

From: Mark Denne <mark@carboninternational.org>

Sent: Friday, 4 August, 2023 0:06

To: A6.4mechanism-info <A6.4mechanism-info@unfccc.int>

Subject: Structured Public Consultation - Removal Activities

Dear Sir/Madam,

Please accept my apologies for the late reply due to current commitments with the VERRA and CAR.

Carbon International provides the following responses to the question in the Call for Input:

2.1

Q5: Every five (5) years

Q6: Within two (2) years and at least once every two (2) years

Q7: 120 days and 1 year respectively

Q8: Option c - the longer of 9a and 9b or a timeframe specified by the host party

Q9: No. Provided the removals project is frequently audited, the auditing alone will demonstrate continued existence of removals

Q10: Residual Risk of Reversals should apply for only 5 years. Oversight by two post-reversals-period audits after the return period, one in year 2 and one in year 5.

2.2.1

Q11: Option (b) standard rate determined by 6.4SB

Q12: Part (a): See answer to Q10 above. Post-reversal-period audits should pick this up. Part (b) No opinion.

Q13: (a) Yes (b) Yes (c) No - too complex and open to subjective assessment (d) Yes.

Q14: Yes, same approaches. Whether intentional or unintentional, the impact on the sequestration is the same. Re (a). Unwise to combine insurances and guarantees here - increases net cost.

2.2.2

Q15: (a) In our specific area of expertise, no current practice for reversal risk tools has been established so far. (b) tool use should be identical whether intentional or unintentional reversals.

2.2.3

Q16: Buffer pools could, for example, be treated as annuities, with similar risk and processes applying to both.

Q17: No comment.

2.2.4

Q18: Yes. And periodically throughout the activity cycle to incentivize good behavior and better predictions.

Q19: Periodically only. I see no benefit in using end-of-cycle "true-ups".

Q20: Third-party audited annual returns only.

Q21: Procedures should include the ability of independent inspection by SB if auditing reports indicate possible doubt. Stress-testing should be invoked based on a more than 10% departure from predicted sequestration rate in any single annual return period.

Best regards

Mark Denne

Washington DC, Los Angeles, Bogota Colombia

O: 408-786-5802

E: [mark@carboninternational.org](mailto:mark@carboninternational.org)

W: [www.carboninternational.org](http://www.carboninternational.org)