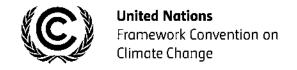
#### A6.4-SBM012-AA-A01

# Information note

Compilation and analysis of stakeholder inputs on the requirements for Article 6.4 methodologies

Version 01.1



#### **COVER NOTE**

#### 1. Procedural background

- 1. The Supervisory Body of the Article 6.4 mechanism (SBM), at its tenth meeting, provided guidance for further work on the methodological products for the Article 6.4 mechanism. Guidance relating to two documents developed by the SBM at its ninth meeting (A6.4-SB009-A01: Requirements for the development and assessment of Article 6.4 mechanism methodologies and A6.4-SB009-A02: Activities involving removals under the Article 6.4 mechanism) included work to improve the understanding of concerns raised by Parties at the fifth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA.5) through a call for inputs, to be open for a period of six weeks beginning on 4 March 2024.<sup>1</sup>
- 2. The SBM requested the secretariat to provide a compilation of the inputs received, including a high-level analysis for consideration by the SBM prior to its twelfth meeting.

#### 2. Purpose

3. This document provides a compilation of submissions received in response to the call for inputs referred to in paragraph 1 above in relation to document A6.4-SB009-A01: Requirements for the development and assessment of Article 6.4 mechanism methodologies.<sup>2</sup> The call was open from 4 March to 15 April 2024 and 36 submissions were received. Late submissions received have also been included in the compilation.

#### 3. Key issues and proposed solutions

- 4. The secretariat paraphrased and grouped the information in the submissions to create a synthesis for easy readability and flow of information. In this process, despite the best efforts, some relevant information may have been unintentionally omitted or not correctly represented. Additionally, it was challenging to fit certain information within the designated categories. Furthermore, due to the late receipt of some submissions and time constraints, some inputs may not have been fully considered. Readers are encouraged to consult the original submissions (see footnote 1) to understand fully the background and context in which proposals are made in the submissions.
- 5. In-text citations in this document use acronyms and reference numbers (e.g., GMT, 390) to facilitate easy access to the original submissions. Reference to submissions from Parties is in bold font.

Call for input 2024. Stakeholder interactions: Further input on requirements for methodologies and activities involving removals, available at: <a href="https://unfccc.int/process-and-meetings/the-paris-agreement/paris-agreement-crediting-mechanism/calls-for-input/call-for-input-2024-stakeholder-interactions-further-input-requirements-for-methodologies-and.">https://unfccc.int/process-and-meetings/the-paris-agreement/paris-agreement-crediting-mechanism/calls-for-input/call-for-input-2024-stakeholder-interactions-further-input-requirements-for-methodologies-and.</a>

A6.4-SB009-A01. Recommendation: Requirements for the development and assessment of Article 6.4 mechanism methodologies (v.01.1) available at: https://unfccc.int/sites/default/files/resource/a64-sb009-a01.pdf.

6. The Reference section of this document lists all the submissions.

#### 3.1. High-level summary

- 7. A total of 187 comments were received on document A6.4-SB009-A01 (methodologies).
- 8. Section 3 (Normative reference) received four comments related to inclusion of additional definitions and clarification of the definition of emission reductions.
- 9. Section 4 (Methodology principles) received 145 comments. Six general comments focused on permanence criteria, jurisdictional approaches, and interpretation of the rules, modalities and procedures for the Article 6.4 mechanism (RMP) requirements.
- 10. Section 4.1 (Encouraging ambition over time) received 13 comments, emphasizing that the requirements should not be ambiguous and implications at the activity level should be considered. Applicability to removal activities should be clarified. Concerns were raised regarding paragraph 19 of the document, particularly its practicability and the potential threat to Indigenous Peoples.
- 11. Section 4.2 (Being real, transparent, conservative, credible) received 41 comments. Submissions recommended that terms such as "credible", "reliable," and "extraneous," be avoided and quantitative requirements be provided, for example, for "conservativeness." Additional recommendations on the quantification of emission reductions included stricter data requirements, information disclosure, accuracy requirements, and the use of innovative tools. Other suggestions included introducing "permanent net atmospheric effect" criteria, limiting private sector purchases of offsets, and excluding certain activities. Comments were received both in support of and against the tonne-year accounting to address permanence.
- 12. Section 4.3 (Establishing that the selected baseline is below business-as-usual) received 10 comments. Concerns were expressed over the requirement to set baselines below business as usual (BAU), citing especially a lack of clarity of the definition of BAU, its potentially prohibitive effects on projects, contradictions with supressed demand, and how use of below BAU baselines might disadvantage policy level "early-movers".
- 13. Section 4.4 (Contributing to the equitable sharing of mitigation benefits between participating Parties) received 19 comments. The main recommendations were for improving clarity of key terms, for example, "equitable sharing" and "mitigation benefit", and their quantification aspects. Other recommendations included recognizing the Indigenous People's rights, avoiding language that precludes certain activities, and establishing a linkage to the advancement of sustainable development. It was also pointed out that while involvement of the designated national authority (DNA) is important, the SBM needs to set a framework within which the DNA can define its terms. Question was also raised whether it is the SBM's role to make recommendation to the host Party on this matter. One suggestion was received to assess at the project level or through standardised baselines.
- 14. Section 4.5 (Aligning with the NDC of each participating Party, if applicable, its LT-LEDS, if it has submitted one, the long-term temperature goal of the Paris Agreement and the long-term goals of the Paris Agreement) received four comments, two of which discussed how it can be implemented.

- 15. Section 4.6 (Approaches to set the baseline) received 12 comments, including some seeking clarification on the term "downward", suggestions to quantify "conservativeness," and the applicability of the requirements to afforestation/reforestation (A/R) activities, among others.
- 16. Section 4.7 (Addressing elements of paragraph 33 and paragraph 36 of the RMP) received 17 comments, mostly expressing concerns over the term "downward," its definition, quantification, and how it can be interpreted in combination with the "economic viability of crucial mitigation activities."
- 17. Section 4.8 (Encouraging broad participation) received nine comments. Two were in reference to "avoiding complexity" in paragraph 54 of the document, one of which pointed out that the requirements in paragraph 54 will not necessarily increase broad participation, and the other which suggested the requirements might run counter to taking into account the local context. Two comments were received on the involvement of Indigenous Peoples.
- 18. Section 4.9 (Including data sources, accounting for uncertainty and monitoring requirements) received six comments, including a recommendation to explicitly require consistency with the Intergovernmental Panel on Climate Change (IPCC). The need for additional guidelines was expressed, including on the publication and use of open data, and on "expert judgement". A recommendation was made to require full and effective implementation of Free, Prior and Informed Consent (FPIC) when project activities are within and adjacent to Indigenous Peoples' territories, and to recognize Traditional Indigenous Knowledge (TIK) as scientific data.
- 19. Section 4.10 (Recognizing suppressed demand) received two comments, one suggesting a case-by-case approach to assess supressed demand.
- 20. Section 4.11 (Talking into account policies and measures and relevant circumstances) received one comment.
- 21. Section 4.12 (Standardized baselines) received four comments; one said the requirements in paragraph 73 of the document are over-specified, and another stated the requirements might surpass the authority of the SBM.
- 22. Section 5 (Additionality demonstration) received 20 comments, 15 of which were on paragraph 80 of the document. Multiple questions and recommendations were received relating to clarity of paragraph 80, specifically, whether all subitems are mandatory, and if so, consistency with item in paragraph 80 (b) which suggests that barrier analysis may be optional and/or may replace investment analysis. One suggested that all items be maintained as mandatory, while another argued that the project proponent should be allowed to choose freely between the investment analysis and barrier analysis without justification. Three comments were received on item in paragraph 80 (c), including those seeking further clarity on whether the host Party's Nationally Determined Contribution (NDC) was included and cases where laws are not fully enforced. A suggestion was made to include the performance-based approach mentioned in paragraph 83 of the document. Additional requirements were suggested, including on prior consideration. One recommendation was received to require that Indigenous Peoples' inputs to be considered in the additionality demonstration.
- 23. Section 6 (Leakage) received 13 comments, including on the need to consider market leakage and cross-border leakage. Clarification was sought on paragraph 88 of the

- document. A suggestion was received to make "nesting" mandatory and to align it with other mechanisms such as the European Union Emissions Trading System (EU-ETS).
- 24. Section 7 (Non-permanence and reversals) received five comments, four of which were on paragraph 93 of the document, including two comments on permanence requirements.

#### 4. Subsequent work and timelines

25. The secretariat will carry out further work following any guidance received from the SBM at its 12<sup>th</sup> meeting (22–23 May).

#### 5. Recommendations to the Supervisory Body

26. The SBM may wish to consider the information note together with the submissions under the call for inputs section of the mechanism website in their entirety (i.e., 9 submissions from Group of Parties and Parties as well as 27 submissions from Non-Parties) and provide guidance to the secretariat for further work on the requirements on methodologies and removals.

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#### 1. Introduction

- 1. The Supervisory Body of the Article 6.4 mechanism (SBM), at its tenth meeting, provided guidance for further work on the methodological products for the Article 6.4 mechanism. Guidance relating to two documents developed by the SBM at its ninth meeting (A6.4-SB009-A01: Requirements for the development and assessment of Article 6.4 mechanism methodologies and A6.4-SB009-A02: Activities involving removals under the Article 6.4 mechanism) included work to improve the understanding of concerns raised by Parties at the fifth session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA.5) through a call for inputs, to be open for a period of six weeks beginning on 4 March 2024.<sup>3</sup>
- 2. The SBM requested the secretariat to provide a compilation of the inputs received, including a high-level analysis for consideration by the <a href="Supervisory-BodySBM">Supervisory-BodySBM</a> prior to its twelfth meeting
- 3. This information note contains a summary and compilation of comments received on the document A6.4-SB009-A01 "Requirements for the development and assessment of Article 6.4 mechanism methodologies."

# 2. Inputs received on specific sections/ subsections/ paragraphs of A6.4-SB009-A01

#### 3. Normative References

- 4. Section 3 (Normative reference) received five comments related to inclusion of additional definitions and clarification of the definition of emission reductions.
- 5. [GMT, 390] suggests including definitions for the following terms:
  - **Remote sensing** refers to the use of technologies that detect and monitor the physical characteristics of an area by measuring its reflected and emitted radiation at a distance.
  - **Computer vision technology** refers to a field of computer science and a related set of processes that enable computers to identify and understand objects (such as buildings and trees) within images and videos.
  - **Open data** is digital data that is made available with the technical and legal characteristics necessary for it to be freely used, reused, and redistributed by anyone, anytime, anywhere.
- 6. **Paragraph 4.** The "shall" requirements in this document are those that the user of this document (i.e., activity participants, host Parties, stakeholders, or the Supervisory Body) is obliged to meet in order to claim conformance to this document. Other types of

<sup>&</sup>lt;sup>3</sup> Call for input 2024. Stakeholder interactions: Further input on requirements for methodologies and activities involving removals, available at: <a href="https://unfccc.int/process-and-meetings/the-paris-agreement/paris-agreement-crediting-mechanism/calls-for-input/call-for-input-2024-stakeholder-interactions-further-input-requirements-for-methodologies-and">https://unfccc.int/process-and-meetings/the-paris-agreement/paris-agreement-crediting-mechanism/calls-for-input/call-for-input-2024-stakeholder-interactions-further-input-requirements-for-methodologies-and</a>.

provisions in this document include recommendations ("should"), permissions ("may"), possibilities and capabilities ("can") and items for inclusion in the work plan of the Supervisory Body ("will"). Besides prescriptive recommendations, explanatory information is also included in this document (e.g., summarizing the basis for or reasoning behind a requirement).

- 7. No comment was received on this paragraph.
- 8. **Paragraph 5.** Reductions in emissions, increases in removals, as well as mitigation cobenefits of adaptation actions and/or economic diversification plans, are each and collectively referred to as 'emission reductions or removals' (6.4 ERs) in this document.
- 9. There should be a clearer differentiation between emissions reductions and removals within the overall structure of Article 6.4's regulatory framework into Net Removals (A6.4NR?) and Emission Reductions (ER). This distinction guarantees transparency and modularity in the mechanism. Modularity ensures that the vastly different needs of activities, proponents, and stakeholders are met, while transparency allows modules to learn from one another [44M, 383]
- 10. Additional justification should be provided of expanding the definition of "emission reductions and removals" by including "mitigation co-benefits of adaptation actions and/or economic diversification plans" to avoid ambiguity. [ICLRC, 400]
- 11. **Paragraph 6.** Mechanism projects, programmes of activities and component projects are collectively referred to as "activity" or "activities" in this document.
- 12. [ICLRC, 400] recommends the following alternative text: "The terms "activity" or "activities" in this document shall be used in the meaning set forth in the RMP. Specifically, we recommend that the definition of "activity" follows the guidelines outlined in paragraphs 1(a) and 31(b) of the RMP.
- 13. **Paragraph 7.** The terms "technologies", "measures" and "practices" are interchangeably used in this document and refer to technologies, measures, and practices across all sectors.
- 14. No comment was received on this paragraph.
- 15. **Paragraph 8.** Where scientific information is relied upon for methodologies, IPCC publications should be used, when applicable.
- 16. **[UK, 410]** proposes the following change (underlined): "Where scientific information is relied upon for methodologies, IPCC publications shall should be used, when applicable.".

