

Name of submitter: Ukraine

Affiliated organization of the submitter (if any): Ministry of Environmental Protection and Natural Resources

Contact email of submitter: info@mepr.gov.ua

Date: April 25, 2023

[Legend for Columns](#)

0 = A6.4-SB009-A01 (methodologies) or A6.4-SB009-A02 (removals)
1 = Section Number in the document
2 = Paragraph number
3 = Comment – the actual feedback or observation, including justification for what needs changing
4 = Proposed change – suggest the text if possible

0	1	2	3	4
Meths or Removals	Section no.	Para. no.	Comment	Proposed change (Include proposed text)
A6.4-SB009-A01 (methodologies) and A6.4-SB009-A02 (removals)	General		<p>The overall framing and direction of the methodological requirements recommended by the Article 6.4 Supervisory Body to the CMA at its 9th meeting follow a narrow interpretation of the RMP by the Supervisory Body that does not fully reflect later decisions of the CMA, particularly, CMA 4, which clearly acknowledged the duality of Article 6.4 use for validating results of emission reduction and removal activities for the purposes of international transfers of mitigation outcomes and for the purposes of recording the results of mitigation contribution finance to assist countries in implementation of their NDCs.</p> <p>If Article 6.4 were to be the global carbon market benchmark it aspires to be, the methodological guidance and guidance for activities involving removals should recognise the primary role of Article 6.4 to establish quantification methods for assessing the climate change mitigation impact delivered by mitigation contribution activities.</p> <p>As established in the analytical work accumulated over the previous two years of the Supervisory Body’s proceedings, the primary demand for Article 6.4 units is expected to be corporate and voluntary rather than compliance-driven NDC offsetting.</p> <p>Instead, SB009’s version of the methodological and removal guidance overemphasizes the need to resolve philosophical difficulties of permitting inter-NDC transfers in a way that does not undermine host-country motivation to implement climate regulations and policies. This emphasis is clearly misplaced.</p> <p>Finally, the current anxiety related to the use of carbon markets and the units they generate appears to come primarily from developed country jurisdictions that are either failing to regulate some of their corporates and are instead using voluntary decarbonisation commitments in lieu of actual regulation or are trying to retain the flow corporate finance within their own economies.</p>	<p>Restructure both recommendations recognizing the primary role of Article 6.4 to establish quantification methods for assessing the climate change mitigation impact delivered by mitigation contribution activities.</p> <p>Separately, establish approaches towards quantifying mitigation outcome transfers for the purposes of NDC offsetting as a secondary tier of approaches with their own logic and methodological requirements.</p>

Call for public input – Template for input [A6.4-SB009-A01 \(methodologies\)](#) or [A6.4-SB009-A02 \(removals\)](#)

0	1	2	3	4
Meths or Removals	Section no.	Para. no.	Comment	Proposed change (Include proposed text)
			<p>While these fundamental debates are beyond the scope of Article 6.4’s influence, we believe that prioritising mitigation contribution finance over offsetting finance would alleviate the concerns over the moral dilemmas of offset use by re-focusing the attention on the results and mitigation impacts of the finance provided and its effectiveness.</p> <p>In this context we recall Article 2 of the Paris Agreement, which emphasises the need to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development in the context of sustainable development and efforts to eradicate poverty, a maxim that so far has not been observed.</p> <p>A UN document that restricts and impedes provision of mitigation contribution finance cannot be seen as supporting the goals of the Paris Agreement, including its long-term temperature goals. Creating conditions for scaling and mobilisation finance for rapid greenhouse gas emission reductions, the implementation of NDCs, as well as just and equitable low carbon transition should be the primary focus of methodological and removal guidances, with the offsetting through ITMO transfers being a secondary consideration.</p>	

Call for public input – Template for input | [A6.4-SB009-A01 \(methodologies\)](#) or [A6.4-SB009-A02 \(removals\)](#)

