



Carbon Market Watch inputs on SBM023 annotated agenda and related annexes

Brussels, 28 September 2026

Dear Members and Alternate Members of the Article 6.4 Supervisory Body,

Carbon Market Watch welcomes the Call for Input for the annotated agenda and related annexes of the 23rd meeting of the Article 6.4 Supervisory Body. We would hereby like to submit input on the following documents, included under agenda item 3.4:

- [A6.4-MEP016-A07 Draft methodological tool: Reversal risk assessment \(version 02.0\)](#)
- [A6.4-MEP016-A04 Information note: Analysis of matters raised by the Supervisory Body at its 22nd meeting](#)
- [A6.4-MEP016-A03 Draft mechanism methodology: Energy efficiency measures in household cooking \(version 03.0\)](#)
- [A6.4-MEP016-A01 Draft mechanism methodology: Cooking energy transitions \(version 02.0\)](#)

We appreciate the detailed work of the Methodological Expert Panel (MEP) on the important reversal risk assessment tool, as well as its efforts in drafting the two cookstove methodologies and the information note, which provides thorough detail and compelling evidence in support of addressing non-permanence in clean cooking activities that reduce the consumption of non-renewable biomass.

While these recommendations contain positive elements and new approaches that represent a clear improvement and a step towards a Paris Agreement Crediting Mechanism (PACM) with higher integrity, we note that some elements could be further strengthened. Important policy decisions will be addressed at the 23rd meeting of the Supervisory Body, and we urge the Supervisory Body to take decisions that contribute to building a

mechanism that facilitates the achievement of the long-term goals of the Paris Agreement. We also urge the Supervisory Body to follow the recommendations of its technical expert panel and to adopt these documents without weakening any of the provisions that safeguard environmental integrity.

General comments

Regarding the draft Reversal Risk Assessment Tool, we welcome the MEP's approach of grounding the determination of natural reversal risk factors in peer-reviewed and empirically based science. This departure from the approaches used by other carbon crediting programmes is much needed, as buffer pools on the voluntary carbon market have been found to be [substantially undercapitalised](#), introducing significant permanence risks. By adopting the MEP's recommended approach, the Supervisory Body has the opportunity to bring about a paradigm shift, not only for the PACM but also for carbon crediting standards more broadly.

We still find significant problems in how the PACM addresses permanence overall, but those limitations stem from certain decisions made in the adopted "Standard: Addressing non-permanence and reversals in mechanism methodologies". Most importantly, the 100-year time horizon adopted is inadequate, as a CO₂ storage period of less than [1,000 years](#) is insufficient to neutralise remaining fossil CO₂ emissions under net-zero frameworks. This point is relevant to the choices the Supervisory Body is now called upon to make at its upcoming meeting. Given that the adopted 100-year time horizon sets the bar for permanence far below what is required, we request the Supervisory Body to prioritise integrity and stringency in the choices it is now called upon to make. Consistently opting for a more rigorous, conservative approach is justified and not overly conservative. Any risk of overestimating reversal risk would, if anything, only compensate for the inadequacy of the 100-year time horizon, and is preferable to approaches that allow for greater uncertainty and leave a significant risk of underestimating reversals.

Regarding the two cookstove methodologies recommended for adoption, Carbon Market Watch welcomes the introduction of accounting for non-permanence risks for activities that reduce the consumption of non-renewable biomass, and of the mandatory use of stove use monitors (SUMs), which should both be retained. We appreciate the clarifications provided by the MEP in the information note that quantifying emission reductions via carbon fluxes is scientifically equivalent to measuring carbon stocks, as has also been pointed out by Isabel Haase ([Permanence in the Carbon Crediting Market: Why the Stock-Flow Debate Misses the Point](#), Net Zero Lab). This requirement is in line with the "Standard: Addressing non-permanence and reversals in mechanism methodologies", where paragraph 6(a)

applies to activities that increase carbon stocks or reduce their loss relative to the baseline. Footnote 4 of the standard expressly includes activities that reduce the consumption of non-renewable biomass, such as cookstove activities, within this scope. We also welcome the immediate cancellation of units upon transfer to the reversal risk buffer pool account, an important safeguard for the integrity of these provisions.

