



ART
Architecture for
REDD+ Transactions

**EXECUTIVE
SUMMARY**

**THE
REDD+
ENVIRONMENTAL
EXCELLENCE
STANDARD
(TREES) 2.0**

JUNE 2023

EXECUTIVE SUMMARY:

THE REDD+ ENVIRONMENTAL EXCELLENCE STANDARD (TREES), VERSION 2.0

JUNE 2023

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ABOUT ARCHITECTURE FOR REDD+ TRANSACTIONS (ART) PROGRAM

The Architecture for REDD+ Transactions (ART) has been developed to achieve the environmental integrity needed for REDD+ emission reductions and removals (ERRs) at national and jurisdictional scale. ART provides a credible standard and rigorous process to transparently register, verify, and issue REDD+ emission reduction and removal credits that ensure environmental and social integrity. ART aims to unlock new long-term financial flows to protect and restore forests.

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CONTENTS

1. INTRODUCTION.....	6
1.1 DESCRIPTION OF ART AND TREES	6
1.2 ART GOVERNANCE	6
1.2.1 DEVELOPMENT PROCESS FOR TREES	6
1.2.2 ADOPTION OF AND REVISIONS TO TREES.....	6
1.3 CONFLICT OF INTEREST.....	7
2. ART CYCLE	7
2.1 PROCESS FOR INITIAL REGISTRATION, VALIDATION, VERIFICATION, AND ISSUANCE.....	7
2.2 PROCESS FOR ONGOING VALIDATION, VERIFICATION, AND ISSUANCE	8
2.3 CREDITING PERIOD AND RENEWAL.....	8
2.4 DOCUMENTATION REQUIREMENTS	9
2.5 TIMELINE AND DEADLINES	9
3. ELIGIBILITY/APPLICABILITY/KEY REQUIREMENTS	10
3.1 ELIGIBLE ENTITIES	10
3.1.1 SUBNATIONAL ACCOUNTING.....	10
3.1.2 NATIONAL REPORTING REQUIREMENTS	11
3.2 ELIGIBLE ACTIVITIES.....	12
3.3 ADDITIONALITY	12
3.4 FOREST DEFINITION	12
3.5 NO EX-ANTE CREDITING.....	13
3.6 REGULATORY COMPLIANCE	13
3.7 EARLIEST CREDITING PERIOD START DATE AND VINTAGE	13
4. CARBON ACCOUNTING	13
4.1 ACCOUNTING REQUIREMENTS.....	14
4.1.1 ACTIVITY DATA.....	14
4.1.2 EMISSION FACTORS	14
4.1.3 REMOVAL FACTORS	15
4.2 STRATIFICATION.....	15
4.3 LAND-BASED VERSUS ACTIVITY-BASED ACCOUNTING	15
4.4 SCOPE OF ACTIVITIES	15
4.5 SCOPE OF POOLS AND GASES.....	16

5. CREDITING LEVEL	17
5.1 CALCULATING A TREES CREDITING LEVEL FOR EMISSIONS	17
5.2 CALCULATING A TREES CREDITING LEVEL FOR HFLD PARTICIPANTS (OPTIONAL APPROACH)	17
5.2.1 HIGH FOREST, LOW DEFORESTATION ELIGIBILITY	17
5.2.2 HFLD CREDITING APPROACH	17
5.3 CALCULATING A TREES CREDITING LEVEL FOR REMOVALS	18
6. MONITORING	18
6.1 MONITORING PLAN	18
6.2 MONITORING AND REPORTING FREQUENCY	19
7. REVERSALS AND LEAKAGE	19
7.1 REVERSALS	19
7.1.1 REVERSAL RISK ASSESSMENT	19
7.1.2 BUFFER POOL CONTRIBUTION	20
7.1.3 REVERSAL COMPENSATION	20
7.1.4 BUFFER POOL MANAGEMENT	20
7.2 LEAKAGE	21
7.2.1 LEAKAGE DEDUCTION	21
8. UNCERTAINTY	21
9. EMISSION REDUCTIONS AND REMOVALS LABELING	22
9.1 PARTICIPANT PERFORMANCE INFORMATION	22
10. CALCULATION OF EMISSION REDUCTIONS AND REMOVALS	22
11. VARIANCE	23
12. ENVIRONMENTAL, SOCIAL, AND GOVERNANCE SAFEGUARDS	23
12.1 PURPOSE	23
12.2 STRUCTURE	24
12.3 REPORTING REQUIREMENTS	24
12.4 SCOPE	25
12.5 SAFEGUARDS	26
12.5.1 CANCÚN SAFEGUARD A	26
12.5.2 CANCÚN SAFEGUARD B	27
12.5.3 CANCÚN SAFEGUARD C	28
12.5.4 CANCÚN SAFEGUARD D	29
12.5.5 CANCÚN SAFEGUARD E	30