0 Meths or Removals	1 Section no.	2 Para. no.	3 Comment	4 Proposed change (Include proposed text)
A6.4-SB009-A01 (methodologies)	4.1	18	<p>This paragraph is contradictory and fallacious. Some technologies and processes can be incrementally improved over time or enlarged to reach higher capacities. Other technologies or a processes, once installed, often cannot be improved overtime in a manner that would ensure it delivers ever larger emission reductions because they have already reached their peak (e.g. net zero). A green hydrogen plant, for example, once built, would not be able to fundamentally change the way it operates after it has reached its maximum installed capacity, while the latter maybe limited by factors other than lack of interest in ambitious implementation.</p> <p>Hence this paragraph does not actually encourage ambition of activities. Its only real effect is progressive reduction of creditable amount of emission reductions, which reduces bankability and feasibility of costly mitigation actions - contrary to the intention of the paragraph - undermining ambition of activities.</p> <p>At the same time it is important to ensure that activities and technologies becoming common-place over time in the changing low carbon transition environment do not continue being credited as if they are innovative and groundbreaking for extended periods of time, which would result in over-crediting in comparison to newly emerging standards. It is therefore recommended to explore the concept of dynamic baselines, which could be calibrated according to the real-world developments in the host country’s target sector. The drawback of dynamic baselines is unpredictability of the carbon finance component in the project’s financial closure, which could be difficult for project developers and an impediment for financing decarbonisation. Thus, a balance would be to be sought to a) recognise trail-blazing approaches that should be adequately rewarded for addressing barriers to mitigation, b) ovoid overzealousness impeding support of investments, c) avoid over-crediting in the long-term. Point (a) would particularly put emphasis on common practice analysis in additionality assessment.</p>	<p>Delete or rephrase. Suggested text:</p> <p>Mechanism methodologies shall, to the extent possible, apply dynamic baselines that reflect the changing nature of the host countries’ economies in low-carbon transition, encouraging investment in ambitious activities that will maintain their relevance and comparative emission reduction levels contain provisions to ensure that total creditable amount of emission reductions are progressively reduced to encourage ambition of activities over time, while taking into account host Party circumstances and the need creditable amount of emission reductions required to encourage remove barriers to the deployment of technologies low-carbon solutions as described in paragraph 19 below.</p>
A6.4-SB009-A01 (methodologies)	4.1	19	<p>As high-lighted in the input by the Indigenous Environmental Network, this paragraph can be misinterpreted as prioritising removal technologies over holistic and non-intrusive nature-based solutions. The paragraph should be therefore rephrased to highlight original meaning of encouraging deployment of emission reduction technologies and measures.</p>	<p>Mechanism methodologies shall contain provisions encouraging the deployment of emission reduction technologies or measures that are not widely used or available in specific locations, to facilitate knowledge transfers, remove barriers to increasing ambition of NDCs and to encourage deployment of technologies or measures that reduce the cost of decarbonization by and unlocking investment in low-carbon solutions.</p>

Call for public input – Template for input [A6.4-SB009-A01 \(methodologies\)](#) or [A6.4-SB009-A02 \(removals\)](#)

0	1	2	3	4
Meths or Removals	Section no.	Para. no.	Comment	Proposed change (Include proposed text)
A6.4-SB009-A01 (methodologies)	4.1	20	This paragraph is meant to address the requirement that methodologies encourage ambition over time.	Mechanism methodologies may shall contain provisions to enable the encouraging inclusion of progressively more efficient and less greenhouse gas (GHG)-intensive technologies, replicable and scalable mitigation activities, an expanded broader user base, broader greater geographic coverage, and greater greater penetration of low-carbon solutions after initial deployment.
A6.4-SB009-A01 (methodologies)	4.2	22	Not only methodologies but also the guidance should be written in a language that is accessible to a broad range of stakeholders. It is recommended to define “extraneous co-factors” in a transparent and understandable way or deleting the last sentence of para 22.	
A6.4-SB009-A01 (methodologies)	4.2	26 (d)	While life cycle approaches are valuable and offer a holistic overview of the net-atmospheric impact of activity, they can be notoriously difficult. It would be important therefore not to overcomplicate such assessments but maintain them practical and user-friendly. The language 26 (d) should adequately communicate this intention.	Adopting life cycle approaches and considering embodied emissions of materials and products, where relevant and practicable ;
A6.4-SB009-A01 (methodologies)	4.2	26 (e)	Most conservative baseline might not be the most appropriate, furthermore this requirement goes beyond what was agreed by Parties.	Choosing the most a conservative emissions baseline when multiple sources of data and parameters are available to set the baseline;
A6.4-SB009-A01 (methodologies)	4.3	27, 28, 29	Para 33 of the RMPs does not make direct reference to baselines being “below business as usual” on a conceptual level, which could be understood in many different ways, including conceptual choice of methodological approaches, what type of activities they support, or as in section 4.3, the baselines the establish. Section 4.3 thus choses a very restrictive interpretation of the RMPs. Furthermore, section 4.3 establishes a concept of delta between BAU and activity baseline, which goes beyond the recommendations agreed by the Parties in the RMPs	Delete entire section 4.3

