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Affiliated organization of the submitter (if any): Project Developer Forum

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Legend for Columns

- 1** = Section Number in the document
- 2** = Paragraph number
- 3** = Comment – the actual feedback or observation, including justification for what needs changing
- 4** = Proposed change – suggest the text if possible

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Section no.	Para. no.	Comment	Proposed change (Include proposed text)
5	15	Last sentence that reads 'Mechanism methodologies shall specify to which potential baseline scenarios its quantification methods are applicable' may be redundant consider deleting?	Mechanism methodologies shall specify the methods for quantification of the baseline emissions and removals. Mechanism methodologies shall specify to which potential baseline scenarios its quantification methods are applicable.
5	19	Applying a blanket or arbitrary "downward adjustment" to all baseline emissions may compromise the accuracy (and potentially credibility) of project-level quantification approaches and create barriers to feasibility of projects, particularly in regions where baseline emissions have increased, de facto reducing the scope of Article 6.4 mechanism. This could inadvertently hinder the ambition of host countries to achieve their NDC targets and the Paris goals, especially in developing economies where carbon credit projects can drive green growth by providing for much-needed climate finance. We recommend revising the text to established a balanced approach that considers the principles of conservativeness as well as accuracy in baseline setting and avoids limiting the scope of the mechanism through a barrow interpretation of its 'ambition raising' role. As articulated by numerous stakeholders in response to the A6.4 requirements for methodologies, we urge the Supervisory Body to consider that some baseline emissions have the potential to increase, whereas others will decrease. The factors of these changes are typically outside of the control of project developers, for example the emissions intensity of a national grid which is likely to be driven by government policies and measures.	Mechanism methodologies shall encourage ambition through decreasing the crediting baseline for emission reductions activities, or increasing the crediting baseline for activities involving removals, over time measures that ensure that the crediting baseline is accurate. This may be operationalised either as an annual change relying on an annual improvement, or as a larger step-change at the renewal of the crediting period, with justification and where applicable. For example, if an NDC aligned baseline, as determined in section 8 of this document, includes a downward trend, this would be fulfilled.
5	20	As per comment above on paragraph 19, the recommendation is to apply approaches that ensure accuracy of crediting baseline emissions as opposed to only considering approaches that apply a 'downward adjustment'. To have an accurate and non-retroactive/non-self-impacting (pioneer and additional projects being the cause of downward adjustments in their own baselines), arbitrary/undefined downward adjustment should precisely defined in setting the baseline, for example, by "reasonable" (historical) technology improvement.	Under all the approaches in section 6 for setting the crediting baseline, mechanism methodologies shall determine whether any trends toward improved impacting performance in the emissions intensity over time should be incorporated in the baseline quantification. This is necessary if such trends have a material impact on the emissions intensity in tCO ₂ -eq/unit of output, in which case the baseline emission intensity or other indicator shall be reduced over time by applying a quantification derived from historical trends in revised to reflect the accurate emissions intensity. Where no material trends in the emissions intensity can be observed, or where such a trend is compensated by a particularly ambitious baseline indicator, then no further adjustment is required.

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6	35 c)	The approach outlined underestimates the challenges with the availability of reliable data in several geographies and ability of activity participants to have the means to access such data. We suggest the SB to consider these challenges when deliberating on setting rules requiring activity participants to collate data in geographies with fundamental constraints with data collection.	Methodologies where a global/ regional BAT can be determined, should already provide this value at the methodology level, instead of putting this requirement on activity participants.
6	40	Mechanism methodologies should directly set ambitious benchmarks as the project types deemed to be in sectors homogeneous enough to require such an approach instead of putting this requirement on the activity participants.	"Mechanism methodologies shall either primarily directly set the ambitious benchmark, or define a procedure that activity participants shall apply for setting the crediting baseline based on an ambitious benchmark, including the following steps:
6	Subheading 6.3.2	As per comment above relating to paragraph 19, we request the Supervisory Body to consider revising the 'blanket approach' to downwards adjustment of baseline emissions, in favour of an approach that seeks to ensure the accuracy of the baseline emissions.	Redraft section 6.3.1 to reflect requirements to ensure accuracy of the baseline emissions.
i	53(a)	The specified minimum 10% downward adjustment option is detrimental to the economic viability of carbon credit project activities. Such an option is a punitive measure on activities that have high environmental and social benefits, over and above the GHG mitigation impacts. Punitive measures, such as carbon taxes or budgets, should rather be applied to activities that generate material GHG emissions and not on activities that reduce/remove GHG emissions.	
6	54	Consider whether this paragraph is required, as it appears to repeat the contents of paragraph 50.	Remove one of the paragraphs (i.e. 54 or 50).
7	59a	Option 1 should not be considered given widespread and systematic lack of enforcement of laws and regulations related to policy areas Support Option 2 (i) Suggest removal of Option 2 (ii): not possible to determine an average or reasonable length of time for non-enforcement of laws.	In determining the BAU scenario and quantifying the BAU emissions or removals pursuant to paragraphs 55 to 58 above, the following shall be considered: (a) Legal requirements related to the mitigation activity type or sector that are active or scheduled to take effect. Option 1: All legal requirements shall be deemed to be enforced. Option 2: For [high-income countries] [countries other than LDCs and SIDS], all legal requirements shall be deemed to be enforced. For other countries, legal requirements shall only be deemed to be unenforced if: (i) Non-enforcement is widespread (i.e., more than 50%) and documented through credible, authoritative and up-to-date evidence; and (ii) [Non-enforcement persists no longer than X years after the entry into force of the relevant legal requirements [except for LDCs]]. (End of Option 2)
7	59(b) and (c)	Suggestion to remove these considerations or to revise.	Suggestion for revision: similarly to comments on 59(a), Host Party targets may not be enforced (or lack implementation mechanisms) for similar reasons why regulations are not enforced.

