

Call for input 2022 - activities involving removals under the Article 6.4 Mechanism of the Paris Agreement.

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To: Supervisory-Body

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Call for input 2022 comment on Annex 5 und 6.pdf
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Dear Supervisory-body,

We are pleased to be able to send you our views and assessments on the subject of carbon removal. To our regret, engineered timber in construction has not been described in Annex 5 and 6. For this reason, we would like to emphasize that engineered timber in construction as listed in the concept note of 08.07.2022 will be processed as a removal activity in a section. With this, the right levers can be moved, and the incentives are directed to the right stakeholders.

We thank you for your attention to our comments. If you have any questions regarding engineered timber in construction, please do not hesitate to contact us. We are happy to get involved in the refurbishment of an engineered timber in construction removal activity.

Best,
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Call for input 2022 – Activities involving removals under the Article 6.4 Mechanism of the Paris Agreement

We would like to note a **general observation to Annex 5 and Annex 6**

- In the concept note "Removal activities under the Article 6.4 Mechanism" of 08.07.2022, the different removal activities were presented, including timber in construction. In Annex 5 and 6 all removal activities are not presented. Only land-based removal and geological storage of already removed carbon are described. Timber in construction isn't mentioned in any of those two publications.
- Timber in construction should refer to engineered timber in construction. The innovative processing of wood allows the new use in the structure of buildings from 1 to 100 floors. The processing alone to engineered timber is highly complex and requires high investments. With the use in load-bearing structures it can achieve long lifetime of at least 80 years and longer.
- The use of engineered timber in the load-bearing structure reduces the CO₂ emissions of buildings and at the same time stores CO₂. The industry already exists and can be scaled immediately, but it requires capital and incentives for building owners to build in engineered timber.
- Increasing the use of wood affects the forests. These must be protected by safeguards. It should be noted, however, that engineered timber in construction is to be assigned to the building sector and not land-based removals (as already described in the concept note "Removal activities under the Article 6.4 Mechanism"). For this reason, the baseline must be defined in the building, as this is where the long-term storage takes place.
- It is appropriate that engineered timber in construction is also treated as geological storage of achieved carbon stocks in a coming section.

Generic comments on Annex 5:

Section: 1.3 Accounting

19. "Mechanism methodologies shall require that net removals achieved by a removal activity are equal to carbon stock achieved by the activity minus the baseline carbon stocks, minus emissions attributable to implementation of the activity, minus any leakage emissions."

Comment: Engineered timber in construction has a removal activity through the engineered process of timber and long-term storage in the building. Additionally, it reduces the emissions of constructions by substituting emission-intensive materials. Therefore, the emissions due to activity implementation should not be accounted to the carbon stock, but rather in the emission reduction quantification.

Appendix 1. Additional requirements to be met by land-based removal activities. 2. Addressing reversal 4. "Mechanism methodologies shall require that:" (c) "A permanence period of [40][50][60][100] years shall be applied;"

Answer / comment: Regarding the lifetime of buildings by building code at least 60 years and resp. the lifetime of at least 80 years, we recommend adding 80 years of a permanence period.

Generic comments on **Annex 6** (Information note: Removal activities under the Article 6.4 mechanism V01.0):

Section: 4.8 Long-term carbon storage methods in removal activities

General comment: Durable wood products as described in 212, are wood products from the sawmill and do not include any further processing that allows the wood to be used in structural construction. Furthermore, durable wood product doesn't provide proof of long-term carbon storage in construction. For this reason, a distinction between durable wood products and engineered timber is essential. Also, the long-term storage occurs at construction site and the investment decision is taken by the institutional investor. The incentive of carbon credits must take place on investors side, to drive the demand and resp. increasing the carbon stock in the built environment.

4.8.4 Removal activity with storage in durable products. Paragraph 220 "The emissions associated with the establishment of the plantations and the energy consumed to drive the CCS system as well as emissions associated with transportation are not included in the simulation. If significant, these will have to be deducted from the credits shown in the example."

Comment: As for engineered timber in construction the transportation emission is depending on the origin of the source. The focus should shift to using national and/or regional sources and if importing occurs the transportation emissions should be accounted, and resp. deducted from the credits.

Additionally, we would like to note that:

- Engineered timber or mass timber in construction must focus on the load-bearing structures to assure long-term storage. For this reason, we and the industry would like to emphasize that there must be taken a distinction between durable wood products and engineered timber as it is described in the concept note from 08.07.2022. Long-lasting storage and increasing carbon storage in the built environment are essential.
- We recommend to that engineered timber in construction is handled just like geological storage BECCS or DACCS to set the right incentives. This would include a section for engineered timber in construction. It's crucial for the mass timber industry that the barriers are tackled, and the mechanism moves the right levers.
- It has to be noticed that timber in construction is not represented in these Annexes. It was not possible to provide some technical input. But, from studying the other sections and technologies, there is potential to apply the described methods for accounting, monitoring, etc. to engineered timber in construction.
- It is critical that there will be a link between the compliance and voluntary markets. This provides a scale effect of engineered timber in construction and concluding from this a long-term carbon storage in the built environment and emission reductions from substituting

emission-intensive construction materials. Furthermore, it provides environmentally friendly housing over the globe and can reach incredible carbon storage effects.