Call for public input – Template for input | [A6.4-SB009-A01 \(methodologies\)](#) or [A6.4-SB009-A02 \(removals\)](#)

0 Meths or Removals	1 Section no.	2 Para. no.	3 Comment	4 Proposed change (Include proposed text)
A6.4-SB009-A01 (methodologies)	4.4	31, 32	Section 4.4 exemplifies the narrow view of Article 6.4 taken in the SB009’s version of the methodological guidance. This section as a whole is not applicable to mitigation contribution activities as all of the mitigation benefits will be retained by the host county. Furthermore, it should be noted that many Parties are choosing a much broader and unrestrictive interpretation of what constitutes “mitigation benefits”, which is their sovereign prerogative. “Mitigation benefits” could, for example, include contribution to host Party’s sustainable development goals, benefit sharing with local communities, technology and knowledge transfer, capacity building, etc.	<p>31. Mechanism methodologies shall contain methodology-specific options provisions methodology-specific options for contributing determining to the equitable sharing of mitigation benefits between participating Parties. These may include one or more of the provisions below:</p> <p>(a) Conditions to ensure that the total length of the crediting period(s) of activities is shorter than the lifetime of the technology implemented where there is very high confidence that emission reductions from the technology continue to be achieved beyond the end of crediting period(s);</p> <p>(b) 31(bis). The application of conditions specified by the dDesignated national authorities (DNAs) may specify the conditions that ensure their host Party benefits are retained.</p> <p>32. The Supervisory Body will establish a process for host Parties to communicate their approach to the operationalisation of paragraph 31(b) above.</p>
A6.4-SB009-A01 (methodologies)	4.4	33	It is not the position or the role of the Supervisory Body to make recommendations to host parties regarding sharing of mitigation benefits, as requirements regarding benefit shared are a purely national prerogative.	The Supervisory Body may prepare recommendations non-intrusive information materials regarding benefit sharing for host Parties, to assist them in the consideration of equitable sharing of mitigation benefits between participating Parties including co-benefits in mechanism methodologies.
A6.4-SB009-A01 (methodologies)	4.6	38	A quote in parentheses does not presuppose changes to the original text.	Quote paragraph 36 of the RMP without changes
A6.4-SB009-A01 (methodologies)	4.6	42	Paragraph 36 of the RMPs does not introduce requirements for downward adjustment of baselines for anything other than an approach based on actual or historical emissions.	For the approaches based on on actual or historical emissions identified in paragraph 36 of the RMP, mechanism methodologies shall contain provisions to apply the method detailed in section 4.7 below to adjust the baseline emissions downwards and to ensure consistency with paragraph 33 of the RMP.

Call for public input – Template for input [A6.4-SB009-A01 \(methodologies\)](#) or [A6.4-SB009-A02 \(removals\)](#)

0 Meths or Removals	1 Section no.	2 Para. no.	3 Comment	4 Proposed change (Include proposed text)
A6.4-SB009-A01 (methodologies)	4.6	45	Paragraph 36 of the RMPs does not introduce requirements for downward adjustment of baselines for anything other than an approach based on actual or historical emissions. The wording of paragraph 45 must be therefore corrected.	Mechanism methodologies shall address consistency of implementation of paragraph 36 of the RMP with the requirements of paragraph 33 of the RMP through the appropriate application of: (a) Downward adjustment to baseline included in paragraph 36 (iii) of the RMP; and/or (b) Downward adjustment to baseline resulting from or applied to the approaches in paragraph 36 (i) and (ii) of the RMP.
A6.4-SB009-A01 (methodologies)	4.6	46	In the absence of Section 4.3 paragraph 46 is not needed	Delete
A6.4-SB009-A01 (methodologies)	4.6	47 (a)	<ol style="list-style-type: none"> 1) Project design document shall concern itself with the results. 2) The text should recognize sovereign prerogative in determining relative sectoral contribution to the NDCs and specific implementation priorities, which may differ from the overall NDC goals . 	47. Factors or Quantitative estimation methods of for downward adjustment in the context of paragraph 36 (iii) of the RMPs shall be: (a) included in the project design document and updated at each renewal of the crediting period;
A6.4-SB009-A01 (methodologies)	4.6	47 (b)	<p>If the activity is not seeking authorisation and Article 6.4 is used to certify the results of activity’s contribution to the NDC of the country, no adjustment in line with the NDC should be required as activities will be in effect part of the implementation of the NCD.</p> <p>Should a project activity intent to see authorisation for ITMO transfers, the accounting of the mitigation outcomes in the country and their transfer for use in NDCs of other countries should follow the guidance of transparency and should exceed the unconditional commitments of the NDC, necessitating adjustment of baseline to the NDC conditions as a starting point.</p> <p>At the same time it is important to recognize that the level of contributions of various sectors to the NDCs can vary and it is host Party prerogative to establish them.</p>	<p>47(bis) For activities seeking ITMO authorisation, based on an estimation of emission reductions and removals necessary to achieve NDCs as determined in relevant NDC implementation plans, if applicable, and LT-LEDS and their implementation plans where they have been submitted;</p>