### 4. Methodology Principles

- 17. Section 4 (Methodology principles) received 144 comments. Three general comments focused on permanence criteria, jurisdictional approaches, and interpretation of the rules, modalities and procedures for the Article 6.4 mechanism (RMP) requirements.
- 18. [QB, 387] proposes adding a new paragraph: "Activities participants shall demonstrate the permanence of removals and explain how they comply with the permanence criteria." It is imperative, that the concept of permanence be at the heart of the methodology principles.

- 19. Collectively, these principles are useful, yet insufficient to deliver on the Paris Agreement's goals with sufficient speed and scale. The primary purpose of Article 6.4 is to meet each country's NDCs, with each Article 6.4 ER having the same quality and standard of robustness by considering national emissions and removals for the relevant sector(s) as the basis for the accounting. This also helps establish consistency and comparability during the BTR technical expert review process [CfRN, 413]
- 20. **Paragraph 9.** Mechanism methodologies are intended to provide the basis for assessment of creditable emission reductions or removals, and whether activities satisfy additionality requirements.
- 21. It is not clear why 'additionality requirements' are specifically drawn out in this paragraph and no other relevant RMPs. It would be helpful to generalise the statement to reference all relevant RMPs and any future guidance from the 6.4 SB. [UK, 410]
- 22. **Paragraph 10.** Paragraph 33 of the RMP applies to methodologies, and it is relevant to baseline-setting, the avoidance of leakage, and the demonstration of additionality of activities.
- 23. [ICLRC, 400] recommends the following alternative text: "Paragraph 33 of the RMP applies to methodologies, and it is relevant to, <u>among other things,</u> baseline-setting, the avoidance of leakage, and the demonstration of additionality of activities."
- 24. **Paragraph 11.** Paragraph 34 of the RMP sets out additional requirements, including with respect to policies, national circumstances and reversals.
- 25. No comment was received on this paragraph.
- 26. **Paragraph 12.** Paragraph 35 of the RMP frames the basic procedures for the development of methodologies by host Parties, the Supervisory Body and activity participants.
- 27. No comment was received on this paragraph.
- 28. **Paragraph 13.** Paragraph 36 of the RMP provides a choice of approaches for the baseline-setting and requires the justification of the choice(s) made, including demonstration of consistency with paragraph 33 of the RMP.
- 29. No comment was received on this paragraph.
- 30. **Paragraph 14.** Paragraph 37 provides for host Parties and the Supervisory Body to develop standardized baselines consistent with paragraph 33 of the RMP.
- 31. No comment was received on this paragraph.
- 32. **Paragraph 15.** Paragraph 38 of the RMP applies to the demonstration of additionality of activities and identifies specific tests.
- 33. To achieve action at scale, jurisdictional scale approaches should be included early in the process. Additionally, policy and SFM<sup>4</sup> also need to be considered with immediacy as the impact of the last few high forest cover low deforestation jurisdictions may soon also loose this status with no incentive or coverage by Article 6.4. **[GY, 407]**

<sup>&</sup>lt;sup>4</sup> It is assumed that reference is to sustainable forest management

- 34. **Paragraph 16**. The Supervisory Body may at a future point in time undertake consideration of eligibility of other types of activities such as policy, jurisdictional or sectoral programme to incentivize increased ambition and mitigation at a large scale, and improve understanding of policy, jurisdictional or sectoral programme crediting approaches, acknowledging that these approaches are inherently different.
- 35. **[UK, 410]** proposes following change (underlined), as the scope of the 6.4 SB's future work should include consideration of the potential of policy, jurisdictional, and/or sectoral-level principles, building on work such as the World Bank's Transformative Carbon Asset Facility (TCAF): "The Supervisory Body will may...".

#### 4.1. Encouraging ambition over time

- 36. Section 4.1 (Encouraging ambition over time) received 13 comments, emphasizing that the requirements should not be ambiguous and implications at the activity level should be considered. Applicability to removal activities should be clarified. Concerns were raised regarding paragraph 19, particularly its practicability and the potential threat to Indigenous Peoples.
- 37. Paragraphs 18 are 19 should be further clarified. It is unclear if it relates with the baseline updating practices foreseen in existing methodologies or a new approach proposed by the SBM. [CI, 386]
- 38. **Paragraph 17**. Paragraph 33 of the RMP states that "Mechanism methodologies shall encourage ambition over time (...)".
- 39. No comment was received on this paragraph.
- 40. **Paragraph 18**. Mechanism methodologies shall contain provisions to ensure that total creditable amount of emission reductions are progressively reduced to encourage ambition of activities over time, while taking into account host Party circumstances and creditable amount of emission reductions required to remove barriers to the deployment of technologies as described in paragraph 19 below.
- 41. [VD, 381] proposes either dropping this provision or requiring the host country to consider and approve the manner of progressive reduction in emission reductions from project activities registered under each approved methodology under the Article 6.4 Mechanism. "It is not appropriate to consider that encouraging ambition is to be done at the "project activity level. It is an activity to be conducted at the policy/regulatory level by the host country". The progressive reduction during or at the renewal of crediting period as proposed is likely to be subjective and beyond the control of activity proponents. It may discourage project proponents from undertaking emission reduction activities.
- 42. It is assumed that this paragraph is meant for emissions reductions and carbon removals based on the 2021 Glasgow Agreement but the wording lacks clarity, especially regarding how it can be applied to carbon removals. There appears to be a disconnect on how baselines under removal activities could be dealt with. This should be further addressed by the A6.4SB. [NEP, 384]
- 43. The term "ensure" should be replaced with the term with "encourage". [CI, 386]
- 44. [CS, 395] proposes the following changes to the text (underlined): "Mechanism methodologies shall contain provisions to ensure that specific total creditable amount of

emission reduction <u>remains constant or isare</u> progressively reduced to encourage ambition of activities over time...". The total creditable amount of emission reductions may progressively increase despite a reduction in the project's emission reduction intensity over time, in case of projects including phased implementation / progressive installations (cookstoves).

- 45. The use of the term "emission reductions" (rather than "emission reductions or removals" as defined in Section 3) should be double-checked and justified. Otherwise, the terms that are already (including the term "emission reductions or removals") should be used to ensure consistency throughout the document and to avoid ambiguity. [ICLRC, 400]
- 46. The ICVCM Assessment Framework (AF) requires the aggregate length of crediting periods to be short enough to ensure progression over time. In addition, Criterion 10.3 and program-level requirements provide for reassessment of the baseline scenario at every renewal of the crediting period and encourage taking into consideration any material changes that could affect robust quantification and conservativeness. For the next iteration of the AF, the ICVCM will consider whether to require quantification methodologies to ensure that the approach to updating and reviewing the baseline increases the ambition of the baseline over time. (Refer to ICVCM AF Criterion 10.7) [ICVCM, 401]
- 47. **[UKR, 414]** proposes to either delete the paragraph or rephrase it as follows (underlined): "Mechanism methodologies shall, to the extent possible, apply dynamic baselines that reflect the changing nature of the host countries' economies in low-carbon transition, encouraging investment in ambitious activities that will maintain their relevance and comparative emission reduction levels contain provisions to ensure that total creditable amount of emission reductions are progressively reduced to encourage ambition of activities over time, while taking into account host Party circumstances and the need creditable amount of emission reductions required to encourage remove barriers to the deployment of technologies low-carbon solutions as described in paragraph 19 below."
- 48. **Paragraph 19**. Mechanism methodologies shall contain provisions encouraging the deployment of technologies or measures that are not widely used or available in specific locations, to facilitate knowledge transfers and to encourage deployment of technologies or measures that reduce the cost of decarbonization and unlock investment in low-carbon solutions.
- 49. [IEN, 395] proposes deleting paragraph 19. The language advocating for the deployment of technologies or measures that are not "widely used" or "available in specific locations" within mechanism methodologies is deeply troubling and poses significant risks to the rights of Indigenous Peoples, Indigenous sovereignty, and Indigenous health. This provision could result in the imposition of external measures that are destructive and violate Indigenous cultures, territories, and livelihoods. It also raises concerns about the potential introduction of dangerous, unproven technologies such as geoengineering (which often targets Indigenous territories) or culturally inappropriate infrastructures like Carbon Capture and Storage (CCS) and hydrogen hubs on Indigenous lands and territories.
- 50. It is unclear how this requirement can be implemented in an inclusive way and encourage broad participation. Under the ICVCM AF, encouragement of deployment of technologies and knowledge transfer is operationalized through the additionality test, where market penetration is a necessary element thereof in conjunction with either investment or barrier analysis. (See also their comment to paragraph 80.) [ICVCM, 401]

- 51. It is unclear how this will be implemented in practice. We support increasing ambition over time however this should be addressed at the time of project crediting period renewal. It will be challenging to have the method of calculating ERs change within a crediting period, e.g., getting progressively more conservative each year. Methodologies should instead be set up from the outset to ensure net mitigation e.g., by taking conservative approaches and applying conservative assumptions. [API, 405]
- 52. **[UKR, 414]** proposes the following changes (underlined): "Mechanism methodologies shall contain provisions encouraging the deployment of <u>emission reduction</u> technologies or measures that are not widely used or available in specific locations, to facilitate knowledge transfers, <u>remove barriers to increasing ambition of NDCs</u> and <del>to encourage deployment of technologies or measures that</del> reduce the cost of decarbonization <u>by</u> <del>and</del> unlocking investment in low-carbon solutions."
- 53. **Paragraph 20**. Mechanism methodologies may contain provisions to enable the inclusion of progressively more efficient and less greenhouse gas (GHG)-intensive technologies, replicable and scalable mitigation activities, an expanded user base, broader geographic coverage, and greater penetration of low-carbon solutions after initial deployment.
- 54. Paragraph 20 is vague and would require further clarity, therefore we also suggest deleting it. [CI, 386]
- 55. **[UKR, 414]** proposes the following changes (underlined): "Mechanism methodologies may shall contain provisions to enable the encouraging inclusion of progressively more efficient and less greenhouse gas (GHG)-intensive technologies, replicable and scalable mitigation activities, an expandinged user base, broader geographic coverage, and greater penetration of low-carbon solutions after initial deployment."

#### 4.2. Being real, transparent, conservative, credible

- 56. Section 4.2 (Being real, transparent, conservative, credible) received 41 comments. Submissions recommended that terms such as "credible", "reliable," and "extraneous," be avoided and quantitative requirements be provided, for example, for "conservativeness." Additional recommendations on the quantification of emission reductions included stricter data requirements, information disclosure, accuracy requirements, and the use of innovative tools. Other suggestions included introducing "permanent net atmospheric effect" criteria, limiting private sector purchases of offsets, and excluding certain activities. Comments were received both in support of and against the tonne-year accounting to address permanence.
- 57. [QB, 387] proposes adding a new paragraph: "Mechanism's methodologies shall contain provisions for generating 6.4ERs from permanent net atmospheric effects resulting from emissions reductions or removals.". Activity participants shall also demonstrate the net atmospheric effect of their removal activity.
- 58. The text does not reflect the RMPs directly, making it less comprehensible and deviating from the requirements of RMP. For example, it has requirements for methodologies to contain provisions for an outcome, not requirements for the outcome itself. See comments to paragraph 22 26 for the proposed changes to the text. [NEP, 384]
- 59. [YNG, 403] proposes adding a new paragraph after paragraph 26: "Private sector entities shall be limited to purchasing "mitigation contribution" A6.4 units representing cancellations within the host country. A6.4 credits shall not be used as offsets."

- 60. [YNG, 403] proposes adding a new paragraph after paragraph 26: <u>"The use of tonne-year accounting shall not be permitted as it lacks environmental integrity. Carbon storage of different durations and locations shall not be considered functionally equivalent."</u>
- 61. [YNG, 403] proposes adding a new paragraph after paragraph 26: <u>"Corresponding adjustments shall be rigorously applied to any transferred mitigation outcomes, including removals integrated into products, to uphold environmental integrity."</u>
- 62. [YNG, 403] proposes adding a new paragraph after paragraph 26: <u>"Avoided emissions from reduced deforestation, conservation, or other avoidance activities including REDD+shall be excluded from eligibility under Article 6.4, as these do not represent additional mitigation to offset emissions."</u>
- 63. **Paragraph 21.** Paragraph 33 of the RMP states that "Mechanism methodologies shall (...) be real, transparent, conservative, credible (...)".
- 64. No comment was received on this paragraph.
- 65. **Paragraph 22**. Mechanism methodologies shall contain credible methods for estimating emission reductions or removals to ensure that the results of Article 6.4 activities represent actual tonnes of GHG emissions reduced or removed. Such estimation should be based on up-to-date scientific information and reliable data, excluding extraneous cofactors affecting emission reductions or removals.
- 66. The ex-post tonne-year crediting method is being increasingly validated by scientific research and tends to be overlooked mainly because it generates fewer credits at the beginning of projects compared to use of the ex-ante crediting method. It is proposed to replace the first sentence by the following: "Mechanism methodologies shall use the expost tonne-year crediting method for estimating emission reductions or removals to ensure that the results of Article 6.4 activities represent actual tonnes of GHG emissions reduced or removed.". [FA, 382]
- 67. [NEP, 384] proposes the following changes to the text (underlined): "Mechanism methodologies shall contain credible methods for estimating calculating emission reductions or removals to ensure that the results of Article 6.4 activities represent actual tonnes of GHG emissions reduced or removed. Such estimation should be based on uptodate scientific information and reliable data, excluding extraneous cofactors affecting emission reductions or removals.
- 68. [CI, 386] suggests deleting the second sentence as language such as "up to date" and "reliable" and "extraneous" are subjective and the sentence is not implementable as written. [CI, 386]
- 69. [QB, 387] proposes the following change to the text (underlined): "Mechanism methodologies shall contain credible methods for estimating emission reductions or removals to ensure that the results of Article 6.4 activities represent a real net atmospheric effect equivalent to that obtained as a result of an emission reduction of one real ton of GHG...". (See their general comment on Section 4.2. for the rationale.) [QB, 387]
- 70. [CMW, 394] proposes the following change to the second sentence (underlined): "Such estimation should shall be based on up-to-date scientific information and reliable data, excluding extraneous cofactors affecting emission reductions or removals.".