12.5.6 CANCÚN SAFEGUARD F	31
12.5.7 CANCÚN SAFEGUARD G.....	32
13. AVOIDING DOUBLE COUNTING.....	32
13.1 DOUBLE ISSUANCE	32
13.2 DOUBLE USE.....	33
13.3 DOUBLE CLAIMING	33
14. VALIDATION AND VERIFICATION.....	34
14.1 VALIDATION AND VERIFICATION SCOPE AND FREQUENCY.....	34
14.2 VALIDATION AND VERIFICATION BODY ACCREDITATION.....	34
14.3 VALIDATION AND VERIFICATION PROCESS	34
15. REGISTRY REQUIREMENTS	35
15.1 ACCOUNT REQUIREMENTS.....	35
15.2 PUBLICLY AVAILABLE DOCUMENTATION	35
16. COMPLAINTS AND APPEALS	35
16.1 COMPLAINTS.....	35
16.2 APPEALS.....	35

1. INTRODUCTION

This Executive Summary provides only a summary of key requirements of TREES. This summary should not be considered a replacement for reviewing TREES in its entirety.

1.1 DESCRIPTION OF ART AND TREES

The purpose of the Architecture for REDD+ Transactions (ART) is to promote the environmental and social integrity and ambition of greenhouse gas (GHG) emission reductions and removals (ERRs) from the forest and land use sector to catalyze new, large-scale finance for REDD+ and to recognize forest countries that deliver high-quality REDD+ emissions reductions and removals.

The REDD+ Environmental Excellence Standard (TREES) TREES includes the required technical elements as well as environmental, social and governance safeguard requirements, verification requirements and provisions to avoid double counting.

1.2 ART GOVERNANCE

ART is governed by a Board that provides strategic guidance and ensures the program's environmental and social integrity. The Board will oversee implementation of the ART program and ensure it is in accordance with emerging UNFCCC processes.

The ART Secretariat, hosted by Winrock International, is responsible for the operation of the ART program. The Secretariat will oversee the implementation of the ART Program, including the registration, verification and issuance of Board approved TREES credits on the ART registry.

1.2.1 Development Process for TREES

The ART Secretariat forms expert committees as appropriate to assist in the development of Standards. A list of the committees and their members is available on the ART website.

1.2.2 Adoption of and Revisions to TREES

The ART Secretariat and ART Board will conduct a review of TREES at a minimum of every three years and update the Standard if deemed necessary, including input from technical expert committees and stakeholders as well as relevant decisions of the UNFCCC.

The Secretariat will solicit broad stakeholder input to future updates and revisions to TREES through a highly transparent public comment process.

When a new version of TREES is approved by the Board, current Participants will have three options:

1. Continue to use the version of the Standard that was in place at the time of initial submittal of documentation to ART for the remainder of the crediting period. At the start of the next crediting period, the latest version of TREES must be adopted.
2. Continue to use the version of the Standard that was in place at the time of initial submittal of documentation to ART for the current crediting period *except* where the new TREES explicitly specifies where new or revised provisions may be adopted that do not affect the crediting level. Adopted provisions must be in place at the time of next reporting to ART. At the start of the next crediting period, the latest version of TREES must be fully adopted.
3. Begin a new crediting period upon publication of the new version of TREES and update to all provisions and requirements of the new version of TREES, including any changes to the crediting level.

1.3 CONFLICT OF INTEREST

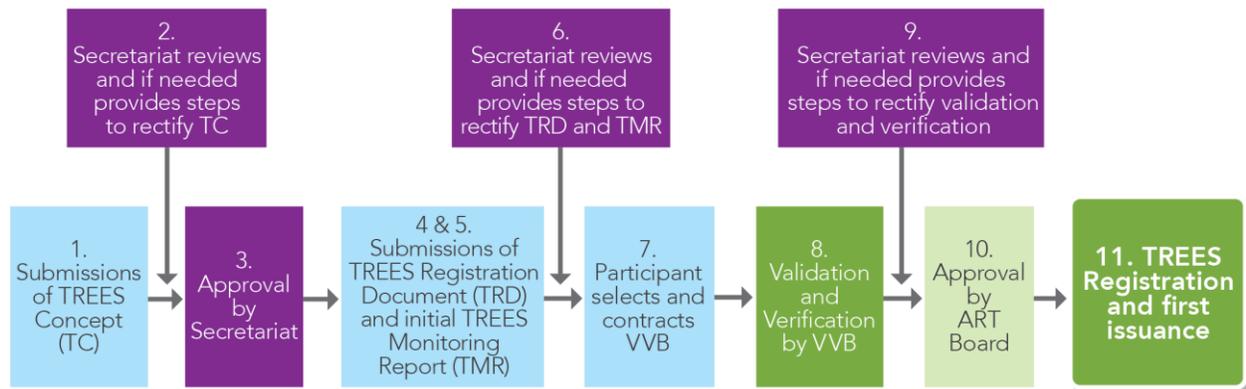
To ensure all ART Board members and the ART Secretariat are held to the highest standards for ethics and professional conduct and for avoidance of conflicts of interest, Board members and Secretariat staff shall be subject to the ART Ethical Standards. The Secretariat is also subject to the Conflict of Interest policy as detailed in Winrock's Code of Conduct.

