

To the Article 6.4 Supervisory Body,

Thank you for the opportunity to provide comment on the annotated agenda and related annexes of the fifth meeting of the Article 6.4 Supervisory Body. Aspiration is a climate finance company that delivers high-quality carbon assets to businesses, governments, and people around the world to help them achieve their climate goals. Our submission pertains specifically to the following document: A6.4-SB005-AA-A09 - Information note: Removal activities under the Article 6.4 mechanism.

Land-based vs Engineering-based Solutions

As one of the world's largest funders of high quality nature-based carbon removal projects, we support and echo many of the conclusions regarding the importance of investing in and scaling credible ecosystem restoration projects to the maximum extent possible. However, the document's framing of land-based solutions and engineering-based solutions as being in competition with, or in opposition to, each other is not helpful, and lacks nuance.

- Land-based solutions, if designed and implemented poorly, can also lead to negative outcomes. The unstated assumption that all land-based solutions would have positive effects on the ecosystem and biodiversity does not bear out in reality. Similarly, the unstated assumption that all engineering-based removals are unproven and have no sustainable development impacts is overly simplistic and reductive.
- The line between engineering-based and land-based solutions is increasingly blurred. For instance, biochar is considered in many circles to be an engineering-based activity, but is listed as land-based in the information note. Similarly, ERW and BECCS are listed in the note as engineering-based activities, but the IPCC has previously described both as land-based.
- It is not true that engineering-based removals do not contribute to sustainable development. They are already addressing SDG 1 (No Poverty) and 8 (Decent Work and Economic Growth) through employment opportunities, while increased yields from land in ERW projects addresses SDG 2 (Zero Hunger). Projects that convert CO₂ into materials and in particular building materials address SDGs 11 (Sustainable Cities and Communities) and 12 (Responsible Consumption and Production). Above all, and most obviously, they contribute to SDG 13 (Climate Action).

- The conclusion that engineering-based removal activities are “not suitable for implementation in the developing countries” is not credible and is in fact a biased conclusion that must be explicitly challenged. As stated above, engineering-based removals contribute to many sustainable development goals, and are meaningful tools for attracting investment dollars. Geology, climate, supply of natural resources, and other ecological criteria are more important for the viability of engineering-based removal investment than is the country’s development classification. As an example, Kenya is a great location for DACCS because the geology of the Rift Valley provides plentiful renewable geothermal energy and the right rock type to mineralize CO2 injected underground. Similarly, India has the world’s largest deposit of basalt, which is the most common mineral used for enhanced weathering – 30% of India’s soil is acidic and would benefit from the addition of basalt.

Tonne-year Accounting vs Tonne-based (or Tonne-tonne) Accounting

The promotion of tonne-year accounting as a viable alternative to tonne-based accounting is a welcome one, with further study into appropriate discount factors and conversion rates for credible tonne-year accounting warranted. Rather than proceeding with a recommendation regarding the use of one method or the other (or any variant), projects should have clarity around the pros and cons of using method one or the other, with clear accounting guidelines for how to convert between the two with equivalence. As tonne-based accounting has been market-tested and the challenges fairly well understood at this point, Aspiration recommends a similar thoughtful approach towards market testing tonne-year accounting so that appropriate guardrails can be put in place to ensure credibility.

- There must be minimum time frames not only to allow co-benefit impacts to develop, but also to ensure that there is sufficient time to build a credible counterfactual baseline scenario and establish the feasibility of such a baseline. This should be tailored to the project type and activity in question.
- There must be additional safeguards in place to promote the permanence and sustainability of the given project type in order to not only prevent the reversal of sequestered carbon, but also to prevent further emissions release and degradation beyond the original baseline scenario, in alignment with a net-zero economy.

Ownership of Carbon Reductions

While the ownership of carbon reductions can certainly be complex due to capture and storage being separate activities, it is not the intractable problem it is characterized as in the information note. Storage of CO2 captured from point sources or from the atmosphere is already happening,

and many projects to do the same are close to being operational. In all those cases the ownership of CO2 reduction is not an open issue as there are contracts between all actors in the chain making it clear who has ownership of the reduction.

It is also not a problem unique to engineering-based removals, the same questions could be posed of an ARR project. There are a number of actors involved: the landowners, the seed bank, the tree planters, the community monitoring the project, and the financier to name but a few. Realization of removals requires investment by all these actors but ARR projects have managed to navigate the ownership of CO2 removal perfectly well for over 20 years so there is no reason why it cannot be the same for engineered removals.

Thank you for your consideration of these comments.

We look forward to the continued progress and development of Article 6.4.

- Aspiration