- 71. [ALCT, 399] proposes amend the text to include a clause on ex-ante data as follows: "While mechanism methodologies must employ credible methods for estimating emission reductions or removals, they shall also permit the use of recognized ex-ante data, such as IPCC default values, particularly when such data are consistently used in a country's GHG inventories. This use must be in compliance with the latest scientific findings and appropriately reflect the country's specific conditions to ensure the environmental integrity and comparability of the emission reductions or removals across different jurisdictions."
- 72. The proposed wording of paragraph 22 lacks clarity regarding the definition of "credible" when applied to methodologies. The term "credible methods" does not enhance clarity as it includes the term needing definition ("credible"). We recommend that the definitive features establishing methodologies (or methods) as "credible" be determined and outlined in the proposed document. [ICLRC, 400]
- 73. **[UK, 410]** proposes the following change to the second sentence (underlined): "Such estimation shall should be based on up-to-date scientific information and reliable data, excluding extraneous cofactors affecting emission reductions or removals.".
- 74. Not only methodologies but also the guidance should be written in a language that is accessible to a broad range of stakeholders. **[UKR, 414]**
- 75. It is recommended to define "extraneous co-factors" in a transparent and understandable way or deleting the last sentence. **[UKR, 414]**
- 76. **Paragraph 23.** Mechanism methodologies shall contain provisions to require transparent descriptions of the source of the data used, the assumptions made, the references used and the steps followed in the estimation of the results of Article 6.4 activities, including equations where necessary.
- 77. [NEP, 384] proposes the following changes to the text of paragraph 23 (see their general comment to section 4.2 for the rationale: "Mechanism methodologies shall contain provisions to require...". [NEP, 384]
- 78. [GMT, 390] proposes adding the following text to the end of the paragraph 23: <u>"to enable the replicability of the results."</u>.
- 79. [CMW, 394] proposes adding the following sentence: "<u>Mechanism methodologies shall also contain provisions to require transparent disclosure of the underlying data, assumptions made, and references used, in the publicly available project design document."</u>
- 80. **Paragraph 24.** Mechanism methodologies shall contain provisions aimed at the conservative estimation of emission reductions or removals from the measures applied, options chosen, or assumptions made, and shall not overestimate the emission reductions or removals from Article 6.4 activities
- 81. [VD, 381] proposes the following change to the text (para 24): "Mechanism methodologies shall contain provisions aimed at the conservative estimation of emission reductions or removals from the measures applied, options chosen, or assumptions made <u>without compromising accuracy</u>, and shall not overestimate the emission reductions or removals from Article 6.4 activities."

- 82. [NEP, 384] proposes the following changes: (underlined; see their general comment to section 4.2 for the rationale): "Mechanism methodologies shall eentain provisions aimed at ensure the conservative estimation...". [NEP, 384]
- 83. [CI, 386] recommends the following change to text: "Mechanism methodologies shall contain provisions aimed at the conservative estimation of emission reductions or removals from the measures applied, options chosen, or assumptions made, and shall not overestimate should result in conservative estimates of the emission reductions or removals from Article 6.4 activities."
- 84. [QB, 387] proposes the following change (underlined): "Mechanism methodologies shall contain provisions aimed at the conservative estimation of emission reductions or removals and their net atmospheric effect as well as from the measures applied, options chosen, or assumptions made, and shall not overestimate the emission reductions or removals and their net atmospheric effect.". (See their general comment on Section 4.2.) [QB, 387]
- 85. [ALCT, 399] proposes adding the following text: "Mechanism methodologies shall quantify conservatism in terms of a percentage reduction from baseline estimates of emission reductions or removals. This quantification should be based on historical data variability, projected future changes, and the precautionary principle to avoid overestimation of benefits."
- 86. [KOKO, 406] proposes adding "<u>In case of uncertainty in measurement or estimation</u>" at the beginning of the paragraph. The provision for conservativeness shall be applied only in case of uncertainty in measurement or estimation. [KOKO, 406]
- 87. **Paragraph 25**. Mechanism methodologies shall contain provisions to require Article 6.4 activities to have a robust monitoring and data capture system as well as a reporting system. Where secondary data is used, the mechanism methodologies shall contain provisions to require activity participants to provide justification that it is an appropriate and conservative source of data.
- 88. [NEP, 384] proposes the following changes to the text (underlined; see their general comment to section 4.2 for the rationale): "Mechanism methodologies shall contain provisions to require ensure credibility by requiring Article 6.4 activities to have a robust monitoring and data capture system as well as a reporting system...". [NEP, 384]
- 89. [GMT, 390] proposes adding the following sentence: "Mechanism methodologies shall contain provisions to require that the data used and generated for the estimation of results of Article 6.4 activities, is made publicly available, to the highest degree possible, in accordance with open data principles, as defined in the Open Data Charter. The supervisory board will develop further guidance on the application of open data principles in the creation, publication, use and storage of data by mechanism activities."
- 90. When secondary data is utilized, it might be worth requiring proof of data continuation to ensure consistency in activity monitoring. [SYL, 393]
- 91. **Paragraph 26**. Mechanism methodologies shall contain provisions to ensure that emission reductions or removals are real, transparent, conservative and credible by:
  - (a) Including robust, transparent and user-friendly measurement, reporting and verification systems;

- (b) Requiring the use of technical performance standards that are data driven;
- (c) Including requirements to demonstrate changes in GHG emissions that transparently shows each step in the calculations and the results, and ensure that the calculated emissions reductions or removals are uniquely achieved by and attributable to the activity;
- (d) Adopting life cycle approaches and considering embodied emissions of materials and products, where relevant;
- (e) Choosing the most conservative emissions baseline when multiple sources of data and parameters are available to set the baseline
- 92. [FA, 382] proposes adding an additional item: <u>(f) Forcing the application of an ex-post tonne-year crediting method, including robust, transparent and user-friendly measurement, reporting and verification systems.</u> [FA, 382]
- 93. [NEP, 384] proposes to remove this paragraph by moving item (a) (d) to paragraph 22 and deleting item (e).
- 94. [CI, 386] proposes the following change to item (e): "Choosing the most a conservative ...;"
- 95. [QB, 387] proposes the following change to item (c) (underlined): "(c) Including requirements to demonstrate changes in GHG emissions and their net atmospheric effect that transparently shows each step in the calculations and the results". (See also their general comment on Section 4.2.) [QB, 387]
- 96. [GMT, 390] proposes the addition of the following item: "(f) including, where appropriate, the use of remote sensing and computer vision technologies to enable transparent, accurate and credible calculation and estimation of emission reductions.
- 97. Further clarification should be made on item 26 (d) concerning life cycle approaches and how to be operationalized, including consideration of inclusion in possible guidance or tools, such as baseline or methodological tools addressing leakage. [JP, 391]
- 98. [IEN, 395] proposes the following change to the text (underlined): "Mechanism methodologies shall contain provisions to ensure that <u>all information on</u> emission reductions or removals, including but not limited to data, data sources, calculations, <u>buyers, sellers, and carbon brokers</u>, are real, transparent, conservative, <u>accessible</u>, and credible by:".
- 99. We encourage that the methodologies requirements consider the specificities of the nature-based solutions in regard to the demonstration of the calculated emissions reductions or removals to be "uniquely achieved by and attributable to the activity". [ORM, 398]
- 100. [ICLRC, 400] proposes replacing "emission reductions or removals" with "they" as paragraph 33 of the RMP does not impose any requirements regarding emission reductions or removals. Instead, it pertains solely to methodologies. Therefore, we recommend that the proposed document align with the RMP and refrain from establishing any ambiguous requirements for emission reductions or removals, but rather concentrate on methodologies. [ICLRC, 400]

- 101. Refer to ICVM AF Criterion 3.1 (1) for item (c), Criterion 10.3 (a) (1) for item (e). [ICVCM, 401]
- 102. **[UK, 410]** proposes the following change to item (a) (underlined): "Including robust, transparent and user-friendly measurement, reporting and <u>independent third-party</u> verification systems;".
- 103. **[UKR, 414]** proposes the following change to item (d) (underlined): "Adopting life cycle approaches and considering embodied emissions of materials and products, where relevant and practicable.".
- 104. **[UKR, 414]** proposes the following changes to item (e) (underlined): "Choosing the most a conservative emissions baseline ...;".

#### 4.3. Establishing that the selected baseline is below business-as-usual

- 105. Section 4.3 (Establishing that the selected baseline is below business-as-usual) received 10 comments. Concerns were expressed over the requirement to set baselines below business as usual (BAU), citing especially a lack of clarity of the definition of BAU, its potentially prohibitive effects on projects, contradictions with supressed demand, and how use of below BAU baselines might disadvantage policy level "early-movers".
- 106. This section concerns establishing the selected baseline below business-as-usual (BAU). The financial implication of such approach needs to be considered. Furthermore, it is unclear how these provisions would apply to removals. This section could include a hook that baselining includes an assessment of financial BAU spending for CDR and not only activity based. [NEP, 384]
- 107. It should be noted that Paragraph 36 of the RMP, when referring to the benchmark approach (e.g., Item (ii) of Paragraph 36), uses the term "emission level," not "emissions." The use of the term "emissions" in the specified paragraphs of the proposed document should be double-checked and justified to ensure consistency with the design of the RMP. (Applicable to paragraphs 28 and 29.) [ICLRC, 400]
- 108. **[UKR, 414]** proposes deleting the entire section 4.3.
- 109. **Paragraph 27.** Paragraph 33 of the RMP states that "Mechanism methodologies shall (...) be below 'business as usual' (...)".
- 110. [CI, 386] proposes deleting paragraph 27. Provisions to establish baselines and conservative approaches are defined elsewhere. This terminology is not previously defined; moreover, this paragraph is redundant with other provisions, potentially creating confusion. References to "business-as-usual" should be avoided
- 111. Business as usual also needs to consider absence of policies for protection of forests and sustainable forest management. Business as usual also needs to be relevant to what would have happened over the past 15-20 years, some Parties made deliberate policy decisions to be first-movers on ambitious actions, whereas others did not demonstrating moral hazard where parties which choose a high emitting pathway benefit twice: once from the benefits of the high-emissions activity in the short term, and then once from establishing a high baseline to create incentives for reducing emissions. **[GY, 407]**
- 112. **Paragraph 28**. Mechanism methodologies shall contain provisions to require that the baseline selected for an emission reduction activity in accordance with paragraph 36 of

the RMP shall be demonstrated as being below 'business-as-usual' (BAU). BAU emissions are plausible reference benchmarks or scenarios for GHG emissions prior to or in the absence of the implementation of the activity. For that purpose, mechanism methodologies shall require the identification of the BAU scenario or reference benchmark emissions and provide an approach for their estimation

- 113. [CI, 386] proposes deleting this paragraph 28. Provisions to establish baselines and conservative approaches are defined elsewhere. This terminology is not previously defined; moreover, this paragraph is redundant with other provisions, potentially creating confusion. References to "business-as-usual" should be avoided. [CI, 386]
- 114. [QB, 387] proposes the following change to the last sentence (underlined): "For that purpose, mechanism methodologies shall require the identification of the BAU scenario or reference benchmark emissions and their net atmospheric effect and provide an approach for their estimation." [QB, 387]
- 115. [CS, 397] suggests setting the baseline below the BAU be made optional. Paragraph 18 already requires mechanism methodologies to have progressively reducing emission reduction volumes. Setting up baseline below BAU levels in addition to the approach required by paragraph 18 could be prohibitive to projects.
- 116. **Paragraph 29**. Mechanism methodologies shall contain provisions to require activity participants to calculate the difference between the baseline emissions estimated as per the requirements in section 4.6 below and BAU emissions estimated as per paragraph 28 above as a total amount with respect to the crediting period. This shall be demonstrated in the project design document and at each renewal of the crediting period.
- 117. [CI, 386] proposes deleting this paragraph.
- 118. [QB, 387] proposes the following change to the text (underlined): "Mechanism methodologies shall contain provisions to require activity participants to calculate the difference between the baseline emissions and their net atmospheric effect estimated ....".

