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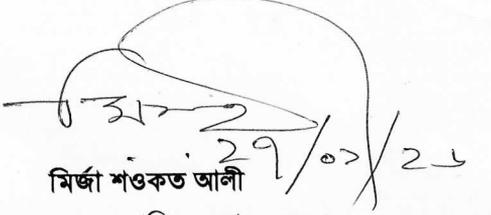
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### বিজ্ঞপ্তি

#### Bangladesh Carbon Market Framework-এর খসড়ার ওপর মতামত আহ্বান

উপর্যুক্ত বিষয়ে জানানো যাচ্ছে যে, জলবায়ু পরিবর্তন প্রশমনে জাতিসংঘের জলবায়ু পরিবর্তন বিষয়ক কাঠামো ইউএনএফসিসিসি (UNFCCC) কর্তৃক গৃহীত প্যারিস জলবায়ু চুক্তির আওতায় বাংলাদেশে Article-6 Carbon Market Mechanism বাস্তবায়ন সংক্রান্ত বিষয়ে প্রাতিষ্ঠানিক কাঠামো ও সক্ষমতা বৃদ্ধির জন্যে বিশ্ব ব্যাংকের Partnership for Market Implementation (PMI) প্রোগ্রামের সহায়তায় পরিবেশ অধিদপ্তর, পরিবেশ, বন ও জলবায়ু পরিবর্তন মন্ত্রণালয়, কর্তৃক Bangladesh Carbon Market Framework-এর খসড়া প্রণয়ন করা হয়েছে। উক্ত খসড়া Bangladesh Carbon Market Framework-এর উপর সংশ্লিষ্ট সকল সরকারি-বেসরকারি প্রতিষ্ঠান, জনসাধারণ এবং অংশীজনবৃন্দকে আগামী ৩ ফেব্রুয়ারী ২০২৬ তারিখের মধ্যে লিখিত মতামত [harun.rs83@doe.gov.bd](mailto:harun.rs83@doe.gov.bd) এবং [mirza.doe@gmail.com](mailto:mirza.doe@gmail.com) ই-মেইল-এ প্রেরণ করার জন্যে নির্দেশক্রমে অনুরোধ করা হলো।

সংযুক্তিঃ Bangladesh Carbon Market Framework-এর খসড়া।



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# BANGLADESH CARBON MARKET FRAMEWORK

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**Department of Environment**  
**Ministry of Environment, Forest and Climate Change**  
Government of the People's Republic of Bangladesh

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# **Bangladesh Carbon Market Framework**

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**Foreword**

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## Abbreviations and acronyms

To be finalized in the Final Draft

Acronym	Definition
<b>A6.2LOA</b>	Letter of Authorization for Mitigation Activities under Article 6.2
<b>A6.4ER</b>	Article 6.4 Emission Reduction
<b>A6.4LOA</b>	Letter of Authorization for Mitigation Activities under Article 6.4
<b>AFOLU</b>	Agriculture, Forestry and Other Land-Use
<b>AIR</b>	Article 6.2 Initial Report
<b>ART</b>	Annual Report Template
<b>BAU</b>	Business as Usual
<b>BCR</b>	Bangladesh Carbon Registry
<b>BRT</b>	Bus Rapid Transport
<b>BTR</b>	Biennial Transparency Report
<b>CA</b>	Corresponding Adjustment
<b>CAF</b>	Corresponding Adjustment Fees
<b>CCUS</b>	Carbon Capture, Utilization, and Storage
<b>CDM</b>	Clean Development Mechanism
<b>CER</b>	Certified Emission Reduction
<b>CMA</b>	Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement
<b>CO<sub>2</sub></b>	Carbon dioxide
<b>CO<sub>2</sub>eq</b>	Carbon dioxide equivalent
<b>COP</b>	Conference of the Parties to the UNFCCC
<b>CORISA</b>	Carbon Offsetting and Reduction Scheme for International Aviation
<b>CPA</b>	Component Project Activities
<b>CR</b>	Carbon Registry
<b>Ci-Dev</b>	Carbon Initiative for Development
<b>DNA</b>	Designated National Authority
<b>DOE</b>	Designated Operating Entity
<b>EI</b>	Environmental Integrity
<b>EIA</b>	Environmental Impact Assessment
<b>ETF</b>	Enhanced Transparency Framework
<b>FT</b>	First Transfer
<b>GCF</b>	Green Climate Fund
<b>GEF</b>	Global Environment Facility
<b>GHG</b>	Greenhouse Gas
<b>GHG ER</b>	Greenhouse Gas Emission Reduction
<b>GS</b>	Gold Standard
<b>GWP</b>	Global Warming Potential
<b>GgCO<sub>2</sub>e</b>	Gigagram of Carbon Dioxide Equivalent
<b>ICM</b>	International Carbon Markets
<b>ICP</b>	Independent Carbon Programs
<b>ICS</b>	International Carbon Standard
<b>IMP</b>	International Mitigation Purposes

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<b>INDC</b>	Intended Nationally Determined Contribution
<b>IPCC</b>	Intergovernmental Panel on Climate Change
<b>IPPU</b>	Industrial Processes and Product Use
<b>ISO</b>	International Organization for Standardization
<b>ITMO</b>	Internationally Transferred Mitigation Outcome
<b>KP</b>	Kyoto Protocol
<b>LOA</b>	Letter of Authorization
<b>LOE</b>	Letter of Endorsement
<b>LOI</b>	Letter of Intent
<b>LPG</b>	Liquefied Petroleum Gas
<b>LT-LEDS</b>	Long-Term Low Emission Development Strategy
<b>MA-ID</b>	Mitigation Activity Identification Number
<b>MAP</b>	Mitigation Activity Participant
<b>MCA6.4ER</b>	Mitigation Contribution Article 6.4 Emission Reduction
<b>MO</b>	Mitigation Outcome
<b>MOPA</b>	Mitigation Outcome Programme Agreement /Mitigation Outcome Purchase Agreement
<b>MRV</b>	Monitoring, Reporting and Verification
<b>MRT</b>	Mass Rapid Transport
<b>MtCO<sub>2</sub>e</b>	Million tons of Carbon Dioxide Equivalent
<b>NBA</b>	National Buffer Account
<b>NDC</b>	Nationally Determined Contribution
<b>NIR</b>	National Inventory Report
<b>NMA</b>	Non-market Approaches
<b>OIMP</b>	Other International Mitigation Purposes
<b>OMGE</b>	Overall Mitigation in Global Emissions
<b>OMP</b>	Other Mitigation Purposes
<b>PDD</b>	Project Design Document
<b>PIN</b>	Project Idea Note
<b>PoA</b>	Program of Activities
<b>REDD+</b>	Reducing Emissions from Deforestation and Degradation
<b>RMP</b>	Rules, Modalities and Procedures (for the Article 6.4 Mechanism)
<b>SBSTA</b>	Subsidiary Body for Scientific and Technical Advice (UNFCCC)
<b>SCF</b>	Standardised Crediting Framework
<b>SDGs</b>	Sustainable Development Goals
<b>SDT</b>	Sustainable Development Tools
<b>SLCPs</b>	Short-lived Climate Pollutants
<b>SOP</b>	Share of Proceeds
<b>SP</b>	Service Providers
<b>ToR</b>	Terms of Reference
<b>TPE</b>	Third Party Entity
<b>UIN</b>	Unique Identification Number
<b>UIR</b>	Updated Initial Report
<b>UNFCCC</b>	United Nations Framework Convention on Climate Change
<b>VCM</b>	Voluntary Carbon Market

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<b>VCP</b>	Verified Carbon Project
<b>VCS</b>	Verified Carbon Standard
<b>VER</b>	Verified Emission Reduction
<b>VVB</b>	Validation/Verification Bodies
<b>t</b>	tons
<b>°C</b>	Degrees Celsius

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## 1.0 Introduction

This Chapter provides a policy context for participation in carbon markets in line with the Paris Agreement adopted by the United Nations Framework Convention on Climate Change (UNFCCC). It outlines the national policy framework supporting carbon market participation.

### 1.1 The Paris Agreement and Nationally Determined Contributions

The Paris Agreement is a legally binding international treaty adopted by 195 Parties at the 21<sup>st</sup> Session of the UN Climate Change Conference (COP21) in Paris, France, on 12 December 2015. It entered into force on 4 November 2016 with a landmark multilateral agreement process that united all Parties in committing emissions reduction targets. Its overarching goal is to hold “the increase in the global average temperature to well below 2°C above pre-industrial levels” and pursue efforts “to limit the temperature increase to 1.5°C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change.” Parties have recognized that limiting global warming to 1.5°C requires deep, rapid, and sustained reductions in global greenhouse gas emissions – 43% by 2030 and 60% by 2035 relative to 2019 levels – and achieving net-zero carbon dioxide emissions by 2050. Other related key objectives are: i) increasing adaptive capacity, ii) socioeconomic transformation for climate resilience, and iii) establishing consistent pathways for financial flows towards low-emission and climate-resilient development. The Paris Agreement establishes a bottom-up architecture in which all Parties determine and communicate their climate actions, while recognizing common but differentiated responsibilities and respective capabilities in light of national circumstances.

Nationally Determined Contributions (NDCs) are the primary vehicle through which Parties articulate their mitigation and, as appropriate, adaptation commitments. Each Party shall prepare, communicate, and maintain successive NDCs that intend to achieve the following: provide the information necessary for clarity, transparency, and understanding; account for its NDCs to avoid double counting; and submit a new or updated NDC every five years representing a progression beyond the previous target that reflects the Party’s highest possible ambition (Article 4). While the Paris Agreement creates strong procedural obligations around NDCs, their domestic legal force depends on national law. NDCs are a significant part of the global response and also integral to form national climate change policy.

Article 6 of the Paris Agreement establishes a Framework for countries to voluntarily collaborate on reducing emissions and achieving their NDCs. It also facilitates the trade of Emission Reduction Units (ERUs) or Mitigation Outcomes (MOs), or Mitigation Contribution Units (MCUs), measured in tonnes of carbon dioxide equivalent (t CO<sub>2</sub> eq), between countries. This provision enables international finance to flow toward mitigation projects that might otherwise be challenging to implement. Key provisions within Article 6 relevant to carbon markets and climate finance include Article 6.2, Article 6.4, and Article 6.8. A brief description of these sub-clauses is provided below.

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## Article 6.2: Cooperative Approaches

Article 6.2 allows Participating Parties to collaborate bilaterally to achieve carbon reductions and removals through the transfer of credits, known as Internationally Transferrable Mitigation Outcomes (ITMOs). This helps countries meet their climate targets, referred to as NDCs.

The article offers a significant level of flexibility, giving countries the autonomy to determine the types of emission units they wish to trade. Under Article 6.2 guidance (Decision 2/CMA.3, Annex paras. 4–6), Parties remain responsible for establishing how mitigation outcomes are **quantified and accounted** within cooperative approaches, including the choice of methodologies for baseline and monitoring, provided they meet the robustness and reporting requirements set out in the guidance. Therefore, Countries have the option to adopt existing methodologies from the applicable carbon crediting standard or they can develop new methodologies in accordance with CMA decisions. The article supports capacity building, and access to technologies not available through domestic resources.

## Article 6.4: Paris Agreement crediting Mechanism

Article 6.4 establishes the Paris Agreement Crediting Mechanism (PACM), a new international crediting system under the UNFCCC – the UN’s new high-integrity carbon crediting mechanism – designed to generate verifiable emission reduction or removal credits. It serves as the successor to the CDM.

At their third session, the Parties to the Paris Agreement (Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement, in short, CMA), adopted Decision 3/CMA.3 containing the rules, modalities and procedures for a carbon crediting mechanism established by Article 6, paragraph 4, of the Paris Agreement. The CMA also designated a 12-member body – Article 6.4 Supervisory Body – to supervise the mechanism under the authority and guidance of the CMA and be fully accountable to the CMA. This includes developing and/or approving methodologies, registering activities, accrediting third-party verification bodies, and managing the Article 6.4 Registry.

The mechanism generates emission reduction or removal credits, referred to as Article 6.4 Emission Reductions (A6.4ERs), through emission reduction or removal activities/projects. When these A6.4ERs are authorized by the Host Country for transfer internationally to a purchasing country/party, they can be used by the buyer to meet its NDCs or for other international mitigation purposes (OIMP). In this case, the credits are also considered as ITMOs. If an A6.4ER is not authorized for transfer, it remains within the mechanism registry as an MCU and can be used by the host party to meet its NDCs.

## Article 6.8: Non-Market Approaches

Article 6.8 introduces “non-market approaches” to assist parties in implementing their NDCs. These approaches include cooperation through finance, technology transfer, and capacity building. Importantly, these strategies do not involve the trading of emission reductions but focus on fostering collaboration in other areas of climate action.

Decision 2/CMA.3 provides the guidance for Cooperative Approaches referred to in Article 6, paragraph 2, of the Paris Agreement. It requires that for all ITMOs, each Participating Party under a

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Cooperative Approach shall apply corresponding adjustments in a manner that ensures transparency, accuracy, completeness, comparability and consistency while upholding environmental integrity and avoiding double counting. The decision further provides that participation in Cooperative Approaches shall not lead to a net increase in emissions across Participating Parties within or between NDC implementation periods; and that corresponding adjustments shall be representative of and consistent with each Participating Party's NDC implementation and achievement.

Under the Article 6.2 Cooperative Approaches of the Paris Agreement, only the acquiring (buying) Party is eligible to use internationally transferred mitigation outcomes (ITMOs) toward the achievement of its nationally determined contribution (NDC) and/or for International Mitigation Purposes, including Other International Mitigation Purposes, provided that such mitigation outcomes have been formally authorized by the host Party and are subject to corresponding adjustments. Once an authorized mitigation outcome is transferred as an ITMO, the host (selling) Party is required to apply a corresponding adjustment and may not count the same emission reduction toward its own NDC. Authorized ITMOs may be used for recognized international mitigation purposes, including compliance schemes such as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), where explicitly authorized. In cases where mitigation outcomes are voluntarily cancelled without being used by another Party, such cancellation contributes to Overall Mitigation in Global Emissions (OMGE) and does not confer any right of use or claiming. In accordance with CMA guidance, corresponding adjustments are applied upon the first transfer of ITMOs, and both the host and acquiring Parties are required to transparently report authorizations, transfers, acquisitions, and use of ITMOs in their respective Biennial Transparency Reports (BTRs). Host Parties must therefore establish robust institutional arrangements, clear authorization procedures, and effective accounting and reporting systems to ensure environmental integrity, transparency, and consistency with UNFCCC reporting requirements.

## 1.2 Bangladesh's Participation under Article 6

Bangladesh is a Party to UNFCCC; it signed the convention on 09 June 1992 and ratified it on 15 April 1994. Bangladesh acceded to the Kyoto Protocol on 22 October 2001 and accepted its Doha Amendment on 13 November 2013. The country signed the Paris Agreement on 22 April 2016 and ratified it on 21 September 2016. The Ministry of Environment, Forest and Climate Change (MoEFCC) is the national focal point for all climate change issues in the country and is the Designated National Authority (DNA) for the CDM established under the Kyoto Protocol and for Article 6 of the Paris Agreement. On behalf of the MoEFCC, the Department of Environment serves as the Secretariat of the DNA. Further explanation is provided in Chapter 2.

A total of 21 projects have been registered under the CDM in Bangladesh. The projects have issued 19.2 million CERs by 2020. Among those, 11 CDM projects have been approved by the Article 6 DNA Governing Board to transition to Article 6.4

As a Party to the Convention, Bangladesh has consistently submitted reports on its climate actions to the UNFCCC, such as its National Communications, Biennial Update Reports and NDCs.

