

Agenda item 3.4 (a)

Paragraph 15 of the annotated agenda, Annex 8

Draft standard: Requirements for activities involving removals under the Article 6.4 mechanism

Article 6.4 Supervisory Body – Fourteenth meeting

Baku, Azerbaijan, 5 to 9 October 2024



Procedural background

- The CMA by its decision 3/CMA.3 requested the Supervisory Body to elaborate and further develop, on the basis of the RMP, recommendations on activities involving removals, including appropriate monitoring, reporting, accounting for removals and crediting periods, addressing reversals, avoidance of leakage, and avoidance of other negative environmental and social impacts, in addition to the activities referred to in chapter V of the RMP (Article 6, paragraph 4, activity cycle).



Procedural background

- SBM 013 considered the information note “Options to revise the recommendation on activities involving removals under the Article 6.4 mechanism, taking into account stakeholder inputs”.
- SBM 013 requested the secretariat to update the recommendation contained in annex 2 of the meeting report of the SBM009, taking into account stakeholder inputs and feedback from the Supervisory Body provided at its 13th meeting, in consultation with the SBM informal working group.



Procedural background

- Due to the nature of changes and feedback now included, and to correctly apply the document hierarchy, the document type has been amended from ‘recommendation’ to ‘draft standard’ to reflect its regulatory function.



Purpose

- To facilitate the SBM's consideration:
 - The document builds on and replaces the document developed by the SBM at its ninth meeting (i.e. A6.4-SB009-A02);
 - The document takes into account the inputs from the Parties and other stakeholders, and guidance from SBM 013;



Key issues and proposed solutions

- Secretariat paraphrased and grouped information in submissions and oral interventions. Despite best efforts, some relevant information may have been unintentionally omitted or not correctly represented;
- Text requiring the particular attention of the SBM is highlighted in **yellow**;
- The numbering of options does not represent a hierarchy (e.g. option 1 is not necessarily preferred over option 2);
- Square brackets are used to indicate sub options. Curly brackets are used to include explanatory text;



Key issues and proposed solutions

- Text without highlights indicates either the text is unchanged compared to the previous version of the document (i.e. A6.4-SB009-A02) or the text where no further disagreement among the informal working group was identified;
- Text in **gray** indicates paragraphs or sentences which pertain to further work of the SBM and is proposed for deletion in the main text body since these elements have been incorporated in the section “subsequent work and timelines” of the cover note;
- Some sentences or phrases are square-bracketed but with no alternative text proposed; the alternative in that case is “no text” on the issue.



- **As a result of the re-numbering, re-ordering and merging of sections and paragraphs, a paragraph-by-paragraph comparison with the previous version may not be expeditious.**
- Related products are also being considered by the MEP as mandated by the SBM (e.g. the standard on non-permanence/reversals, the standard on leakage).



Key issues and proposed solutions

- Following sections and paragraphs may need particular attention of the SBM:
 - a) 2.2 Definitions: paragraph 8;
 - b) 3.2 Reporting: paragraphs 20–26;
 - c) 3.3 Post-crediting period monitoring and reporting: paragraph 30;
 - d) 3.4 Accounting for removals: paragraphs 32, 34–35;
 - e) 3.6.1 Reversal risk assessment: paragraphs 38, 40–41;
 - f) 3.6.2 Reversal-related notifications and actions: paragraphs 44–50;
 - g) 3.6.3 Remediation of reversals: paragraphs 53–59;
 - h) 3.9 Host Party roles: paragraph 66.



Inputs to the SBM annotated agenda to the Annex 08

A total of 9 inputs were received

- Dr Annette Cowie
- GHG Offset Services
- New Forests Asset Management
- Drax Corporate Limited
- Charm Industrial
- Osservatorio Parigi
- Women and Gender Constituency
- SilviCarbon
- Swiss Lenten Fund



Highlights of the inputs

- Document scope/ consistency: e.g. if ER activities are covered, this should be in the title, and be consistently reflected in the text;
- Cross-document consistency: e.g. repeating requirements in ASP; post-crediting monitoring in the SD tool; cross-referencing tools vs standards: risk assessment tool;
- Definitions / terminology: e.g. consistency with Convention/ National GHG inventory/ IPCC definitions; clarity of definitions;
- Monitoring: e.g. monitoring burden; monitoring for issuance vs reversal monitoring vs monitoring of negative impacts; monitoring duration: termination, years;
- Reporting: e.g. reporting burden; frequency; reporting for different purposes;



Highlights of the inputs (2)

- Accounting: e.g. definition vs stepwise procedure; clarity/ complexity: removal and emission; relation to reversal;
- Reversal and its remediation: e.g. double burden: pool and beyond, uncapped liability; reversal: relation to re-capture/re-growth; emissions: as reversal vs project emissions; risk of business closure: not covered;
- Reversal notification: ‘potential event’: overly burdensome, clarity/ implementability;
- Buffer pool: e.g. pool be made an adequate solution; pool to cover post-crediting period also; ‘holding’ vs cancellation of A6.4ERs in the pool (cases of recoverable reversals).



Recommendations to the Supervisory Body

- The SBM may wish to consider the document, make any modifications as appropriate, and **adopt the “Standard: Requirements for activities involving removals under the Article 6.4 mechanism”**.



Thank you!