# 4.4. Contributing to the equitable sharing of mitigation benefits between participating Parties

- 119. Section 4.4 (Contributing to the equitable sharing of mitigation benefits between participating Parties) received 19 comments. The main recommendations were for improving clarity of key terms, for example, "equitable sharing" and "mitigation benefit", and their quantification aspects. Other recommendations included recognizing the Indigenous People's rights, avoiding language that precludes certain activities, and establishing a linkage to the advancement of sustainable development. It was also pointed out that while involvement of the designated national authority (DNA) is important, the SBM needs to set a framework within which the DNA can define its terms. Question was also raised whether it is the SBM's role to make recommendation to the host Party on this matter. One suggestion was received to assess at the project level or through standardised baselines.
- 120. Overall mitigation in global emissions (OMGE) and administrative fees under the A6.4 mechanism already amount to 7% of each transfer. It should be noted that given higher valuation of CDR projects, this amounts to substantial contributions by 'technical' carbon removal developers than for other carbon removal credits and emission reduction credits. Given the need to scale up permanent carbon removal solutions, the cost can be

- burdensome for developers. Therefore, a shift towards flat fee as opposed to a percentage-based approach would be encouraged. [NEP, 384]
- 121. [IEN, 395] suggests emphasising the importance of Free, Prior, and Informed Consent (FPIC), uphold United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), respect Traditional Indigenous Knowledge, and ensure a fair and transparent grievance mechanism.
- 122. **Paragraph 30.** Paragraph 33 of the RMP states that "Mechanism methodologies shall...contribute to the equitable sharing of mitigation benefits between the participating Parties...".
- 123. No comment was received on this paragraph.
- 124. **Paragraph 31.** Mechanism methodologies shall contain provisions for contributing to the equitable sharing of mitigation benefits between participating Parties. These may include one or more of the provisions below:
  - (a) Conditions to ensure that the total length of the crediting period(s) of activities is shorter than the lifetime of the technology implemented where there is very high confidence that emission reductions from the technology continue to be achieved beyond the end of crediting period(s);
  - (b) The application of conditions specified by the designated national authorities (DNAs) that ensure host Party benefits are retained.
- 125. [CI, 386] proposes the following changes to the text (para 31): "Mechanism methodologies shall contain provisions for contributing to the equitable sharing of mitigation benefits between participating Parties. These may include one or more of the provisions below: (a) Conditions to ensure that the total length of the crediting period(s) of activities is shorter than the lifetime of the technology implemented where there is very high confidence that emission reductions from the technology continue to be achieved beyond the end of crediting period(s); (b) The application of conditions specified by the designated national authorities (DNAs) that ensure host Party benefits are retained.
- 126. [CS, 397] proposes the following changes to item (a) (underlined): "Conditions to ensure that the total length of the crediting period(s) of activities is <u>limited to</u> shorter than the lifespan time of the technology implemented <u>unless the lifespan of the project technology</u> is extended by replacements to cover the total length of the crediting period.
- 127. [ALCT, 399] proposes revising the text to underscore the role of sustainable development: "Mechanism methodologies shall include provisions to ensure that the sharing of mitigation benefits between participating Parties not only adheres to the principle of equity but also tangibly supports the sustainable development objectives of host countries. This shall include explicit alignment with social, economic, and environmental benefits as prioritized by the host country, thus reinforcing the contribution of climate action to broader development goals outlined in the host country's strategic planning and policies."
- 128. [ALCT, 399] proposes amending the text to include: "<u>The Supervisory</u> Body shall develop a framework defining 'equitable sharing,' which includes criteria reflecting the diverse interests and needs of the host country and other stakeholders involved. The framework

<sup>5</sup> The Submitter stated 'subsidiary body', it is understood the reference was to the 'Supervisory Body'

should allow for adaptability to suit the unique conditions of each project and host country. 'Mitigation benefits' shall be defined to encompass various forms of outcomes and impacts, such as 'mitigation outcomes,' 'technology transfer,' 'capacity-building,' 'financial revenues,' 'co-benefits,' 'contributions to Sustainable Development Goals (SDGs),' and more. Additionally, the Supervisory Body shall specify 'Participating Parties' to include countries party to the UNFCCC and the Paris Agreement, project developers, project owners, local communities, and other relevant stakeholders. The definition of 'equitable sharing' should consider principles such as equality, merit, needs, rights, and emphasis on benefits for Indigenous Peoples and local communities as primary stakeholders."

- 129. [ALCT, 399] proposes amending item 31 (a) to specify the nature and duration of technology benefits, as follows (underlined): "Conditions to ensure that the total length of the crediting period(s) of activities is significantly shorter than the lifetime of the technology implemented, where there is very high confidence that emission reductions from the technology continue to be achieved beyond the end of the crediting period(s). The provision should define 'technology transfer' as a 'mitigation benefit' that includes not only the direct emissions reductions but also the capacity building for the operation and maintenance of the technology beyond the project lifecycle. It is crucial to specify that the lifetime of the implemented technology should exceed the crediting period by a minimum of five years to ensure substantial ongoing benefits and to encourage long-term investment in sustainable technology practices."
- 130. [ALCT, 399] proposes amending item 31 (b) to include a guiding framework from the Supervisory Body, as follows (underlined): "The application of conditions by the designated national authorities (DNAs) that ensure host Party benefits are retained, must fall within a framework established by the Supervisory Body, which outlines minimum standards and guidelines to ensure that host Party benefits are equitably retained and shared. This framework should specify a minimum share of mitigation benefits, potentially differentiated by sector or class of activity, that must be made available to the host Party. The Supervisory Body shall develop this framework taking into account stakeholder inputs and ensuring consistency across countries to maintain a level playing field for mitigation activities and stabilize the carbon pricing dynamics. DNAs may tailor these conditions to fit national circumstances but must adhere to the minimum standards set forth to prevent unreasonable or inequitable conditions that could deter investment and participation in mitigation activities."
- 131. The use of the term "emission reductions" (rather than "emission reductions or removals" as defined in Section 3 of the proposed document) should be double-checked and justified. Without such justification, it is recommended that the proposed document uses the already defined terms (including the term "emission reductions or removals") to ensure consistency and avoid ambiguity. [ICLRC, 400]
- 132. Methodologies are not (or should not be) country-specific, therefore it is unclear how this would work. Benefits-sharing is better addressed at project level or through approving standardised baselines. [API, 405]
- 133. **[UK, 410]** proposes the following change to the second sentence (underlined): "*These may should include one or more of the provisions below*.". Equitable sharing of mitigation benefits between participating Parties is important. Given the potential approach in paragraph 31 (a) and wide scope of paragraph 31 (b), we consider the guidance recommends one or both of those provisions is applied, hence 'should' is appropriate.

- 134. **[UKR, 414]** proposes the following changes to the text (underlined): "Mechanism methodologies shall contain methodology-specific options provisions for contributing determining to the equitable sharing of mitigation benefits between participating Parties. These may include one or more of the provisions below: (a) Conditions to ensure that the total length of the crediting period(s) of activities is shorter than the lifetime of the technology implemented where there is very high confidence that emission reductions from the technology continue to be achieved beyond the end of crediting period(s); (b). The application of conditions specified by the dDesignated national authorities (DNAs) may specify the conditions that ensure their host Party benefits are retained.".
- 135. **Paragraph 32.** The Supervisory Body will establish a process for host Parties to communicate their approach to the operationalisation of paragraph 31(b) above.
- 136. No comment was received on this paragraph.
- 137. **Paragraph 33.** The Supervisory Body may prepare recommendations for host Parties, to assist them in the consideration of equitable sharing of mitigation benefits between participating Parties including co-benefits in mechanism methodologies.]
- 138. Substitute "*may*" with "*shall*" in para 32. [CI, 386]
- 139. **[JP, 391]** proposes adding "<u>...including mitigation co-benefits in mechanism methodologies</u>." to clarify the "co-benefits" in mechanism methodologies as "mitigation cobenefits" referred to in decision 3/CMA.3, paragraph 31. [JP, 391]
- 140. [ALCT, 399] proposes revising the text as follows (underlined): "The Supervisory Body shall prepare and provide recommendations to host Parties to assist them in the consideration of equitable sharing of mitigation benefits between participating Parties, including co-benefits in mechanism methodologies. This guidance shall ensure that host Parties receive consistent, expert advice on integrating equity and co-benefits into their climate action strategies, promoting uniformity and fairness in the application of the Article 6.4 mechanism."
- 141. [ALCT, 399] proposes revising the text as follows (underlined) to align with the suggested change to paragraph 31: "Mechanism methodologies shall require the estimation of the mitigation benefits to the host Party, which shall be clearly defined by the Supervisory Body. This definition shall include, but not be limited to, direct emissions reductions, technology transfer, capacity-building, financial and monetary gains, and contributions to sustainable development goals. The Supervisory Body shall provide detailed guidance on how to quantify and value these benefits, ensuring that host Parties have a consistent and equitable basis for assessing the impact of mitigation activities."
- 142. [ALCT, 399] proposes including a provision that allows for the financing of adaptation measures from quantified mitigation benefits: "Mechanism methodologies should also consider the potential for using quantified mitigation benefits to finance adaptation initiatives. This could involve setting aside a percentage of the financial or economic gains derived from quantified mitigation benefits to fund local adaptation projects. Such a provision would encourage a holistic approach to climate action, promoting not only emissions reductions but also enhancing the adaptive capacity of vulnerable communities and ecosystems."
- 143. **[UK, 410]** proposes the following change to the text (underlined): "*The Supervisory Body* will may prepare recommendations...".

- 144. **[UKR, 414]** proposes the following change to the text (underlined): "The Supervisory Body may prepare—recommendations non-intrusive information materials regarding benefit sharing for host Parties, to assist them in the consideration of equitable sharing of mitigation benefits between participating Parties including co-benefits in mechanism methodologies."
- 145. Refer to ICVCM AF Criterion 13.2 (a). [ICVCM, 401]
- 4.5. Aligning with the NDC of each participating Party, if applicable, its LT-LEDS, if it has submitted one, the long-term temperature goal of the Paris Agreement and the long-term goals of the Paris Agreement
- 146. Section 4.5 (Aligning with the NDC of each participating Party, if applicable, its LT-LEDS, if it has submitted one, the long-term temperature goal of the Paris Agreement and the long-term goals of the Paris Agreement) received 12 comments, two of which discussed how it can be implemented.
- 147. [YNG, 403] proposes adding a new paragraph after paragraph 37 which states: "The share of proceeds for adaptation shall be set at a minimum of 5% of A6.4 units issued, increasing annually, to aid adaptation efforts and ensure overall mitigation in global emissions.".
- 148. **Paragraph 35**. Paragraph 33 of the RMP states that "Mechanism methodologies shall (...) in respect of each participating Party, contribute to reducing emission levels in the host Party, and align with its NDC, if applicable, its long-term low GHG emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement".
- 149. No comment was received on this paragraph
- 150. **Paragraph 36**. Paragraph 33 of the RMP states that "Mechanism methodologies shall (...) align with the long-term temperature goal of the Paris Agreement (...)".
- 151. No comment was received on this paragraph.
- 152. **Paragraph 37**. Mechanism methodologies shall require demonstration that the activity, does not constrain, but aligns with the policies, options and implementation plans of the host Party with regard to the latest nationally determined contribution (NDC) of the host Party, if applicable, its long-term low greenhouse gas emission development strategies (LTLEDS), if it has submitted one, and the long-term temperature goals and long-term goals of the Paris Agreement.
- 153. **[JP, 391]** proposes the following correction to the text (underlined): "..., and the long-term temperature <u>goal</u> <u>of the Paris Agreement</u> and the long-term goals of the Paris Agreement.", to maintain consistency with the section header.
- 154. Does "the latest NDC" refers to the latest NDC at the point when the crediting period starts? Also, it is not very clear what happens when an NDC gets updated. [SLYV, 393]
- 155. Unless methodologies are country specific (which we would not support given the high level of associated burden), it is unclear how this can be done. [API, 405]

#### 4.6. Approaches to set the baseline

156. Section 4.6 (Approaches to set the baseline) received 12 comments, including some seeking clarification on the term "downward", suggestions to quantify "conservativeness,"

and the applicability of the requirements to afforestation/reforestation (A/R) activities, among others.