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Bangladesh has submitted three NDCs to date, with each successive NDC increasing the quantified target and raising ambition.

Bangladesh submitted its Intended Nationally Determined Contribution (INDC) to the UNFCCC on 25 September 2015. It covered only the energy sector – energy use in Power, Industry and Transport sectors – and considered 2011 as the Base Year. Bangladesh’s climate target was to reduce GHG emissions by 5% unconditionally, and to reduce GHG emissions by 10% conditionally upon receiving international climate finance support.

Bangladesh has submitted the Updated and Enhanced NDC on 26 August 2021 which adopted more economy-wide targets covering all sectors as per 2006 IPCC GHG Inventory Guidelines. The Updated NDC sets a target of 21.85% GHG emission reductions against the 2030 Business-as Usual Scenario using a 2012 baseline. The unconditional commitment (using domestic finance) is 6.73% GHG emission reductions (equivalent to 27.56 MtCO<sub>2</sub>eq\*<sup>i</sup>) and the conditional commitment (using internal finance support) is 15.12% GHG emission reductions (equivalent to 61.9 MtCO<sub>2</sub>eq) by 2030.

The NDC 3.0, prepared and submitted to the UNFCCC on 29 September 2025, sets a target of 20.31% GHG emission reductions against the 2035 Business-as-Usual Scenario using a 2022 baseline. The unconditional commitment (using domestic finance) sets a target for a 6.39% GHG emissions reduction (equivalent to 26.74 MtCO<sub>2</sub>eq) and the conditional commitment (using international finance support) provides for a reduction of 13.92% GHG emissions (equivalent to 58.23 MtCO<sub>2</sub>eq) by 2035.

To fully implement its NDC 3.0 and achieve the target by 2035, Bangladesh needs USD 116.18 billion in total, of which USD 25.95 billion is required from domestic support (for unconditional target) and USD 90.23 billion from international climate finance support (for conditional target). Bangladesh received approximately USD 2.2 billion<sup>1</sup> annually from international climate finance, while the average annual demand for international climate finance to achieve the conditional commitment is USD 9.02 billion. This reveals a funding gap of 75.61% for the implementation of Bangladesh’s NDC.

Bangladesh requires substantial international climate finance to address the funding gap. The operationalization of the Bangladesh Carbon Market Framework can leverage additional finance to support the implementation of the NDC 3.0. Participation in carbon markets can bring the following benefits to Bangladesh:

- Additional financing for mitigation efforts to achieve NDC commitments;
- Local development benefits stemming from these mitigation activities; and
- Technology transfer and capacity building to support long-term climate strategies.

## 1.3 Objective and Scope

### 1.3.1 Objective

The object of the Framework is to:

- a) provide vision, guidance and principles for implementation of mitigation activities in Bangladesh that are eligible for participation to carbon markets;
- b) provide the necessary processes and procedures for operationalizing Article 6 engagement.

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<sup>1</sup> Approximate annual average estimation from NDC 3.0 of Bangladesh for the period of 2021-2024

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- c) create incentives to support GHG emission reduction and removal targets in line with Bangladesh's NDC; and
- d) provide guidance on benefit sharing, fee structure and contribution through participation in carbon markets.

## 1.3.2 Scope

This Framework shall apply to participation in

- a) Article 6.2 of the Paris Agreement on voluntary Cooperative Approaches for the implementation and ambition raising of Bangladesh's NDCs.
- b) Paris Agreement Crediting Mechanism, established by the Article 6.4 of the Paris Agreement, providing the necessary guidelines for operationalizing the Rules, Modalities and Procedures (RMPs) of Article 6.4 in Bangladesh.
- c) Other international market-based mechanisms operating under recognized voluntary carbon market (VCM) standards, which require authorization for NDC use, International Mitigation Purposes (IMP) and/or Other International Mitigation Purposes (OIMP).

## 1.4 Framework Structure

Bangladesh has developed this Carbon Market Framework to formally institutionalize and provide guidance for carbon market stakeholders for participating in international carbon markets as stipulated in the scope. The Carbon Market Framework provides detailed guidance, procedures, rules and regulations, project cycles, fee structure, institutional framework, operating guidelines and other related information to participate in international carbon markets through mitigation activities in Bangladesh. The Framework is comprised of ten main chapters as follows:

**Chapter 1** provides the policy context for participation in carbon markets in line with the UNFCCC process, the Paris Agreement and the NDC of Bangladesh. It sets out the objectives and scope of this Framework and provides a description of the structure of the framework.

**Chapter 2** provides a description of the institutional arrangement, entities involved and their functions, responsibilities and compositions. It describes the Article 6 governance structure of Bangladesh and the roles and responsibilities of the DNA Governing Board, the DNA Technical Committee and the DNA Secretariat.

**Chapter 3** establishes the general criteria for the participation of activity proponents in the carbon market activities/projects in Bangladesh, including carbon market strategy, environmental integrity conditions and sustainable development criteria for mitigation activities.

**Chapter 4** provides the requirements and eligibility criteria for activity/project proponents to be considered for approval and authorization under Article 6.

**Chapter 5** defines the mitigation activity project cycle procedures for Article 6.2, Article 6.4, and VCM activities, including application, submission, listing, authorization, monitoring, verification, issuance and transfer of mitigation outcomes, corresponding adjustments, and reporting requirements.

**Chapter 6** sets out the requirements and procedural guidance relating to voluntary carbon market (VCM) activities in Bangladesh, including the following:

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- Reporting obligations for all VCM projects implemented in Bangladesh, including projects that do not participate under Article 6 of the Paris Agreement and do not request the transfers of mitigation outcomes or the application of corresponding adjustments;
- Procedure for alignment of VCM projects with Bangladesh's Carbon Market Framework, including the conditions and processes for the issuance Article 6-labelled carbon credits, with or without corresponding adjustment; and
- Procedure for transition of eligible VCM projects to Article 6.2 cooperative approaches as Article 6 mitigation activities, including the authorization, transfer, and issuance of mitigation outcomes (MOs) with corresponding adjustments.

**Chapter 7** provides general provisions for the Designated Operational Entities, establishes national oversight and conflict-of-interest safeguards, and provides for the maintenance of an approved list of eligible DOEs.

**Chapter 8** defines the functions of Bangladesh's National Carbon Registry. The functions include hosting, registration, issuance, tracking, and reporting.

**Chapter 9** sets out fees, share of proceeds (SoP), and integrity-related provisions, including administrative and issuance fees, corresponding adjustment fees, Share of Proceeds (SOP), overall mitigation in global emissions (OMGE), buffer fees, and related general requirements.

**The annexes** provide sample letters, templates and forms, operating guidelines, check lists, evaluation tools, list of DoE/VVBs, version control log, glossary and additional information which may be regularly updated as necessary.

## 2. Governance and Institutional Arrangements

This Chapter provides a description of the institutional arrangement, the entities involved and their functions, responsibilities and compositions.

### 2.1 Integration of Bangladesh's Carbon Market Framework within the National Legal System

The Ministry of Environment, Forest and Climate Change (MoEFCC), on behalf of the Government of Bangladesh, has established the Article 6 Designated National Authority (DNA) of Bangladesh as the national governance structure for Article 6 through a Gazette Notification dated 27 June 2024. The Notification vests the Article 6 Governing Board with policy-making and executive authority for Article 6 matters, including the provision of overall strategic direction for the rollout of the Article 6 framework in Bangladesh and, accordingly, the approval of the Article 6 Carbon Market Framework.

The Bangladesh's Carbon Market Framework has been approved by the Article 6 DNA Governing Board in its [insert the meeting number e.g. third/fourth] Meeting dated [insert the approval date].

The Carbon Market Framework for Bangladesh shall be binding, and shall guide all the processes, procedures and requirements involved in participation on carbon credit trading in Bangladesh for all carbon market projects including Article 6.2, Article 6.4 carbon market, VCM and CORSIA-labeled carbon credits and other international carbon markets.

All stakeholders participating in carbon markets in Bangladesh must comply with the provisions of the Framework.

The Article 6 Governing Board of Bangladesh will issue and amend the Carbon Market Framework when necessary revision or update is required.

### 2.2 Article 6 Governance Structure

The institutional and governance arrangements need to reflect the requirements of the Article 6 rulebook, since Bangladesh, as a Party to the Paris Agreement, is committed to implementing Article 6 in accordance with the CMA decisions. As such, its effective operationalization requires an efficient and accountable national governance structure and institutional arrangements. The institutions involved must have legal and administrative authority for the following tasks: approve and authorize projects for ITMO transfer; issue and transfer ITMOs; make corresponding adjustments and conduct reporting in BTRs transparently to avoid double-counting on behalf of the Government.

The governance structure of the Article 6 DNA of Bangladesh comprises of three main bodies as follows:

- a) Article 6 DNA Governing Board (A6 DNA GB) for approval and authorization i.e. legislative function;
- b) Article 6 DNA Technical Committee (A6 DNA TC) for technical advisory i.e. technical function; and
- c) Article 6 DNA Secretariat i.e. administrative function.

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Article 6 DNA Governing Board:

The Secretary of the MoEFCC is the chair of the GB of the A6 DNA. The GB consists of several permanent members and additional members of relevant line ministries who are invited based on the nature of the Article 6 project/activity under consideration. Table 1 shows the composition of the A6 DNA GB.

Table 1: Composition of the A6 DNA GB

Designation	Position
1. Secretary, Ministry of Environment, Forest and Climate Change (MoEFCC)	Chair
2. Representative, Planning Commission, Ministry of Planning	Member
3. Representative, Economic Relations Division (ERD), Ministry of Finance	Member
4. Representative, Ministry of Foreign Affairs	Member
5. Representative(s), relevant line ministry(ies) related to project(s)	Member
6. Director General, Department of Environment	Member
7. Joint / Deputy Secretary, Climate Change Wing, MoEFCC	Member Secretary

Article 6 DNA Technical Committee:

The A6 DNA TC is chaired by the Director General of the DoE. The TC includes several permanent members and additional members of relevant agencies and individual experts, who will be invited based on the A6 project under consideration. Table 2 shows the composition of the A6 DNA TC.

Table 2: Composition of the A6 DNA TC

Designation	Position
1. Director General, Department of Environment	Chair
2. Joint/Deputy Secretary, Climate Change Wing, MoEFCC	Member
3. Representative, Bangladesh University of Engineering and Technology	Member
4. Representative, University of Dhaka	Member
5. Representative(s), relevant line agency(ies) related to project(s)	Member
6. Representative, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)	Member
7. Director (Climate Change and International Convention)	Member Secretary

Article 6 DNA Secretariat:

The Climate Change and International Convention Section of the Department of Environment (DoE) is the Secretariat of the DNA to carry out the day-to-day administrative functions of the A6 framework, that is, the Bangladesh Carbon Market Framework.

## 2.3 Roles and Responsibilities

Table 3 provides a list of key entities and describes their functions, roles and responsibilities.

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Table 3: Roles and Responsibilities of different entities under the A6 governance structure

Entity	Roles	Responsibilities
<b>Article 6 DNA Governing Board</b>	<ul style="list-style-type: none"> <li>Approval and Authorization</li> <li>Rulemaking</li> <li>Policy direction</li> </ul>	<p>(a) The A6 DNA Governing Board will perform the policy and executive functions for A6 and provides the overall authority and strategic direction for the A6 framework rollout in Bangladesh as per the following scope of work:</p> <ol style="list-style-type: none"> <li>Set the principles and define the strategy for the development of the A6 framework.</li> <li>Approve A6 related policies, guidelines, rules, methodologies, protocols, templates, and tools.</li> <li>Decides whether to approve Article 6 Activities, including other compliance and VCM activities in the country.</li> <li>Decide whether to issue, letter of authorization to the mitigation outcomes generated by the approved projects and transfer of mitigation outcomes referred to as ITMOs for Article 6, paragraph 2 activity and A6.4ERs for Article 6, paragraph 4 activity.</li> <li>Decide how much to transfer and approve transfers including corresponding adjustment.</li> </ol> <p>(b) The Governing Body will meet at least once a year or when necessary.</p> <p>(c) The Governing Body may invite experts in its meeting for technical clarifications.</p>
<b>Article 6 DNA Technical Committee</b>	<ul style="list-style-type: none"> <li>Article 6 Technical Advisory Body</li> <li>Methodology assessment and/or endorsement</li> <li>Technical due diligence and recommendation for approval/ authorization of projects</li> </ul>	<p>(a) The A6 DNA Technical Committee will perform the technical functions for the A6 framework implementation in Bangladesh as per the following scope of work:</p> <ol style="list-style-type: none"> <li>Provide technical inputs and recommendations on Article 6 activities to the Governing Board.</li> <li>Review and recommend principles and strategy for the development of the A6 framework, including guidelines, rules, methodologies, protocols, templates, and tools to the Governing Board.</li> <li>Review and recommend to the Governing Board whether to approve Article 6 activities, including other compliance and VCM activities in the country.</li> <li>Assess the impact of issuance, authorization and transfer of mitigation outcomes from a specific</li> </ol>

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	<p>A6 activity (ITMOs for Article 6.2 activity and A6.4ERs for Article 6.4 activity), including other compliance and voluntary market on the NDC goals and make recommendations to the Governing Board accordingly.</p> <p>(5) Advise, as requested, the Governing Board on the role of crediting and transfers in the context of the NDC, to further support Bangladesh’s NDC implementation.</p> <p>(6) Any other task as requested by the Governing Board.</p> <p>(b) The Technical Committee will meet at least once a year or when necessary.</p> <p>(c) The Committee may invite experts in its meeting for technical clarifications.</p> <p>(d) The Committee may co-opt any member concerned if necessary.</p>
<p><b>DNA Secretariat</b></p> <ul style="list-style-type: none"> <li>• Administrative functions</li> <li>• Screening project activities</li> <li>• Transfer and tracking of ITMOs</li> <li>• Corresponding adjustments</li> <li>• BTR reporting</li> <li>• Issuance of letters of a</li> <li>• pproval and authorization</li> </ul>	<p>(a) The A6 DNA Secretariat will perform the following responsibilities:</p> <ol style="list-style-type: none"> <li>(1) Provide secretarial support to the Governing Board and the Technical Committee.</li> <li>(2) Receive Article 6 project documents, authorization, issuance and transfer request from Article 6 activity proponents.</li> <li>(3) Support the approval of projects, listing of projects, issuance, authorization, and transfer processes of mitigation outcomes from a specific A6 activity (ITMOs for Article 6.2 activity and A6.4ERs for Article 6.4 activity) by conducting complete checks on submitted documents based on approved rules, methods, protocols and guidelines.</li> <li>(4) Issue Host Country Approval (HCA) and/or Letter of Authorization (LoA) upon Approval of the Article 6 activities, including other compliance and Voluntary Carbon Market activities by the Governing Board.</li> <li>(5) Develop, manage, and maintain a registry of projects and mitigation outcomes (ITMOs and A6.4ERs) that are issued, authorized, and transferred.</li> <li>(6) List eligible verifiers based on approved rules when international accredited verifiers are used.</li> <li>(7) Accredite auditors based on the approved accreditation standard in case the government</li> </ol>

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decides to create a national accreditation framework for verifiers.

- (8) Preparation of Reports for submission to UNFCCC according to the requirement under Article 6.
- (9) Implement corresponding adjustments in the NDC accounting.
- (10) Any other task as requested by the Governing Board and the Technical Committee.