Call for public input – Template for input [A6.4-SB009-A01 \(methodologies\)](#) or [A6.4-SB009-A02 \(removals\)](#)

0	1	2	3	4
Meths or Removals	Section no.	Para. no.	Comment	Proposed change (Include proposed text)
A6.4-SB009-A01 (methodologies)	4.7	47 (c)	<p>Article 3 of the Paris agreement establishes that in order to achieve the long-term temperature goal of the Paris Agreement, Parties should aim to reach global peaking of greenhouse gas emissions as soon as possible, recognizing that peaking will take longer for developing country Parties, so as to achieve a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases in the second half of this century, on the basis of equity, and in the context of sustainable development and efforts to eradicate poverty.</p> <p>In contrast with the Kyoto Protocol, the process of establishing the contribution of Parties is established as nationally driven. Each Party’s nationally determined contribution should represent their highest possible ambition, reflecting their common but differentiated responsibilities and respective capabilities, in the light of different national circumstances (CBDR).</p> <p>Paragraph 47(c) of the methodological guidance appears to depart from both the principle of nationally determined contributions and the principle of CBDR by introducing a process to estimate, at a UN-level, and through a UN body, emission reductions and removals necessary to achieve the long-term temperature goal of the Paris agreement and assess their appropriateness in light of the Parties’ socio-economic conditions.</p> <p>Ukraine questions to what degree the Supervisory Body and its expert panels are in the position to undertake such evaluations and what mandate the Supervisory Body has to define the principles and definitions of equity and differentiated responsibilities and respective capabilities to conduct such assessments.</p> <p>Further, the contribution of Parties to the long-term temperature goal of the Paris agreement should be based not only on their respective capabilities, i.e. socio-economic conditions, but also on their differentiated responsibilities, including historic responsibilities of Parties to remove their historic emissions from the global GHG concentrations in line with their economic ability. The rich developed countries cannot continue shifting responsibilities for having used up the global atmosphere to the more disadvantaged developing countries. The circumstances of the 195 Parties that have ratified the Paris Agreement are extremely diverse and could include war, poverty, economic and political instability.</p> <p>In this context Ukraine notes with deep concern that the current composition of the Methodology Panel lacks balance in regional representation, being highly skewed towards developed country representation. This puts under serious question the Methodological Panel’s ability to undertake such work in a balanced and inclusive manner.</p>	<p>47 (trise) The Supervisory Body should seek CMA guidance to conduct Based on an estimation of emission reductions and removals necessary to achieve the long-term temperature goal of the Paris Agreement differentiated by technology/sector or and by country/region, considering individual Parties’ responsibilities for removing their emissions from the atmosphere in light of their historic contributions to increasing global GHG concentrations, socio-economic conditions, and and accommodating different circumstances of the host Parties, which then be used to inform adjustment of baselines in the contact of paragraph 36(iii) of the RMPs.</p>