157. **Paragraph 38**. Paragraph 36 of the RMP states that: "Each mechanism methodology shall require the application of one of the approach(es) below to setting the baseline, while taking into account any guidance by the Supervisory Body, and with justification for the appropriateness of the choices, including information on how the proposed baseline approach is consistent with paragraphs 33 and 35 in the RMP and recognizing that a host Party may determine a more ambitious level at its discretion:

A performance-based approach, taking into account:

- (i) Best available technologies that represent an economically feasible and environmentally sound course of action, where appropriate;
- (ii) An ambitious benchmark approach where the baseline is set at least at the average emission level of the best performing comparable activities providing similar outputs and services in a defined scope in similar social, economic, environmental and technological circumstances;
- (iii) An approach based on existing actual or historical emissions, adjusted downwards to ensure alignment with paragraph 33 of the RMP."
- 158. [CI, 386] proposes the following change to item 38 (iii) and addition of a new item 38 (iv): "(iii) An approach based on existing actual or historical emissions, adjusted dewnwards to ensure alignment with paragraph 33 of the RMP; (iv) other approaches, as defined and approved by the host Party and approved by the Supervisory Body.".
- 159. [GMT, 390] proposes the addition of the following item: "(iv) For A/R activities an ambitious approach based on an estimation of actual carbon stocks or relevant carbon pools, utilising, where appropriate, satellite remote sensing and computer vision technologies."
- 160. [ALCT, 399] proposes adding the following text: "Mechanism methodologies shall apply an 'ambition coefficient' to baseline estimates of emission reductions or removals as a quantifiable and adjustable factor to ensure ongoing ambition. This coefficient shall be a defined percentage reduction from baseline estimates, established by the Designated National Authority (DNA) and specific to each mitigation action or sector (at the lowest possible level of aggregation), if applicable. It should account for historical data variability, projected future changes in line with the precautionary principle, and the evolving technological and economic context. Ambition coefficients shall be reviewed and updated at least every five years to align with the corresponding Nationally Determined Contribution (NDC) update cycle, ensuring methodologies promote progressively greater ambition and contribute to the highest possible mitigation outcomes."
- 161. On item 38 (iii), for jurisdictions that have maintained low deforestation rates, this forces such jurisdictions from article 6.4 participation. This perverse impact will lead to millions of hectare of non-participation or worse yet, loss over time due to lack of appropriate incentives. Creating a baseline on strictly historical emissions without an adjustment to provide for the unique circumstance of high forest cover low deforestation jurisdictions will be damaging to the effectiveness of Article 6.4. The use of an HFLD score along with a factor approach to provide for that space for HFLDs to participate would be necessary.

- Creates moral hazard and introduces incentives for deforestation / increased ghg emissions. [GY, 407]
- 162. Quote paragraph 36 of the RMP exactly without changes. [UKR, 414]
- 163. **Paragraph 39**. Paragraph 27 of the RMP states that "A host Party may specify to the Supervisory Body, prior to participating in the mechanism: (a) Baseline approaches and other methodological requirements...".
- 164. No comment was received on this paragraph.
- 165. **Paragraph 40**. Mechanism methodologies shall contain provisions that require justification of the appropriateness of the choice of approach(es) identified in paragraph 36 of the RMP for setting the baseline, with reference to the requirements of paragraphs 33 and 35 of the RMP.
- 166. The recommendation requires justification of the 'appropriateness' of the baseline approach chosen, while the ICVCM AF refers more directly to enabling conservativeness and robust quantification. Refer to ICVCM AF Criterion 10.3 (a) (1) (4). [ICVCM, 401]
- 167. **Paragraph 41.** With regard to setting the baseline for emission reduction activities, factors affecting the appropriateness of the choice may include:
  - (a) Similarity of emission sources with respect to technologies and measures applied, or sectors covered by the methodology which may allow the use of an ambitious benchmark covered under paragraph 36 (ii) of the RMP; and
  - (b) Availability of data required for a conservative and reliable estimation of the baseline.
- 168. This paragraph should be further elaborated to cover factors affecting the appropriateness of the choices relating to paragraph 36 (i) and (iii) of the A6.4 RMP. [JP, 391]
- 169. **Paragraph 42**. For the approaches identified in paragraph 36 of the RMP, mechanism methodologies shall contain provisions to apply the method detailed in section 4.7 below to adjust the baseline emissions downwards and to ensure consistency with paragraph 33 of the RMP.
- 170. [CI, 386] proposes deleting the word "downwards".
- 171. **[UKR, 414]** proposes the following change (underlined): "For the approaches based on actual or historical emissions identified in paragraph 36 of the RMP, mechanism methodologies shall contain..".
- 172. **Paragraph 43**. A host Party may determine a more ambitious baseline requirement at its discretion and specify it to the Supervisory Body for approval.
- 173. No comment was received on this paragraph.
- 174. **Paragraph 44**. The Supervisory Body will develop tool(s) for baseline setting (baseline tools). Mechanism methodologies may contain provisions that require the application of the baseline tool(s).
- 175. Replace the word "tool" for "guidance". [CI, 386]

176. [GMT, 390] proposes adding the following sentence: ".... In developing such baseline tools, the Supervisory Board will take into consideration the latest scientific approaches and innovative techniques, including but not limited to satellite remote sensing and computer vision technologies, to enable accurate, transparent and credible baseline setting."

177. **[UK, 410]** proposes the following change to the second sentence (underlined): "Mechanism methodologies should may contain provisions that require the application of the baseline tool(s) where appropriate.".

#### 4.7. Addressing elements of paragraph 33 and paragraph 36 of the RMP

- 178. Section 4.7 (Addressing elements of paragraph 33 and paragraph 36 of the RMP) received 17 comments, mostly expressing concerns over the term "downward," its definition, quantification, and how it can be interpreted in combination with the "economic viability of crucial mitigation activities."
- 179. The order of the paragraphs should be rearranged for readability and reference, into the order of paragraph 45, 47, 48, 49 and 46. **[JP, 391]**
- 180. **Paragraph 45**. Mechanism methodologies shall address consistency of implementation of paragraph 36 of the RMP with the requirements of paragraph 33 of the RMP through the appropriate application of:
  - (a) Downward adjustment to baseline included in paragraph 36 (iii) of the RMP; and/or
  - (b) Downward adjustment to baseline resulting from or applied to the approaches in paragraph 36 (i) and (ii) of the RMP.
- 181. [CI, 386] proposes deleting the word "downwards". (See their comment to paragraph 38 for the rationale.) [CI, 386]
- 182. **[UKR, 414]** proposes the following change to the text (underlined): "Mechanism methodologies shall address consistency of implementation of paragraph 36 of the RMP with the requirements of paragraph 33 of the RMP through the appropriate application of: (a) Downward adjustment to baseline included in paragraph 36 (iii) of the RMP; and/or (b) Downward adjustment to baseline resulting from or applied to the approaches in paragraph 36 (i) and (ii) of the RMP."
- 183. Paragraph 46. If the calculated difference in paragraph 29 above, demonstrates a downward adjustment which is greater than the adjustment calculated as per paragraphs 47 and 48 below, no further adjustment is required. Where the calculated difference in paragraph 29 above is less than the adjustment calculated as per paragraphs 47 and 48 below, further adjustment is required to align with the result of paragraphs 47 and 48 below to ensure consistency with the requirements of paragraph 33 of the RMP.
- 184. [CI, 386] proposes deleting the word "downwards".
- 185. **[UKR, 414]** proposes deleting this paragraph.
- 186. Paragraph 47. Factors or quantitative methods for downward adjustment shall be:
  - (a) Included in the project design document and updated at each renewal of the crediting period;

- (b) Based on an estimation of emission reductions and removals necessary to achieve NDCs if applicable, and LT-LEDS where they have been submitted;
- (c) Based on an estimation of emission reductions and removals necessary to achieve the long-term temperature goal of the Paris Agreement differentiated by technology/sector or country/region, considering socio-economic conditions and accommodating different circumstances of the host Parties.
- 187. [CI, 386] proposes deleting the word "downwards".
- 188. Item 47 (a) should be separated into a new paragraph as it is not a factor or quantitative method but relating to a process. [JP, 391]
- 189. **[UKR, 414]** proposes the following changes to the text (underlined): "Factors or a Quantitative estimation methods of for downward adjustment in the context of paragraph 36 (iii) of the RMPs shall be:(a) lincluded in the project design document and updated at each renewal of the crediting period".
- 190. **[UKR, 414]** proposes the following changes to item (b) (underlined): "For activities seeking ITMO authorisation, based on an estimation of emission reductions and removals necessary to achieve NDCs as determined in relevant NDC implementation plans, if applicable, and LT-LEDS and their implementation;".
- 191. **[UKR, 414]** proposes the following change to item (c) (underlined): "<u>The Supervisory Body should seek CMA guidance to conduct-Based on</u> an estimation of emission reductions and removals necessary to achieve the long-term temperature goal of the Paris Agreement differentiated by technology/sector of 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, socio-economic conditions, and accommodating different circumstances of the host Parties, which then be used to inform adjustment of baselines in the contact of paragraph 36(iii) of the RMPs."
- 192. **Paragraph 48**. The downward adjustment shall be undertaken in a manner that considers economic viability of critical mitigation activities, large-scale transformation and decarbonisation technologies, negative emission approaches, and informed by the need of activities to contribute to achieving the long-term temperature goal of the Paris Agreement.
- 193. [CI, 386] proposes removing the word "downward" and replacing "shall" with "should" in paragraphs 48 and 54.
- 194. [CMW, 394] proposes the following change to the text (underlined): "The downward adjustment shall be undertaken in a manner that considers economic viability of critical mitigation activities, large-scale transformation and decarbonisation technologies, negative emission approaches, and informed by the need of while ensuring that all activities to achieving the long-term temperature goal of the Paris Agreement and do not lead to locking in levels of emissions, technologies or carbon-intensive practices incompatible with paragraph 33 of the RMP."
- 195. **Paragraph 49**. The downward adjustment to the baseline referred to above may be operationalized through:
  - (a) Factors or quantitative methods for activities included in methodologies approved by the Supervisory Body. Activity participants, stakeholders or host Parties may

- propose factors or quantitative methods for the consideration of the Supervisory Body;
- (b) Development of factors or quantitative methods, jointly by the Supervisory Body and the host Party, with the provision for the host Party to make a request to the Supervisory Body to initiate the development of the factors or quantitative methods. The procedures for the standardized baselines may be used for this purpose; or
- (c) Development of factors or quantitative methods by the host Party that are specified to the Supervisory Body for approval. The procedures for the standardized baselines may be used for this purpose.
- 196. [CI, 386] proposes deleting the word "downwards". (See their comment to paragraph 38 for the rationale.) [CI, 386]
- 197. [CMW, 394] proposes an additional item 49 (d): "Development of factors or quantitative methods by the Supervisory Body."
- 198. **[UKR, 414]** proposes the following changes to item (a) (underlined): "Factors or Quantitative adjustment methods for activities included in methodologies approved by the Supervisory Body and the host Party.".
- 199. **[UKR, 414]** proposes removing "factor or" from items (b) and (c) as follows: "Development of factors or quantitative methods…".
- 200. **Paragraph 50.** The Supervisory Body will develop standards, tools, and guidance to inform the implementation of paragraphs 45-49 above.
- 201. Replace "will" with "shall" in the following paragraphs for consistency with UNFCCC guidance: 50, 62, 63, 67, 83, 84, 90, and 91. [CI, 386]
- 202. **Paragraph 51**. Paragraph 33 of the RMP states that "Mechanism methodologies shall (...) encourage broad participation (...)".

#### 4.8. Encouraging broad participation

- 203. Section 4.8 (Encouraging broad participation) received nine comments. Two were in reference to "avoiding complexity" in paragraph 54, one of which pointed out that the requirements in paragraph 54 will not necessarily increase broad participation, and the other which suggested the requirements might run counter to taking into account the local context. Two comments were received on the involvement of Indigenous Peoples.
- 204. **Paragraph 52**. The Supervisory Body shall encourage development of methodologies covering a wide range of emission reduction and removal activities with broad sectoral and geographic coverage.
- 205. No comment was received on this paragraph.
- 206. **Paragraph 53**. The Supervisory Body shall encourage participation of a broad range of stakeholders during the methodology development process by enabling informed consultation as described in the "Procedure: Development, revision and clarification of baseline and monitoring methodologies and methodological tools".

- 207. [ICLRC, 400] proposes following changes to the text (underlined): "The Supervisory Body shall encourage participation of a broad range of stakeholders during the methodology development process and the methodology application by enabling informed consultation as described in the "Procedure: Development, revision and clarification of baseline and monitoring methodologies and methodological tools".
- 208. **Paragraph 54**. *Mechanism methodologies shall*:
  - (a) Where relevant for the sectoral and/or geographical coverage of the methodology, contain provisions that balance stringency and maximum participation by being accurate, simple, clear, and avoiding complexity such that a wide range of activity participants and host Parties can apply the methodology requirements irrespective of the scientific infrastructure, financial resources available to them, and their national circumstances:
  - (b) Where relevant for the sectoral and/or geographical coverage of the methodology, particularly in least developed countries and small island developing States, contain provisions that take into account the context on the ground in host Parties, including institutional arrangements, and provide options to facilitate meeting of requirements, such as permitting the use of multiple data sources to address data gaps, and the use of conservative default values and/or use of benchmarked data from comparable regions to the extent they can be applicable;
  - (c) Use language that is easy to understand, inclusive, gender-sensitive and accessible to a wide range of stakeholders, including local communities and Indigenous Peoples.
- 209. [44M, 383] considers that methodologies should be developed and updated frequently to account for the vast variety of cultural contexts and the complexity of local climate change mitigation.
- 210. [CI, 386] proposes replacing "shall" for "should". [CI, 386]
- 211. [CMW, 394] proposes the following change to item 54 (a): "Where relevant for the sectoral and/or geographical coverage of the methodology, contain provisions that balance uphold stringency and encourage broad maximum participation by being accurate, simple, and clear, and avoiding complexity...".
- 212. [IEN, 395] proposes the following changes to item (b) (underlined): "Where relevant for the sectoral and/or geographical coverage of the methodology,..., contain provisions that take into account the context on the ground in host Parties, including institutional arrangements, <u>Indigenous Peoples' input and FPIC</u>, <u>customary laws</u>, and provide options to facilitate meeting of requirements in accordance to the full and effective implementation of FPIC as defined by <u>UNDRIP</u>, such as permitting the use of multiple data sources;".
- 213. [IEN, 395] proposes the following changes to item 54 (c) (underlined): "Use language that is easy to understand, inclusive, gender-sensitive, culturally appropriate, and accessible to a wide range of stakeholders, including lecal communities and Indigenous Peoples and members of impacted communities. Such language and its criteria for achieving the standards mentioned should be determined by Indigenous Peoples and members of impacted communities."