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## 3. Core strategy and principles of Carbon Market in Bangladesh

This chapter sets out the general criteria and guiding principles for participation of Bangladesh's public and private sector entities in both compliance and voluntary carbon markets. These criteria ensure that mitigation activities are consistent with the country's NDCs, uphold environmental and social integrity, and contribute to long-term low-emission development.

### 3.1. Carbon Market Strategy of Bangladesh

Bangladesh's carbon market strategy aims to mobilize climate finance and private sector investment while advancing its NDC targets. The strategy positions Bangladesh primarily as a seller country of high-integrity carbon credits.

The core elements of this strategy include:

- **Dual Market Pathway:** Participation in both compliance markets under Article 6 of the Paris Agreement and voluntary carbon markets (VCMs) in accordance with national priorities and international obligations.
- **Institutional Architecture:** A6 DNA under the leadership of MoEFCC will oversee authorization, registry management, and reporting. A National Carbon Registry and an integrated MRV System will enable transparent tracking of Mitigation Outcomes (MOs).
- **Market Facilitation:** Promotion of private sector entities, financial institutions, and local governments in emission-reduction activities/projects across priority sectors, including renewable energy, energy efficiency, waste, transport, forestry, and agriculture.
- **Revenue and Fee System:** Generation of carbon revenues, including administrative fees, corresponding adjustment fees, and share-of-proceeds (SOP) levies, will be directed to the designated national climate fund to support initiatives in mitigation and carbon market related activities as well as capacity-building, technology transfer and innovation.

### 3.2 Risk management Strategy for NDC alignment

A comprehensive risk-management framework is essential to ensure that Bangladesh's carbon market activities align with both national climate objectives and international accounting standards.

Key components of this framework include:

- **NDC Consistency Screening:** Projects must demonstrate quantifiable contributions to the mitigation targets set out in Bangladesh's NDCs.
- **Corresponding adjustments:** All authorized transfers of ITMOs will be subject to transparent adjustments within the national inventory system to uphold integrity.
- **Registry-Based Tracking:** All MOs, whether authorized, non-authorized, or voluntary, are required to be recorded in the National Carbon Registry, thereby preventing double-counting.

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- **Due Diligence and Validation:** Proponents of activities will undergo rigorous technical, financial, and legal due-diligence assessments to ensure compliance and credibility.
- **Risk-Sharing Instruments:** Bangladesh may implement instruments such as insurance, guarantees, or buffer mechanisms to effectively address risks related to permanence and delivery.

## 3.2 Bangladesh's strategies on Article 6 and VCM

Bangladesh will adopt a harmonized strategy for Article 6 mechanisms and VCM participation.

- Under Article 6.2, Bangladesh will pursue bilateral or multilateral agreements and fulfill international reporting requirements; Article 6.4 allows authorized public and private sector mitigation activities/projects using approved methodologies.
- The government will support VCM activities that meet national criteria and sustainable development standards such as VERRA, Gold Standard, or Global Carbon Council (GCC).
- A transition pathway will be provided for voluntary projects to become Article 6-compliant through authorization and adjustments.
- The DNA will publish Positive Lists to guide private sector investment.

## 3.4 Environmental Integrity

Bangladesh recognizes environmental integrity as an essential requirement for participating in Article 6.2 cooperative approaches and the Article 6.4 (PACM) as well as in the VCM.

In this context, environmental integrity means that the transfer of ITMOs/AERs does not compromise a country's ability to achieve its NDC, and that such transfers should not result in higher global GHG emissions. Environmental integrity is maintained as long as international cooperation, such as transferring ITMOs/AERs, does not cause global GHG emissions to exceed what they would have been without such cooperation.

During NDC implementation periods, Bangladesh shall ensure that no net increase in global emissions occurs. This will be achieved through the following measures:

- **NDC stringency:** Targeted GHG emissions of Bangladesh reflected in its subsequent NDCs must be kept lower than Business-as-Usual scenario. It will be ensured that Bangladesh at least meets its unconditional commitment even after transferring ITMOs/AERs generated from mitigation activities under the conditional commitment. In case of maintaining a stringent NDC, Corresponding Adjustments will be carried out for all ITMO transfers to ensure environmental integrity.
- **Unit Quality:** Ensuring unit quality means that the face value of the MOs are correctly calculated and fairly represents the quantity of MOs created through baseline setting. Unit quality is important in reducing ITMO/AER over-selling risks for Bangladesh. For mitigation activities that fall beyond NDC commitments, unit quality must be applied in addition to

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Corresponding Adjustments to ensure environmental integrity. Bangladesh may also choose to adopt below Business-as-Usual or NDC linked baselines where applicable to ensure unit quality.

- **MRV System:** For project level MRV, Standardized Measurement, Reporting, and Verification (MRV) procedures using UNFCCC-aligned methodologies will be mandatory. Bangladesh shall verify the environmental integrity of MOs in the Verification/Validation report before authorizing ITMOs. For National level MRV, All Mitigation Activity Participants (MAPs) need to submit Annual Reports to the DNA to ensure MRV information flow and issuance/transfer records through defined data fields, audit trails, and consistent identifiers between the MRV System and the Bangladesh Carbon Registry.
- **Avoidance of double-counting:** Activities authorized will avoid double-counting of emissions reductions. Bangladesh shall apply Corresponding Adjustments to all authorized ITMOs from eligible mitigation activities.
- **Permanence and leakage prevention:** Minimizing the risk of mitigation non-permanence across multiple NDC periods by implementing monitoring and buffer mechanisms.
- **Reversal Risk Management:** In cases of emission reversals, such emissions will be fully compensated and addressed to maintain environmental integrity. Mitigation activities must incorporate mechanisms to minimize reversal and leakage risks, with buffer reserves where relevant.

## 3.5. Sustainable Development

Mitigation activities taken in the country under the Carbon Market Framework must contribute directly to the sustainable-development and poverty-reduction priorities of Bangladesh. Mitigation Activity Proponents/Participants (MAPs) need to demonstrate that implementation of the mitigation activity leads to sustainable development co-benefits, in line with global best practices.

To assess the sustainability of a mitigation activity in the context of development, the following criteria shall be used:

- **Environmental Impact:** Mitigation activities must avoid adverse effects on the environment, including deforestation, pollution, or the release of hazardous substances and must have necessary environmental clearance as per the domestic environmental laws.
- **Economic Viability:** Each mitigation activity should be economically sustainable, factoring in revenues from the sale of MOs, and deliver enduring economic benefits to local communities and the region.
- **Local Participation:** The Government of Bangladesh strongly encourages international mitigation activity participants and investors to partner regularly with local companies, partners, and/or investors.
- **Social Benefits:** Mitigation activities are expected to enhance the quality of life in local communities, generate employment opportunities, and foster equitable distribution of benefits.
- **Technological Feasibility:** The technology employed in each mitigation activity must be suitable, accessible, and efficient within the local context.

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- **Climate Impact:** The mitigation activity should contribute to GHG emission reductions and support climate change mitigation efforts.
- **Scalability:** Activities must demonstrate scalability, replicability, and adaptability across various regions and contexts.
- **Long-term Sustainability:** All mitigation activities should be designed to maintain sustainability without causing negative consequences even after project completion.
- **Gender Equality:** Each mitigation activity should integrate gender equality in both design and implementation, ensuring equal opportunities and benefits for all genders.

All mitigation activities must comply with all relevant national and international laws and regulations, including those related to the environment and human rights.

Mitigation Activity Proponents/Participants (MAPs) shall perform public consultations with local stakeholders concerning sustainable development and establish an independent grievance process that stakeholders may access.

## 3.6. Raising Ambition and Transformational Change

Raising ambition commonly refers to the idea that the comparative cost advantages from international cooperation should be used to stimulate an increase in ambition to reduce GHG emissions further.

Bangladesh's carbon market strategy aims to support emission reductions and removals and drive sector-wide transformation by:

- Setting ambitious goals beyond current NDC targets.
- Promoting advanced technologies such as electric mobility, green hydrogen, circular economy, and low-carbon industries.
- Reinvesting revenues from corresponding adjustment fees into mitigation projects, infrastructure, capacity-building, and innovation.
- Supporting sectoral change through programmatic and policy-based methods.
- Increasing transparency with data sharing via the digitalized carbon market infrastructure.

## 3.7 Revisions and updates to the Carbon Market Framework

A6 DNA may amend, revise, or update the Carbon Market Framework as and when deemed necessary to ensure consistency with national priorities, international obligations, and evolving market developments. In addition, the Carbon Market Framework shall undergo a scheduled review every five (5) years, aligned with each NDC review and update cycle.

All such amendments and/or updates shall be subject to approval by the A6 DNA GB. Upon such approval by the A6 DNA GB, the A6 DNA Secretariat shall issue and publish formal notices of the

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amendments and/or updates to the Carbon Market Framework through the webpage of the Department of Environment and any dedicated portals, as applicable.

All amendments and/or updates shall be applicable post-factum from the effective date of the publication.

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## 4. Eligibility Criteria for Article 6 Mitigation Activities

This chapter sets out the requirements and eligibility criteria that the mitigation activities/projects must satisfy in order to be considered for approval and authorization under Article 6.

### 4.1 Eligible Mitigation Activities

#### 4.1.1 General Eligibility of Mitigation Activities

Mitigation activities developed in Bangladesh shall achieve additional, real, measurable and verifiable mitigation results that contribute to the achievement of Bangladesh's NDC.

Mitigation activities seeking Article 6 Authorization must be designed, implemented, and monitored in a manner to ensure environmental integrity principles that are set forth in Section 3.4.

Mitigation activities seeking Article 6 Authorization must be designed, implemented, and monitored in a manner to ensure alignment with Sustainable Development Goals (SDGs) of Bangladesh and/or national policies set forth in Section 3.5.

Mitigation activities that fall within Bangladesh's NDC conditional target, as well as mitigation activities that are outside the scope of Bangladesh's NDC, can generate and transfer authorized ITMOs, provided that if all the requirements stipulated in this chapter and other relevant provisions of the Carbon Market Framework are fully satisfied.

Mitigation activities that fall outside the NDC Commitment of Bangladesh shall be eligible for consideration only if they are implemented within the sectors covered by the latest National GHG Inventory Report (NIR).

#### 4.1.2 Positive List for Eligible Mitigation Activities under Article 6

Bangladesh intends to proactively identify activity types that are highly beneficial for the country as per the eligibility criteria above and establishes a Positive List of mitigation activities.

In the context of Article 6 of the Paris Agreement, a Positive List refers to a list of eligible mitigation activities that A6 DNA has identified as being available for international carbon market cooperations/mechanisms under Article 6.2, 6.4 and VCMs.

To create a Positive List, therefore, the Host Party needs to identify not only whether the activity poses low risk for overselling but also whether it aligns with national policy priorities and delivers significant co-benefits to the country. The Host Party can streamline its approval process for mitigation activities on the Positive List, since their impacts have already been identified and analyzed.

Key Criteria of mitigation activity to be considered in the Positive List for Bangladesh are the following:

Criteria 1: NDC linkage

The mitigation activities included within the conditional commitment of Bangladesh's NDC shall be eligible. The mitigation activities beyond the scope of the NDC commitments may also be eligible, provided such activities demonstrate significant social and economic co-benefits, in accordance with national priorities.

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Criteria 2: Higher Abatement Cost

Mitigation activities with higher abatement cost will be prioritized for the Positive List since international resources are needed to develop such activities. Mitigation activities with lower abatement cost can be implemented through domestic resources and policies to achieve the NDC target at lower cost.

Criteria 3: Inclusion in Bilateral Agreements

Priority areas included in Bilateral Agreements with Participating Parties under the Cooperative Approach of Article 6.2 will be considered in the Positive List.

Criteria 4: Low risk of overselling

Mitigation activities with low risk of overselling should be considered in the Positive List.

Criteria 1 must be met by the proposed mitigation activity to be included in the Positive List. The A6 DNA will review the type of mitigation activity against the remaining criteria to include the mitigation activity in the Positive List on a case-to-case basis.

The A6 DNA Secretariat will update and publish the Positive List upon review and approval by the A6 DNA Governing Board. The initial Positive List applicable for Article 6 approval and authorization is provided below.

Table 4: Positive List of Bangladesh

Sector	List of Measures
<b>Energy</b>	<ul style="list-style-type: none"> <li>• Implementation of renewable energy projects: solar, wind, hydro, biogas</li> <li>• Implementation of solar irrigation pumps</li> <li>• Ammonia co-firing to reduce coal consumption in coal power plants</li> <li>• Reduce loss from electricity transmission and distribution system</li> <li>• Replace liquid fuel-based peaking capacity powerplant with cleaner alternative, including battery storage</li> <li>• Modal shift from road to MRT/Metro Rail</li> <li>• Bus rapid transit (BRT) projects</li> <li>• Electric vehicle and charging systems</li> <li>• Non fired brick technologies</li> <li>• Clean cooking using electric cookstoves, LPG cookstoves and tier 3 biomass cookstoves</li> <li>• Low carbon water purification technology application</li> <li>• Gas leakage reduction from natural gas transmission and distribution system</li> </ul>
<b>IPPU</b>	<ul style="list-style-type: none"> <li>• CCUS technology in industries</li> </ul>
<b>AFOLU</b>	<ul style="list-style-type: none"> <li>• Alternate Wetting and Drying (AWD) in rice cultivation</li> <li>• Nitrous oxide emission reduction from nitrogen-based fertilizer</li> <li>• Improvement of fertilizer management</li> <li>• Biochar production from agricultural waste</li> <li>• Methane emission reduction from enteric fermentation through feed improvement</li> <li>• Methane and nitrous oxide emission from manure management</li> </ul>

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	<ul style="list-style-type: none"> <li>Improved manure management through promotion of small-scale biogas plants</li> <li>Biochar from manure and agricultural waste</li> <li>Vermicomposting of manure</li> <li>Afforestation and reforestation in the coastal areas, islands, and degraded areas</li> <li>Restore the deforested forests at the hill and plain land sal forest</li> <li>REDD+ projects</li> <li>Blue carbon projects in marine and coastal ecosystems</li> </ul>
<b>Waste</b>	<ul style="list-style-type: none"> <li>Waste-to-energy (W2E) involving gasification, anaerobic digestion and anaerobic treatment of solid and liquid waste</li> <li>Organic waste composting (municipal solid waste, animal waste, and wastewater sludge)</li> </ul>
<b>Technology Transfer related mitigation Activities<sup>2</sup></b>	<ul style="list-style-type: none"> <li>Energy storage (for REs)</li> <li>Green Hydrogen</li> <li>Emerging mobility solutions like fuel cells</li> <li>High end technology for energy efficiency</li> <li>Sustainable Aviation Fuel</li> <li>Best available technologies for hard-to-abate industries</li> <li>Tidal Energy, Ocean Thermal Energy, Ocean Salt Gradient Energy, Ocean Wave Energy and Ocean Current Energy</li> <li>Green Ammonia</li> </ul>

### 4.1.3 Ineligible Mitigation Activities

Ineligible Mitigation activities shall not be authorized and therefore will not be eligible to issue ITMOs and/or A6.4ERs for international transfer. Consequently, corresponding adjustments shall not be applied to such mitigation activities. The key criteria for mitigation activities to be considered as ineligible Mitigation Activities for Bangladesh are as follows:

Criteria 1: NDC linkage

Mitigation activities that are included exclusively within the unconditional commitments of Bangladesh's NDC (and for which no commitments are made under the conditional component of the NDC) shall be ineligible for authorization under this Framework.