In addition to its internal Conflict of Interest policy for the Board and Secretariat, ART requires that all approved Validation and Verification Bodies meet Conflict of Interest requirements described in the TREES Validation and Verification Standard.

2. ART CYCLE

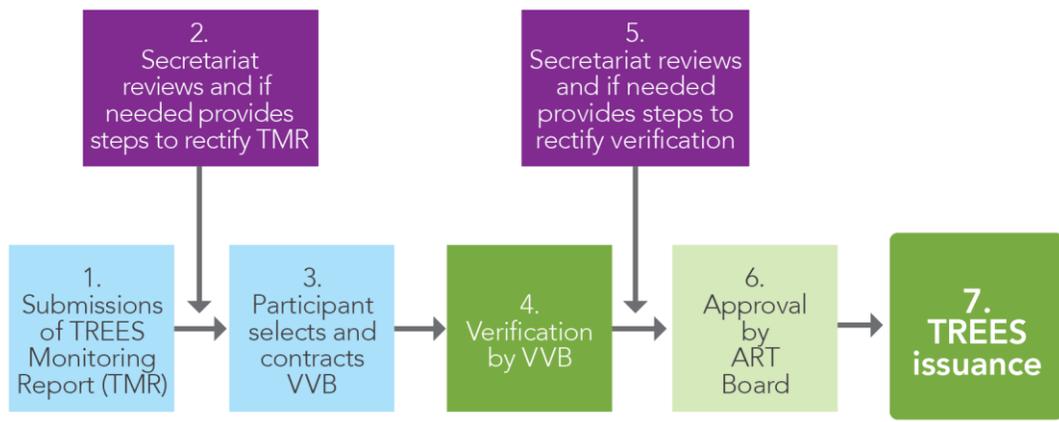
2.1 PROCESS FOR INITIAL REGISTRATION, VALIDATION, VERIFICATION, AND ISSUANCE

The following flow chart outlines the steps a Participant will follow once the Participant has applied for and been preliminarily approved for an ART Registry account. All documents are submitted through the ART Registry.



2.2 PROCESS FOR ONGOING VALIDATION, VERIFICATION, AND ISSUANCE

The following flow chart outlines the steps a Participant will follow after the first validation and verification has been completed.



2.3 CREDITING PERIOD AND RENEWAL

The crediting period under TREES is five calendar years. The initial crediting period may begin up to four calendar years prior to the year the Participant submits the TREES Concept Note but may not overlap with the historical reference period used to determine the initial crediting level. All subsequent crediting periods shall begin on the date following the end date of the previous crediting period. The crediting period may be less than 5 years only in cases where the Participant is subnational, and must therefore terminate its crediting period on December 31, 2030, per section 3.1.1 of this Standard.

2.4 DOCUMENTATION REQUIREMENTS

Participants shall use the latest version of the template for each of the seven documents listed below when submitting documents to ART.

Templates including instructions and additional information for completing the forms are available on the ART website. In some instances, an alternative form of reporting may be acceptable for certain portions of the requirements to prevent a Participant from duplicating efforts.

The TREES documents are:

1. TREES Concept
2. TREES Registration Document
3. TREES Monitoring Report
4. TREES Validation and Verification Conflict of Interest Document
5. TREES Validation Report
6. TREES Verification Report
7. TREES Variance Request Form

2.5 TIMELINE AND DEADLINES

Proposed Participants may submit the TREES Concept at any time. Following approval of the TREES Concept, the Participant may submit the TREES Registration Document and initial TREES Monitoring Report. There is no specified timeframe for the submission of the TREES Registration Document following submission of the TREES Concept.

Subsequent TREES Monitoring Reports shall be submitted within twelve months following calendar years 1, 3, and 5 of each crediting period and shall document one calendar year or two calendar years. TREES Monitoring Reports may optionally be submitted following calendar years 2 and 4 of the crediting period.

The TREES Validation and/or Verification Report and TREES Verification Statement must be submitted to the ART Secretariat within 12 months of the kickoff of the validation or verification.

The Secretariat will review documents submitted to ART in the timeframes outlined in TREES.

3. ELIGIBILITY/APPLICABILITY/KEY REQUIREMENTS

3.1 ELIGIBLE ENTITIES

Participants shall be national governments (i.e., the highest level of government that exists in the country), or subnational governments. No scale thresholds apply to national participants with national accounting areas.

While ART does not directly credit projects or similar smaller-scale activities, ART recognizes that Participants will work with the private sector, Indigenous Peoples and local communities (IPLCs) 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 in order to allow each Participant to determine the arrangement that is best for their individual needs.

3.1.1 Subnational accounting

During an interim period through December 31, 2030, subnational accounting areas may be registered under ART as a recognized step to national-level accounting. After the interim period, accounting shall be at a national level.¹ Participants registering subnational accounting areas may be a national government or a subnational government.

