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Sent: Monday, 10 October, 2022 23:49
To: Supervisory-Body <Supervisory-Body@unfccc.int>
Cc: Alexis Leroy <all@allcot.com>; Sergi Cuadrat Dieste <sc@allcot.com>
Subject: Call for input 2022 - activities involving removals under the Article 6.4 Mechanism of the Paris Agreement

Dear Supervisory Body,

Please find attached for your consideration ALLCOT's submission with inputs related to A6.4 land-based removals.

We would be happy to answer any questions you may have.

Thank you,
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Call for inputs 2022
Activities involving removals under the Article 6.4 Mechanism of
the Paris Agreement

Inputs on Land-Based Removals

Submitting organization: ALLCOT
Date: Oct 10, 2022

If you'd like to know more about our submission please contact us at: jf.ch@allcot.com

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Organization of inputs

Our recommendations to the SB are informed by the following documents:

- In-meeting working document on "Recommendations for activities involving removals under the Article 6.4 mechanism"
- Draft recommendation: Requirements for the development and assessment of mechanism methodologies pertaining to activities involving removals (as Annex 5 to the SB002 annotated agenda)
- Information note: Removal activities under the Article 6.4 mechanism (as Annex 6 to the SB002 annotated agenda)

These documents address roughly the same topics but include different elements. Our recommendations consider all documents and are organized by topic.

Relevant precedent

Before getting into technical matters, we'd like to highlight that the SB **should draw from previous experience** under the UNFCCC –and outside the UNFCCC– to inform the required guidance for A6.4 removals.

We believe **current texts for A6.4 removals are disconnected from COP decisions** for REDD+ (for which removals are eligible). COP decisions for REDD+ set out guidance and procedures for setting reference levels that include removals, MRV provisions, guidelines for technical assessments, requirements for consistency with National GHG Inventories and IPCC methods, and provisions for reporting environmental and social safeguards.

Further, we have **gained experience with multilateral programs** such as the GCF REDD+ Result-Based Payments Request for Proposals and the FCPF Carbon Fund regarding rules and requirements relevant to removals. Other methodological standards such as ART-TREES, Tropical Forest Standard, VCS Jurisdictional Nested REDD+, and others, include methodological provisions that have been widely consulted and may help the SB improve guidance for A6.4 removals.

Our main message is that the **SB is not starting from scratch**.

Overview of our recommendations

Overall, the texts being consulted by the SB assume that removals should be estimated based on baselines defined in terms of C fluxes. We'd like to propose an **alternative approach**, in line with IPCC guidelines and guidance, that may simplify **monitoring, reporting and accounting**. We provide more details in the sections below.

Also, we believe that the texts fall extremely short in their requirements and guidance on **avoiding negative environmental and social impacts**. This is not surprising considering that the annex to decision 3/CMA.3 states that A6.4 activities “minimize, and where possible, avoid negative environmental and social impacts”. This approach will not result in sustainable (permanent) mitigation outcomes. We propose that it is insufficient to “minimize impacts, if possible”. Further, Local Communities and Indigenous Peoples (LCIPs) should not simply be consulted, but **take ownership of A6.4 activities in a larger framework of local sustainable development**.

Considering the goal of the A6.4 mechanism outlined in Article 6.4 of the Paris Agreement, *i.e.* to “contribute to the mitigation of greenhouse gas emissions and support sustainable development”, we strongly suggest the **SB to take a completely different approach** in how host countries and activity proponents should engage with LCIPs. In our recommendations below we propose a framework for helping address this structural issue. Additionally, we believe that **full engagement and ownership of LCIPs will help address the issue of non-permanence**.

Our suggestion for estimating and crediting removals

We agree with the Information Note that the estimation of C stock changes should be **based on carbon stocks** measured over time. With multiple measurements of C stocks, it is easy to estimate C stocks changes with low uncertainty. This simplifies accounting and allows crediting to take place where C stocks increase.

We discourage the SB to adopt baselines in terms of C stock changes or removals (whether they are already increasing or decreasing). This introduces great complexity in the accounting as annual or periodic (e.g. 2-3 yrs) C stock changes have **higher uncertainty** associated with them.