Criteria 2: Non-compliance with the Bangladesh's SDGs, or environmental and social safeguards

Any mitigation activities that do not comply with Bangladesh's SDGs<sup>3</sup>, and/or environmental and social safeguards, including the Bangladesh Environment Conservation Act and Rules, as amended from time to time, shall be considered as ineligible mitigation activities for Article 6 Carbon Market.

Table 5: Bangladesh's List for ineligible mitigation activities under Article 6.2 and Article 6.4

No.	Description
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<sup>2</sup> List of projects communicated to UNFCCC by Bangladesh DNA to be supported under Article 6.4

<sup>3</sup> Bangladesh Bureau of Statistics (2025). SDG Tracker, Bangladesh's Development Mirror. [Accessed on 13.10.2025] <https://sdg.gov.bd/> ]

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1	Any mitigation activity listed exclusively under unconditional NDC scope of Bangladesh (and as such, no commitment made under conditional commitment).
2	Non-compliance with the Bangladesh's SDGs, or environmental and social safeguards including Bangladesh Environment Conservation Act and Rules, and their subsequent amendments.

## 4.1.4 Overarching Eligibility Criteria

Mitigation activities that are not specified in the Positive or Negative Lists as stated in section 4.1.2 and section 4.1.3, shall be assessed on a case-to-case basis following the overarching Eligibility Criteria below.

Criteria 1: NDC linkage

Mitigation activities assessed on an overarching basis shall meet the following criteria:

- a) Not to be listed under Bangladesh's Negative List.
- b) Fall under Bangladesh's NDC, including blue carbon and nature-based solutions; and
- c) If the mitigation activity is outside the scope of the NDC, it must be included in the sectors covered by Bangladesh's latest NIR/BTR.

Criteria 2: Medium to high risk of overselling ITMOs

Irrespective of whether mitigation activity is included in the conditional commitment of the NDC of Bangladesh, all large-scale mitigation activities (generating more than 60,000 tCO<sub>2</sub>e of emission reductions per year) applying large-scale CDM or Article 6.4 methodologies or other approved VCM methodologies must be considered under the overarching Eligibility Criteria analysis prior to authorization.

Mitigation activities that are considered under both the unconditional and conditional components of the NDC, without a clearly defined allocation or distinction, present a medium-to-high overselling risk. Any such activity shall be assessed against a broader Eligibility Criteria list to ensure environmental integrity, avoidance of double counting, and consistency with Bangladesh's NDC implementation.

Criteria 2: Lack of clarity in equitable financial benefit sharing with the Host Country

Article 6 of the Paris Agreement serves, inter alia, as a mechanism to mobilize climate finance to support the Host Countries in achieving their NDC commitment. Where foreign carbon project developers (as identified in the modalities of communication to UNFCCC, Project Design Documents (PDDs), or similar documents as per the selected/applicable carbon standard) submit requests for authorization, it shall be demonstrated that Bangladesh receives a substantial, transparent, and equitable share of the financial benefits arising from the mitigation outcomes. Hence, a detailed analysis is required to justify the share of financial benefits that Bangladesh will receive by authorizing carbon credits under Article 6.

Accordingly, mitigation activities for which the allocation, distribution, or adequacy of financial benefits to Bangladesh is unclear or insufficient shall be subject to a detailed benefit-sharing assessment prior to authorization. Such assessment shall justify the proposed share of financial benefits accruing to Bangladesh as the Host Country as a result of the authorization and transfer of ITMOs under Article 6.

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The eligibility of mitigation activities and MOs for authorization will be determined on a case-by-case basis through the approval and authorization process. The following parameters need to be assessed under the overarching Eligibility Criteria analysis:

- a) Contribution to the achievement of Bangladesh’s NDC
- b) Contribution to the SDGs of Bangladesh
- c) Demonstration of environmental integrity, including avoidance of double counting and maintenance of robust baselines; and
- d) Benefit sharing arrangement (share of financial benefits, including the proportion, structure, and transparency of financial benefits accruing to Bangladesh as the Host Country)

## 4.2 Eligible Carbon Crediting Standards

Carbon Crediting standards are the institutional frameworks comprising rules, procedures, governance arrangements, and approved methodologies<sup>4</sup> that define the requirements for the design, validation, monitoring, verification, issuance, transfer, and retirement of carbon credits. Each standard designates or operates one or more registries to record the registration of activities, issuance, holding, transfer, cancellation, and retirement of carbon credits, and to ensure transparent and accurate accounting.

The Mitigation Activity Participants (MAPs) intending to seek Article 6 approval and authorization from the A6 DNA of Bangladesh may select from among the carbon crediting standards pre-authorized by the Article 6 DNA of Bangladesh (hereby included in this framework) for the development of mitigation activities for carbon markets, in accordance with the applicable rules, guidelines, and procedures of the selected Carbon Crediting Standards and the provisions of this Carbon Market Framework.

The A6 DNA of Bangladesh may authorize VCM standards. For the purpose of Article 6 Authorization, mitigation activities registered under voluntary carbon standards shall comply with the eligibility criteria and requirements set out in Bangladesh’s Carbon Market Framework, as well as the applicable guideline for A6 labelled carbon credits published by the relevant voluntary carbon standard. The list of eligible Carbon Crediting Standards under the compliance market and the VCM are as follows:

Table 6: List of eligible Carbon Crediting Standards

No.	Carbon Crediting Standards	Market
1.	Paris Agreement Crediting Mechanism (PACM) under Article 6.4	Compliance market
2.	Bilateral/ Multilateral Cooperative Approach under Article 6.2 such as <ul style="list-style-type: none"><li>• Joint Crediting Mechanism with Japan</li><li>• Standardized Crediting Framework supported by the World Bank's Carbon Initiative for Development (Ci-Dev)</li><li>• Cooperative Approach under the Memorandum of Understanding between the Ministry of Environment, Forest and Climate Change of the People’s Republic of</li></ul>	Compliance market

<sup>4</sup> including criteria and processes for the development, review, approval, revision, and withdrawal of methodologies

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Bangladesh and the Ministry of Trade, Industry, and Energy of the Republic of Korea on the Implementation of Article 6 of the Paris Agreement		
<ul style="list-style-type: none"> <li>• Any new Cooperative Approach, approved and/or signed by the Government of Bangladesh</li> </ul>		
<b>3.</b>	Voluntary Carbon Standard (VCS)	Voluntary carbon market
<b>4.</b>	Gold Standard (GS)	Voluntary carbon market
<b>5.</b>	Global Carbon Council (GCC)	Voluntary carbon market
<b>6.</b>	Architecture for REDD+ Transactions (ART)	Voluntary carbon market
<b>7.</b>	American Carbon Registry (ACR)	Voluntary carbon market
<b>8.</b>	Puro. Earth carbon removal standard	Voluntary carbon market
<b>9.</b>	Isometric Standard	Voluntary carbon market

Mitigation Activity -Participants (MAPs) are permitted to utilize standards specified in Table 6 for the purpose of establishing baseline and monitoring methodology, provided that such standards are consistent with the provisions of this framework.

The above list will be reviewed and updated as and when deemed necessary by the A6 DNA.

### 4.3 Eligible Methodologies

#### 4.3.1 Mitigation Activity Development under Article 6.2 Engagement

Bangladesh aims to establish the methodologies and standards for estimating ex-ante emission reductions resulting from mitigation activities related to authorized ITMOs for the purpose of supporting NDC achievement by another Participating Party or OIMPs.

Bangladesh, hereby, approves methodologies under the following existing international crediting standards:

- Applicable approved methodologies under the CDM and accepted by the Article 6.4 Supervisory Board under the PACM Applicable approved methodologies under the PACM and other
- pre-approved Carbon Crediting Standards as specified in Table 6.

Bangladesh may also set up a formal process to approve new methodologies in future to further enhance the Carbon Market Framework over time.

#### 4.3.2 Mitigation Activity Development under the Paris Agreement Crediting Mechanism (PACM)

Pursuant to chapter III.B, paragraph 24 (b) of the annex to decision 3/CMA.3, the Article 6.4 Supervisory Body will, in accordance with relevant decisions of the CMA, develop and/or approve methodologies (hereinafter referred to as PACM methodologies) and standardized baselines for Article 6.4. MAPs intending to develop mitigation activities under the PACM shall ensure that such mitigation activities are quantifiable and capable of being monitored, reported, and verified in accordance with methodologies approved by the Article 6.4 Supervisory Body, and published on the website designated by the Article 6.4 Supervisory Body/UNFCCC.

MAPs implementing mitigation activities under the PACM shall comply with and abide by any future decisions and any other requirements taken or approved by the Article 6.4 Supervisory Body and the provisions of this framework.

## 4.4 Assessment Process

MAPs need to submit application along with a mitigation activity Project Idea Note (PIN) that outlines the required information on the mitigation activity according to the format provided by A6 DNA.

A6 DNA Secretariat will assess a PIN based on evaluation tools and guidelines and determine the assessment process from the following options:

- Simplified assessment based on a checklist provided in Annexes for projects included in the Positive List; and
- Assessment based on overarching Eligibility Criteria for projects not mentioned in the Positive List.

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## 5 Mitigation Activity Project Cycle Procedure

This Chapter sets out the procedures governing the mitigation activity project cycle, including requirements for project submission and approval, authorization, implementation, monitoring, verification, issuance, transfer, and reporting of mitigation outcomes under Article 6 of the Paris Agreement.

### 5.1. General Provisions

Bangladesh's Carbon Market Framework provides guidance to MAPs to develop mitigation activities and generate ITMOs/AERs for an international transfer to an acquiring Activity Participants. Mitigation activity development cycles described in this section shall be followed by any MAPs seeking to generate authorized ITMOs and/or authorized AERs.

The A6 DNA Secretariat shall administer the Mitigation Activity Project Cycle in accordance with the roles and responsibilities outlined in Table 3. As the A6 DNA Secretariat, the DoE shall maintain an internal database containing the names, functions, and official contact details of the members of the A6 DNA TC and A6 DNA GB. A6 DNA Secretariat shall serve as the entry point for all MAPs and requests. DoE's website shall provide a dedicated email address of the A6 Secretariat, which shall be used for A6 related submissions and inquiries.

The A6 DNA Secretariat shall serve as the primary point of entry for all Mitigation Activity Proponents/Participants (MAPs) and for all submissions, communications, and requests related to Article 6, unless otherwise specified under a bilateral agreement with a partner country. The DoE shall maintain a dedicated official email address for the A6 DNA Secretariat, which shall be used exclusively for Article 6-related submissions and inquiries.

Bangladesh's mitigation activity steps have been developed based on the best practices and experiences of the existing international carbon markets, such as the CDM, VCM Standards, and the World Bank's Standardized Crediting Framework (SCF).

Bangladesh's Article 6 project cycle procedures incorporate the requirements of Article 6.2 Guidance, adopted as Decision 2/CMA.3, and the bilateral agreements between Bangladesh and the participating acquiring Party.

The mitigation activity project cycle established under this Framework is divided into three components:

- Mitigation activity project cycle for Article 6.2 engagement, presented in Section 5.2, detailing the process that shall be followed by any interested Party seeking to implement eligible mitigation activities under Article 6.2 Cooperative Approaches.
- Mitigation activity project cycle under Article 6.4 PACM, presented in Section 5.3, detailing the process that shall be followed by any interested Party seeking to implement eligible mitigation activities under the Article 6.4 PACM.
- Activity project cycle for the development of VCM mitigation activities, presented in Section 5.4, detailing the process that shall be followed by any interested Party seeking to implement

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VCM Mitigation activities requiring Corresponding Adjustments, as well as not requiring Corresponding Adjustments.

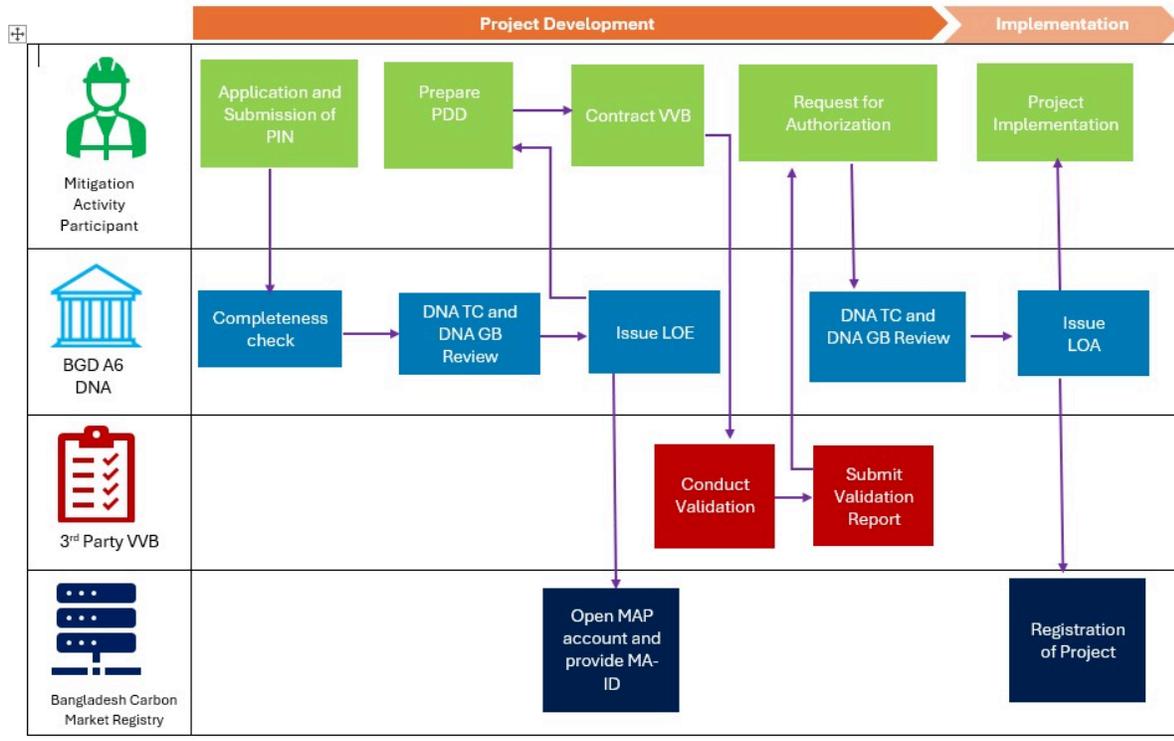
Furthermore, the A6 DNA may revise and update the mitigation activity project cycle procedures, as and when necessary to ensure their continued relevance throughout Bangladesh’s participation in international carbon markets and to reflect new or updated guidance adopted by the CMA. Any such amendments and/or updates shall be undertaken in accordance with Section 3.7 (Revisions and Updates to the Carbon Market Framework).

## 5.2 Article 6.2 project cycle procedures

This section provides a general guideline for Article 6.2 cooperative approach activities project cycle procedures. MAPs developing Article 6.2 activities in Bangladesh shall comply with the Rules, Modalities, and Procedures (RMPs) adopted under Decision 2/CMA.3, any applicable rules and guidelines adopted under relevant bilateral agreements with partner countries<sup>5</sup>, and the provisions of this Carbon Market Framework.

The mitigation activity project cycle for implementation of Article 6.2 projects involves several steps from the development phase to issuance and reporting. Figure 4 below illustrates this process in a simplified manner to guide MAPs.

