A response to a call for public inputs on a64-sb002-aa-a06 (October 2022)

## Information note

## Removal activities under the Article 6.4 mechanism (Annex 6 to the SB002 annotated agenda)

**The Global Carbon Council (GCC)** welcomes the opportunity to submit its views on the document entitled "Removal activities under the Article 6.4 mechanism" (published as Annex 6 to the SB002 annotated agenda).

The GCC appreciates an open nature and clear logic of the document referred to above allowing for its detailed analysis and providing input that may contribute to further work on it. It is our pleasure to ensure the Supervisory Body that all non-commented paras of it, in our view, already reflect the broad vision of further development of voluntary carbon market. Please note that our input is focused on these elements of Annex 6 that in our opinion may benefit from further clarity and precision of the language.

Please find below detailed input as requested in the call for inputs:

## Para 16: The current language:

Achieved carbon stocks The verified carbon stocks, net of the activity emissions, leakage, and the baseline removals, that represent the amount of CO2 removed by a removal activity should be changed to: Achieved carbon stocks The verified carbon stocks, net of the activity emissions, leakage, and the baseline removals/emissions, that represent the amount of CO2 removed by a removal activity.

to allow for including emissions that may occur in baseline. Such emissions may result from e.g. land degradation or presence of ruminant animals. Note that when these animals are removed from the project boundary their emissions will be accounted as a part of leakage.

**Para 27**: Table 1, under A/R, Production, add: Improvement of landscape, and delivery of shelter (military use of forest). In Europe many forests located around cities have military value.

**Para 27**: Table 1, under Improved forest management, Conservation, add: Introducing more climate change resistant species (not necessary native ones).

Native species are well adjusted to historical but not necessary future environmental conditions. Focusing on preference for native species seems to be unjustified, especially in light of a fact that native species make the optimal use of <u>current climate</u> and soil nexus.

Para 27: Table 1, under Soil organic carbon enhancement, Conservation, add:

Introducing vegetation that promotes deposition of carbon in soil.

**Para 30:** In the case of land-based removal activities, the quantification of carbon stocks is carried out through a 'carbon stock inventory' based on sampling, field measurements and **regression** models. Remotely sensed data may be used in combination with the data from field measurements for cost-effective monitoring.

Delete the word regression in order not to limit the use of other than regression models.

**Para 42:** As will be seen later, the timing for the first verification and the frequency of the subsequent verifications, as well as the maximum permissible period between successive mandatory verifications, will depend upon the type of storage, the crediting method used and the arrangements used for addressing reversals. In some cases, **a simplified** periodic monitoring may be a requirement even after the end of the crediting period (e.g. for ensuring that no reversals occur until the end of a specified period).

The world "simplified" should be added before "periodic monitoring may be a requirement even after the end of the crediting period (e.g. for ensuring that no reversals occur until the end of a specified period)" to ensure that precision and cost of such monitoring will match its purpose that is detection of reversals. This is further supported by the language of para 49.

Para 45: is the repetition of para 43. Remove para 45.

**Para 46** is unnecessary. The DOE will always conservatively check the current situation in the project area. If carbon stocks at verification are greater than the ones reported in monitoring report then project proponents have applied conservative approach. If carbon stocks at verification are lesser than the ones reported in monitoring report, then the report will be rejected. There is no need to regulate matters that are self-regulated.

**Para 48**: "Apart from the data related to carbon inventory, the reporting should include the records of events and incidents, such as fire, pest outbreak, harvests, leaks and seepage, that might have affected the carbon stocks in the intervening period" should be changed into:

Apart from the data related to carbon inventory, the reporting should include the **records references** to events and incidents, such as fire, pest outbreak, harvests, leaks and seepage, that might have affected the carbon stocks in the intervening period.

The word **records** should be replaced with **references** to reflect the fact that numerical impact of events and incidents, such as fire, pest outbreak, harvests, leaks and seepage will be already reflected in monitoring data on the carbon stocks while the references will only explain such but will not create another part of the report (to avoid unnecessary burden in writing reports).