Where a subnational accounting area is registered by a national government:

- The boundaries of the subnational accounting area shall correspond with the entire area of one or several administrative jurisdictions no more than one administrative level down from national level and/or one or several recognized Indigenous territories; AND
- The included jurisdiction(s) and/or recognized Indigenous territory(ies) do not need to be contiguous; AND
- Aggregation of jurisdictions and/or recognized indigenous territories must be conducted in line with the safeguards in TREES Section 12; AND
- The total subnational accounting area must be comprised of a total forest area of at least 2.5 million hectares² based on area at the beginning of the TREES Crediting Period AND

¹ National scale participants should make efforts to include 100% of forest areas in accounting. However, national scale accounting shall be defined as $\geq 90\%$ of all areas in the country qualifying as forest under the national forest definition as described in Section 3.4. Areas excluded must be justified (i.e., they are isolated, patchy and historically not subject to deforestation rates of less than half of the national rate).

² A national Participant submitting a subnational accounting area may combine smaller subnational and/or Indigenous territories to meet this threshold in line with the TREES safeguards outlined in Section 12.

- The crediting period for subnational accounting shall end on December 31, 2030 regardless of how many years have passed in the crediting period.

Where a subnational accounting area is registered by a subnational government:

- The boundaries of the subnational accounting area shall correspond with the entire area of the single administrative jurisdiction; AND
- The jurisdiction must be comprised of a total forest area of at least 2.5 million hectares based on area at the beginning of the TREES Crediting Period; AND
- The crediting period for subnational accounting shall end on December 31, 2030 regardless of how many years have passed in the crediting period.

Subnational jurisdictions may not aggregate as direct subnational participants, however, they may aggregate as part of a national government submission of a subnational accounting area.

Where the TREES Participant is a subnational government, the national government must provide the Participant with a letter from the relevant national entity authorizing the Participant's application to and participation in ART. The letter will attest that the national government will support the Participant by aligning accounting and reporting as required under the Paris Agreement and towards NDCs, including addressing double counting provisions outlined in Section 13 of this Standard and other relevant provisions. If corresponding adjustments are required or desired, the Participant can obtain host country authorization in the same letter or a different letter for this purpose. The letter will also detail any special requirements for and exceptions to the authorization.

3.1.2 National reporting requirements

TREES Participants, or the Participant's national government, shall include forests in their NDCs.³

In addition, national government Participants must demonstrate conformance with Cancún Safeguards related requirements, including:

1. Having addressed and respected the safeguards (Section 12),
2. Having submitted the most recent Summary of Information to the UNFCCC for any year where results-based payments under TREES are sought, and
3. Having either a digital or analog system for providing information on safeguards.

If a TREES Participant is a subnational government, the Participant must demonstrate conformance with Cancún Safeguards related requirements, including:

³ Forests must be included as part of the overall NDC target. A specific NDC target for forests is not required.

1. Having addressed and respected the safeguards at the scale of REDD+ implementation applicable to the Participant in consistency with national legislation and/or safeguards conformance at the national level (Section 12),
2. Having submitted to the appropriate national government entity, a Summary of Information or safeguards report at the respective scale that is consistent with national reporting to the UNFCCC for any year where results-based payments under TREES are sought, and
3. Demonstrating safeguards tracking and/or monitoring tools are consistent with national tracking or tools, in particular with the national system for providing information on safeguards when available.

3.2 ELIGIBLE ACTIVITIES

Activities that are eligible under TREES include all REDD+ activities except removals from forests remaining forest.

Each TREES Participant shall submit a REDD+ implementation plan as part of the initial documentation and each subsequent TREES Monitoring Report which outlines the new and ongoing programs or activities including locations planned to achieve the ERRs. The implementation plan presented may be the same as or include the parts of the National REDD+ Strategy or Action Plan relevant to the proposed accounting area.

3.3 ADDITIONALITY

Additionality for participants using the TREES Crediting Level and the TREES Removals Crediting Level uses a performance-based approach in that only emissions achieved below a conservative historical crediting level and removals achieved any year above a historical crediting level will be eligible for crediting.

Instead of the performance-based approach to additionality, TREES Credits using the HFLD crediting approach are deemed automatically additional for any Participant that meets the HFLD Score threshold.

3.4 FOREST DEFINITION

The forest definition or definitions listed in the TREES Registration Document must be consistent with the most recent definition used by the national government in reporting to the UNFCCC. The same forest definition must be used for each full TREES Crediting Period.

3.5 NO EX-ANTE CREDITING

ART will not issue TREES credits for ERRs that have not yet occurred or that have not yet been verified by an ART-approved Validation and Verification Body.

3.6 REGULATORY COMPLIANCE

Participants must attest that REDD+ activities conducted as part of the Participant's REDD+ implementation plan to achieve ERRs are in compliance with applicable laws and regulations. Known instances of non-compliance or violations directly related to REDD+ activities must be disclosed in the TREES Monitoring Report along with corrective or preventive plans or actions.

3.7 EARLIEST CREDITING PERIOD START DATE AND VINTAGE

The crediting period selected may begin up to four calendar years prior to the year of submittal of the TREES Concept, provided all other requirements under TREES are met for each year of crediting.