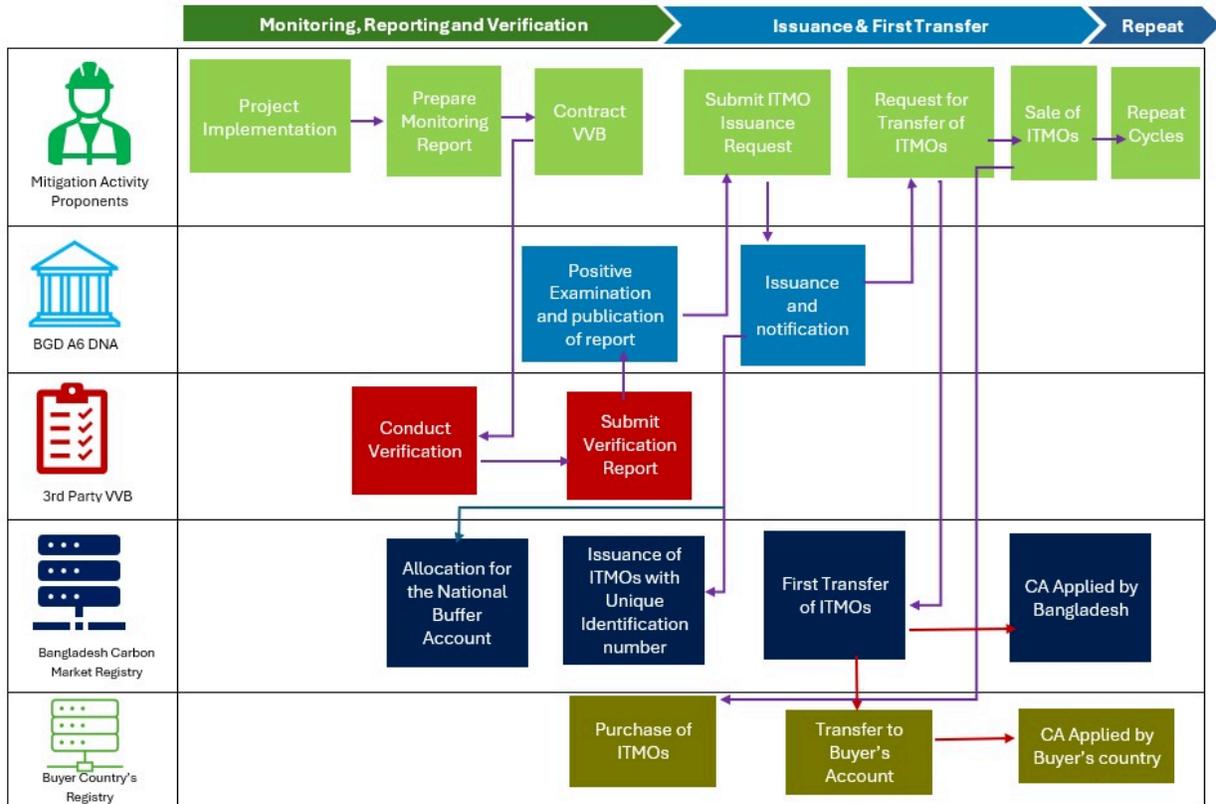
Figure 1: Article 6.2 Activity Cycle process flow for Bangladesh (Project Development Phase)



<sup>5</sup> As for example, JCM projects/activities will follow the JCM Project Cycle Procedure available in [https://www.jcm.go.jp/bd-jp/rules\\_and\\_guidelines](https://www.jcm.go.jp/bd-jp/rules_and_guidelines)

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Figure 2: Article 6.2 Activity Cycle process flow for Bangladesh (Monitoring and Issuance Phase)



The Project Cycle Procedure is summarized in the following sections.

## 5.2.1 Mitigation Activity Application Submission and Enlisting

All eligible MAPs seeking to develop and implement eligible mitigation activities in Bangladesh shall submit an application for every intended mitigation activity specifying the request for a No Objection Certificate (NOC) or a Letter of Endorsement (LoE), as applicable, of a project and attach a complete Mitigation Activity Project Idea Note (PIN), developed using Template B, to the A6 Secretariat via email or hard copy.

For forestry-related projects, MAPs need to provide evidence of consultation and approval from the Forest Department of Bangladesh under the MoEFCC, through a letter of support or an MoU/Agreement. Among others, the support letter or MoU/Agreement must address the alignment of the proposed activity to the forestry sector priorities and regulatory requirements.

The A6 Secretariat will conduct completeness checks within 5 working days and will inform the MAP on the outcome:

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- i. If the submission is incomplete, the A6 Secretariat will provide the MAP with specific feedback on unmet requirements. In this case, the MAP may resubmit a revised PIN, as appropriate.
- ii. If the submission is complete, the A6 Secretariat will provide the MAP with completeness check confirmation.

Once a positive completeness check confirmation is received,

Application Fee, and PIN Evaluation Fee need to be paid as per Table 7, of Section 10 (Fees, Share of Proceeds & Overall Mitigation in Global Emissions).

## 5.2.2 PIN initial evaluation and no objection decision

Following a positive completeness check, the A6 DNA Secretariat shall submit the PIN of the mitigation activity for technical evaluation and approval to the A6 DNA TC and the A6 DNA GB, as applicable.

After receiving approval from the A6 DNA GB, A6 DNA Secretariate will issue a NOC/LoE in favor of the MAP.

The MAP may request enlisting the project on Bangladesh's Carbon Registry System (BCR)<sup>6</sup> using Template B, for the A6 DNA Secretariat to open an MAP Account and assign a unique Mitigation Activity Identification Number (MA-ID).

PIN evaluation and no objection decision shall be conducted in accordance with the guideline and procedure in "Guideline for PIN Evaluation" to be developed separately by the A6 DNA.

## 5.2.3 Mitigation Activity/Project Design Document (PDD) Development and Submission

After receiving a NOC or LoE, MAPs may proceed to prepare a project design document (PDD) using Form/template of the specific Carbon Crediting standard. While developing the PDD, the MAP should use baseline and approved methodology for the applicable Carbon Crediting Standards, in accordance with Section 4.2 (Eligible Carbon Crediting Standards) and Section 4.3 (Eligible Methodologies).

All the PDDs shall be subject to a process of publication, receipt of public comments, and stakeholder consultation, which shall be conducted in accordance with the applicable rules and guidelines adopted under the relevant bilateral agreement/cooperative approach pursuant to which the mitigation activity is developed.

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<sup>6</sup> This requirement shall enter into force after Bangladesh's Carbon Registry System is fully operational. Until such time, the MAP shall submit documentation as per previously commonly agreed channels indicated by the A6 DNA Secretariat.

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The evaluation procedure of the PDD will be governed by the applicable rules and guidelines adopted under the relevant bilateral agreements/cooperative approach under which the mitigation activity is developed.

MAPs shall prepare and submit a Sustainable Development Implementation Report (SDIR) for mitigation activities seeking approval and authorization under Article 6, demonstrating the activity's contribution to Bangladesh's sustainable development priorities, including alignment with the Sustainable Development priorities and applicable environmental and social safeguards. The SDIR shall be submitted in a format in accordance with the applicable carbon crediting standard, cooperative approach, or bilateral agreement.

## 5.2.4 Independent Assessment and Validation of Mitigation Activity

Validation and verification of an mitigation activity is undertaken by a pre-approved independent entity under the applicable Carbon Crediting Standards.

PDDs shall be validated by an eligible independent Third Party Entity – DOE/VVB – in line with Section 7 (Designated Operational Entities).

The PDD's validation process shall be conducted in accordance with the procedure in the respective eligible standards as selected by the MAP.

## 5.2.5 Mitigation Activity Authorization and Registration

After receiving a positive PDD validation by an eligible TPE/VVB, MAPs shall request mitigation activity authorization and registration through Template G annexing all required information by the template.

MAPs shall register the mitigation activity on the BCR, or any registries linked to an eligible Carbon Crediting Standards and reflect its authorization status.

A6 DNA Secretariat conducts the initial consistency and completeness check on PDD, authorization letter and validation report and officially registers the mitigation activity on BCR. A6 DNA Secretariat shall be the administrator of the registry linked to ICS of the registration and reflection of the authorization status of the mitigation activity.

International Carbon Market registry administrator sends registration notification of VCM project on its registry for record keeping.

Authorization may apply to all or a subset of issued mitigation outcomes from an activity and may include conditions (e.g., use label, quantity limits, vintage limits, buffer requirements, reporting conditions, or domestic benefit-sharing provisions), as stated in the Letter of Authorization.

## 5.2.6 Monitoring and Reporting:

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All authorized and registered mitigation activities are required to monitor their generated MOs and report on their progress by following the validated PDD's and the applied methodology's monitoring plan. The developed Monitoring Report shall follow the requirements in [Template K](#).

The MAP implements the registered mitigation activity and monitors the outcomes per the requirements set in the MADD and the methodology approved by the recommended ICS in this framework document.

### 5.2.7 Verification and positive examination

An eligible accredited entity conducts independent verification of the consistency of the monitoring report to verify impacts achieved by the activity during the monitoring period.

Verification is the responsibility of the eligible DOE/VVB under the selected crediting standard; the A6 DNA Secretariat's role is limited to administrative completeness/consistency checks and, where applicable, coordination of any host Party review required under a bilateral cooperative approach.

The A6 DNA Secretariat may allow individual small-scale projects as candidates for a programmatic activity to be combined, in the agreement of the participating Party, to combine validation and verification stages for the mitigation activity.

Bangladesh and the participating acquiring Party shall undertake a positive examination of the verification report leading to the recognition of verified mitigation activity.

The successful positive examination of verification report will allow for the publication of the verification report.

To further clarify, review of the verification report (where mandated by the cooperative approach) may be carried out by A6 DNA and the acquiring Party, the scope of which will be completeness check, authorization conditions and accounting readiness. This review shall not duplicate the detailed technical review conducted by the DOE/VVB.

### 5.2.8 Issuance of MOs:

Upon the A6 DNA Secretariat's positive examination of a verification report, MAPs may request issuance of verified MOs through [Template N](#).

Authorized and verified MOs from mitigation activities seeking Corresponding Adjustment shall be created on the BCR or registry linked to ICS. Unique serial numbers into a holding account shall be generated for the issued MOs consistent with the requirements in section V.A 2/CMA.3.

The A6 DNA Secretariat through the BCR, shall be notified of the quantity and particulars of the MOs issued and the mitigation activity on a registry linked to ICS.

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A6 DNA Secretariat shall submit notification of the issuance of carbon credits to the VCM project for recording on the BCR.

## 5.2.7 Transfers of authorized and issued MOs:

- Regardless of the registry on which the MOs are created and recorded, all transfers of the ITMOs to the Registry of the acquiring participating country shall commence from the BCR.
- The MAPs need to submit an ITMO transfer request to A6 DNA Secretariat.
- The MAPs need to make full payment of the corresponding adjustment fee to compensate for the opportunity cost of meeting Bangladesh's NDC and the marginal cost of creating authorized ITMOs per issuance as outlined in Section 9: Fees, Share of Proceeds and Overall Mitigation in Global Emissions.
- The acquiring participating Party transfers the financial value of authorized ITMOs into the MAP's bank account according to the mitigation outcome purchase agreement terms.
- A6 DNA Secretariat first transfers ITMOs to the Registry of the acquiring participating Party for their uses as defined per Decision 2/CMA.3 and as the provisions in the letter of authorization.
- A6 DNA Secretariat cancels an equal amount of transferred ITMOs in its registry as part of a voluntary carbon commitment programme.

## 5.2.8 Corresponding Adjustment

A6 DNA Secretariat undertakes the corresponding adjustment on all transferred authorized ITMOs within the GHG accounting framework.

### **General Provisions**

Bangladesh specifies that Corresponding Adjustments and reporting shall be carried out in accordance with the requirements set out in Chapter III A-D of the Annex to Decision 2/CMA.3 for all ITMOs.

### **Scope and Application**

Corresponding Adjustments shall be applied for anthropogenic emissions by sources and removals by sinks covered by Bangladesh's NDC through subtractions for all ITMOs/AERs transferred for use towards NDC, IMP, or OMP in the national GHG inventory.

### **Application to First Transfers**

After the first transfer of ITMOs/AERs resulting from emission reductions and removals included in conditional NDC commitments or beyond the scope of NDC, as agreed by the Parties involved, Bangladesh will apply Corresponding Adjustments consistent with Article 6.2 guidance provided in Chapter III A-D of the Annex to Decision 2/CMA. 3.

### **Single-Year NDC Target**

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In this context, as Bangladesh has a single-year NDC target, Bangladesh shall apply the following methods consistently throughout the NDC period:

- (i) Providing an indicative multi-year emissions trajectory, trajectories or budget for the NDC implementation period that is consistent with implementation and achievement of the NDC, and annually applying Corresponding Adjustments for the total amount of ITMOs first transferred and used for each year in the NDC implementation period; and
- (ii) Calculating the average annual amount of ITMOs first transferred and used over the NDC implementation period, by taking the cumulative amount of ITMOs and dividing by the number of elapsed years in the NDC implementation period and annually applying indicative Corresponding Adjustments equal to this average amount for each year in the NDC implementation period and applying Corresponding Adjustments equal to this average amount in the NDC year.

## Reporting and Consistency

Bangladesh shall apply Corresponding Adjustments to anthropogenic emissions and removals by sources and sinks consistent with the scope of its NDC, per Decision 2/CMA.3 Annex II A-C, for all authorized ITMOs.

## Annual Calculation

The annual Corresponding Adjustment shall equal the quantity of ITMOs authorized and transferred during the calendar year in which the MOs occurred, ensuring they are deducted from Bangladesh's NDC implementation period balance and not double counted.

## Fee and Revenue Use

Bangladesh shall impose a Corresponding Adjustment Fee on each authorized MO, consistent with Table 7 of Chapter 9 of this Framework, to cover transaction and administrative costs associated with creation, transfer, and reporting of ITMOs. Bangladesh may also adopt additional modalities for using Corresponding-Adjustment-Fee revenues to generate additional MOs.

### 5.2.9 Reporting

- A6 DNA Secretariat prepares the Article 6.2 Initial Report to UNFCCC for the mitigation activity intends to authorize as required in Paragraph 18 of Decision 2/CMA.3.
- A6 DNA Secretariat prepares Article 6.2 Initial Report before issuing the authorization letter and releases an official authorization statement for each mitigation activity.
- A6 DNA Secretariat shall prepare the quantitative information on Article 6.2 transaction in an electronic format as Annual Report and submit to the UNFCCC for feeding in the Article 6 database.
- A6 DNA Secretariat prepares and release regular information on Bangladesh's Article 6.2 cooperation approach as an Annexe to the BTRs

## 5.3 Article 6.4 project cycle procedure

In accordance with Chapter III, paragraphs 2–24 of the Annex to decision 3/CMA. 3, the development of mitigation activities under Article 6.4 will be supervised internationally by the UNFCCC Supervisory Body, acting under the guidance and authority of the CMA in relation to such activities, and fully accountable to and reporting to the CMA.

Any intended mitigation activity under Article 6.4 shall be fully compliant with the obligations established in chapter V, paragraphs 30–32 of the annex to decision 3/CMA.3.

In addition, Bangladesh agrees to adhere to all rules and regulations issued by the Article 6.4 Supervisory Body<sup>7</sup>, including, but not limited to, the following:

- I. Article 6.4 Governance Regulations
- II. Article 6.4 Activity Cycle Regulations
- III. Article 6.4 Accreditation Regulations
- IV. Article 6.4 Methodology Regulations
- V. Article 6.4 Registry Regulations
- VI. Article 6.4 Transition of CDM Activities

The Government of Bangladesh shall further adopt and abide by any subsequent publications or amendments to any guidance, decisions, rules and regulations issued by the CMA as well as such actions established by the UNFCCC Secretariat and/or the Article 6.4 Supervisory Body concerning the implementation of Article 6.4.