- 214. **Paragraph 55**. The Supervisory Body and its support structure should ensure that, if it is necessary to invoke a requirement in a methodology that appears elsewhere in another methodology, this should be done by reference and not by repetition. If a test method or a procedure is, or is likely to be, applicable to two or more methodologies, a tool should be prepared on the method/procedure itself, and each methodology shall refer to it to prevent potential deviations.
- 215. All stakeholders involved in A6.4 projects should be able to propose tools, providing the basis for a modular system, where methodologies account for the local context, while using common components (accredited tools) from other methodologies. Limiting the creation of tools to the SB goes against the principle of broad participation and encouraging innovation. [44M, 383]
- 216. [CI, 386] proposes replacing the word "tool" for "guidance".
- **217.** Further improvement of the language in the paragraph should be made to ensure the relevance to encouraging broad participation. [JP, 391]
- 218. **Paragraph 56**. Paragraph 34 of the RMP states that "Mechanism methodologies shall include relevant assumptions, parameters, data sources and key factors (...)".

# 4.9. Including data sources, accounting for uncertainty and monitoring requirements

- 219. Section 4.9 (Including data sources, accounting for uncertainty and monitoring requirements) received six comments, including a recommendation to explicitly require consistency with the Intergovernmental Panel on Climate Change (IPCC). The need for additional guidelines was expressed, including on the publication and use of open data, and on "expert judgement". A recommendation was made to require full and effective implementation of Free, Prior and Informed Consent (FPIC) when project activities are within and adjacent to Indigenous Peoples' territories, and to recognize Traditional Indigenous Knowledge (TIK) as scientific data.
- 220. **Paragraph 57.** The Supervisory Body shall ensure that mechanism methodologies are transparent and comprehensible with respect to included assumptions, parameters, data sources and key factors.
- 221. No comment was received on this paragraph.
- 222. **Paragraph 58.** Mechanism methodologies shall contain provisions to require the accounting of uncertainty associated with emission factors, activity data and other estimation parameters applied in the calculations of emissions reductions or removals.
- 223. [CI, 386] proposes the following changes to the text (underlined): "Mechanism methodologies shall contain or reference provisions to require the accounting of uncertainty associated with emission factors, activity data and other estimation parameters applied in the calculations of emissions reductions or removals, consistent with IPCC guidance for national emissions inventories and past UNFCCC decisions related to accounting."
- 224. Refer to ICVCM AF Criteria 5.2 (a) (5), 10.1 (c), and 10.3 (a) (2). [ICVCM, 401]

- 225. Paragraph 59. Mechanism methodologies shall contain provisions requiring a listing of data parameters that need to be monitored throughout the crediting period. This may include the data that is directly measured where necessary on a sample basis, and the data that are collected from other sources such as official statistics, expert judgment, IPCC guidelines, and scientific literature. In this regard, methodologies shall contain provisions on monitoring plans related to the collection and storing of all relevant data needed to estimate baseline, project and leakage emissions, including provisions related to quality assurance and quality control.
- 226. [44M, 383] suggests the SB to provide Clear guidelines for the use of "expert judgment" must be provided and transparency guidelines must be drafted for the entire mechanism to prevent fraud.
- 227. [CI, 386] proposes the following change to the text (underlined; see their comment to paragraph 58 for the rationale): "Mechanism methodologies shall contain or reference provisions….".
- 228. [GMT, 390] proposes a change to the third sentence and addition of a new sentence as follows (underlined): "In this regard, methodologies shall contain provisions on monitoring plans related to the collection, open publication and storing of all relevant data needed to estimate baseline, project and leakage emissions, including provisions related to quality assurance and quality control. The supervisory board will develop further guidance on the publication, use, storage and quality of data by mechanism activities."
- 229. [IEN, 395] proposes the following changes to the second and third sentences (underlined): "... This may include...., and the data that are collected from other sources such as official statistics, expert judgement, IPCC guidelines, <u>Traditional Indigenous Knowledge (TIK) and western</u> scientific literature. In this regard, methodologies shall contain provisions..., including provisions related to quality assurance and quality control, <u>and ensure the full and effective implementation of FPIC as outlined by UNDRIP</u>."

#### 4.10. Recognizing suppressed demand

- 230. **Paragraph 60.** Paragraph 33 of the RMP states that "Mechanism methodologies shall (...) recognize suppressed demand (...)".
- 231. Section 4.10 (Recognizing suppressed demand) received two comments, one suggesting a case-by-case approach to assess supressed demand.
- 232. **Paragraph 61.** Suppressed demand in the context of an Article 6.4 activity is a situation where services provided to a population are insufficient to meet the basic human needs such as minimum amount of electricity for lighting, heating or cooling due to barriers, including low income or lack of infrastructure, and where the growth of emissions resulting from meeting such needs requires special consideration in the assessment of Article 6.4 baseline scenarios.
- 233. No comment was received on this paragraph.
- 234. **Paragraph 62.** The Supervisory Body will recognize suppressed demand under a situation where the BAU cannot realistically provide the level of service required of the Article 6.4 activity by considering that the baseline scenario is not set based on the historical and continuation of the current condition, but rather based on an alternative that provides a level of service comparable to that provided by the Article 6.4 activity.

- 235. [CI, 386] proposes the following changes to the text (underlined; see their comment to paragraphs 27 and 50 for the rationale): "The Supervisory Body will shall recognize suppressed demand under a situation where the BAU the applicable methodology cannot realistically provide the level of service required of the Article 6.4 activity ....".
- 236. **Paragraph 63.** The Supervisory Body will recognize suppressed demand by including benchmarks and default factors in specific methodologies that may not be below BAU. The Supervisory Body will assess, on an activity-by-activity basis, whether suppressed demand is a plausible situation in a given context.
- 237. [CI, 386] proposes the following changes to the text (underlined): "The Supervisory Body will shall recognize suppressed demand by including benchmarks and default factors in specific methodologies that may not be below BAU. The Supervisory Body and will shall assess, on an activity-by-activity basis, ....".
- 238. Paragraph **64.** The Supervisory Body will develop a tool to provide guidance on how to determine supressed demand and the minimum level of service that may be considered as a reference level to determine the baseline.
- 239. No comment was received on this paragraph.

# 4.11. Talking into account policies and measures and relevant circumstances) received one comment.

- 240. **Paragraph 65.** Paragraph 34 of the RMP states that "Mechanism methodologies shall (...) take into account (...) policies and measures, and relevant circumstances, including national, regional or local, social, economic, environmental and technological circumstances (...)".
- 241. No comment was received on this paragraph.
- 242. **Paragraph 66.** Mechanism methodologies shall contain provisions to take into account relevant circumstances, including national, regional, or local, social, economic, environmental and technological, based on robust data and verifiable information. In this regard, the type of data and information that would be necessary to meet the above provisions shall be specified in the methodologies, particularly with regard to eligibility conditions, setting the baseline, and demonstrating additionality.
- 243. No comment was received on this paragraph.
- 244. **Paragraph 67**. The Supervisory Body will develop further guidance on how mechanism methodologies shall take into account policies and measures, and relevant circumstances.
- 245. [CI, 386] proposes replacing the word "will" for "shall". (See their comment to paragraph 50 for the rationale. [CI, 386]

#### 4.12. Standardized baselines

- 246. Section 4.12 (Standardized baselines) received four comments; one said the requirements in paragraph 73 are over-specified, and another stated the requirements might surpass the authority of the SBM.
- 247. The SBM's authority to mandate the application of standardized baselines, as introduced in the proposed document (paragraphs 70 and 71), appears to extend beyond the scope

- outlined in paragraph 37 of the RMP and Chapter V(B) (Methodologies) of the RMP. This approach may potentially overlap with the rights of the Parties, such as those developing their own methodologies in accordance with Paragraph 35 of the RMP. [ICLRC, 400]
- 248. The SBM's recommendation correctly notes that "Standardized baselines shall be established at the highest possible level of aggregation in the relevant sector of the host Party..." following decision 3/CMA.3, paragraph 37 in the annex. [CfRN, 413]
- 249. **Paragraph 68**. Paragraph 37 of the RMP states that "Standardized baselines may be developed by the Supervisory Body at the request of the host Party or may be developed by the host Party and approved by the Supervisory Body. Standardized baselines shall be established at the highest possible level of aggregation in the relevant sector of the host Party and be consistent with paragraph 33 of the RMP."
- 250. No comment was received on this paragraph.
- 251. **Paragraph 69**. A standardized baseline is a baseline developed at the request of or by a host Party or a group of host Parties on a subnational, national, or group-of-Parties basis rather than on an activity basis to facilitate the determination of the baseline, calculation of the GHG emission reductions or removals and/or the determination of additionality for Article 6.4 activities, while ensuring environmental integrity within the scope of the standardized baseline.
- 252. No comment was received on this paragraph.
- 253. **Paragraph 70**. The application of standardized baselines is not mandatory unless explicitly stated in an approved standardized baseline or in another standard approved by the Supervisory Body. When the application of a standardized baseline is not mandatory, activity participants may establish additionality or baseline emissions for their activity using other approved approaches as an alternative to applying a standardized baseline.
- 254. No comment was received on this paragraph.
- 255. **Paragraph 71**. A host Party may specify the application of a standardized baseline as a mandatory requirement for the activities implemented in the host Party. The Supervisory Body may also specify the application of a standardized baseline as a mandatory requirement for certain cases such as when the standardized baseline is being used to address leakage emissions of an activity, as further detailed in section 6 below. The provisions in this paragraph may also apply to standardized baselines developed by or for a group of host Parties.
- 256. No comment was received on this paragraph.
- 257. **Paragraph 72**. The approaches for setting the baselines referred to in section 4.6 above shall also be applied for the development of standardized baselines.
- 258. **Paragraph 73.** The host Party and the Supervisory Body should determine the level of aggregation taking into account the following:
  - (a) A default level of aggregation shall comprise the facilities or equipment producing a similar type of output within the geographical boundaries of one Party or a specific subregion determined by the Party. The level of aggregation may be expanded to a group of Parties with similar circumstances relating to the output;

- (b) A default group of facilities should be disaggregated when significant dissimilarities exist in the performance of facilities or groups of facilities in the country/region. In this case, the disaggregation shall be carried out according to relevant criteria, such as scale of production, installed capacity or age of the facilities. Standardized baseline values should be determined for each group of similar facilities in this case;
- (c) Disaggregation should not result in standardized baselines with overlapping applicability.
- 259. [CI, 386] proposes deleting this paragraph. The conditions listed seem overly specific.
- 260. **Paragraph 74.** Standardized baselines shall include a default validity period of three years, starting from the date of approval by the Supervisory Body. A host Party may propose a shorter or longer validity period, taking into account the specificity of sectors in which activities are undertaken, and by providing justification for the consideration of the Supervisory Body.
- 261. [CI, 386] proposes the following change to the first sentence (underlined): "Standardized baselines shall include a default validity period of no longer than six three years, starting from the date of approval by the Supervisory Body.".
- 262. **Paragraph 75.** After the validity of a standardized baseline has expired, the updated standardized baseline can be submitted by the host Party for the consideration of the Supervisory Body for approval. An updated standardized baseline shall not impact registered activities applying the previous version up to the end of their current crediting period.
- 263. No comment was received on this paragraph.
- 264. **Paragraph 76.** Standardized baselines may be developed by the host Party and approved by the Supervisory Body following an assessment against the "Procedure: Development, revision, clarification and update of standardized baselines".
- 265. No comment was received on this paragraph.
- 266. **Paragraph 77.** The Supervisory Body will develop and approve separate guidance on standardized baselines, including guidance on standardized baselines for a group of Parties.
- 267. No comment was received on this paragraph.

## 5. Additionality demonstration

268. Section 5 (Additionality demonstration) received 20 comments, 15 of which were on paragraph 80. Multiple questions and recommendations were received relating to clarify of paragraph 80, specifically, whether all subitems are mandatory, and linkages with item 80 (b) which suggests that barrier analysis may be optional and/or may replace investment analysis. One suggested that all items be maintained as mandatory, while another argued that the project proponent should be allowed to choose freely between the investment analysis and barrier analysis without justification. Three comments were received on item 80 (c), including those seeking further clarity on whether the host Party's Nationally Determined Contribution (NDC) was included and cases where laws are not fully enforced.

A suggestion was made to include the performance-based approach mentioned in paragraph 83. Additional requirements were suggested, including on prior consideration. One recommendation was received to require that Indigenous Peoples' inputs to be considered in the additionality demonstration.

