

Call for input 2022 - activities involving removals under the Article 6.4 Mechanism of the Paris Agreement

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To: Supervisory-Body

Cc: Drupp, Moritz <Moritz.Drupp@uni-hamburg.de>; Mark Freeman <mark.freeman@york.ac.uk>; Groom, Ben <B.D.Groom@exeter.ac.uk>

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Thank you for the opportunity to respond to the process of defining carbon removals. We read the information note with great interest. Our comments relate to paragraph 110.

Paragraph 110 reports the findings from our survey of expert economists. The cited study is published and we provide the updated reference below. We have since surveyed expert philosophers and can confirm the main findings also for that group.

Updated paragraph 110: *"Another study finds that the mean recommended discount rate relevant to climate policy is 2.27%, with a range from 0 to 10%. Under this study, more than three-quarters of the expert economists surveyed were comfortable with the median discount rate of 2%, and over 90% of them found a discount rate in the range of 1 to 3% acceptable.[15] The same team of authors have since surveyed expert philosophers. For this group, the mean responses are almost identical at 2.27%. Over 90% are comfortable with a discount rate of 2%.[16]"*

Updated footnote 15: *"Drupp, M.A., Freeman, M.C., Groom, B. and Nesje, F. (2018). Discounting disentangled. American Economic Journal: Economic Policy 10(4), 109-34. Available at <https://www.aeaweb.org/articles?id=10.1257/pol.20160240>"*

Additional footnote 16: *"Nesje, F., Drupp, M.A., Freeman, M.C. and Groom, B. (2022). Philosophers and economists can agree on the intergenerational discount rate and climate policy paths. CESifo Working Paper No. 9920. Available at <https://www.cesifo.org/en/publications/2022/working-paper/philosophers-and-economists-can-agree-intergenerational-discount>"*

Best regards,

Frikk Nesje, Moritz A. Drupp, Mark C. Freeman and Ben Groom

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