In the event that this Framework conflicts with any Article 6.4 rules and regulations adopted and enforced by the CMA, the UNFCCC's Secretariat, and/or the Article 6.4 Supervisory Body, the A6 DNA TC shall be tasked with amending this Framework in accordance with such changes made by the Article 6.4 Supervisory Body.

## 5.4 Project Cycle Procedure for VCM Mitigation Activities

- MAPs developing VCM activities in Bangladesh must comply with the Rules, Modalities, and Procedures (RMPs) of the respective eligible VCM standards, and the RMPs outlined in this section.
- VCM projects cycle procedures are described in respective sections of Chapter 6: Integration of Voluntary Carbon Market Projects should follow the respective Carbon Standards.

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<sup>7</sup> A6.4-PROC-AC-002 (Article 6.4 activity cycle procedure for projects)

## 6. Integration of Voluntary Carbon Market Projects

A Voluntary Carbon Market (VCM) project is a mitigation activity that generates verified carbon credits/units (VCUs) under VCM Standards (Refer to Table 6).

This chapter provides guidance on:

- Reporting obligations for all VCM projects (including those not participating under Article 6);
- Procedure for VCM projects to align with the Bangladesh's Carbon Market Framework and issue Article 6-labelled carbon credits with or without corresponding adjustment; and
- Procedure for VCM projects to migrate to Article 6.2 as A6 mitigation activities and issue ITMOs with corresponding adjustments.

### 6.1. Provisions for VCM Projects not seeking Authorization and Corresponding Adjustments

Voluntary Carbon Market (VCM) projects that do not seek authorization and corresponding adjustment shall not be subject to the authorization and tracking requirements in this Framework.

However, the MAPs developing VCM projects, not seeking authorization and corresponding adjustment, shall enlist the mitigation activity under the Bangladesh Carbon Registry. The MAP must inform the A6 DNA Secretariat of the intended use of the VCS in the letter of request for enlisting the VCM projects. The MAP shall submit an annual report to the A6 DNA Secretariat on the progress of the mitigation activity, following the Form 15.0 as in Annexe 1 of this framework.

Enlistment Fee for VCM projects that do not seek authorization and corresponding adjustments has been waived until further update of this Carbon Market Framework.

Bangladesh A6 DNA Secretariat will list the project on the Bangladesh Carbon Registry (BCR). Enlistment Fee for VCM projects not seeking Authorization and Corresponding Adjustments has been waived until further update of this Carbon Market Framework.

Notwithstanding the foregoing, any MAP that elects not to apply for Authorization and Corresponding Adjustments at the initial stage may subsequently do so at any point prior to the issuance of mitigation outcomes/VCUs. Any such request shall be made in accordance with, and remain subject to, the provisions and conditions set forth in Section 6.2 of the framework below.

### 6.2. Provisions for VCM Projects issuing A6 labelled Carbon Credits with Corresponding Adjustments

#### 6.2.1 Definitions and Applicability

VCM projects that seek authorization to generate Article 6 labeled carbon credits (with corresponding adjustment) are covered by this provision.

VCM projects applying for Article 6 authorization and Corresponding Adjustments must apply under an approved Carbon Crediting Standard as stated in Table 6 of Section 4.2: Eligible Carbon Crediting Standards

# Bangladesh Carbon Market Framework

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## 6.2.2 Mitigation Activity Eligibility Criteria

Mitigation activities that seeks authorization to obtain A6 labeled carbon credits with CA should meet the Eligibility Criteria below:

- It meets the Criteria under 4.1 Eligible Mitigation Activities; and
- Methodologies applied by the mitigation activities should adhere to the internationally established norms, and with the approved methodologies as per the provision of Section 4.3 Eligible Methodologies.

## 6.2.3 Registration of Projects

MAPs need to:

- Register an account through the proposed Bangladesh Carbon Registry System (BCRS).
- Submit all project documents that are considered applicable for A6 DNA to review mitigation activities under Article 6 (e.g., MAIN, MADD, baseline report, validation report, etc.).

## 6.2.4 Request for Authorization

MAPs seeking authorization and corresponding adjustment shall submit a written request to the A6 DNA secretariat with the following documents:

- Application letter seeking authorization, clearly specifying the use of Article 6 labeled VCUs from the list below;
  - **NDC use:** Use by an acquiring Party towards achievement of its NDC.
  - **IMP use:** Use towards an international mitigation purpose (e.g., CORSIA, where applicable).
  - **OIMP use:** Use towards other international mitigation purposes (including voluntary claims/pledges).
  - **All use:** Authorization covering NDC use, IMP and OIMP.
- PIN, PDD and Validation Report

After review, the A6 DNA would send an LoA to confirm eligibility for consideration in Article 6.

## 6.2.5 Issuance of Carbon Credits

VCM projects approved by VCS standards seeking Article 6 labeled carbon credits shall be issued in the Bangladesh national carbon registry (BCRS), and/or an interoperable international registry of approved standard as stated in Table 6 of Section 4.2: Eligible Carbon Crediting Standards.

## 6.2.6 Transfer and Tracking

All VCS mitigation activities applying Article 6 labeled carbon credits shall:

- Be originated and transferred through the BCRS (originating registry);
- Interoperate with international carbon standard registries used by the selected VCS standard; and
- Be tracked to ensure corresponding adjustments are applied.

Bangladesh will implement corresponding adjustments in its GHG inventory at the national level and in BTR as and when appropriate.

# Bangladesh Carbon Market Framework

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Article 6 rules state that corresponding adjustments are needed when the appropriate use has been authorized and a ‘first transfer’ occurs<sup>8</sup>. First transfer refers to a transfer of a credit, or of the MO that it represents, to a compliance program registry or national registry of another Party.

For the “Article 6 Authorization - NDC use label” and “Article 6 Authorization - all use label” as stated in [Section 5.2.4 Request for Authorization](#), Bangladesh will consider first international transfer as first transfer condition.

For the “Article 6 Authorization - IMP label” as stated in [Section 5.2.4 Request for Authorization](#), Bangladesh will consider the issuance or use<sup>9</sup> of the VCU as first transfer condition in line with the Article 6 label guidelines provided by the VCS standard under which the MAP is developing the mitigation activity.

For the “Article 6 Authorization - OIMP label” as stated in [Section 5.2.4 Request for Authorization](#), Bangladesh will consider the use of the VCU as first transfer condition.

Article 6 DNA will ensure that corresponding adjustments have been applied within two years after the last BTR for NDC use, IMP and all use labels.

For the A6 OIMP label, the MAP and the corresponding buyers of credits should ensure the use of VCUs within the current NDC period to avoid the withdrawal of the A6 label of the VCUs by the VCM standard.

## 6.2.7 Reporting and Transparency

The A6 DNA will:

- Register all approved mitigation activities to the UNFCCC Article 6 reporting system;
- Keep public records of issuance, transfer and use of Article 6 credits; and
- Ensure that MOs with and without corresponding adjustments are reported separately.

## 6.2.8 Fees and Share of Proceeds

MAP shall pay all fees as per the provision of Section 10. Fees, Share of Proceeds & Overall Mitigation in Global Emissions.

## 6.2.9 Retroactive Authorization

Corresponding adjustments are valid for ITMOs issued after 1 January 2021, subject to the condition that latest methodologies are applied for quantification of credits approved by the Integrity Council of Voluntary Carbon Market (ICVCM) applying core carbon principles (CCP).

For existing projects with issued VCUs based on old versions of the methodologies, the re-quantification of VCUs by applying the latest methodologies will be necessary, as per the latest guidelines as for example the “Methodology for change and re-quantification Procedure” issued by Verra.

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<sup>8</sup> Decision 2/CMA.3, annex, paragraph 8.

<sup>9</sup> Referred to in the Article 6 rules as “use or cancellation” (decision 2/CMA.3, annex, paragraph 2), following the terminology used by CORSIA. The use of a VCU towards any form of goal or claim is referred to as “retirement” in the VCS (see VCS Program Definitions).

## 6.3. Provisions for VCM Projects for issuance of CORSIA labelled Carbon Credits with Corresponding Adjustment

### 6.3.1 Definitions and Applicability

VCM projects seeking to generate CORSIA labelled VCUs in addition to the Article 6 label with authorization from host countries are covered by this provision.

VCM projects applying for the CORSIA label in addition to the Article 6 authorization and corresponding adjustments must apply under approved Carbon Crediting Standards as stated in Table 6 of [Section 4.2: Eligible Carbon Crediting Standards](#).

All provisions as stated in [Section 7.2. Provisions for VCM Projects issuing A6 labelled carbon credits with CA](#) shall be applicable with additional requirements for the CORSIA label which are provided in section 7.3.2 .

### 6.3.2 Additional Provision for CORSIA label

To be eligible for CORSIA use, VCUs with vintages of 2021 onward must be from CORSIA-approved project types and must have received an Article 6 Authorized – International Mitigation Purposes (IMP) label. This label indicates that the host country authorizes the respective credit for use by airline operators under CORSIA and will apply corresponding adjustment when accounting for its emission reduction targets under the Paris Agreement. This way, these credits cannot be double claimed toward the host countries' climate targets under the Paris Agreement and the airline operators' obligations under CORSIA.

The CORSIA label indicates that the VCU is fully eligible for retirement for CORSIA purposes in the CORSIA phase stated in the label. The MO represented by the VCU is within the scope of eligibility for the CORSIA phase and for VCUs with vintages from 2021 onward the MO is authorized under Article 6 for use toward CORSIA obligations.

Respective CORSIA label guidelines provided by the VCM standards shall be applicable for mitigation activities under that specific VCM standard.

## 6.4. Provisions for VCM Projects seeking to Migrate to Article 6

- VCM projects that are seeking to migrate to Article 6 shall follow the provisions of Chapter 6.2 as mentioned above
- VCM projects need to de-register from their respective carbon standard and re-register with any approved Article 6 carbon standard as stated in Table 6 of [Chapter 4.3: Eligible Carbon Standards](#)
- De-registering from their respective carbon standards is mandatory before receiving the Letter of Authorization.

## 7. Designated Operational Entities

This Chapter provides the rules and regulations to engage independent auditors for validation and verification of mitigation activities to participate in international carbon markets.

Third Party Entity (TPE), known as Designated Operational Entities (DOE) or Validation and Verification Bodies (VVBs), are internationally accredited bodies approved by the UNFCCC or ICS to undertake validation and verification of mitigation activities.

### 7.1. Definition and Function of DOEs

DOEs are independent accredited bodies mandated to perform validation and verification of mitigation activities registered under Bangladesh's Carbon Market Framework. They play a pivotal role in ensuring the environmental integrity, transparency, and accuracy of mitigation outcomes generated under Article 6.2 cooperative approaches, Article 6.4 mechanisms, and VCM projects seeking alignment with national rules.

DOEs shall:

- Conduct independent validation of MADDs to ensure technical soundness, additionality, and compliance with approved methodologies and national regulations;
- Perform verification of monitoring reports, confirming the emission reductions or removals achieved by the activity;
- Ensure that MOs are real, measurable, permanent, and independently verified, consistent with Bangladesh's NDC commitments.
- Evaluate the contribution of each activity to sustainable development co-benefits, in line with national SDG and NDC 3.0 priorities; and
- Submit validation and verification reports to the DNA through the A6 DNA Secretariat for registration and issuance of corresponding mitigation outcomes or ITMOs.

In performing their functions, DOEs shall uphold transparency, impartiality, and independence, avoiding any conflict of interest with project developers or acquiring Parties.

### 7.2 Accreditation Process

Bangladesh will adopt a dual accreditation pathway to ensure both international credibility and domestic capacity.

#### International Accreditation

# Bangladesh Carbon Market Framework

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- DOEs accredited under the UNFCCC Article 6.4 Supervisory Body, CDM Executive Board, or eligible voluntary carbon standards, as stated in Table 6 of [Chapter 4.3: Eligible Carbon Standards](#), shall be eligible to operate in Bangladesh.
- Such entities must submit proof of active accreditation and sectoral scope certificates to the A6 DNA Secretariat for endorsement.
- International DOEs must agree to comply with Bangladesh’s data-sharing, confidentiality, and corresponding-adjustment requirements.

## National Accreditation

- The DNA will collaborate with the Bangladesh Accreditation Board (BAB) and DoE to develop a National Accreditation Scheme for Validation and Verification Bodies (VVBs) aligned with ISO 14065 and ISO 14066 standards.
- Eligible national entities may apply for accreditation through BAB and be listed as “National DOEs.”
- The A6 DNA Secretariat will organize capacity-building programs to strengthen local technical expertise in baseline assessment, MRV, and sustainable development evaluation.
- National VVBs will be eligible for activities under Article 6.2 and future domestic carbon market schemes.

## Registration Validity

- All DoEs/VVBs/TPEs need to enlist under the Bangladesh Carbon Market Registry paying applicable fees as stated in the Table 7.
- Accreditation is granted for twelve (12) months, renewable upon submission of performance records and continued compliance with Article 6 standards and/or National Standards.
- A public register of accredited DOEs shall be maintained on the National Carbon Registry portal.

## 7.3 Qualification of DOEs and Consideration of National Context

To ensure context-sensitive implementation while upholding international integrity standards, Bangladesh’s qualification criteria for DOEs will include:

- Proof of UNFCCC, ISO 14065/14066, or other relevant equivalent accreditation;
- Technical capacity in relevant NDC priority sectors (e.g., energy, AFOLU, waste, transport, industry);
- Experience in carbon accounting, baseline methodology application, and MRV reporting;
- Inclusion of at least one Bangladeshi expert in each validation/verification team to ensure local relevance; and

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- Demonstrated understanding of national environmental laws, gender and social safeguards, and benefit-sharing mechanisms.

## 7.4 National Oversight

The Article 6 Secretariat shall serve as the primary oversight body for all DOEs operating in Bangladesh. Oversight functions include:

- Reviewing and approving DOE applications for national accreditation or recognition;
- Conducting annual performance audits of validation and verification reports;
- Managing the DOE Roster and Registry within the Article 6 National Carbon Registry System;
- Coordinating with DoE, SREDA, and Bangladesh Bank's Green Finance Unit to align carbon market activities with broader sustainable finance policies; and
- A6 DNA TC will advise the DNA on the performance and renewal of DOEs.

## 7.5 Conflict of Interest Policy

To safeguard integrity and transparency,

- A DOE shall not validate or verify any activities for which it or its employees acted as consultants, developers, or financier of mitigation activities under the validation or verification.
- All DOEs must submit annual declarations of impartiality and independence, subject to review by the DNA.
- The DNA may suspend or revoke authorization in cases of non-disclosure or verified conflict of interest.

## 7.6 List of Eligible DOEs

The A6 DNA Secretariate shall maintain and publish an updated list of eligible DOEs, including both international and national entities authorized to operate within Bangladesh. The list shall include,

- Identify each DOE's name, accreditation number, validity period, and sectoral scope;
- Distinguish between UNFCCC/VCM accredited international entities and nationally authorized DOEs; and
- Be accessible through the Bangladesh Carbon Registry and DoE website.

The DNA will update this list annually based on DOE performance reviews and audit findings. DOEs appearing on the official list shall be deemed authorized to validate and verify mitigation activities under Article 6 and domestic carbon market frameworks within Bangladesh.

## 8. National Carbon Registry

This section defines the functions of the Bangladesh Carbon Registry. The functions include hosting, registration, issuance, tracking, and reporting.

Decision 12a/ CMA3 requires transferring Parties to either operate their own registry, or to use an existing registry. The A6 DNA GB has decided that the registry shall be part of Bangladesh's national GHG inventory system to be incorporated by the A6 DNA Secretariat.