Our proposal is inspired by the **Stock Difference Method in the IPCC guidelines** for the estimation of C stocks changes over the timeframe of the removals activity. Based on the equation below, removals are estimated by converting ΔC to CO₂ using the stoichiometric factor for CO₂ (44/12), minus any deductions for leakage, etc.

EQUATION 2.5
CARBON STOCK CHANGE IN A GIVEN POOL AS AN ANNUAL AVERAGE DIFFERENCE BETWEEN ESTIMATES AT TWO POINTS IN TIME (STOCK-DIFFERENCE METHOD)

$$\Delta C = \frac{(C_{t_2} - C_{t_1})}{(t_2 - t_1)}$$

Where:

ΔC = annual carbon stock change in the pool, tonnes C yr⁻¹

C_{t_1} = carbon stock in the pool at time t_1 , tonnes C

C_{t_2} = carbon stock in the pool at time t_2 , tonnes C

Reference: page 2.10, 2006 IPCC guidelines.

This approach implies that removals may be credited even if the C stocks were already increasing – since what matters is the CO₂ absorption that occurs. However, only those removals that occur during the crediting period would be credited. This requires a flexible approach to our traditional concept of additionality. However, we believe this to be acceptable because our proposed method is based on “**what the atmosphere sees**”, *i.e.* only increases in C stocks can be credited as are removals under A6.4.

In this respect, we don’t agree with para. 63 in the Information Note on “quantified baselines are based on the quantified projection of the growth or decline of the carbon stocks over time.” We propose that **baselines are defined as the C stocks at the beginning of the crediting period** within the activity boundary.

Our proposed approach also prevents crediting removals in areas where C stocks are declining, *i.e.* in case that activity participants are able to reduce the rate of such losses. This is important to avoid because the mechanism may credit “removals” in areas where C is being lost. This does not follow the principle of **environmental integrity** as the atmosphere is actually perceiving emissions.

With this proposed approach in mind, we’d like to clarify a few additional issues.

Definition of removals

We should keep in mind that the goal is to **reduce the concentration of GHGs in the atmosphere**. Considering this, we believe that the definition of removal activities should point to CO₂ being removed from the atmosphere, *i.e.* without a reduction in the concentration of CO₂ in the atmosphere there are no removals taking place.

We noted that the documents being consulted by the SB require that removal activities are directly caused by humans. We understand this rationale, but we would like to highlight that there is a **very wide range of “human intervention”** leading to CO₂ uptake. For example, a community may plant trees as part of agroforestry systems – which involves direct human intervention. In the case of a government passing a law to protect lands in regeneration, human intervention may be less direct, however, since removals are taking place in both examples, we propose that these too may be eligible under A6.4.

Our recommendations seek to be **less restrictive in terms of the areas where A6.4 removals may be credited**, as long as there real CO₂ absorptions taking place. We believe this is exactly what we’re trying to promote through the A6.4 mechanism.

Monitoring

As described above, we propose that the monitoring of removal activities **should be based on the quantification of carbon stocks**. We suggest the SB to require adherence to the **IPCC guidelines and guidance**, which describes in more detail the best available methods. Further, we suggest the SB to define the principles for monitoring, e.g. accuracy, completeness, consistency, transparency, etc, in line with the IPCC guidelines and guidance.

Additionally, we agree with the documents that **field measurements are important**, especially at the beginning and at the end of the monitoring period to capture the totality of C stock changes, and that these estimations should be verified.

In relation to discounts due to uncertainty, firstly we believe this is not a monitoring consideration but an accounting issue, and that it should be relocated. On this matter we would like to clarify that applying conservative default factors to address uncertainty **assumes that the estimate of uncertainty reflects systematic errors**. However, almost always, the estimation of uncertainty mostly reflects random errors, *i.e.* normal variation of C stocks due to inherent natural conditions. This variability is usually mid-high for land-based removals and this is normal.