4. CARBON ACCOUNTING

The TREES Credit is a greenhouse gas emission reduction or removal, denominated in metric tons of CO₂e, quantified and verified pursuant to TREES that is serialized and issued on the ART Registry as a TREES Credit.

Participants must demonstrate that all carbon estimation and quantification approaches conform with best practices. Details of each method, including an explanation of why the method was selected for use, and descriptions of how data were interpolated or prorated by calendar year, must be provided in the TREES Registration Document, and any updates to measurements and methods over time must be detailed in the TREES Monitoring Report.

ART requires Participants to calculate GHG reductions based on the 100-year Global Warming Potentials (GWPs) in the IPCC Assessment Report that is used by the host country in NDC reporting, with the goal for all reporting to include GWPs in the IPCC Fifth Assessment Report.⁴ This should be accomplished in a way that ensures that both reference period and reported annual emissions under ART apply the same GWPs. A plan for eventual application of the IPCC

⁴ IPCC, 2014: *Climate Change 2014: Synthesis Report. Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change* [Core Writing Team, R.K. Pachauri and L.A. Meyer (eds.)]. IPCC, Geneva, Switzerland, 151 pp..

Fifth Assessment Report must be submitted to ART in the TREES Registration Document unless the transition has already occurred.

4.1 ACCOUNTING REQUIREMENTS

Following IPCC guidelines, GHG emissions for a given period shall be the product of activity data multiplied by the respective emission factor(s), such that

$$\text{Greenhouse Gas Emissions (t CO}_2\text{e)} = \text{Activity Data (units of activity)} \times \text{Emission Factor} \left(\frac{\text{t CO}_2\text{e}}{\text{unit of activity}} \right)$$

Only anthropogenic emissions shall be considered, and IPCC guidance shall be adhered to on any exclusion of non-anthropogenic emissions.

GHG removals for a given period shall be the product of activity data from each year within the period multiplied by the applicable removal factor(s) and the time elapsed for the period, such that:

$$\begin{aligned} & \text{Greenhouse Gas Removals (t CO}_2\text{e)} \\ &= \text{Activity Data (units of activity)} \times \text{Removal Factor} \left(\frac{\text{t CO}_2\text{e}}{\text{unit of activity per year}} \right) \times \text{Time (years)} \end{aligned}$$

4.1.1 Activity Data

Activity data may be derived from remote sensing data or from verifiable ground-derived data. Activity data must be reported in each TREES Monitoring Report at the intervals specified in Section 2.5.

The TREES Registration Document and TREES Monitoring Report must provide descriptions of the methods used to establish activity data, with sufficient details to enable replication by a verifier.

Any changes in approaches over time must ensure spatial and temporal consistency of activity data estimation, be documented in subsequent TREES Monitoring Reports, and be reviewed to ensure conformance with the requirements in this section at the verification event that follows the update.

Where activity data are sourced from remote sensing, area estimates and confidence intervals must be reported. Good practice includes development of a sampling, response, and analysis design.

4.1.2 Emission Factors

Emission factors are the GHG emissions per unit of activity data. Factors shall be the net carbon stocks in the post deforestation or post degradation land use (e.g., the carbon stock pre-deforestation subtracted from the carbon stock in land use observed post-deforestation).

Emission factors shall be reevaluated and where necessary updated every five years in line with crediting level updates and must be consistent with the reference period.

4.1.3 Removal Factors

Removal factors are the GHG removals per unit of activity data per year since the start of the reforestation / forest restoration activity. Removal factors must include any tree mortality and/or harvests that may occur in commercial forest plantations and/or natural forest restoration areas during the crediting period.

Removal factors shall be reevaluated and where necessary updated every five years in line with crediting level updates and must be consistent with the reference period (where applicable).

4.2 STRATIFICATION

When stratification is employed, Participants shall:

- Document the stratification criteria and procedure in the TREES Registration Document and TREES Monitoring Report
- Document the procedure for updating the stratification over time, when applicable
- Maintain records of stratification work and any changes made over time, including maps and relevant files

4.3 LAND-BASED VERSUS ACTIVITY-BASED ACCOUNTING

Both land-based and activity-based accounting are accepted under TREES.

Uncertainty analyses must be able to determine the uncertainty associated with activity data and emission factors for the selected accounting approach (i.e., land-based accounting or activity-based accounting).

4.4 SCOPE OF ACTIVITIES

TREES incorporates accounting for emissions and removals as outlined in section 3.2. Emissions across activities shall be summed.

Emissions from forest degradation can be excluded where emissions total < 10% of reported deforestation emissions. In cases where activity-based analysis is conducted, individual forest emission activities (e.g., timber harvest or fuel wood collection) can be excluded where considered minor, such that Tier 1 (or better) estimation of emissions are < 3% of reported

deforestation emissions during the reference period as long as the sum of excluded activities remains < 10% of reported deforestation emissions.