Finally, we want to stress that the alternative policy options evaluated in the appendix to the information note are not effective alternatives for addressing reversal risks. Rather than guaranteeing the permanence of emission reductions, they would create loopholes around the existing rules and, in several cases, require weakening CMA decisions and standards previously adopted by the Supervisory Body. The only course of action that safeguards the environmental integrity and reputation of the mechanism is for the Supervisory Body to proceed with the approach recommended by the MEP.

Please find our more detailed comments on each document in the tables below.

Draft methodological tool: Reversal risk assessment (version 02.0)

Reference	COMMENTS
Section 5.1.2 Human-induced reversal risks Section 3.5.4 Recommendations on the selection of human-induced reversal risks and reversal risk reduction factors	With regard to the choice of the human-induced reversal risk factor, we support the MEP's approach of selecting a single default parameter, as assigning national- or multi-national-level trends would introduce additional uncertainties. We invite the SBM, in its decisions on the value of the gross human-induced risk factor and on the value to be assigned to the mitigation factors, to make a conservative choice and to follow the recommendations on the selection of human-induced reversal risk factors and reversal risk reduction factors outlined by the MEP. Above all, the SBM must not combine the lowest risk factor (20%) with the highest mitigation factors (80%). An 80% reduction of a 20% risk leaves a human-induced risk rating of just 4% ($20\% \times 0.2$). This is unrealistically low, as outlined by the MEP. We would like to add some further reflections, which we request the SBM to consider when making its choice. The 45% ceiling chosen for the human-induced reversal risk factor sits below the roughly 50% loss over 100 years extrapolated from historical data. The selection of this range therefore already contains an implicit optimistic assumption, as the MEP assumes that deforestation will decline. The range is made even more optimistic because it does not reflect the MEP's own observation that areas where cooking fuel is harvested, near settlements and roads, may face "significantly higher" losses than the national average.

	We also want to caution against assuming high mitigation. The MEP itself acknowledges that it found no evidence on how effective the actions that trigger the mitigation factors are. The reversal risk reduction factors are not based on outcomes; they are based on measures being in place, and having a strategy in place does not necessarily guarantee its implementation. On a side note, we would like to flag to the SBM two incorrect cross-references in paragraph 65 of the cover note: the reference to "paragraph 50" should probably be to paragraph 49, and the reference to "paragraph 0" should probably be to paragraph 48.
Appendix 2	We would like to draw the Supervisory Body's attention to a concern we raised in our submission on version 1 that remains unaddressed. The historical component of the natural risk analysis risks underestimating total reversals. This is because of the methodological choice not to count as a "reversal" any observed carbon loss event that reduces carbon stocks by less than 10%. We appreciate the MEP's explanation that the 10% threshold reflects a technical consultant's expert judgment on how best to identify "true" reversals and avoid false positives, contained in the Cover Note of the draft. However, we urge caution. The MEP itself acknowledges that leaving out low-severity disturbance events likely underestimates reversals as the Reversals Standard defines them.

Draft mechanism methodology: Cooking energy transitions (version 02.0)

Reference	COMMENTS
Section 3.1 Applicability conditions, Section 6.3.1. Analysis of lock-in risk	CMW does not welcome the inclusion of LPG cookstoves among the eligible lower-emission household cooking energy solutions and recommends excluding them from the scope of this methodology. Using carbon credits to support greater LPG use may reinforce dependence on LPG supply chains and patterns of fossil-fuel consumptions that go beyond the lifetime and replacement of individual devices. We would like to draw the Supervisory Body's attention to paragraph 10 of the cover note, which explicitly refers not only to the risk of locking in the use of fossil fuels, but also to the related infrastructure. In addition, the emission reductions generated under this methodology can be used towards another Party's NDC or for other international mitigation purposes. Activities that introduce reliance on fossil fuels should not generate transferable emission reductions. This is all the more important given that the methodology is required to ensure alignment with the long-term goals of the Paris Agreement, as explicitly stated in paragraph 33 of the RMPs for the mechanism established by Article 6.4 of the Paris Agreement. If LPG cookstoves are retained as eligible under this methodology, we request the Supervisory Body to maintain the technical safeguards included in the methodology for projects introducing the use of LPG cookstoves, such as for example the exclusion from the simplified additionality pathway.

