

Summary of changes from TREES 1.0 to TREES 2.0

August 2021

The table below provides a summary of the changes in the published version of TREES 2.0.

Topic	Revision or Clarification	Section	Brief Description of Change
Editorial	Ensures the consistent use of acronyms and phrases; adds removals to all mentions of emission reductions (ERs), as well as references to HFLD Credits and jurisdictions.	All	These changes were made to ensure consistency and readability across the document, and to reference the inclusion of removals and HFLD approaches under ART.
ART Process	Clarifies that the ART Board does not need to approve the submission of the TREES Concept prior to a Participant being listed.	Section 2.5	This clarification was made to correctly represent the process for approval of initial documentation.
Eligible Participants	Adds criteria for Indigenous Peoples to be considered eligible as part of subnational accounting areas for National participants in ART.	Sections 3.1 and 3.1.1	The change provides a pathway for eligibility of one or more Indigenous Peoples Territories to be aggregated as part of a subnational accounting area submitted by a national Participant. Please see the Statement of Reasons for more information.
Eligible Participants	Adds language to clarify TREES position on projects and REDD+ implementation activities.	Section 3.1	Clarifies that while ART does not directly credit projects or similar smaller-scale activities, ART encourages Participants to work with the private sector, communities and other stakeholders to design and implement successful programs. ART does not prescribe how such activities must be nested or incorporated into national or subnational programs. Each Participant is

			allowed to determine the arrangement that is best for their individual needs. For more information on nesting under ART, please see the publication on the ART website that describes nesting options and answers frequently asked questions.
Safeguard Information Systems	Clarifies the types of SIS allowed under TREES.	Section 3.1.2	This clarification was made to ensure consistent interpretation of the requirement.
Eligible Activities	Adds removals activities.	Section 3.2	This addition is associated with the inclusion of removals crediting under ART. Please see the Statement of Reasons for more information.
Additionality	Adds language on removals and HFLD jurisdictions.	Section 3.3	This addition is associated with the inclusion of removals and HFLD crediting under ART.
Forest Definition	Clarifies that the same forest definition must be used for the entire crediting period.	Section 3.4	This clarification was made to ensure consistent interpretation of the requirement.
IPCC Assessment Report applicability	Clarifies which IPCC AR must be used for reporting under ART.	Section 4	This clarification was made to ensure consistent interpretation of the requirement.
Accounting Requirements	Adds removals accounting language.	Section 4.1	This addition is associated with the inclusion of removals crediting under ART.
Activity Data	Clarifies which remote sensing approaches are permissible and which requirements apply to each.	Section 4.1.1	This clarification was made to ensure consistent interpretation of the requirements. Text has been added to confirm that all currently used remote sensing approaches are accepted and to identify more explicitly which

			requirements apply to which remote sensing approaches.
Emission Factors	Clarifies requirements for historical emission factors.	Section 4.1.2	This clarification makes clear that requirements for ground-based measurement data do not apply retro-actively.
Removal Factors	Adds a new section.	Section 4.1.3	This new section is associated with the inclusion of removals crediting under ART.
Scope of Activities	Revises language to include removals and to delete the requirement for ex-ante projections of emission sources when justifying de minimis exclusions.	Section 4.4	This new language is associated with the inclusion of removals crediting under ART. The requirement for ex ante projections of emissions was deleted due to the inherent inaccuracy and challenges of making such estimates.
Scope of Pools	Clarifies that peat soils are a required primary pool for organic soils.	Section 4.5	This clarification was made to ensure a consistent interpretation of the requirement and intent of ART.
Crediting Level	Corrects equation.	Section 5.1	This correction was made to ensure accuracy of the equation.
HFLD Eligibility	Provides a new method for qualifying as HFLD and moves the text to section 5.2.1	Section 9.2	This change was made based on consultation with HFLD experts, who indicated that a dynamic score is more robust than a static definition. The section was moved to Section 5 as it defines eligibility for use of the optional HFLD Crediting Level. Please see the Statement of Reasons for more information.
Optional HFLD Crediting Level	Adds a new section for calculating HFLD credits, which is optional for jurisdictions that qualify under the dynamic score method.	Section 5.2.2	This new section provides a distinct HFLD crediting approach under ART to incentivize Participants that meet the TREES High-Forest

