

1 October 2024

Dear Secretariat

RE: Response to Call for input 2024 - Issues included in the annotated agenda and related annexes of the fourteenth meeting of the Article 6.4 Supervisory Body

Please find enclosed concise areas of feedback on areas of discussion for the upcoming SB Meeting.

Methodologies Guidance

Recommend the following:

• Paragraph 18 Option 1: Mechanism methodologies shall contain provisions to encourage that total creditable number of units from emission reductions but not from removals

There is a risk of not appreciating the separate but equal roles of reduction and removals in the net zero equation. As the <u>State of CDR Report</u> illustrates some 5-7 billion tonnes of CO2 removal will need to occurring every year by mid-century, and will need to grow in a overshoot scenario. This is distinct from the deep and sustained emission reduction cuts required under all scenarios. Eventually we will only have unabateable emissions, but potential for durable carbon dioxide removal deployment to counterbalance this.

• Paragraph 95 Option 1: Methodologies for activities falling under one or more of the activity scopes referred to in Article 5, paragraph 2 of the Paris Agreement will not be considered under the mechanism.

Article 6 has a defined purpose to raise ambition via crediting mechanisms. Article 5(2) was activities were not intended to be used to generate such credits, in contrast they were explicitly outlined to be funded via results based financing. Adding them as an additional category to Article 6 risks displacing funding from additional activities, that raise the level of ambition.

• Paragraph 47bis The Supervisory Body should seek CMA guidance to conduct an estimation of emission reductions and removals necessary to achieve the long-term temperature goal of the Paris Agreement differentiated by technology/sector or and by country/region, considering individual Parties' responsibilities for removing their emissions from the atmosphere in light of their historic contributions to increasing global GHG concentrations, socioeconomic conditions, and accommodating different

circumstances of the host Parties, which could then be used to inform adjustment of baselines in the context of paragraph 36 (iii) of the RMPs]

This is a highly important and needed complementary step to the bottom up nationally determined contribution process, it enables Parties to gather an honest appraisal of use of the carbon budget and potential to develop a 'carbon removal budget' that was proposed by <u>Caldecott and Johnstone (2024)</u> disaggregated by country/region.

Removals Guidance

Should apply to both removals and emission reduction activites with reversal risks.

Recommend the following:

Minimum durability of 100 years across removals and reduction activites. This appeared in
previous drafts but has disappeared from text. A failure to define a minimum could lead to
perverse incentives to still invest in conventional carbon dioxide removal and emission
reduction credits with a high risk of reversal, as opposed to more durable carbon dioxide
removal.

Caution against:

• **Paragraph 9:** Labelling as encroachment by outside actors (e.g., logging, mining, or fuelwood collection) are considered unavoidable when demonstrably unforeseeable and out of the activity participant's control.

This would undermine a significant amount of projects' viability. Clean cookstove and avoided deforestation projects require this as a minimum to be able to demonstrate a project. A lack of safeguards here is risky.

• Paragraph 66(b): Where the host Party assumes the role of an activity participant in the post-crediting monitoring period, the provision of a sovereign guarantee to apply corresponding adjustments in respect of any reversals that occur, as an alternative measure to those described in section 3.6.3. Remediation of reversals, in a manner consistent with the guidance to be developed by the Supervisory Body in this regard

As the parameters when a host Party may assume the role of an activity participant in the post-crediting monitoring crediting period is not clear, such an option should be clearly tied to when the obligation transfers.

Please do let us know if you have any questions.

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