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The following three *considerations when developing the CDR related, project-level agriculture methodologies* for ART6.4 should be applied to ensure that Art6.4 mechanisms methodologies do above and beyond than existing methodologies by providing quantification of other impacts and ensuring that adverse / significant harm impacts are not occurring due to CDR activities. These principles are applicable to all CDR activities; however, their importance is particularly higher in nature-related interventions than is case of technological (e.g. DAC) solutions.

Avoiding a “carbon tunnel” view: Safeguards are essential to ensure that a “carbon tunnel” view is avoided. While reducing carbon emissions is crucial, it is just one aspect of sustainable development. The interconnectedness of a broad range of critical environmental and social impacts, such as biodiversity loss and land conversion shall be recognized. This will require that soil related-methodologies take into account both biodiversity and the chemical flows/stocks defined in planetary boundaries when defining impacts and trade-offs. Such holistic view is essential to ensure that carbon-focused intervention do not do significant harm in other environmental domains.

Materiality in the context of climate change and broader impacts: to assess what are the material impacts of project level interventions and also assess whether an intervention is resilient to the already baked-in & expected forthcoming climate impacts. Such double-materiality (i.e. inside-out and outside -in) approach is applied in emerging sustainability standard such as the ESRS standards, but avoided by others, such as the ISSB promoted by IFRS. Art6.4 could not only ensure a high integrity sustainability approach but could also be trailblazer for concrete methodology formulation and application that takes on board progressive approaches.

Nature as a “silent stakeholder” in the Nature-Business-Government interconnection: agriculture is part of a complex and vast industry, and not only the dominant subset of nature, therefore any approaches that combine and build on government – business – nature considerations shall ensure that nature, as a ‘silent stakeholder’ (as accepted in the EU ESRS) is acknowledged as and when creating procedures for the approval of project interventions and the underlying methodologies.

By applying the above additional considerations to Art6.4 CDR methodologies the Supervisory Board would be able to ensure high integrity interventions that would go beyond a positive climate impact providing examples both for business and countries for scaling and speeding up mitigation in a climate resilient manner.

2. Call for input questions by element

2.1. Monitoring and reporting

5. Should the activity proponent be required to periodically update its monitoring plan every five years and/or at the end of the crediting period?

6. Should monitoring reports be submitted within the first [2] [5] [X] years of activity implementation? After the first report, at least once every [2] [5] [X] years?
7. Do the “reversal notification” reports referred to in SB 003 recommendations involve, e.g. digital notification of an observed event that could lead to a possible reversal of removals; submission of notification within [90] [120] [X] days of the observation; follow-up submission of a full monitoring report within [6 months] [1 year] [X timeframe]?
8. To ensure and demonstrate the continued existence of removals, are activity proponents required to undertake monitoring and address reversals:
 - (a) Only during active crediting period(s) or
 - (b) Also [15] [X] years after the last active crediting period?
 - (c) The longer of [9(a)] [9(b)] or a timeframe specified by the host Party (e.g. communicated in LoA or earlier)
9. Is simplified annual reporting required to ensure and demonstrate the continued existence of removals? In what cases and how long?
10. Are measures required to address the residual risk of reversals beyond the monitoring timeframe? If so, for how long, and what are the options for, e.g. the mechanism(s), responsible entity(ies), oversight?

Agreena’s response to questions on section 2.1. (5 to 10):

The Supervisory body must benefit from a comprehensive understanding of the unique requirements of nature-based solutions, acknowledging the distinct treatment they necessitate. Nature-based solutions are radically different than other interventions (e.g. tech-based interventions, DAC) and are characterized by their complexity and intricacy, but they possess a huge potential to provide additional benefits beyond CDR. Consequently, a standardized, one-size-fits-all approach to crediting periods/renewal and post-crediting monitoring may prove inadequate for accommodating the diverse array of carbon removal approaches. Given the characteristics of the CDR processes, the resulting methodology must be carefully crafted with specific considerations tailored to suit the intricacies of nature-based solutions.

Additionally, while reducing carbon emissions is crucial, it is just one aspect of sustainable development. It is imperative that the “carbon tunnel” view is avoided and that the interconnectedness of a broad range of critical environmental and social impacts, such as biodiversity loss, soil and plant health (and food security) and/or land conversion are recognized within nature-based solutions. This will require that soil related-methodologies take into account both biodiversity and the chemical flows/stocks defined in planetary boundaries when defining impacts and trade-offs. As mentioned in the paragraph above, such holistic view is essential to ensure that carbon-focused interventions do not do significant harm in other environmental domains.

Finally, Art6.4 could not only ensure a high integrity approach for CDR through strict monitoring and reporting, but could also pioneer the development of concrete methodology formulation and application that takes on board progressive approaches such as the double materiality concept. The EU within the ESRS has included nature a “silent stakeholder” and has embedded this concept in its methodology to establish impact materiality, imposing significant additional obligations on a CSRD-reporting entity. This new positioning from EU makes it more likely that impacts on nature will be increasingly recognized and become part of both reporting obligations and mandatory agricultural

production/land management requirements. Therefore, global value-chains will benefit from blueprints introduced by the Art6.4 mechanism.