- 269. To provide clarity and to streamline the assessment process on additionality, [NEP, 384] suggests the establishment of a 'positive list'. This list would delineate specific carbon removal activities that are inherently deemed additional when certain predetermined conditions are met. By outlining these activities, the SB can offer clear guidance to project developers and stakeholders, facilitating smoother project evaluation and approval processes within the framework of Article 6.4.
- 270. Paragraph 78. Paragraph 38 of the RMP states that "Each mechanism methodology shall specify the approach to demonstrating the additionality of the activity. Additionality shall be demonstrated using a robust assessment that shows the activity would not have occurred in the absence of the incentives from the mechanism, taking into account all relevant national policies, including legislation, and representing mitigation that exceeds any mitigation that is required by law or regulation, and taking a conservative approach that avoids locking in levels of emissions, technologies or carbon-intensive practices incompatible with paragraph 33 of the RMP".
- 271. [CI, 386] proposes to delete the entire second sentence ("Additionality shall be demonstrated..") as it is overly restrictive or prejudges the law enforcement or outcomes of policies and measures.
- 272. **Paragraph 79.** Paragraph 39 of the RMP states that "The Supervisory Body may apply simplified approaches for demonstration of additionality for any least developed country or small island developing State at the request of that Party, in accordance with requirements developed by the Supervisory Body".
- 273. No comment was received on this paragraph.
- 274. **Paragraph 80**. Mechanism methodologies shall contain provisions to require demonstration of additionality through the following elements:
  - (a) Demonstration that the proposed activity would not have occurred in the absence of the incentives from the mechanism through an investment analysis (default approach);
  - (b) An assessment of barriers to the implementation of the activity, such as the financial, technological, institutional barriers, taking into account all relevant national policies, including legislation and current practices within the activity sector and geographic area of the host Party, may be undertaken to complement the investment analysis referred above. If activity participants want to use barriers to demonstrate additionality for their activity, they shall:
    - (i) Describe the barriers, including the reasons why investment analysis is not suitable;
    - (ii) Provide evidence of the barriers and how the mechanism will help overcome the barriers:
    - (iii) Include parameters in the monitoring plan to demonstrate how the barriers are overcome.

- (c) The proposed activity represents mitigation that exceeds any mitigation that is required by law or regulation, through a regulatory analysis conducted to assess whether the activity is mandated or triggered by applicable law or regulation. For this purpose, law or regulation applicable to the proposed activity that may require a certain technological, performance or management action shall be considered;
- (d) The proposed activity takes a conservative approach that avoids locking in levels of emissions, technologies or carbon-intensive practices incompatible with paragraph 33 of the RMP, including through an assessment of the scale, lifetime, and emissions intensity of the activity.
- 275. [ATMO, 385] proposes addition to item 80 (c) the following: "If those requirements are systematically not enforced and noncompliance with those requirements is widespread in the country, activity participants shall demonstrate additionality by providing evidence for this."
- 276. [CI, 386] proposes replacing the word "require" with "allow" to read: "Mechanism methodologies shall contain provisions to require—allow demonstration of additionality through the following elements:".
- 277. Item 80 (c) requires that "the proposed activity represents mitigation that exceeds any mitigation that is required by law or regulation". Should it also require that it exceeds the host country's Unconditional NDC (i.e. target additionality)? [SYL, 393]
- 278. [CMW, 394] proposes the following change to item 80 (b): "An assessment of barriers to the implementation of the activity..., may shall be undertaken...!f aActivity participants want to use barriers to demonstrate additionality for their activity, they shall: (i) Describe the barriers.-including the reasons why investment analysis is not suitable; (ii) ...; (iii) ....".
- 279. [CMW, 394] proposes an additional item 80 (e): "Demonstration that the proposed activity considered the benefits from the Article 6.4 mechanism as necessary in the decision to implement the activity, in accordance with paragraphs 12-15 of A6.4-SB008-A06. If activity participants submit notification of prior consideration after the start date of the activity, they shall demonstrate evidence that the benefits from the Article 6.4 mechanism were considered prior to the start date. The time period between the prior consideration of 6.4ERs, as evidenced through clear public documentation, and registration of the activity shall not exceed 3 years."
- 280. [IEN, 395] proposes the following changes to item 80 (b): "An assessment of barriers ..., taking into account all relevant national policies, <u>Indigenous Traditional Knowledge, customary laws</u>, including legislation..., may be undertaken to complement the investment analysis referred above. <u>The assessment must not criminalize Indigenous Peoples customary laws</u>, <u>subsistence practices and cultural traditions or be deemed 'unsustainable'</u>. If activity participants want to use barriers to demonstrate additionality for their activity, they shall: (i) ...; (ii) ....; (iii) Provide evidence of due consideration of the inputs provided by Indigenous Peoples and members of impacted communities."
- 281. [CS, 397] proposes deleting from item 80 (b)(i) the following: "including the reasons why investment analysis is not suitable".
- 282. [CS, 397] proposes deleting from item 80 (b)(ii) the following: "Include parameters in the monitoring plan to demonstrate how the barriers are overcome.".

- 283. [ALCT, 399] propose revising item 80 (b) to offer an alternative to investment analysis: "Mechanism methodologies shall allow the demonstration of additionality either through investment analysis or by a comprehensive assessment of barriers, with activity participants choosing the most appropriate method for their context. In the case of barrier analysis, the following provisions shall apply:
  - Activity participants may opt for a barrier analysis instead of investment analysis when they can provide clear justification, including evidence that the technological, financial, or institutional barriers are significant enough to impede the activity's implementation in the host country's context.
  - Countries may identify specific activities or project types that are deemed 'automatically additional' based on persistent and recognized barriers, thereby eliminating the need for individualized additionality demonstration for such activities."
- 284. Refer to ICVCM AF Criterion 8.1 Additionality Demonstration for the whole paragraph and Criterion 8.2 for item (c). [ICVCM, 401]
- 285. It should be clarified whether all of the elements 80 ((a)-(d)) must be included, or just a selection. Regulatory additionality should be required in all methodologies/for all projects. However, barriers analysis would not be necessary if a methodology requires a financial analysis approach. Assessment of prevailing practice seems to be missing here this should be required under any methodology to ensure the credited activities do not represent common practice already. Finally, performance benchmarks (as mentioned in paragraph 83) should also be mentioned here as a means of demonstrating additionality (as long as a regulatory additionality test is also passed). There is no reason why performance benchmarks can only be proposed top-down from the SBM. Developers of methodologies could also propose performance benchmarks for the SBM to consider. [API, 405]
- 286. Provisions should be expanded to include direct benefits and identification of carbon financing support type. The demonstration of additionality shall also include following provisions:
  - Direct Benefit Transfer to stakeholders: The hindrance in adoption of low emission technology is not faced by the project developer alone but also the other stakeholders in the ecosystem, especially the users. The additionality demonstration should include minimum thresholds for direct benefit sharing, so that the carbon revenues are equitably shares by all the enablers of the mitigation measures.
  - Segregation of Capital Additionality and Revenue (Continuous) Additionality: There are certain projects which face one-time barriers, like acquisition cost of technology, whereas some projects face continuous challenges in implementation like operational barriers. The capital Additionality can overcome challenges via one-time or short-term support from carbon financing. But the projects facing operational barriers require continuous source of carbon financing. (The concept of carbon financing needs to be transformed into viability gap funding for improved efficacy of the carbon limited funds) [KOKO, 406]
- 287. **[UK, 410]** proposes the following changes to the text (underlined): "Mechanism methodologies shall contain provisions to require demonstration of additionality through

the following elements in subparagraphs (a), (c) and (d); and the element in subparagraph (b) may be used to supplement (a): (a) Demonstration that the proposed activity would not have occurred in the absence of the incentives from the mechanism through an investment analysis (default approach);".

- 288. **[UKR, 414]** proposes the following change to the text (underlined): "Mechanism methodologies shall contain provisions to require—allow demonstration of additionality through the following elements:".
- 289. **[UKR, 414]** proposes the following change to item 80 (c) (underlined): "(c) The proposed activity represents mitigation that exceeds any mitigation that is required by law or regulation, <u>unless there is evidence of systematic and wide-spread non-compliance</u>, through a regulatory analysis conducted to assess whether the activity is mandated or triggered by applicable law or regulation…;" and proposes to add: "(e) First-of-its-kind and common practice tests.".
- 290. **Paragraph 81.** When formulating an approach to demonstrate the additionality, the Supervisory Body shall take into account any communication from the host Party regarding paragraphs 82 and 83 below.
- 291. No comment was received on this paragraph.
- 292. **Paragraph 82.** When formulating an approach to the demonstration of additionality, mechanism methodologies should consider the relevant circumstances, including national, regional or local, social, economic, environmental and technological circumstances, in line with paragraphs 65–67 above, including Party-led identification of activities that may be transformative.
- 293. No comment was received on this paragraph.
- 294. **Paragraph 83.** The Supervisory Body will develop further guidance and tools for the demonstration of additionality, including through a stepwise procedure to address the elements in paragraph 80 above; potential standardized performance-based approaches for determining additionality for application in methodologies that take into account best available technologies or an ambitious benchmark approach. Mechanism methodologies may contain provisions that require the application of these procedures and approaches.
- 295. [CI, 386] proposes replacing the word "will" for "shall". (See their comment to paragraph 50 for the rationale. [CI, 386]
- 296. [UK, 410] proposes the following changes to the text (underlined): "Mechanism methodologies <u>shall</u> <del>may</del> contain provisions that require the application of these procedures and approaches <u>where appropriate.</u>".
- 297. **Paragraph 84.** Simplified approaches for demonstration of additionality for least developed countries or small island developing States will be developed by the Supervisory Body when a request is made by a least developed country or small island developing State.
- 298. [CI, 386] proposes replacing the word "will" for "shall". (See their comment to paragraph 50 for the rationale. [CI, 386]

### 6. Leakage

- 299. Section 6 (Leakage) received 13 comments, including on the need to consider market leakage and cross-border leakage. Clarification was sought on paragraph 88. A suggestion was received to make "nesting" mandatory and to align it with other mechanisms such as the European Union Emissions Trading System (EU-ETS).
- 300. [QB, 387] proposes adding a new section before this section (Directly after Section 5. Additionality demonstration) to require meeting the permanence criteria (see their comments for Section 4) as follows: "Section 6. Permanence demonstration
  - Mechanism methodology shall specify the approach to demonstrating the permanence of the removal activity. Permanence shall be demonstrated using a robust assessment that highlights the equivalence of the net atmospheric effect between a removal and a reduction activity.
  - The Supervisory Body may apply simplified approaches for demonstration of removal permanence for at least developed country or small island developing State at the request of that Party, in accordance with requirements developed by the Supervisory Body.
  - Mechanism methodologies shall contain provisions to require demonstration of permanence by demonstrating that 6.4 ERs are generated from net atmospheric effect equivalent to the impact of the presence in the atmosphere of one ton of CO2, quantified over 100 years.
  - When formulating an approach to the demonstration of permanence, mechanism methodologies should consider the relevant circumstances, including national, regional or local, social, economic, environmental and technological circumstances.
  - The Supervisory Body will develop further guidance and tools for the demonstration of permanence.
  - Simplified approaches for demonstration of permanence for least developed countries or small island developing States will be developed by the Supervisory Body when a request is made by a least developed country or small island developing State." [QB, 387]
- 301. Market leakage is not considered and it is relevant for activities at all scales, and especially for jurisdictional scale activities. [SYL, 393]
- 302. Suitable guidance for development of standardized tools and methods should be provided. The leakage section should have standardized guidelines for leakage determination as there is very limited data available for leakage calculation and the estimation of emissions may pose significant challenge. [KOKO, 406]
- 303. **Paragraph 85.** Paragraph 33 of the RMP states that "Mechanism methodologies shall (...) avoid leakage, where applicable (...)".
- 304. Leakage needs to also address cross-border leakage risks between parties. If any forest country party in a region is excluded from Article 6.4, it creates inward leakage pressures. Article 6.4 methodologies / baseline need to be geographically holistic and inclusive when

this relates to REDD+, methodologies / baselines need to be compatible with ALL aspects of REDD+ and not just some to avoid leakage and as a result, cancel out additionality. **[GY, 407]** 