Removals may be excluded in all instances but must be excluded where the net emissions from all other activities exceed the crediting level.

4.5 SCOPE OF POOLS AND GASES

The pools under TREES are:

PRIMARY	Aboveground live tree biomass	<i>part of IPCC - AGB</i>
	Soil organic matter (peat soils)	<i>part of IPCC – SOM</i>
SECONDARY	Belowground live tree biomass	<i>part of IPCC - BGB</i>
	Standing dead wood	<i>part of IPCC - DW</i>
	Down dead wood	<i>part of IPCC - DW</i>
	Litter/forest floor	<i>IPCC - L</i>
	Non-tree live biomass	<i>part of IPCC - AGB</i>
	Soil organic matter (mineral soils)	<i>part of IPCC - SOM</i>

IPCC carbon pool categories given for the purpose of cross-walking. AGB – above-ground biomass; BGB – below-ground biomass; DW – dead wood; L – litter; SOM – soil organic matter.

Pools not listed here are excluded, including for example harvested wood products.

The gases under TREES are:

PRIMARY	Carbon dioxide (CO ₂)
SECONDARY	Methane (CH ₄)
	Nitrous oxide (N ₂ O)

The pools included shall remain fixed for each crediting period and once included, pools may not be excluded in future crediting periods.

5. CREDITING LEVEL

5.1 CALCULATING A TREES CREDITING LEVEL FOR EMISSIONS

The TREES Crediting Level is calculated by taking a five-year historical average of deforestation and degradation emissions from the period directly prior to the crediting period.

5.2 CALCULATING A TREES CREDITING LEVEL FOR HFLD PARTICIPANTS (OPTIONAL APPROACH)

5.2.1 High Forest, Low Deforestation Eligibility

In order to qualify as an HFLD Participant under ART and use the optional HFLD Crediting Level approach, national or subnational Participants must demonstrate that they meet the HFLD Score threshold in each year of the historical reference period for their accounting area, which may include recognized Indigenous territories. Eligibility must be demonstrated at the beginning of each Crediting Period and the HFLD designation remains applicable for all five years of the Crediting Period.

Participants whose forest cover is greater than 50% and annual deforestation rate is less than 0.5% during each year of the historical reference period are eligible to calculate an HFLD Score, but do NOT automatically qualify as HFLD. The HFLD Score is the sum of the Participant's Forest Cover Score and the Participant's Deforestation Rate Score as outlined in TREES. Participants whose HFLD Score is 0.5 or higher for each year of the reference period meet the HFLD Score threshold and are considered HFLD Participants under ART.

5.2.2 HFLD Crediting Approach

The HFLD Crediting Level shall be calculated in accordance with the formulas presented in TREES. The TREES Crediting Level is first calculated as required in Section 5.1. This crediting level is then adjusted based on the Participant's HFLD Score and forest carbon stocks as indicated to determine the HFLD Crediting Level.

If in any year, the Participant's annual emissions exceed the 5-year historical average of emissions, a deduction must be applied to the total credits generated.

In addition, Participants may optionally claim removals from the greenhouse gas storage that would have occurred during the crediting period in forest that would have been lost in the absence of the REDD+ program.

5.3 CALCULATING A TREES CREDITING LEVEL FOR REMOVALS

In order to be eligible for crediting from removals for a specific year, Participants must demonstrate that emissions from deforestation and degradation have been reduced below the TREES Crediting Level during the same year. Removals from the conversion of non-forest to forest are eligible under TREES, provided they occur on lands that have been non-forest for a period of five (5) years prior to the start of planting or restoration activities.

The Participant calculates the average area in hectares of commercial planting and natural restoration during the five-year historical reference period. This establishes the removals crediting level (RCL), which is area-based. If stratification is possible, commercial planting and natural restoration can be tracked separately, and the natural restoration can apply a crediting level of zero, making all new areas of natural restoration eligible for removals crediting.

Participants track any new removals areas that are planted during each year of the crediting period and report them to ART. If the areas of natural forest restoration and commercial planting can be distinguished, they are treated differently as follows:

- a. Areas of new commercial planting in a given year are compared to the RCL, and only the areas that exceed that RCL area are eligible for removals crediting. The area planted in excess of the RCL is then multiplied by the appropriate removal factor. If the area of commercial planting reported does not exceed the RCL, no removals credits are issued.
- b. Areas of natural forest restoration (planting or regeneration) in a given year do not need to be compared to the RCL, but instead are all eligible for crediting (i.e., they apply a zero baseline). These areas are multiplied by the appropriate removal factor.
- c. Areas of natural forest restoration and planting that meet TREES requirements and were planted up to 10 years prior to the TREES crediting level start date are eligible for removals crediting, but only for the incremental growth of these areas that occurs during the crediting period.

6. MONITORING

6.1 MONITORING PLAN

Each TREES Participant shall develop a monitoring plan as part of the TREES Registration Document. All monitoring data shall be collected in line with the requirements of this Standard.