### 8.1 Bangladesh Carbon Registry (BCR)

A6 DNA of Bangladesh shall establish the Bangladesh Carbon Registry (BCR) for transparent and secure issuance, transfer and tracking of ITMOs and A6 labelled VERs, in compliance with Article 6.2 guidelines.

The Bangladesh Carbon Registry (BCR) shall serve as the official national digital platform for recording, tracking, and reporting all MOs and ITMOs generated under Article 6.2 cooperative approaches. The registry will also be used for first transfer for Article 6 labelled VERs generated from accredited VCM projects. The Registry shall ensure transparency, environmental integrity, and avoidance of double counting through corresponding adjustments and direct integration with the national MRV System and the NDC tracking architecture.

### 8.2 Institutional Oversight and Administration

- i. Technical Administrator: A6 DNA Secretariat will be responsible for registry management and authorization workflows.
- ii. Operational Management: A6 DNA Secretariat, housed at Climate Change and International Convention wing of DOE, may establish a Carbon Market Cell under which a specialized Registry Technical Unit (RTU) will be responsible for maintaining infrastructure and user accounts.
- iii. Independent Oversight: Annual audit by a registered DOE or independent verifier, reflecting Bangladesh's transparency standards.

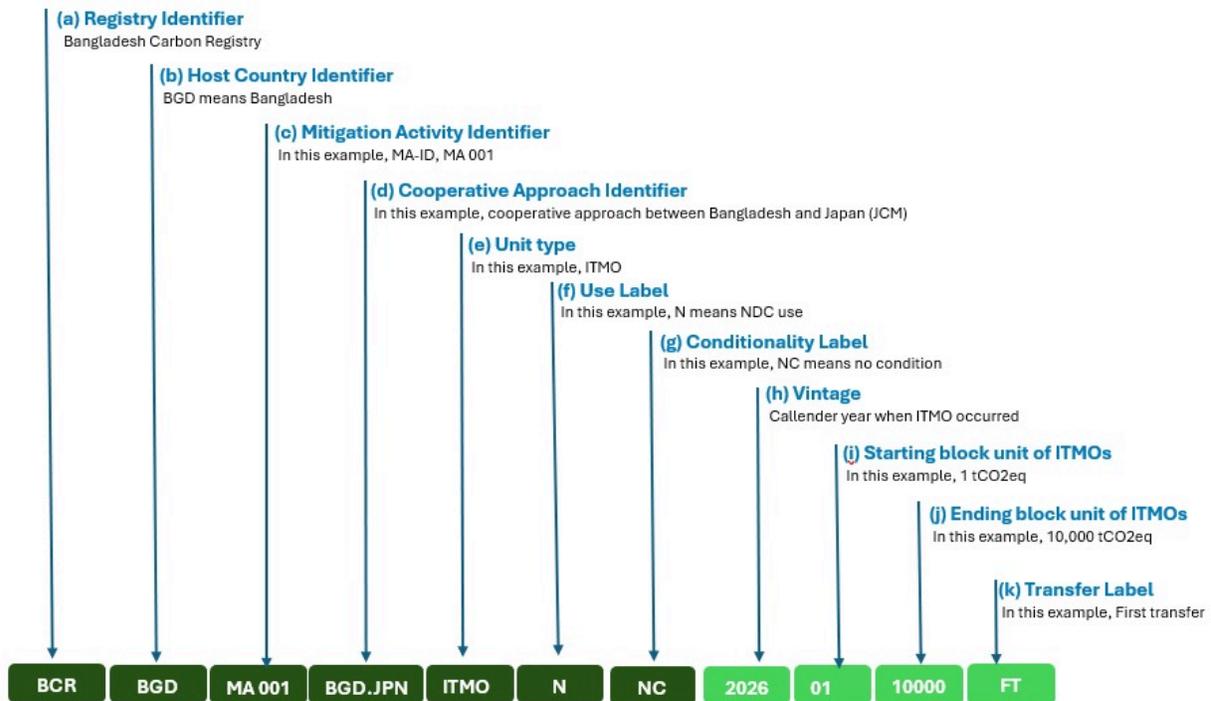
### 8.3 Registry Architecture and Core Functions

- I. The BCR shall perform the following main functions:
  - a) Enlisting: Host eligible MAP and entity(ies) accounts;
  - b) Registration of Activities: Each approved mitigation activity receives a unique identification number (MAP-ID) and registry account, following Bangladesh's Registry Rules.
  - c) Issuance of MOs: Serve as the platform to request issuance and perform ITMO transfers to other participating Parties' registries, where possible. After independent verification, emission reductions are issued as serialized MOs in tonnes CO<sub>2</sub>e recorded in the MAP's account.

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- d) Transfer and Tracking: Document information on issued and transferred ITMOs through their tracking, maintaining and accounting with assigned unique identifiers and labels, in compliance with chapter I.A, section 1, paragraphs 3 – 6 of the Annex I to Decision 6/CMA.4. Transfers (domestic or international) will be processed electronically, linked to the Article 6 International Registry and/or VCM registry, with automated corresponding adjustments.
  - e) Cancellation and Retirement: Units may be retired for NDC compliance, IMP, OIMP, or OMGE.
  - f) Accounts and Access: Role-based accounts for MAPs, government, acquiring Parties, acquirers; includes mirror accounts for VCM projects registered under eligible international carbon standards.
  - g) Host the National Buffer Account and keep information on retained ITMOs for Bangladesh’s own NDC achievement
- II. The BCR will apply the unique identifiers and labels shown as an example in Figure 3 below, to mitigation activities that have been issued MOs on a MAP’s account

Figure 3: Methodology for assigning unique identifiers (UID) in BCR



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For example, UID # “BCR-BGD-MA001-BGD.JPN-ITMO-N-NC-2026-01-1000-FT” would mean that this is an ITMO emission reduction unit issued by Bangladesh in the Bangladesh Carbon Registry generated by activity MA-001 developed under bilateral cooperative approach between Bangladesh and Japan, in vintage year 2026, with unit’s serial number 01-10000, with authorization for NDC use, no additional conditions, and has undergone its first international transfer.

Table 7 explains different identifiers and their options from which the host country can choose from to adequately and transparently identify the issued and transferred units in the Bangladesh Carbon Registry.

Table 7: Unique Identification types, descriptions and options

Identifiers	Description	Options
<b>Registry Code</b>	Identifier for the registry issuing the unit	<ul style="list-style-type: none"> <li>• “BCR” (fixed for Bangladesh)</li> <li>• “UN01” fixed for A6.4 Mechanism Registry</li> </ul>
<b>Host Party Code</b>	ISO or UNFCCC country code for Bangladesh	<ul style="list-style-type: none"> <li>• “BGD” for Bangladesh</li> <li>• “JPN” for Japan</li> <li>• “KOR” for Korea</li> <li>• Other countries to be added after signing of MOU/Agreement</li> </ul>
<b>Activity ID</b>	Unique code for the mitigation activity	<ul style="list-style-type: none"> <li>• For A6.2 projects, “MA-ID”</li> <li>• For A6.4 projects, Article 6.4 activity ID</li> </ul>
<b>Cooperative Approach identifier</b>	Identifies the bilateral or multilateral cooperative approach	<ul style="list-style-type: none"> <li>• “BGD.JPN” means JCM (Alternate ID is CA001)</li> <li>• “BGD.KOR” means cooperative approach between Bangladesh and Korea (CA002)</li> <li>• SCF means standardized crediting framework (CA003)</li> <li>• Other countries to be added after signing of MOU/Agreement</li> <li>• A6.4 for Article 6.4</li> </ul>
<b>Unit Type / Class Label</b>	Distinguishes unit type based on Carbon Standards.	<ul style="list-style-type: none"> <li>• “ITMO” for A6.2 international transfer</li> <li>• “MOs” for A6.2 without international transfer</li> <li>• “AER”, for A6.4 international transfer</li> <li>• “MCU-PI” for MCUs with post issuance authorization label</li> <li>• “MCU-NPI” for MCUs with no post authorization label</li> <li>• “A6 VCU” for A6 label VCUs</li> <li>• “CERs” CERs transitioned into the mechanism registry</li> </ul>

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<b>Use Label</b>	Use-purpose tag for first international transfer or domestic use	<ul style="list-style-type: none"> <li>• “N” (for NDC use)</li> <li>• “I” (Intl. mitigation purpose; IMP i.e. CORSIA label)</li> <li>• “O” (other intl. mitigation purpose; OIMP)</li> <li>• “OMGE” for overall mitigation in global emission</li> <li>• “SOP” for Share of Proceeds deduction</li> </ul>
<b>Conditionality Label</b>	Additional conditions on transfer or use	<ul style="list-style-type: none"> <li>• “C” (additional conditions)</li> <li>• “NC” (no additional conditions)</li> </ul>
<b>Vintage Year</b>	Year in which the mitigation outcome was achieved	2026, 2027 etc.
<b>Unit Serial Number</b>	Sequential number for each unit within (registry + party + activity + vintage)	<ul style="list-style-type: none"> <li>• Starting block unit of ITMOs</li> <li>• Ending block unit of ITMOs</li> </ul>
<b>First-Transfer Flag</b>	Indicates whether first transfer has occurred	<ul style="list-style-type: none"> <li>• “FT” if first transfer,</li> <li>• blank otherwise</li> </ul>

### 8.4 Interoperability and Linkages

- I. The BCR shall ensure API integration with international registries and platforms for transparent data exchange. Registry data will synchronize with the National GHG Inventory and Biennial Transparency Reports (BTR). Compatibility will be maintained with the UNFCCC International Registry and future regional carbon market systems.
- II. BCR will be linked with UNFCCC’s international Article 6.4 Mechanism Registry in accordance with the interoperability arrangements as laid out in chapter I.B of Annex I and the requirements in chapter I.C, section 3 (b), paragraph 24 of Annex I to Decision 6/CMA.4.
- III. The BCR will collaborate with registries of other acquiring participating Parties to establish and/or adopt methodologies for standardized unique identifier of ITMOs, thereby supporting efficient and transparent ITMOs transfer and minimizing the risk of double counting. These initiatives may include:
  - a. The development of a standardized format for recording transactions in the registries through unique identifiers; and
  - b. The creation of a uniform protocol for communication and data reconciliation.

### 8.5 Issuance Workflow

- I. The following issuance workflow shall be applied.

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- a) Validation – DOE validates the project and verification report.
- b) Approval – DNA issues Letter of Authorization (LoA) ensuring NDC alignment.
- c) Issuance – BCR issues serialized MOs within 15 days of approval.
- d) Transfer/CA – Automatic corresponding adjustment triggered for first international transfer.
- e) Publication – Registry summary of issuances and transfers published quarterly.

II. Procedures to register, issue, track and transfer ITMOs will be detailed after the BCR is operational.

## 8.6 Transparency, Oversight and Audit

Annual registry reconciliation, IT audits, and independent verification of data integrity will be conducted. The registry shall publish annual and regular information reports and maintain a public dashboard displaying project and transaction summaries.

## 8.7 National Buffer Account

### 8.7.1 General Requirements

Bangladesh will establish a National Buffer Account (NBA), which it will operate and manage to store MOs collected via the buffer fee as set out in [Section 9.5 – Buffer Fees](#), and [Table 8 of Section 9](#). The NBA will form part of the infrastructure for the proposed Bangladesh Carbon Registry and will be overseen by the A6 DNA Secretariat.

After approving an MO transfer request, Bangladesh must retire the relevant MOs into its NBA before any non-retained MOs are transferred to the receiving participating Party. When an authorized MO is to be issued and transferred through an ICS's registry, these steps will apply:

- The ICS's registry administrator retains the required buffer fee, as outlined in the A6.2 LOA or A6.4 LOA, and notifies both the A6 DNA Secretariat and MAP, either via email or other agreed channels—about the quantity and details of MOs withheld after each issuance.
- For the final issuance before the end of the crediting period, the A6 DNA Secretariat will request the transfer of all retained MOs designated for the NBA from the ICS's registry.
- The A6 DNA Secretariat will record all transfers in the NBA and carry out any necessary reconciliations.

### 8.7.2 Purposes of the NBA and Use of Retained MOs

All MOs held in the NBA due to buffer fees may only be used by Bangladesh for the following:

- To reduce risks of over-crediting that go beyond Bangladesh’s unconditional mitigation targets.
- To help meet its own NDC when making corresponding adjustments for transferred MOs to another participating Party.
- To cancel credits against Bangladesh’s contribution to OMGE, as described in [Section 9.4](#).

MAPs are prohibited from re-issuing or re-selling MOs stored in the NBA, and these MOs cannot be transferred to any acquiring participating Party at any time.

## 9. Fees, Share of Proceeds & Overall Mitigation in Global Emissions

This Section defines fees to be collected by the A6 DNA from MAPs to recover administrative costs, and the cost of listing, issuance and corresponding adjustment, as well as the share of proceeds (SOP) to fund adaptation and possibly mitigation activities in Bangladesh.

### 9.1. Administrative Fees

#### 9.1.1 Application and Evaluation Fees

The A6 DNA intends to establish due diligence fees for covering the transaction costs associated with the assessment and management of applications for mitigation activities seeking intention to participate in Article 6 carbon markets and generate authorized emission reductions for international transfer. The fees will essentially cover the administrative costs to handle all the necessary review and approval processes such as management and coordination by A6 DNA secretariat, meetings convened by A6 DNA TC and A6 DNA GB.

The respective administrative Fees will be applicable for:

- Transactions under Article 6.2;
- Transactions under Article 6.4;
- VCM mitigation projects requesting for corresponding adjustment for their carbon credits from the Government of Bangladesh; and
- VCM mitigation projects that do not seek corresponding adjustment but require notifying A6 DNA Secretariat for a listing/registration of projects under voluntary standards.

The A6 DNA secretariat will ensure the collection of fixed administrative fees at the Designated Bank Account by A6 DNA. The following Fee types will be applicable:

- Application fee paid upfront during application for initial scrutiny
- MAIN evaluation fee will be a one-time payment at submission of MAIN to allow the A6 DNA Secretariate to review and issue a Letter of Approval.
- MADD evaluation fee will be a one-time payment at submission of MADD and associated reports to allow the A6 DNA TC and A6 DNA GB to review the MADD and associated documents and issuance of LOA by A6 DNA secretariat.

The different fee’s level for different types of projects are provided in Table 7. The fees structure will be updated by the A6 DNA Secretariat as and when necessary.

## 9.1.2 Listing Fees

The listing process is equivalent to the registration process for mitigation activities under PACM and VCM standards. The project will be enlisted in the proposed Bangladesh Carbon Registry and an MAP account will be created in favor of the MAP. A one-time fee will be paid by the MAPs. The fees vary for different types of projects in Table 7 and will be updated by the A6 DNA Secretariat as and when necessary. All mitigation activity projects seeking to generate ITMOs for authorization and transfer will be subject to Article 6.4 listing fees. VCM projects that do not seek authorization and corresponding adjustment are exempted from listing fees.

## 9.1.3 Third Party Entity Enlisting Fee

These fees will be applicable only to third party entities (i.e. DOEs or VVBs and combinedly TPEs) to act on A6.2 mitigation activities. Those TPEs once registered will be enlisted under A6.2 Cooperative Approach by A6 DNA Secretariat and will be eligible for validation or verification process of A6.2 mitigation activities. These TPE fees are one-time fees valid for the subsequent 3 years after the registration date. A6.4 and VCM carbon standards have their own process. TPE validating/verifying mitigation activities that uses A6.4 and VCM carbon standards are exempted from fees.

The fee's level is provided in Table 7.

