

Paul Davies
Chair of Commercial Working Group
Coalition for Negative Emissions
Tel - 00 44 7802 869074
Address - 2 London Wall Place,
Barbican, London, EC2Y 5AU
United Kingdom

Removal activities under the Article 6.4 mechanism Coalition for Negative Emissions response to information note Version 04.0

The Coalition for Negative Emissions (CNE) is a collection of diverse organisations aiming for a net zero future and the importance of negative emissions as a key part of achieving Net Zero. The CNE includes potential CO2 capturers, purchasers, supply chain actors, and industry bodies aligned to give insight and contribute to the development of standards, regulations, business models, and deals that are needed to urgently create a global market for negative emissions ("NE"), which will become a critical component of meeting global climate ambitions.

Our current capturer members include landowners and environmental stewards, large users, and generators of energy, technology start-ups, fuel providers, and large manufacturers and operators within aviation and agriculture, including two of the world's most prominent DACS companies, the UK's largest representative group for agricultural landowners, the UK's largest energy from waste operator, the world's largest sustainable biomass provider, and the sponsor of the world's largest planned BECCS project.

Its members therefore represent broad interest in carbon removals including both naturebased solutions and technological solutions with geological storage.

CNE welcomes the call for input launched by the Article 6.4 Supervisory Body on the materials circulated for its next meeting, including Version 04.0 of the information note on removal activities under the 6.4 mechanism.

CNE however has concerns in relation to both the content of and process behind the information note. These can be summarised as follows:

- (i) The note is unbalanced in its treatment of engineered carbon dioxide removals (CDR), with an unreasonable focus on perceived cons, which serve to undermine the objectives of the mechanism;
- (ii) The note does not appear to have taken into account broad stakeholder criticism of tonne-year crediting; and
- (iii) The note deviates from established IPCC accounting guidelines in its treatment of Bioenergy with Carbon Capture and Storage (BECCS).

Please find an elaboration of these points attached to this letter.

The Coalition has recently released a paper <u>Being Positive About Negative Emissions</u> which describes the emerging negative emission industries, the importance of robust carbon removals and in particular the significant academic underpinning to favouring increasing amounts of geological storage, such as the 'Oxford Principles' highlighted in the paper. It also describes the virtuous relationship there should be between voluntary carbon markets, government-sponsored projects (particularly that involve geological storage) and regulatory markets that allow a portion of offsets on ETS and similar obligations through the purchase of robust carbon removals. We are concerned in the way the information note is worded that it would undermine the significant progress and corporate funding that this paper outlines and recommends.

We look forward to the Supervisory Body's continued engagement with stakeholders and experts in developing this guidance. We would be keen to be involved and discuss issues arising from both your ongoing analysis and from issues contained in our paper which we believe help to clarify our concerns with the current wording.

Paul Davies
Chair of Commercial Working Group
Coalition for Negative Emissions
00 44 7802 869074
Pdavies4562@gmail.com

(i) Unbalanced treatment of engineered removals

To achieve net zero, the IPCC has been clear that removals will need to be delivered at gigatonne scale on an annual basis by mid-century. The Article 6 rules agreed at COP26 require activities under the 6.4 mechanism to increase removals. All of this will require deployment of a portfolio of removal technologies, both engineered and land based.

Despite this, the information note dedicates significant text to arguing the cons of engineered removals. In particular, Table 3 in Section 3.2 gives the impression that engineered removals are not desirable climate mitigation solutions. This impression would appear to directly contradict the findings of the IPCC¹ and other academic literature.²

The next iteration of the information note should bring about greater balance and technology neutrality by remedying its negative depiction of engineered removals, reflecting the stakeholder submissions in favour of those technologies.

(ii) Tonne-year crediting

CNE disagrees with the inclusion of tonne-year crediting in the information note and calls for the Supervisory Body to take note of the significant stakeholder, commercial and academic pushback to the proposal.

The mechanism should be incentivising permanence of removals. In contrast, tonne-year crediting rewards short term carbon sequestration, putting carbon budgets and national climate strategies at risk.

(iii) Deviation from IPCC accounting guidelines for BECCS

CNE rejects the portrayal of BECCS as an emission reduction activity in the note. The note's misapprehension may in part be explained by deviation from established IPCC accounting guidelines, which provide that emissions associated with biofuels be counted in the AFOLU sector first, and not again at a bioenergy plant later.³ To count CO2 emissions from a bioenergy plant would thus be equivalent to double counting the CO2, given its prior recording in the AFOLU sector. It is this which underpins BECCS's status as a removal activity under the IPCC, with its additional geological sequestration of CO2.

CNE calls for the next iteration of the note to align its treatment of BECCS with that of the IPCC and other leading academic literature (Smith et al, 2023) as a engineering-based removal activity.

¹ Intergovernmental Panel on Climate Change, Sixth Assessment Report

² "The State of Carbon Dioxide Removal: a global, independent scientific assessment of Carbon Dioxide Removal", 2023, Smith et al.

³ Intergovernmental Panel on Climate Change, 2006 Guidelines for National Greenhouse Gas Inventories & 2019 refinements.