Call for public input – Template for input		A6.4-SB009-A01 (methodologies) or A6.4-SB009-A02 (removals)		
0	1	2	3	4
Meths or Removals	Section no.	Para. no.	Comment	Proposed change (Include proposed text)
			Ukraine, therefore, recommends that the Supervisory Body seeks guidance from the CMA as to how this process should be undertaken. It is our firm belief that the Supervisory Body cannot embark on this work without explicit mandate from the CMA	
A6.4-SB009-A01 (methodologies)	4.7	49 (a)	Considering the that the NDC process is supposed to be nationally driven, any quantitative assessments related to estimation of trajectories towards LT-LEDS and NDC should require approval and cooperation of the host Party.	The downward adjustment to the baseline referred to above may be operationalized through: (a) Factors or q Quantitative adjustment methods for activities included in methodologies approved by the Supervisory Body and the host Party . Activity participants, stakeholders or host Parties may propose factors or quantitative methods for the consideration of the Supervisory Body;
A6.4-SB009-A01 (methodologies)	4.7	49 (b), (c)	We also note with concern how the framing of Article 6.4 methodological guidance appears to shift Article 6.4 into a process for UN-led assessment of NDCs and LT-LEDS as pre-requisite to access to carbon finance, as exemplified by paragraphs 49 (b) and (c).	(b) Development of factors or quantitative methods, jointly by the Supervisory Body and the host Party, with the provision for the host Party to make a request to the Supervisory Body to initiate the development of the factors or quantitative methods. The procedures for the standardized baselines may be used for this purpose; (c) Development of factors or quantitative methods by the host Party that are specified to the Supervisory Body for approval. The procedures for the standardized baselines may be used for this purpose.
A6.4-SB009-A01 (methodologies)	5	80	Each of the elements of additionality should be sufficient on its own.	80. Mechanism methodologies shall contain provisions to require allow demonstration of additionality through the following elements:

Call for public input – Template for input [A6.4-SB009-A01 \(methodologies\)](#) or [A6.4-SB009-A02 \(removals\)](#)

0	1	2	3	4
Meths or Removals	Section no.	Para. no.	Comment	Proposed change (Include proposed text)
A6.4-SB009-A01 (methodologies)	5	80 (b)	<p>Requirement that “proposed activity represents mitigation that exceeds any mitigation that is required by law or regulation” may exclude critical abatement activities and penalise host Parties with ambitious policies and regulations. While we firmly believe project proponents should not be benefitting from non-compliance with any local laws and regulations, it is also important to recognize there could be situations where non-compliance is a result of specific nation-wide barriers that could be, for example, overcome with the help of carbon finance.</p> <p>Systematic lack of enforcement and noncompliance can be established, among other, through common practice analysis or other types of surveys.</p> <p>The Supervisory Body may consider establishing specific guidance to evaluate appropriateness of providing waivers to regulatory additionality requirement and restrictions on carbon finance associated with such cases.</p> <p>Finally, the methodological guidance should recognize the value of accelerating mitigation through first-of-a-kind and trailblazer technologies and approaches by including common practice tests in additionality assessments</p>	<p>(c) The proposed activity represents mitigation that exceeds any mitigation that is required by law or regulation, unless there is evidence of systematic and wide-spread non-compliance, through a regulatory analysis conducted to assess whether the activity is mandated or triggered by applicable law or regulation. For this purpose, law or regulation applicable to the proposed activity that may require a certain technological, performance or management action shall be considered;</p> <p>...</p> <p>...</p> <p>(e) First-of-its-kind and common practice tests</p>

Call for public input – Template for input [A6.4-SB009-A01 \(methodologies\)](#) or [A6.4-SB009-A02 \(removals\)](#)

0	1	2	3	4
Meths or Removals	Section no.	Para. no.	Comment	Proposed change (Include proposed text)
A6.4-SB009-A02 (removals)			<p>At the 5th meeting of the Supervisory Body, the SB agreed to focus on measures that address reversals on a tonne-for-tonne basis, and not on a tonne-year basis, in developing recommendations for activities involving removals for CMA 5. With regards to “tonne-year” accounting, members acknowledged the persistent concerns and questions raised, including within the scientific community, regarding its underpinning methods and assumptions, and ecological implications, and insufficient confidence in its suitability for international applications and effectiveness at addressing reversals in line with the mandate for this work. The intention of the Supervisory Body, however, was to leave the tonne-year accounting issue open for possible reconsideration at a later stage.</p> <p>The scientific opinion and experience with tone-year accounting appears to be evolving, represented, among other, by the experiences of the Canadian offsetting mechanisms.</p> <p>As the removal guidelines were not adopted by CMA5, the SB005 should re-examine the issue of tonne-year accounting in light of new knowledge and practical experiences. Considering inputs that have been submitted to the SB in this stakeholder consultation round, it would be advisable to retain tonne-year accounting as of the optional methods under removal guidance while collecting data and information on its practicalities and implementation challenges with a view of re-evaluating the appropriateness of the method after initial 3-5 years.</p>	