			Low-Deforestation (HFLD) eligibility score. Please see the Statement of Reasons for more information.
Crediting Level for Removals	Adds a new section for calculating TREES removal credits.	Section 5.3	This new section provides a distinct crediting approach for removals under ART for Participants that have successfully reduced emissions from deforestation and degradation. Removals from the conversion of non-forest to forest are eligible for crediting. Please see the Statement of Reasons for more information
Monitoring	Includes a 20-year MRV requirement for Participants wishing to sell TREES credits into CORSIA.	Section 6.2	This optional requirement was added to enable Participants to adhere to requirements of CORSIA.
Reversals	Clarifies how Mitigating Factor 2 should be calculated, and also how it applies to HFLD jurisdictions.	Section 7.1.1	This text was clarified to ensure consistent application of this mitigating factor.
Reversals Buffer Pool Contribution	Modifies the equation to add removals.	Section 7.1.2	This addition is associated with the inclusion of removals crediting under ART.
Leakage Deduction	Modifies the equation to add removals.	Section 7.2.1	This addition is associated with the inclusion of removals crediting under ART.
Uncertainty	Revises the approach to determine the uncertainty of the ERRs and assign a deduction based on the risk of over-crediting corresponding to an ART tolerance level.	Section 8	This section was changed to address ART's intent to update the uncertainty approach in TREES 2.0 based on continued evaluation of approaches and consultation with experts. These changes now include the quantification of the uncertainty of the emission reduction and removal value, and only applies deductions when ERRs could be over-

			estimated. A tool to assist Participants to correctly conduct a Monte Carlo simulation is available for Participants (please find link on ART website). Please see the Statement of Reasons for more information.
Calculation of ERRs	Revises the equations to include removals and HFLD crediting approaches.	Section 10	This new section is associated with the inclusion of removals and HFLD crediting approaches under ART.
Safeguards Reporting Requirements	Revises the timeframe for reporting on outcome indicators.	Section 12.3	The correction was made to reflect the intent that all Participants have equal time to meet this requirement, regardless of the start date that is selected.
Safeguards Indicators	Modifies select indicators to improve readability and provide clarification.	Section 12.5	These clarifications were made to ensure a consistent interpretation of the requirements.
Safeguard E	Modifies the themes and indicators to include natural ecosystems (in addition to natural forests)	Section 12.5.5	The revision was made to ensure that the safeguards apply to both natural forests and other types of natural ecosystems.
Avoiding Double Issuance	Includes an exception to certain instances of double issuance	Section 13.1	An exception to this requirement is provided in cases in which credits from projects located within the Participant jurisdiction are verified and/or issued by a GHG program and labelled as being allowed only for use in a domestic compliance market within the Participant jurisdiction.
Avoiding Double Claiming	Clarifies how TREES addresses the avoidance of double claiming	Section 13	This section clarifies how TREES addresses the avoidance of double claiming, recognizing that international requirements for Corresponding

			<p>Adjustments to avoid double counting under the Paris Agreement Article 6 are still being negotiated, that the infrastructure for countries to account for Corresponding Adjustments is not yet in place, that there will be a transition period for the Paris Agreement rules and infrastructure to be in place, and that and that Corresponding Adjustments may not be required for all potential agreements that ART Participants may enter into.</p> <p>Recognizing also that requirements for Corresponding Adjustments are clear for government-to-government transfers under Article 6.2 and for transfers for use in the ICAO CORSIA, the ART Registry already has infrastructure in place to facilitate the avoidance of double claiming for all transactions where accounting for international transfers may be required or preferred. This includes functionality to publish Host Country Letters of Authorization for transfer of TREES Credits, to label TREES Credits associated with a Letter of Authorization, as well as to label TREES Credits for which a corresponding adjustment has been applied.</p>
Validation and Verification	Adds removals to scope of validation and verifications.	Section 14	This addition is associated with the inclusion of removals crediting under ART.

Complaints and Appeals	Clarifies that complaints may arise from validation or verification.	Section 16.1	This clarification was made to ensure consistent interpretation of the intent.
Definitions	Revises relevant definitions to include removals and HFLD crediting level options.	Definitions	This addition is associated with the inclusion of removals and HFLD crediting under ART.
TREES Documents	Adds removals information to the document content.	Annex A	This addition is associated with the inclusion of removals crediting under ART.
CORSIA Double Counting	Adds new double counting requirements for transfers for use under the ICAO CORSIA	Annex B	This annex was added to enable Participants to adhere to requirements of ICAO CORSIA.