Therefore, we propose to the SB that activity proponents shall follow IPCC guidelines and guidance to reduce any systematic error in the estimation of C stocks at times 1 and 0, and to report uncertainties, **without the need for adjusting the final removals estimate based on uncertainty**. This would result in a loss of accuracy and create an artificial reduction of eligible A6.4 removals. Rather, the estimation of C stocks shall be technically assessed to ensure there is no bias in the estimates.

On the frequency of monitoring, we propose that **two “full” measurements are conducted encompassing the full crediting period**. “Simplified” monitoring, *i.e.* remotely-sensed forest cover should be allowed within the crediting period to ensure permanence and to understand if corrective actions are needed. In case the activity proponent seeks to verify removals before the

conclusion of the crediting period, then a second “full” measurement should be conducted to estimate C stock changes and, from this, removals.

Reporting

Reporting “records and logs of events or incidents” during the crediting period is **unnecessary in light of the method we propose to estimate removals**. Since removals are estimated based on the measured carbon stocks at time 1 - time 0, any C fluxes in between (due to disturbances, events or incidents) would be captured in the final estimation of total C stock changes. We highlight this because documenting records, logs and providing a “summary of reversals notifications...” is costly and does not affect the final estimate of removals.

Reporting any “events or incidents” becomes more important after the crediting period, to ensure permanence of A6.4 removals. Since this is costly, we propose that A6.4 removal activities occur **within local sustainable development plans, led by LCIPs**, so that longer-term monitoring provisions are in place to track and counter any drivers of reversals (you can read more about our suggestions to engage LCIPs [below](#)).

Addressing reversals

The documents being consulted describe a few sophisticated techniques to address the risk of reversals. We believe that there is no amount of sophisticated accounting that can substitute the need to **engage with local communities, indigenous peoples and other land-owners and stewards, in a manner that grants sustainability** to A6.4 removal activities.

In the next section we propose a novel approach to engaging with Local Communities and Indigenous Peoples (LCIP) which, in essence, sets a **longer-term framework with the aim to promote sustainability and permanence of C stocks**.

Rather than coming up with overly sophisticated discounting techniques (tonne-year or tonne-based crediting options), we believe that buffers have worked well in other programs and initiatives dealing with permanence of removals. Buffers may be used in combination with requirements for **LCIP participation and ownership**.

Further, buffers for A6.4 removal activities may be coordinated with buffers under jurisdictional programs, supporting **integration of A6.4 into jurisdictional programs**.

We want to be very clear that the A6.4 is for mitigation and sustainable development, to be implemented by LCIPs, and hosted by Parties to the Paris Agreement. What we need is an **easy-to-apply mechanism with transparent (easy-to-understand) rules** that fosters ample participation.

Avoidance of other negative environmental and social impacts

We would like to express **our concern with how these issues are being treated**. The CMA requested the SB to “further develop” recommendations on avoidance of other negative environmental and social impacts (para 6(c), decision 3/CMA.3). What we observe is a **repetition of the same provisions**.

This is insufficient and not conducive to sustainable development. We believe that a completely different approach needs to be developed to address environmental and social safeguards. We believe the role of LCIPs should be **radically different and play a major role in the design, implementation and monitoring of A6.4 removal activities**.

Firstly, the SB should **draw from existing COP decisions on REDD+** (decision 1/CP.16) outlining social and environmental safeguards (which also apply to land-based removals). This is a relevant precedent under the UNFCCC; Article 6.4 **must not fall below this level of safeguarding**. Further, there are multiple international REDD+ programs, bilateral and multilateral agreements and other experiences that the SB may draw from to inform this section on environmental and social safeguards.

Our view is that removals can only be sustainable over time **if LCIP have “full ownership” to design their own mitigation strategies in a way that solves their priority societal challenges**¹. By “full ownership” we mean that LCIP’s land tenure rights are recognized, that social organization and governance are enhanced, that sustainable management of their lands is promoted, and that locally-controlled enterprises are developed². “Full ownership” means that LCIPs have sufficient autonomy to address their priority societal challenges. All of these are elements that the SB should take into account in regards to safeguards.