Draft mechanism methodology: Energy efficiency measures in household cooking (version 03.0)

Reference	COMMENTS
Section 7.5.1. Downward adjusted baseline emissions in subsequent years	We request the Supervisory Body to not allow an exception to applying a downward adjustment and to select Option 2, proposed by the MEP. As reflected in the RMPs and in the Baseline Standard, the downward adjustment serves to align with the goals of the Paris Agreement and to encourage increasing ambition over time. We understand the motivations for the exemption outlined by the MEP, and the positive co-benefits this methodology brings. However, these co-benefits cannot come at the cost of Article 6.4 activities contributing to increased climate ambition over time. What these considerations instead suggest to us is a tension between climate ambition and co-benefits, which raises doubts about whether carbon crediting is in fact the most appropriate way of funding cleaner cookstoves, especially since the ensuing credits will be used to achieve buyer country NDCs and other compliance obligations.

Section 7 Baseline
Scenario, Section 7.4
Calculation of
unadjusted baseline
emissions

We welcome the inclusion of mandatory physical monitoring via SUMs and we request it to be retained at least and strengthened ideally. The further postponement of mandatory measurements via SUMs until 2029 represents an additional delay compared with the previous version of the methodology. We request the Supervisory Body to make SUMs mandatory from 1st of January 2027.

We acknowledge that projects may require some time to procure and implement SUMs. However, the proposed transition period is unjustifiably long. We reiterate that safeguarding the environmental integrity of the mechanism should remain the Supervisory Body's primary consideration, and continued reliance on survey usage claims risks seriously undermining it. Allowing survey-only monitoring to continue for several more years introduces a significant risk to the environmental integrity of the credits obtained with this methodology as survey-based reporting remains fundamentally flawed due to social desirability bias, where recipients of free or subsidised stoves are prone to over reporting usage when asked once-off if they have used the stove at all by the organisation that provided the stove. At a time when real world usage rates hover around [52-55%](#) (Gill-Wiehl et al. 2024. Pervasive over-crediting from cookstove carbon offset methodologies. <https://www.nature.com/articles/s41893-023-01259-6>), allowing survey-only to claim rates of up to 90% usage rates is far from conservative, suggests an actual overcrediting risk, and does not create genuine incentives for SUMs deployment.

We request that if survey-only methods are permitted, they be subject to a conservative cap of 50%, regardless of customer support actions. As highlighted by academic researchers in previous submissions, requiring proof of customer contact cannot justify maintaining a 90% cap, does not prove high usage rates, and disincentivises the immediate deployment of physical Stove Use Monitors (SUMs)

Section 14. Monitoring requirements

We recommend further strengthening these provisions and mandating annual KPTs, ideally conducted quarterly as proposed by Gill-Wiehl in [previous submissions](#). Requiring KPTs only once every two years does not constitute sufficiently robust monitoring and creates a serious risk of over-crediting. KPTs should instead be conducted quarterly to capture seasonal variations in fuel use. Identifying seasonal patterns through pre-activity surveys and scheduling KPTs to avoid periods affected by seasonal factors cannot replace direct measurements across different seasons. Annual quarterly KPTs would provide a more representative picture of fuel use throughout the year and help minimise the risk of over-crediting resulting from measurements taken during a limited period.

Contact

Federica Dossi

Policy Expert, Global Carbon Markets

federica.dossi@carbonmarketwatch.org

Chris Zisis

Policy Assistant, Global Carbon Markets

christoforos.zisis@carbonmarketwatch.org