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7	69	Suggest to remove this requirement or revise, in favour of an approach that stipulates that the identification of the baseline scenario should be the most accurate baseline scenario. Requiring the selection of the most conservative baseline, arrived at in the manner being considered in the draft standard is a punitive measure on project activities that have high environmental benefits, over and above GHG mitigation impacts and goes against consideration of 'relevant circumstances' as enshrined in Para 34 of the RMPs and 'encouraging broad participation' as envisaged in Para 33 of the RMPs. We urge the Supervisory Body to take a balanced approach which also considers the principle of accuracy and encourages broader participation.	Suggest to remove this requirement or revise
8 & 9	61-70	Section 9's approach to comparing and selecting crediting baselines appears premature, given that Section 8 provides a limited definitions of how alignment with LT-LEDS and NDCs will be achieved. Furthermore, the introduction of adjustments, as outlined in paragraph 69, without substantial technical groundwork on Section 8, appears hasty. While the objective of encouraging ambition is acknowledged, the proposed method of further adjusting conservatively set baselines seems to interpret Paragraph 33 of the RMP narrowly. Aligning project-level baselines with national-level efforts toward the Paris Agreement goals without an assessment of the materiality of impact of project-level activities on national efforts risks discouraging wider participation and the critical role carbon finance plays as a functional results-based project level financing instrument.	E urge that both section 8 and 9 be classified as tentative and be subject to further review, refinement and another round of stakeholder input, to ensure clarity, feasibility, and avoid unintended consequences.
8	62	We note Paragraph 33 of the RMPs relates to aligning to the long-term temperature goal of the Paris Agreement, and with the host Party NDC, if applicable, and its LT-LEDS, if it has submitted one. However, we urge the Supervisory Body to reconsider this condition. Current NDC and LT-LEDS submissions often lack the detail necessary to establish sector-specific baselines, nor do all NDCs specify conditional vs. unconditional goals. Furthermore, the sum of current NDCs does not create a pathway to the overall Paris Agreement temperature goals. This mechanism also would penalize countries which have ambitious climate targets, but which lack the experience/technology/regulatory infrastructure to quickly implement reduction/removal activities. Our suggestion to keep this requirement aspirational till NDCs, LT-LEDS are aligned to global temperature goals.	Recommend specifying whether country-specific targets (e.g., NDCs) or Paris Agreement goals should take priority when the two paths differ, noting the differing responsibilities among Parties and circumstances.
8	63	Note that the application of an adjustment factor in a linear fashion may disincentivize the investment in certain activity types necessary to create viable projects. Non-linear adjustment factor models may then be appropriate, while acknowledging the importance of harmonizing within activity types.	

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9	66	To ensure that baseline scenarios and emissions accurately reflect real-world conditions, we strongly recommend removing the paragraph requiring project developers to potentially select a lower baseline based on host country targets or alignment with the global temperature goals of the Paris Agreement. This requirement may unduly penalize projects with substantial environmental benefits beyond GHG mitigation.	Remove paragraph
9	69	<p>While acknowledging the intent behind this paragraph in operationalising the aspirations in paragraph 33 of the RMPs to create robust methodologies, we recommend revisiting the 'downward adjustment' mechanism in the spirit and form being discussed in the draft standard.</p> <p>The current approach may lead to a 'double' downward adjustment, most likely discouraging project activities with significant environmental benefits beyond GHG mitigation. These adjustments could inadvertently increase barriers to project implementation, favouring the persistence of higher-emission "business as usual" scenarios.</p> <p>We suggest exploring alternative approaches that maintain the integrity of carbon projects cognisant of the varied circumstances, on-the-ground challenges and interpretations of sustainable and green development for host countries, aligning with the bottom-up spirit of Articles 6 of the Paris Agreement.</p>	Remove paragraph.