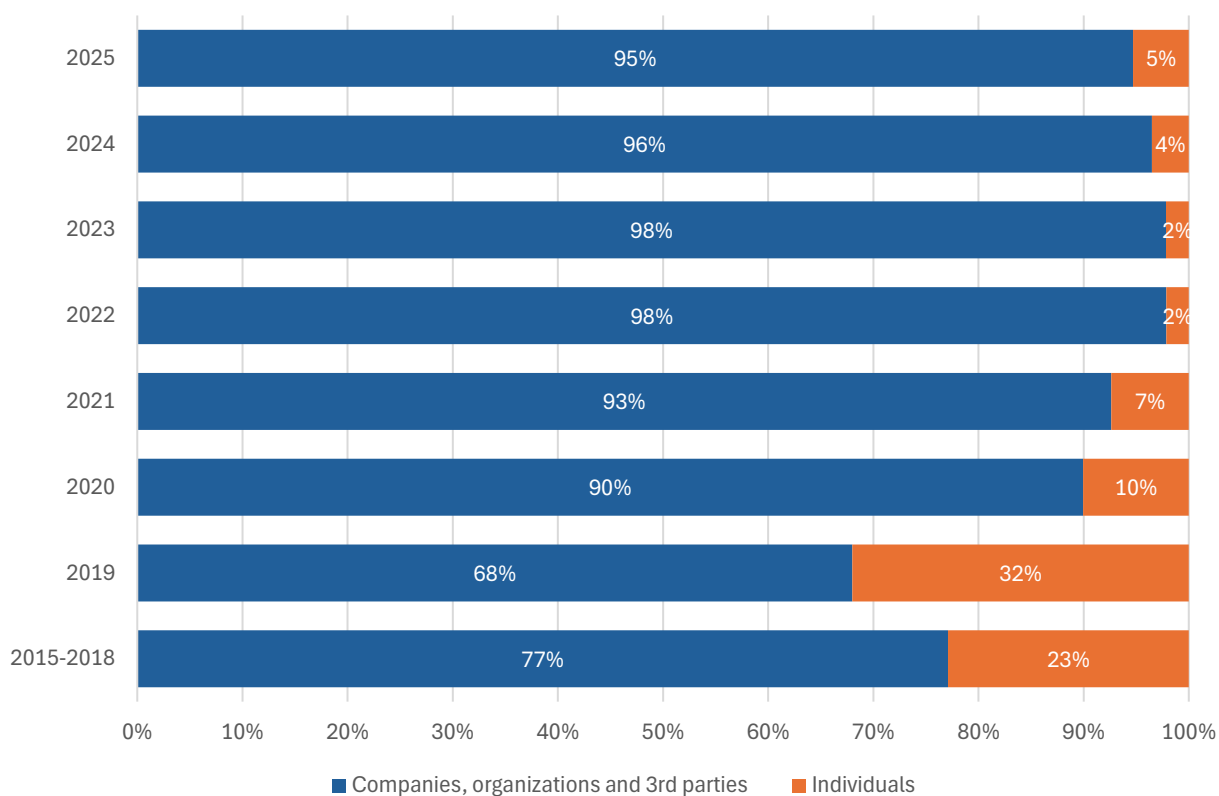
7. Recommendations to the Supervisory Body

24. The secretariat recommends that the Supervisory Body take note of the information contained in this document and provide guidance on the way forward.

⁸ See: https://unfccc.int/sites/default/files/resource/cmp2025_L04E.pdf.

Appendix. The platform figures

Figure 1. Proportion of CERs cancelled by type of purchaser, by reporting period



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