- 305. **Paragraph 86**. Leakage refers to anthropogenic emissions by sources of GHGs that occur outside the activity boundary which are attributable to the Article 6.4 activity.
- 306. It is recommended that the term "Article 6.4 activity" be compared with the term "activity" as defined in Section 3. If the meanings of these terms differ, it is advisable to expressly define the term "Article 6.4 activity" (e.g., through a reference to the RMP) to prevent any lack of clarity. (Potentially applicable to multiple paragraphs) [ICLRC, 400]
- 307. Paragraph 87. Mechanism methodologies shall contain provisions to:
  - (a) Ensure that the potential sources of leakage in activities covered by the Article 6.4 mechanism methodology are identified, including, but not limited to, any sources referred to in paragraph 88 below;
  - (b) Require activities to avoid or minimize all sources of leakage as far as possible by applying the appropriate approach(es) referred to in paragraph 89 below, including to address remaining leakage where necessary by discounting credited volumes as described in paragraph 89(a) below;
  - (c) Require that activity participants list all the potential sources of leakage that may reasonably be attributable to the activity and describe how each one is being addressed. If the activity participant excludes any of the sources of leakage from consideration, they shall justify its exclusion;
  - (d) Include, where necessary, provisions for robust monitoring, reporting and verification systems that encompass specific sources of potential leakage identified;
  - (e) Include, where necessary, life cycle analysis of the products or material in relation to the source indicated in paragraph 88(d) below;
  - (f) Require the activity participant to take into account relevant information from the DNA of the host Party on leakage, where available and as per the application of the tool referred to in paragraph 90 below.
- 308. Refer to ICVCM FA criteria 10.5 (a) (1) for item (a), 10.5 (a) (3) and (4) for item (b) and 10.5 (a) (1) and (2) for item (c). [ICVCM, 401]
- 309. **[UK, 410]** proposes the following changes to the text: "Require activities to avoid or minimize all sources of leakage as far as possible by applying the appropriate approach(es) referred to in paragraph 89 below, including to address remaining leakage where necessary by discounting credited volumes as described in paragraph 89(a) below,".
- 310. **[UK, 410]** proposes the following change to item 87 (d): "Include, where necessary, provisions for robust monitoring, reporting and <u>independent third-party</u> verification systems that encompass specific sources of potential leakage identified.".
- 311. Paragraph 88. Leakage may occur due to, inter alia:

- (a) Continued use of baseline equipment being transferred beyond the activity boundary;
- (b) Use of resources that have competing uses from activities outside the activity boundary that lead to a net change in emissions outside the boundary or shifts of pre-project activities that lead to a net change in emissions outside the boundary;
- (c) Diversion of existing production processes or services accounted for in the baseline, inter alia through relocation and continuation of baseline activities outside the activity boundary;
- (d) Impacts on upstream and downstream processes associated with the materials and services used by the activity, and/or products or services provided by the activity, relative to the baseline, unless they are accounted as activity emissions.
- 312. This paragraph could be clearer. In its current wording, it could be interpreted that activities that use any external equipment could potentially be liable for the embodied emissions related to that equipment if there is a competing use case. [NEP, 384]
- 313. Paragraph 89. Leakage may be avoided, minimized, or addressed by, inter alia:
  - (a) **Discounting credited volumes**: deducting emission reductions from credited volumes taking into account equipment lifetime, where applicable;
  - (b) **Scrapping of baseline equipment**: undertaking and evidencing the destruction/decommissioning/disposal of baseline equipment;
  - (c) **Application of higher-level elements:** applying a standardized baseline at a higher level of aggregation (or equivalent) that is regularly updated and any associated higher-level monitoring information and/or system;
  - (d) **Nesting:** Aligning relevant aspects of activity design and implementing activities together with an existing higher-level crediting programme;
  - (e) **Upscaling implementation:** implementing activities at a higher level (e.g. sectoral, subnational, or national).
- 314. [44M, 383] proposes that nesting, as defined in item 89 (d), be required by default and proposes the creation of an Expert Group to manage the nesting of A6.4 with other global systems.
- 315. **[UK, 410]** proposes the following change to the text (underlined): "Leakage <u>shall-may</u> be avoided, minimized, or addressed by, inter alia:"
- 316. **Paragraph 90.** The Supervisory Body will develop a methodological tool for the implementation of paragraph 87 above.
- 317. [CI, 386] proposes replacing the word "will" for "shall". (See their comment to paragraph 50 for the rationale.
- 318. **Paragraph 91.** For some types of activities, monitoring at jurisdictional level and use of a standardized baseline (or equivalent) is necessary to quantify and account for leakage. In addition, further work will be undertaken by the Supervisory Body to assess the implications of activities implemented outside national borders and transboundary activities.

- 319. [CI, 386] proposes replacing the word "will" for "shall". (See their comment to paragraph 50 for the rationale.
- 320. **[UK, 410]** proposes the following change to the second sentence (underlined): "In addition, further work will be undertaken by the Supervisory Body to assess the implications of activities implemented outside national borders and transboundary activities, and produce guidance as required which ensures these activities avoid, eliminate or mitigate any identified leakage risk."
- 321. **Paragraph 92.** Paragraph 34 of the RMP states that "Mechanism methodologies shall (...) address reversals, where applicable".

### 7. Non-permanence and reversals

- 322. Section 7 (Non-permanence and reversals) received five comments, four of which were on paragraph 93, including two comments on permanence requirements
- 323. **Paragraph 92**. Paragraph 34 of the RMP states that "Mechanism methodologies shall (...) address reversals, where applicable".
- 324. There is a material risk of reversals over a relevant time frame in most types of carbon removal activities and therefore this issue must be properly addressed in the Guidance. The Guidance must ensure that the permanence of the reservoirs considered in removals is at least equivalent to the duration of the emissions into the atmosphere the ITMO is used to compensate [or that of the reservoir the emissions were released from]. Thus, land-based removals could be used to compensate for land-based emissions, based on the potential equivalence of the reservoirs, or for methane emissions due to its short atmospheric lifetime. The A6.4 rules must ensure that removal activities from which credits are issued ensure the reservoirs are maintained over at least over a time frame comparable to fossil fuel emissions which they may be used to compensate. If the reservoirs cannot be maintained over such a period with a high likelihood, then temporary credit or other solutions to deal with permanence and reversibility should be issued. [WWF, 404]
- 325. **Paragraph 93.** Mechanism methodologies shall address reversals of removals and emission reductions using an approach consistent with the guidance on activities involving removals.
- 326. [FA, 382] proposes an additional sentence as follows (underlined): "Mechanism methodologies shall address reversals of removals and emission reductions using an approach consistent with the guidance on activities involving removals. Nevertheless, mechanism methodologies should limit reversals of removals and emission reductions by applying the ex-post tonne-year crediting method."
- 327. A discounting approach can be a viable option to ensure conservative emission reduction estimations and feasibility for project developers. A very simple solution would be to add some kind of "non-permanence factor" to the leakage emission factor to increase the project emissions. This factor can be based on data about natural disturbances and anthropogenic factors and might be validated by the DOE or provided by the crediting programme in form of default values. Buffer pool contributions, post-crediting monitoring, reversal-related notifications, corrective measures etc. would not be required since a

conservative share of reversals is already integrated and subtracted from the calculated emission reductions through the non-permanence factor. To address the identified non-permanence issues (they will vary depending on the activity and region) and argue for a reduced "non-permanence factor", project developers can include measures in the project design that reduce the likelihood of reversals for the activity. These measures (e.g. biomass residue palletisation and storage, reforestation, forest fire protection, wetland and ecosystem restoration etc.) should be defined in collaboration with the host government and local stakeholders to align with relevant national strategies and policies. Since these measures will be included in the project design and implemented on an ongoing basis, they have a prophylactic rather than a corrective character. [ATMO, 385]

- 328. ICVCM FA directly identifies categories where permanence requirements apply, including assessing reversal risk and measures to monitor and address it. Refer to ICVCM FA criteria 9.1 (a), (b) (1) and (c)(1). [ICVCM, 401].
- 329. Methodologies Transition: It is important to define specific rules for the transition of methodologies for removal projects. Both documents (Meths and Removals) have not yet made progress on specific issues regarding removals, particularly concerning the treatment of non-permanence and reversals, which remain unresolved. [BR, 408]
- 330. **Paragraph 94**. The Supervisory Body will develop further guidance regarding the application of the guidance referred to in paragraph 93 above.
- 331. No comment was received on this paragraph.

### 8. References<sup>6</sup>

Party or Group of Parties Submission Acronym Reference date number 15/04/2024 JP Japan 391 16/04/2024 GY 407 Government of Guyana 16/04/2024 Brazil (Government) BR 408 Submission by Belgium and the European 16/04/2024 EU 409 Commission on behalf of the European Union and its Member States 23/04/2024 The United Kingdom of Great Britain and UK 410 Northern Ireland Samoa on behalf of Alliance of Small Island 26/04/2024 **AOSIS** 411 States (AOSIS) 27/04/2024 The AILAC group of countries (Colombia, **AILAC** 412 Costa Rica, Chile, Guatemala, Honduras, Panama, Peru) 30/04/2024 Honduras on behalf of the Coalition for **CfRN** 413 Rainforest Nations 01/05/2024 Ukraine UKR 414

<sup>&</sup>lt;sup>6</sup> Call for input 2024 - Stakeholder interactions: Further input - Requirements for methodologies and activities involving removals | UNFCCC

Information note: Compilation and analysis of stakeholder inputs on the requirements for Article 6.4

methodologies Version 01.1

Submission	Stakeholder	Acronym	Reference
date			number
15/03/2024	Sky Harvest	SH	379
25/03/2024	SaveClimate Campaign	SCC	380
29/03/2024	Vinay Deodhar	VD	381
11/04/2024	Forair	FA	382
11/04/2024	44.moles	44M	383
12/04/2024	Negative Emissions Platforum	NEP	384
12/04/2024	Atmosfair	ATMO	385
12/04/2024	Government of Quebec	QB	386
12/04/2024	Conservation International	CI	387
12/04/2024	Rahul Goela	RG	388
12/04/2024	Rethinking Removals	RR	389
15/04/2024	Global Mangrove Trust Limited	GMT	390
15/04/2024	International Indigenous Peoples Forum on	IIPFCC	392
	Climate Change		
15/04/2024	Sylvera	SYLV	393
15/04/2024	Carbon Market Watch	CMW	394
15/04/2024	Indigenous Environmental Network	IEN	395
15/04/2024	Eric Arets and Sven van Baren	AvB	396
15/04/2024	Climate Secure	CS	397
15/04/2024	ORMEX	ORM	398
15/04/2024	ALLCOT	ALCT	399
15/04/2024	International and Comparative Law	ICLRC	400
15/04/2024	Research Center	ICVCM	401
15/04/2024	Integrity Council for Voluntary Carbon Market	ICVCIVI	401
15/04/2024	IETA	IETA	402
15/04/2024	YOUNGO Finance & Market Working	YNG	403
	Group		
15/04/2024	WWF	WWF	404
16/04/2024	American Petroleum Institute	API	405
16/04/2024	KOKO Networks Limited	KKN	406

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#### **Document information**

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#### **Related documents:**

Related documents:				
1 March 2024	A6.4-SB010-A05 - Information note: Further work on the methodological products for the Article 6.4 mechanism (v.01.0)			
17 November 2023	A6.4-SB009-A01 - Recommendation: Requirements for the development and assessment of Article 6.4 mechanism methodologies (v.01.1)			
7 November 2023	A6.4-SB008-A13 - Draft Recommendation: Requirements for the development and assessment of Article 6.4 mechanism methodologies (v.09.1)			
16 October 2023	A6.4-SB008-AA-A14 - Draft Recommendation: Requirements for the development and assessment of mechanism methodologies (v.08.0)			
14 September 2023	A6.4-SB007-A06 - Draft Recommendation: Requirements for the development and assessment of mechanism methodologies (v.07.0)			
1 September 2023	A6.4-SB007-AA-A10 - Information note: Compilation of responses to the call for input titled "Structured public consultation: Further input – requirements for the development and assessment of mechanism methodologies"  A6.4-SB007-AA-A11 - Concept note: Methodological elements in the draft recommendation on requirements for the development and assessment of mechanism methodologies			
	A6.4-SB007-AA-A12 - Draft recommendation: Requirements for the development and assessment of mechanism methodologies			
5 July 2023	A6.4-SB006-AA-A08 - Draft recommendation: Requirements for the development and assessment of mechanism methodologies			
3 June 2023	A6.4-SB005-A01 - Information note: Guidance and questions for further work on methodologies requirements (v.01.0)			
17 May 2023	A6.4-SB005-AA-A07 - Information note: Draft elements for the recommendation on requirements for the development and assessment of mechanism methodologies (version 01.0)  A6.4-SB005-AA-A08 - Information note: Compilation of public inputs in response to the "public consultation: Requirements for the development and assessment of mechanism methodologies" and related literature (version 01.0)			
10 March 2023	A6.4-SB004-A03 – Information note: Guidance and questions for further work on methodologies			
21 February 2023	A6.4-SB004-AA-A10 - Draft recommendation: Requirements for the development and assessment of mechanism methodologies (version 3.0) (Zip file: Appendices 1 - 4 to Annex 10)			
7 November 2022	A6.4-SB003-A04 – Information note: Status of current work on the application of the requirements referred to in chapter V B (Methodologies) of the rules, modalities and procedures (version 1.0)			
25 October 2022	A6.4-SB003-AA-A05 – Draft recommendation: Requirements for the development and assessment of mechanism methodologies (version 2.0)  A6.4-SB003-AA-A06 - Information note: Requirements for the development and assessment of mechanism methodologies (version 2.0)			
12 September 2022	A6.4-SB002-AA-A07 - Draft recommendation: Requirements for the development and assessment of mechanism methodologies (version 1.0)  A6.4-SB002-AA-A08 - Information note: Requirements for the development and assessment of mechanism methodologies (version 1.0)			

#### A6.4-SBM012-AA-A01

08 July 2022	A6.4-SB001-AA-A06 - Concept note: Guidelines for implementation of
	methodological principles, approaches, and methods for the
	establishment of baseline and additionality (version 1.0)