

IETA Input on Matters Included in the Annotated Agenda of the 5th Meeting of the Article 6.4 Supervisory Body (A6.4 SB005)

Dear Members and Alternate Members of the Article 6.4 Supervisory Body,

Since IETA's inception, we have been committed to the development of high integrity carbon markets under the UNFCCC, informed by science and empowered by private sector participation. IETA is therefore motivated to provide input to the Article 6.4 Supervisory Body (SB) agenda for its 5th meeting. The aim of our note is to **help streamline some of the ongoing work on mechanism methodologies and, in particular, the carbon removals aspects of your mandate.**

The complex, multidimensional and novel nature of the removals' topic – along with the sheer breadth of the mandate given to the SB – clearly poses challenges for implementation. As such, we commend you, alongside the support of the UNFCCC Secretariat, in achieving so much progress to date. However, we also feel that more could be done to expedite the process, to enhance outputs, and to add a clearer sense of purpose.

The mandate of the CMA provided in the RMP (Decision 3/CMA.3) is clear: The Supervisory Body should make *“recommendations, for consideration and adoption by the CMA, 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 those activities in chapter V of the annex.”*

Despite this explicit mandate, IETA does not feel that there is solid ground upon which to move forward with these recommendations. Rather, we in fact believe that there is growing uncertainty driven by some of the supporting materials developed thus far. For example, the *“Information note: Removal activities under the Article 6.4 mechanism”* (A6.4-SB005-AA-A09), despite being in its 4th version, **is far from being neutral and still offers analysis and opinion that falls outside of the RMP mandate** (e.g., in Table 3). Moreover, the summary analysis of technical features of various removal options contained in Table 3 therein aligns with neither the views of leading authorities, such as the IPCC, nor those of Parties and Observer organisations as contained in their submissions. Importantly, **deliberation on the economic viability of certain technologies is neither an aspect called for in the RMP nor a matter that falls within the ambit of the SB.** Further, the Information Note also appears to heavily favour one choice of method for addressing non-permanence and carbon reversals (and extensively sets out a case for this in Tables 8 and 9). However, **this proposal is in no way reflective of the balance of opinions provided by Parties and Observer organisations in their written submissions.** This paper therefore does not provide a sound basis upon which to move forward.

At its 4th meeting, you requested the Secretariat to prepare a “summary of views” of Parties and Observers on carbon removals – an objective summary based on responses to the call for inputs from the CMA in Decision 7/CMA.4 – and to update the *Information Note: Removal Activities under the Article 6.4 mechanism* accordingly. But instead of integrating those views into the Information Note in a balanced and neutral manner, it is **apparent that various contradictory suggestions on removal activities are now spread across several different papers.** Going into your 5th meeting, these papers include:

- Information Note: Draft elements for the recommendation on requirements for the development and assessment of mechanism methodologies (A6.4-SB005-AA-A07) (especially the section on non-permanence and carbon reversal);
- Information note: Compilation of public inputs in response to the “public consultation: Requirements for the development and assessment of mechanism methodologies” and related literature (A6.4-SB005-AA-A08);

- Information Note: Removal activities under the Article 6.4 mechanism (version 04.0) (A6.4-SB005-AA-A09); and
- Information Note: Summary of the views submitted by Parties and observers on activities involving removals (A6.4-SB005-AA-A10).

Each of the above documents contains slightly different information, presented in different tones and in different formats, presenting an obvious challenge to the effective processing of this material by SB members.

IETA has provided formal written views on substantive matters relating to the RMP on two (2) specific occasions ([October 2022](#) and [March 2023](#)), and our community will continue to engage proactively in the effective operationalisation of the mechanism. However, in this respect we note that the only cross reference made to IETA in the updated *Information Note: Removal Activities under the Article 6.4 mechanism* (A6.4-SB005-AA-A09) **clearly misquotes IETA's input as relating to the choice of certain discount rates for tonne-year methods**, a matter that was not addressed in our submission.

Recommendations

In light of the above observations and concerns, we strongly believe that there is an urgent need to reconsider the manner in which removals' activities are being handled in this process. In particular, **we request that the SB, at its 5th meeting, consider ways in which its work could be improved to help it be in a better position to make a balanced recommendation on removal activities to the CMA at COP28 in December.**

More specifically, we feel that aspects to consider at SB005 may include:

- **Improving the process to ensure a balanced synthesis of information.** Further work should be carried out to improve the processing and synthesizing of information provided in submissions to date, reflective of the latest scientific views contained in the IPCC AR6, and the mandate given in the RMP (Decision 3/CMA.3). The synthesis paper must bring together the currently disparate and potentially conflicting information presented in the suite of documents being considered by you at your 5th meeting. The views of Parties and Observers must be represented in a balanced, impartial and accurate manner.
- **Enhancing capacity.** Ensuring that Parties and SB members have a deep understanding of the specific benefits, challenges, choices and trade-offs that are relevant to the methodological options available for integrating carbon removal into a crediting mechanism. Given the limited number of Party submissions to date, it remains unclear whether Parties have a sufficient understanding of the complex topics that need to be addressed by the SB and considered by Parties in the CMA process. In particular, Parties may not be ready to take a firm view on appropriate approaches to address non-permanence and carbon reversals and the accounting of A6.4 mechanism units towards NDCs. We therefore urge you to consider how this understanding gap could be closed and stand ready to support such efforts.
- **Facilitating engagement.** Consider options to enhance engagement to facilitate understanding and clarity in the lead up to, and at, COP28 (e.g., the possibilities to request for a mandate to arrange a workshop and/or other means of information exchanges between experts, market actors, SB members and Parties). In these respects, it would also be helpful to obtain clarity on the remaining substantive methodological questions that will be subject to the forthcoming structured public consultation. Optimal design of these questions, and the processing and synthesizing of inputs received to these questions, will be critical to streamlining the ongoing work of Secretariat and SB members on this important topic. The focus must be on ensuring constructive submissions to help bridge existing gaps in understanding and develop appropriate, science-based and broadly supported recommendations on removal activities that are aligned with the mandate set out in the RMP.

We wish you continued success in your deliberations and IETA remains available for further dialogue.