We suggest to the SB to **move away from the traditional concept of “consultation with stakeholders” to requiring “full engagement with LCIPs”**. “Not only is this a moral and ethical imperative, but it is also strategic to promote sustainability” of land-base removals³. Working with local and indigenous organizations must be based on the principles of partnership, program ownership, long-term commitment, flexibility and a multiplicity of actions and solutions.⁴ Unless the SB builds these elements into the mechanism there will be an **extremely high risk of affecting LCIPs through “green- or land- grabbing”**.

To address this, the SB may draw from the Information Note (paras 178-195), including:

¹ Seddon et al. 2021. Getting the message right on nature-based solutions to climate change. *Glob Change Biology* 27: 1518–1546.

² Rainforest Alliance. 2021. [Integrated Community Forest Management Position Paper: Preserving Forests and Improving Livelihoods Through Community Forestry](#). May, 2021.

³ Seddon et al. 2021. (See full citation above).

⁴ Rainforest Alliance, 2021. (See full citation above).

1. Preventing monocultures, and promoting the re-growth or plantations of native species (para 181)
2. Managing trade-offs between food production, biodiversity conservation and forest restoration(para 182)
3. Planning mitigation activities as part of local sustainable development plans (para 184)
4. Ensure soil health and productivity (para 183)
5. Prioritizing local objectives for land use as defined by LCIPs (para 184)
6. Requesting an assessment –prior to activity registration– of potential impacts, trade-offs and how they were addressed in coordination with LCIPs (para 191)
7. Setting up dispute and grievance redress mechanisms and procedures as defined by IPLCs (paras 194-195)

Additionally, we would like to propose the following principles to the SB when improving this section. Thus, removal activities:

8. Provide solutions to societal challenges⁵ that involve working with nature as prioritized by IPLCs
9. Support a wide range of Sustainable Development Goals
10. Do not cause additional costs to non-participants
11. Promote food and income to increase resilience to climate change
12. Are continuously adjusted to learn from current events, promoting adaptive capacity
13. Are consistent with cross-sectoral goals in an integrated strategy
14. Are designed, implemented, managed, and monitored by IPLCs, promoting full ownership
15. Incorporate risk identification and management beyond the intervention site
16. Are economically viable and sustainable, costs and benefits are known
17. Are cost-effective, considering alternative solutions and potential externalities
18. Make use of a wide range of financial sources to increase resilience and sustainability
19. Safeguards are jointly and periodically reviewed to ensure mutually agreed trade-offs limits and strategies
20. Are designed with a view of long-term sustainability
21. Seek to enhance current policy and regulation frameworks
22. Restore or manage natural, semi-natural or novel ecosystems
23. Do not cause higher emissions, loss of biodiversity or social grievances
24. Are not based on large-scale planting on monocultures
25. Consider a wide range of ecosystems, not just forests
26. Promote the sustainable management of lands
27. Provide a quantifiable benefit for biodiversity
28. Make ecological sense and work with nature in-situ
29. Adopt a landscape approach that consider the connection of multiple habitats
30. Respond to the current state of ecosystems and prevailing drivers of degradation and loss

⁵ The societal challenges are clearly understood, including root causes.

31. Focuses on increasing biodiversity at gene and ecosystem levels
32. Promote ownership, empowerment and well-being of local stewards
33. Tap into relational and moral values, including intangible connection to nature
34. Fully respect the rights of LCIP and local stewards, including tenure rights
35. Promote social organization and enhanced governance structures
36. Support and develop locally-controlled enterprises
37. Promote the inclusion of women and disadvantaged groups
38. Are designed to build human capacity
39. Result from good faith negotiations among local stewards and stakeholders
40. Promote harmonious social change
41. Distributive (who gains, who loses), procedural (who decides), and recognition of justice are clear and just
42. The full range of benefits, trade-offs and conflicts are assessed and managed
43. A fully agreed upon feedback and grievance mechanism is available to all stewards and stakeholders
44. Participation is based on mutual respect and equality and upholds to Free, Prior and Informed Consent
45. Stakeholders who are directly or indirectly affected are identified and involved
46. Decision-making respond to the rights and interest of all participating and affected stakeholders

This list is not exhaustive and helps illustrate how short the current text falls from providing safeguards against negative environmental and social impacts.

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End of submission