6.2 MONITORING AND REPORTING FREQUENCY

Participants shall monitor and submit a TREES Monitoring Report following calendar years 1, 3, and 5 of the crediting period. A Participant may optionally submit a TREES Monitoring Report following years 2 and 4 of the crediting period as outlined in Section 14.

For Participants that wish to have credits deemed eligible for ICAO's Carbon Offsetting Scheme for International Aviation (CORSIA), TREES requires that the Participant agree to monitor, report and verify under TREES for a minimum of four five-year crediting periods (20 years).

Subnational Participants who shift to be included in national level reporting at the end of 2030, do not need to report separately as long as the national government continues to report under TREES. If the national government chooses not to join ART by the end of 2030 or leaves ART at any time prior to the end of the Subnational Participant's 20-years, the Subnational Participant will be required to continue monitoring, reporting and verifying under TREES for the remainder of its 20-year period.

7. REVERSALS AND LEAKAGE

7.1 REVERSALS

TREES defines a reversal to be when a Participant's annual emissions exceed the crediting level. Participants must contribute a percentage of emission reductions at each issuance into a program-wide buffer pool to insure against future reversals. The maximum risk rating under TREES is 25% but can be lowered through three mitigation options.

If a Participant leaves ART at any time, all remaining buffer pool credits will be retired.

7.1.1 Reversal Risk Assessment

Participants must determine the number of TREES credits that will be contributed to the buffer at each issuance. Each monitoring report must identify the buffer contribution and all justifications for the contribution for each year reported.

TREES establishes a starting level of reversal risk for Participants of 25%. The starting risk level may be lowered if Participants can demonstrate that mitigating factors exist. The risk level is associated with a buffer deduction taken from the final verified TREES ERR quantity prior to each issuance.

TREES considers three risk mitigating factors (below) that affect the success of the Participant. Each factor shall be assessed and verified for each calendar year reported. They are applied to

the buffer pool contribution of a given year only when demonstrated that the mitigating factor was in place, or applicable, for the entire year.

MITIGATING FACTOR 1 (-5%): Legislation or executive decrees actively implemented and demonstrably supporting REDD+, issued by a relevant government agency, or with leadership from the Presidential or Prime Ministerial Office.

MITIGATING FACTOR 2 (-10%): Demonstrated interannual variability⁵ of less than 15% in annual forest emissions over the prior 5 years used in TREES Reporting. HFLD Participants automatically qualify for this mitigating factor.

MITIGATING FACTOR 3 (-5%): Demonstrated national reversal mitigation actions, plan or strategy developed in alignment with Cancun Safeguard F.

7.1.2 Buffer Pool Contribution

ART maintains a combined buffer pool that includes contributions from all Participants. Based on the results of the Risk Assessment, each Participant must contribute to the TREES Buffer Pool, which is managed by the Secretariat.

7.1.3 Reversal Compensation

If a Participant experiences a reversal, credits from the buffer pool will be retired to compensate for the emissions associated with the reversal.

After each reversal is reported, a Participant must increase its buffer contribution for a period of five calendar years by 5%, added to the buffer contribution assessment scoring for those years. Further, if the number of credits retired for the reversal exceeds the number of credits contributed to the buffer to date by the Participant, this deficit must be replenished by the Participant. If the Participant does not have sufficient credits already issued into its account, future credits issued to the Participant will be placed into the buffer until the excess amount is replenished.

7.1.4 Buffer Pool Management

The TREES Buffer Pool will be managed by the ART Secretariat, with credits retired where reversals are recorded. If a Participant leaves ART at any time, all remaining buffer pool contributions are retired to compensate for any future reversals that may occur.

⁵ This applies to emissions that increase and decrease year by year but will not apply to situations where emissions consistently decrease by over 15% a minimum of two consecutive years. The 15% is determined by taking the average of the data points over the 5 years and then comparing each individual year against that average.

7.2 LEAKAGE

If a Participant submits a subnational accounting area, a leakage assessment must be conducted. TREES includes four categories for leakage based on the percentage of a nation’s forests included in the subnational accounting area with corresponding leakage deductions ranging from 0-20%.

TREES establishes three classes of leakage risk for Participants: high, medium, low. Participants must use the TREES Leakage Deduction table to determine the proportion of ERRs that must be deducted.

7.2.1 Leakage Deduction

The TREES Leakage Deduction shall consider the program boundaries. Both activity-shifting and market leakage are covered.

Leakage Deduction Assessment

LEAKAGE CATEGORY	CRITERIA	DEDUCTION (LEAKAGE%)
High	< 25% of national forest area included in TREES	20
Medium	25–60% of national forest area included in TREES	10
Low	60–90% of national forest area included in TREES	5
No Leakage	>90% of national forest area included in TREES	0

8. UNCERTAINTY

TREES requires a sliding scale uncertainty deduction based on an allowable risk of overestimating ERRs. Under TREES, uncertainty shall be quantified in terms of the half-width of the 90% confidence interval as a percentage of the estimated emissions. Sampling errors must be estimated and included in the uncertainty calculation. Model and allometric errors are excluded.