**Para 52** the current language "Net removals achieved by a removal activity are equal to the total carbon stocks achieved by the activity minus the baseline carbon stocks, minus emissions attributable to the implementation of the activity, minus leakage emissions" should be changed into: Net removals achieved by a removal activity are equal to the total carbon stocks achieved by the activity minus the **change in** baseline carbon stocks, minus emissions attributable to the implementation of the activity are equal to the total carbon stocks achieved by the activity minus the **change in** baseline carbon stocks, minus emissions attributable to the implementation of the activity, minus leakage emissions.

Addition of the word "change" makes para 52 logically consistent as all other features referred to in it are changes: Net removals, emissions attributable to the implementation of the activity, leakage emissions.

Para 53: Change to singular: Baseline is the reference scenario

**Para 54 (b):** The language of this para does not reflect the fact that the BAU removals are not zero in this case but they are negative hence, the BAU contains emissions. Change to: The initial

carbon stocks are non-zero, but the BAU removals are zero **and the BAU emissions occur** in this case;

**Para 55,** Figure 1, "The area between the first and second business-as-usual scenarios (BAU-1 and BAU-2) represents an emission reduction and not CO2 removals." Let's assume that BAU-2 is project activity implemented against BAU-1 – could this case be added to Figure 1? And reflected in the text. See para 63 below.

**Para 66**: the current language: "The projections should take into consideration trends and events that are likely to affect the carbon stocks (e.g. changes in legislation, changes in market prices, changes in environmental awareness)" should be changed to the following: The projections should take into consideration trends and events that are likely to affect the carbon stocks (e.g. changes in legislation, changes in market prices, changes in legislation, changes in market projects should take into consideration trends and events that are likely to affect the carbon stocks (e.g. changes in legislation, changes in market prices, changes in environmental awareness) **based on information available at the time when the basely is determined**. Several trends and events referred to in the para are very difficult to quantify on the project level.

**Para 71**: The current language should be changed into: Financial additionality implies that the removal activity or its outcome would not have been realized **or would be discontinued** without the revenue from the carbon credits. Adding the reference to a possible discontinuation would allow additionality for emission reduction/removal projects that were initiated based on too optimistic financial scenarios which were scaled down by the actual market reality. The language of para 76 allows for such interpretation.

**Para 72**: The current language should be changed into: Regulatory additionality implies that the activity would not be realized in the absence of its registration under the mechanism because of the **lack of** mandatory requirements such as law, regulations, industry standards and/or enforced policies. It is rather lack of regulations that allows for more emission intensive technologies to be implemented.

**Para 172**: The para language shall allow for the emissions shifted outside the project boundary to be also **equal** to the emissions that were caused in the original location.

**Para 181**: The current language of this para is not always true. Assessment of this para depends on the definition of biodiversity which is not referred to in this para. Propose to replace the original language of the para to: Afforestation, reforestation, forest restoration and improved forest management can have **both positive and** negative impacts on the biodiversity **depending on specificity of if** these activities **result in the replacement of native species with exotic species**. Note that according to some definitions of biodiversity a simple increase in the number of species in the project area will increase biodiversity. Possibly a reference to "native ecosystems" might be introduced to this para.

**Para 182**: A reference to biodiversity should be removed as the language of the para is not always true: The following language is proposed: Large-scale afforestation and reforestation can lead to competition for land **adversely thus, possibly** affecting biodiversity conservation and food production.

**Para 184**: The marked "and" should be changed into "or": In general, any land-based removal activity implemented outside of the context of sustainable development (i.e. an activity with the

sole objective of maximizing removed carbon) is likely to lead to adverse environmental **and or** social impacts.

**Paras 181 – 185**: Language implemented in all these paras is <u>negative</u> in reception. It should be changed into a more neutral one. Such one-sided judgmental approach should be avoided in the UNFCCC documents.

**Paras 187 – 190**: Language implemented in all these paras is <u>negative</u> in reception. It should be changed into a more neutral one. Such one-sided judgmental approach should be avoided in the UNFCCC documents.

**Para 214**: Wood products, in contrast to the wood, are not harvested from plantations. Change language of this para into: Harvesting of **wood and converting it into** wood products prevents a plantation from becoming saturated and allows for the continued sequestration of carbon.

**Para 215**: Change language of this para into: Long-lasting harvested wood products constitute an off-site carbon pool that has to be monitored **or modelled** during the crediting period of the activity. There are good models that focus on carbon fate in HWP. Using the word "monitored" only suggest a need for laborious collection of data without help from models.