## 9.1.4 Issuance Fees

The issuance fees shall cover the administrative expenses of the A6 DNA for delivering issuance and transfer services and the maintenance costs for effectively running the registry system. The fees need to be paid by the MAP or participating Party after having received an issuance pre-approval and having submitted the MOs issuance request form. Fees are applied per tCO<sub>2</sub>e, i.e., per unit of ITMOs during the issuance of emission reductions, excluding MOs reserved for buffer accounts as defined in Section 10.5 and 10.6 and OMGE as defined in Section 10.4.

The fee's level is provided in Table 7.

## 9.2 Corresponding Adjustment (CA) Fees

MAPs or participating Parties pay a fee to conduct corresponding adjustments in the national carbon registry and relevant inventory systems for reporting and accounting for transfers. Bangladesh shall use the corresponding adjustment Fees to raise mitigation and adaptation ambition. The corresponding adjustment fees shall also cover the administrative cost of adjustment in the NIR and NDC tracking in the MRV system and the reporting of ITMOs/AERs in the BTR.

Proceeds from the corresponding adjustment fee shall be directed into the designated bank account approved by the A6 DNA GB.

For Article 6.2 projects, the fees need to be paid after the issuance of the MOs prior to the transfer of ITMOs. Fees are applied per tCO<sub>2</sub>e during the accounting of ITMOs that have been transferred from Bangladesh to an acquiring Party.

For Article 6.4 projects, the fees need to be paid after the issuance of the MCUs prior to the transfer of AERs. Fees are applied per tCO<sub>2</sub>e during the accounting of AERs that have been transferred from Bangladesh to an acquiring Party.

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For VCM projects requiring CA, the fees need to be paid after the issuance of the VCUs prior to the ITMO/ A6 labelled VCU transfer. Fees are applied per tCO<sub>2</sub>e during the accounting of ITMOs/ A6 labelled VCU that have been transferred from Bangladesh to an acquiring Party.

The fee's level is provided in Table 7.

## 9.3 Share of Proceeds (SOP)

Aligned with the guidance, rules, modalities and procedure approved by the CMA and the Article 6.4 Supervisory Board, A6 DNA GB shall impose a fee on eligible mitigation activities, further referred to as SOP.

The following mitigation activities are required to pay SOPs:

- Transactions through Article 6.2.
- Transactions through VCM mitigation projects requesting for corresponding adjustments for their carbon credits from the Government of Bangladesh.

The following activities are not required to pay SOPs:

- Transactions under Article 6.4, as these are collected by the UNFCCC Secretariat.
- Transactions through VCM projects that do not request corresponding adjustments through participating in Article 6.

The acquiring Party (or the buyer of ITMOs/AERs) shall pay SOPs when requesting the A6 DNA to authorize and issue ITMOs/AERs. The A6 DNA Secretariat shall proceed to issue ITMOs on the account of the activity proponent after having received the SOP payment from the acquiring Party (or the buyer of ITMOs).

However, at the initial phase, all SOPs are waived; the Article 6 DNA of Bangladesh will review the SOPs from time to time and update these fees accordingly.

## 9.4 Overall Mitigation in Global Emissions (OMGEs)

Under Article 6.2, countries can trade ITMOs bilaterally or multilaterally. There is no fixed numerical percentage of cancellation (like under Article 6.4). Instead, Parties are required to apply corresponding adjustments and are encouraged (but not obliged) to voluntarily cancel a portion of ITMOs to contribute to OMGE.

In other words, OMGE under 6.2 Cooperative Approaches is flexible and Party-driven, not universally defined and quantified in the rulebook. Hence, the OMGE will be based on the bilateral cooperative approach under which the MAP is willing to do the ITMO transactions.

In PACM under Article 6.4, at least 2% of issued carbon credits are to be cancelled at source to deliver OMGE, which is a mandatory contribution. Hence, no further OMGE needs to be applied for the MOs or ITMOs/A6.4ERs transactions under Article 6.4's PACM.

VCM projects seeking authorization and corresponding adjustments need to cancel at least 2% of issued carbon credits at source to deliver OMGE.

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## 9.5 Buffer Fee

Bangladesh shall impose a buffer fee on all authorized and listed/registered mitigation activities and accounts in the proposed Bangladesh Carbon Registry implemented within Bangladesh under Article 6.2 and Article 6.4. The buffer fee levels apply to MOs to be retained as non-tradable MOs in the registry and not in monetary values. Buffer fees will be applied as follows:

- 2% retention of issued MOs for Article 6.2 and the VCM with corresponding adjustments; and
- 2% retention of issued MOs for Article 6.4 projects.

The buffer fee shall also be applied to any mitigation activities seeking an Article 6 Authorization under an approved ICS, as defined in Table 6 of the Section 4.2– Eligible Carbon Crediting Standard.

Retained MOs under the Buffer Fee account shall only be utilized for the established purposes in Section 8.7 – National Buffer Account.

The applicable buffer fee shall be communicated to the MAP under the “*Applicable Buffer Fee (MOs retention)*” section of the issued Article 6.2 Letter of Authorization (LOA).

Retained MCUs (Article 6.4ERs) shall be specified within Article 6.4 LOA (Template E) under the Annex I section.

The communicated buffer fee shall not be changed over the mitigation activity’s crediting period unless the mitigation activity experiences material deviations from Article 6.2 LOA’s and Article 6.4 LOA’s terms.

When an authorized MO is issued in an approved ICS’ registry, the conditions in Section 8.7 – National Buffer Account, shall apply.

The A6 DNA shall retain the authorized and issued MOs after approving the transfer request and before performing the MOs transfer to the acquiring participating Party.

## 9.6 General provisions

The A6 DNA of Bangladesh reserves the right to adjust the fees summarized in Table 7 on an annual basis, based on inflation as published by the Bangladesh Bank.

All fees are non-refundable, payable at the time stipulated in the respective fee sections provided in Section 6.1 to Section 6.5.

Mitigation activities with high social benefits serving the ultra-poor/poor in rural and climate vulnerable communities may seek for discount through an application to the Article 6 DNA. The Article 6 DNA may consider discounted fees on a case-to-case basis with detailed analysis based on the overarching eligibility criteria.

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The table below summarizes all fees and their applicability.

Table 8: List of Fees

Category	Applicable type of projects	Fee type	Fee level for local Applicant <sup>10</sup> (USD)	Fee level for foreign Applicant <sup>11</sup> (USD)
Administrative Fee	Article 6.2 (Cooperative Approaches) <sup>12</sup>	Application Fee	50	1000
		MAIN Evaluation Fee	200	1500
		MADD Evaluation Fee	X	X
		Listing Fee	50	1000
		Issuance Fee	0.1 USD per unit of ITMO	0.2 USD per unit of ITMO
	Article 6.4 (Paris Agreement Crediting Mechanism)	Application Fee	50	1000
		MAIN Evaluation Fee	200	1500
		MADD Evaluation Fee	X	X
		Listing Fee	50	1000
		Issuance Fee	X	X
	VCM requiring CA	Application Fee	50	1000
		MAIN Evaluation Fee	200	1500
		MADD Evaluation Fee	X	X
		Listing Fee	50	1000
		Issuance Fee	X	X
VCM projects not requiring CA	Enlisting Fee	X	X	
DoE/VVB Enlisting Fee	Article 6.2	Enlisting Fee	100	200
Corresponding Adjustment Fee	All projects requiring CA	Micro scale projects (<20k MOs/MCUs per year)	1 USD per unit of ITMO/AER	2 USD per unit of ITMO/AER

<sup>10</sup> Mitigation activity Participant(s) registered in Bangladesh and with Bangladeshi Shareholders will be deemed as Local Applicant.

<sup>11</sup> Mitigation activity Participant(s) registered in a foreign country and with non-citizen (foreign) shareholders will be considered as foreign Applicant; Mitigation activity Participant(s) registered in Bangladesh having more than 49% percent non-citizen (foreign) shareholding will also be considered as foreign Applicant.

<sup>12</sup> Fees for Government-to-Government projects or JCM Model Projects that received financial support from the partner country governments will be determined through bilateral negotiations.

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		Small scale projects (between 20k to 60k MOs/MCUs per year)	1 USD per unit of ITMO/AER	3 USD per unit of ITMO/AER
		Large scale projects (>60k MOs/MCUs per year)	2 USD per unit of ITMO/AER	4 USD per unit of ITMO/AER
		Transition Projects <sup>13</sup>	2 USD per unit of ITMO/AER	5 USD per unit of ITMO /AER
<b>Buffer Fee</b>	Article 6.2	-	2% retention	2% retention
	Article 6.4	-	2% retention	2% retention
	VCM requiring CA	-	2% retention	2% retention
<b>SOP</b>	Article 6.2	-	X	X
	Article 6.4	-	X	X
	VCM requiring CA	-	X	X
<b>OMGE</b>	Article 6.2	-	As per rules of the Cooperative Approach	As per rules of the Cooperative Approach

<sup>13</sup> Existing CDM or VCM projects registered in the respective standards before adoption of this Carbon Market Framework and requested transitioning to Article 6 (whether under Article 6.2 or 6.4 or VCM) will be treated as Transition projects under this Carbon Market Framework.

## Annex I –Article 6 Framework’s sample letters, templates and forms

Provides all sample letters, MAIN and MADD templates

- A. Application form for Mitigation Activity Participants and other entities
- B. Project Idea Note (MAIN)
- C. Letter of Endorsement (i.e. No Objection)
- D. Host Country Approval Letter (A6.4 HCA)
- E. Article 6.4 Letter of Authorization (A6.4LOA)
- F. Project Design Document (MADD)
- G. Letter of Authorization Request
- H. Request for Letter of Authorization for a VCM Mitigation Activity
- I. Article 6.2 Letter of Authorization (A6.2LOA)
- J. Article 6.2 Initial Report (AIR)
- K. Monitoring Report
- L. Request for verification report’s examination
- M. Positive Examination Notification
- N. MOs issuance request form
- O. Annual Information Report
- P. Regular Information Report

The Templates that are already prepared are available at DoE website<sup>14</sup>. Any template that is not found on the website can be collected by contacting the Article 6 DNA Secretariate.

## Annex II Due diligence Check lists

- A. Project Screening Checklist
- B. Listing/registration Checklist
- C. Verification Check list

The Checklists that are already prepared are available at DoE website<sup>15</sup>. Any template that is not found on the website can be collected by contacting the Article 6 DNA Secretariate.

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<sup>14</sup> [পরিবেশ অধিদপ্তর-গণপ্রজাতন্ত্রী বাংলাদেশ সরকার](#)

<sup>15</sup> [পরিবেশ অধিদপ্তর-গণপ্রজাতন্ত্রী বাংলাদেশ সরকার](#)

## Annex III List of DOEs/Validation & Verification Bodies/TPEs

Provide templates of listing DOEs/VVBs/TPEs.

The list will be uploaded to the DoE website<sup>16</sup>.

## Annex IV Version Control Log

- The Current Version will be defined as “Bangladesh Carbon Market Framework Version 1.0”
- Any subsequent modification/update should be in line with Section 3.7: Revisions and updates to the Carbon Market Framework
- Any subsequent changes undertaken through an ad hoc reviews before the next scheduled reviews may need to also update the Version number by increasing the number after decimal points. For example, the next ad hoc revision may update the version number as “Bangladesh Carbon Market Framework Version 1.1”
- After every scheduled update the version number will be updated increasing the Version number by 1. For example, after the next scheduled reviews the version number of the framework will be identified as “Bangladesh Carbon Market Framework Version 2.0”
- Each modification/update will be recorded here in a transparent manner, to specifically mentioning what has been updated and modified in the current version compared to the previous version.

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<sup>16</sup> [পরিবেশ অধিদপ্তর-গণপ্রজাতন্ত্রী বাংলাদেশ সরকার](#)

## Annex V Glossary of Terms

**A6 Mitigation Activity:** Article 6 mitigation activity such as a project or program generating mitigation outcomes.

**A6.4ERs:** A6.4ERs refer to AERs and MCUs collectively

**Acquiring Party:** National government receiving authorized mitigation outcomes (ITMOs) for its NDC compliance.

**AERs:** AERs refer to A6.4ERs that are authorized by the Host Party of the Article 6.4 mechanism activity for which the A6.4ERs are issued, for use towards the achievement of nationally determined contributions (NDCs) of Parties and/or for other international mitigation purposes pursuant to paragraph 42 of the RMPs;

**Mitigation Activity Proponent (MAP):** Entity developing or owning the mitigation activity.

**Authorization:** Decision to make mitigation outcomes eligible for transfer under Article 6.2 guidance.

**Corresponding Adjustment (CA):** Adjustment to emission accounts in both host and acquiring countries to avoid double counting.

**Crediting Period:** Period during which mitigation activities may generate ITMOs.

**Designated Operational Entity (DOE):** Accredited body validating and verifying mitigation activities.

**Internationally Transferred Mitigation Outcomes (ITMOs):** Mitigation outcomes transferred internationally for NDC or other uses.

**Issuance:** Creation of emission reduction units in the carbon registry.

**MCUs:** refer to A6.4ERs that are not specified as authorized for use towards the achievement of NDCs of Parties and/or for other international mitigation purposes pursuant to paragraph 29(b) of annex I to 7/CMA.4;

**Mitigation Activity Design Document (MADD):** Detailed documentation of the mitigation activity, including baselines and MRV plans.

**Mitigation Activity Identification Note (MAIN):** Initial documentation describing a mitigation activity concept.

**Mitigation Outcome Purchase Agreement (MOPA):** Legal contract for the transfer of mitigation outcomes.

**Mitigation Outcomes (MO):** Emission reductions/removals measured in tonnes of CO<sub>2</sub> equivalent.

**Registry:** Database recording carbon credit and ownership changes.

**Transfer:** Change of ownership of mitigation outcomes between parties.

**Transferring Party:** Country hosting the mitigation activity generating outcomes for transfer.

**Validation:** Independent ex-ante evaluation of mitigation activity by DOE.

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**Verification:** Independent ex-post evaluation of emission reductions by DOE.

**Voluntary Carbon Market (VCM) Project:** Project issuing carbon credits under voluntary standards like Gold Standard or VCS.

**Environmental Integrity (EI):** Principle ensuring real, measurable, and additional emission reductions.

**Nationally Determined Contributions (NDCs):** Climate action plans submitted by Parties under the Paris Agreement.

**Monitoring, Reporting and Verification (MRV):** Processes for measuring and reporting emissions reductions.

**Share of Proceeds (SOP):** Fee mechanism funding adaptation and administrative costs from carbon transactions.

**Other International Mitigation Purpose (OIMP):** An OIMP is the collective term for ITMOs transferred and used for purposes other than achieving a country's NDC. OIMPs can be used for other international schemes such as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) or the Voluntary Carbon Market (VCM). However, ITMOs must be authorized by the Host Country before they can be used for any of these purposes.

**Overall Mitigation in Global Emissions (OMGE):** Requirement ensuring mitigation activities deliver net global emission reductions.

**Carbon Registry (CR):** System for tracking carbon credits, issuance, and transfers.

**Carbon Offsetting and Reduction Scheme for International Aviation (CORSA):** Global scheme for reducing aviation emissions.

**Biennial Transparency Report (BTR):** Report documenting climate action and emissions submitted to the UNFCCC.

**Mitigation Activity Participants (MAP):** Entities involved in developing and implementing mitigation activities.

**Validation/Verification Bodies (VVB):** Entities performing validation and verification of carbon projects.

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<sup>i</sup> MtCO<sub>2</sub>eq= Million Tonnes of carbon dioxide equivalent