

# Requirements for the development and assessment of mechanism methodologies

## Submission over the draft recommendation in the Annex 7 to the SB002 annotated agenda

The Center for Clean Air Policy (CCAP) embraces the opportunity to present its statements over the requirements for the development and assessment of mechanism methodologies about activities involving removals (published as Annex 7 to the SB002 annotated agenda). CCAP proposes to enhance the methodological requirements for maximizing local communities' welfare.

### Maximizing local communities' welfare

The Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), by its decision 3/CMA.3 *“Rules, modalities and procedures for the mechanism established by Article 6, paragraph 4, of the Paris Agreement”*, requested the Supervisory Body of the mechanism established by Article 6, paragraph 4, of the Paris Agreement (the Supervisory Body), to elaborate and further develop, on the basis of the rules, modalities and procedures of the mechanism, 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 annex (Article 6, paragraph 4, activity cycle), to be considered at its fourth session (November 2022). The proposed document contains draft recommendations on the requirements for the requirements for the development and assessment of mechanism methodologies.

Part of avoiding the social impact is creating a mechanism that maximizes its functionality, performance, and tangible effects on terrain. The methodologies could offer concrete requirements to promote financial and social performance. This pass guarantees that the expected finance through Article 6.4 do not remain unnecessarily in the intermediation and bureaucratic steps.

CCAP identifies that the proposal of the requirements for the development and assessment of mechanism methodologies does not include enough operational tools and requirements in the methodologies to avoidance of other negative environmental and social impacts. For that reason, CCAP recommends the following inclusions:

#### **3.6. Contributing to the equitable share of mitigation benefits between participating Parties**

Contributing to the equitable share of mitigation benefits should include the actions to maximize social welfare through its implementation, based on fair agreements between communities and technical intermediaries under just benefit-sharing models and the transparency principle.