2.2. Addressing reversals

2.2.1. General

11. What type of risk rating is used to calculate an activity's buffer contributions?
 - (a) The results of an individual activity's risk assessment;
 - (b) A standard rate determined by the 6.4SB;
 - (c) Either measure could be appropriate, depending on the circumstances (in this case, what factors should determine the use of an activity-specific or standard risk rating)?
12. What are the options for circumstances/triggers and/or periodic milestones for reviewing and possibly updating activity baselines, risk assessments (so, risk ratings), and monitoring plans, including in relation to:
 - (a) Verified reversals of removals; and
 - (b) The stages of activity cycle implementation?
13. On what basis could requirements provide for the use of simplified / standardized elements or mandate the use of more frequent, full, or activity-specific elements and what are the requirements that may be relevant?
 - (a) Activity type or category;
 - (b) Risk rating level (e.g. above versus below a given %-based threshold);
 - (c) Risk assessment contents (e.g. nature, number, variety of risk factors);
 - (d) Monitoring plan (e.g. complexity, frequency, responsible entity).
14. Should procedures take the same or different approaches to instances of reversals that are (a) intentional/planned versus (b) unintentional / unplanned?
 - (a) How/would other tools to address reversals involving direct credit replacement (including use of insurance / guarantees) be used in combination with a buffer pool?

2.2.2. Reversal risk tools—General: Buffer pools, direct credit replacement, insurance / guarantees

15. Regarding reversal risk buffer pools, direct credit replacement, and insurance / guarantees:
 - (a) What is the current practice with these reversal risk tools, including the extent and nature of their use (respectively and in combination), transaction costs and how these are financed, and potential roles of the Host Party in multi-decadal compensation requirements;
 - (b) The circumstances under which the use of a given tool may be required or supplemental—for example, for intentional versus unintentional reversals, or during versus beyond the last active crediting period—and rationales.

2.2.3. Reversal risk tools: Specific

16. What are options for robust buffer pool design, including conditions and procedures for its use, ER composition, replenishment, and administration.
17. The need for additional procedures and guidance for the 6.4SB, PPs, insurers/ guarantors to implement options for direct ER replacement, including for insurance or guarantees.

2.2.4. Treatment of uncancelled/unused buffer ERs

18. Are uncancelled ERs in the buffer pool returned to the activity proponent to incentivize performance and/or automatically cancelled, and is this done periodically throughout activity cycle or only after the end of the activity lifecycle or the host Party NDC timeframe?

19. Whether the options for treatment and timing are mutually exclusive or could be applied in combination (e.g. returning some but not all ERs to proponent).
20. Possible basis for periodically returning ERs to proponents (e.g. metrics for activity performance, activity cycle milestones).
21. Procedures for the SB's periodic review and ongoing management of buffer contributions (e.g. buffer composition, stress-testing the sufficiency of risk coverage).

Response to questions on section 2.2. (questions 11 to 21):

Agreena has the experience and knowledge to support the SB in developing the CDR related, project-level agriculture methodologies for Art6.4. The SB must ensure that these methodologies do above and beyond than existing methodologies by providing quantification of other impacts and ensuring that adverse / significant harm impacts are not occurring due to CDR activities. This will require that soil related-methodologies take into account both biodiversity and the chemical flows/stocks defined in planetary boundaries when defining impacts and trade-offs. Such holistic view is essential to ensure that carbon-focused interventions do not do significant harm in other environmental domains (impact materiality). Similarly, the SB should ensure that the methodologies designed to address the risk of reversals are specific to the nature of the CDR (nature-based or tech-based solutions).

Similarly, as stated for questions in section 2.1., there is no "one-size-fits-all" approach for addressing reversals. Due to its characteristics, nature-based solutions and specifically, agriculture-related projects, will require specific treatment to deal with reversals that may come, for example, from farmers adopting conventional tillage practices. The release of carbon from the soil due to soil disturbances and the re-accumulation of the carbon in the field depend on many factors (e.g. application of organic amendments to the soil from cover crops, organic fertilizers or leaving residues on the field). It is clear, for this reason, that reversals coming from tech-based and nature-based-solution are radically different and each one of them should receive a treatment that it is tailored to its specific characteristics (e.g. promotion and education of farmers)

In conclusion, the Supervisory Body must demonstrate a comprehensive understanding of the unique requirements of nature-based solutions and acknowledging the distinct treatment they necessitate regarding reporting and monitoring and management of reversals. Nature-based solutions are radically different than other interventions (e.g. tech-based interventions, DAC) and are characterized by their complexity and intricacy, but they possess a huge potential to provide additional benefits beyond CDR. Consequently, a standardized, one-size-fits-all approach to post-crediting monitoring and reversals may prove inadequate for accommodating the diverse array of carbon removal approaches. Given the characteristics of the CDR processes, the resulting methodology must be carefully crafted with specific considerations tailored to suit the intricacies of nature-based solutions.