Uncertainty shall be assessed on both activity data and emission factors. Errors shall be propagated between sources using Approach 2 (Monte Carlo simulation). Monte Carlo simulations shall use the 90% confidence interval and a simulation *n* of 10,000.

Participants must take an uncertainty deduction corresponding to the calculated risk of over-crediting for the calculated emission reductions in accordance with the equation provided in TREES.

Participants may recalculate uncertainty at 5-year intervals and recoup deductions if uncertainty has decreased over time.

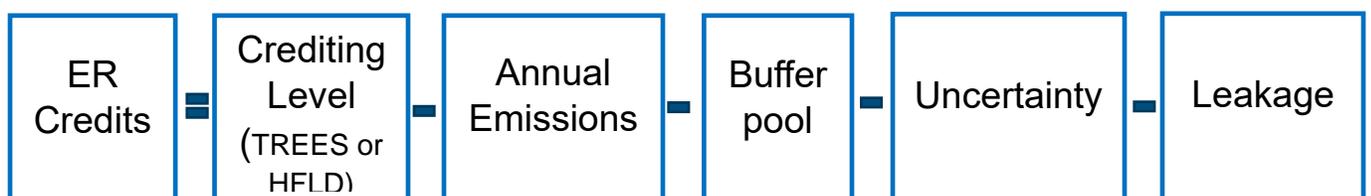
9. EMISSION REDUCTIONS AND REMOVALS LABELING

9.1 PARTICIPANT PERFORMANCE INFORMATION

Data related to the percent emission reduction achieved by a Participant at the time of TREES credit issuance will be made available on the ART Registry (i.e., the % difference between the crediting level and net emission reductions after required deductions). TREES Credits using the HFLD Crediting and Removals Crediting approaches will be labeled in the ART Registry to enable clear identification.

10. CALCULATION OF EMISSION REDUCTIONS AND REMOVALS

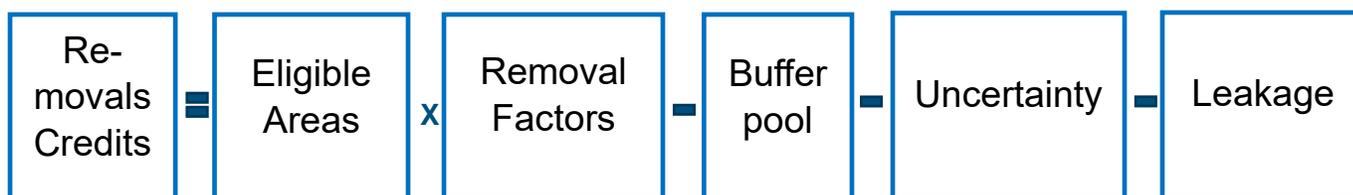
Participants will determine the number of emission reduction credits by determining the crediting level, subtracting annual emissions, subtracting the required buffer pool contribution, adjusting for uncertainty if necessary and, in cases where the accounting area is subnational, taking a deduction for leakage.



The emission reductions and supporting data, documentation and calculations are then independently validated and verified for conformance against TREES. Upon approval by the ART

Board, the Secretariat then issues serialized TREES Credits to the Participant in its ART Registry account.

Participants will determine the number of removals credits by determining the eligible crediting areas, multiplying by the appropriate removals factors, subtracting the required buffer pool contribution, adjusting for uncertainty if necessary and, in cases where the accounting area is sub-national, taking a deduction for leakage.



The removals and supporting data, documentation and calculations are then independently validated and verified for conformance against TREES. Upon approval by the ART Board, the Secretariat then issues serialized TREES Credits to the Participant in its ART Registry account.

11. VARIANCE

Participants may propose variances to this Standard where they do not negatively affect the conservativeness of the ERR estimate or they improve the accuracy of the data used. Variances may not be proposed regarding eligibility criteria or crediting level determination and may only apply to methodological or monitoring requirements.

Participants shall request a variance by using the TREES Variance Request Form template.

12. ENVIRONMENTAL, SOCIAL, AND GOVERNANCE SAFEGUARDS

12.1 PURPOSE

TREES requires Participants to demonstrate they have implemented REDD+ actions defined in the REDD+ implementation plan in consistency with Cancún Safeguards ensuring activities do

no harm. It is the goal of this Standard to provide concrete guidance on how a Participant can demonstrate that it has addressed and respected all the Cancún Safeguards, while drawing on the step-wise nature of REDD+ implementation.

12.2 STRUCTURE

This section is structured as follows:

1. **Cancún Safeguards.** Each Cancún Safeguard is listed to set out the environmental, social, and governance principles Participants are expected to uphold when undertaking REDD+ actions.
2. **Themes.** Each safeguard is further broken down into thematic topics which are encompassed in Cancún Safeguards and which define the conditions that must be met in order to address and respect the Cancún Safeguards in alignment with national policies, laws and regulations. We note that as certain Cancún Safeguards encompass human rights obligations, the wording of associated themes is aligned with international human rights laws, which requires countries to “respect,” to “protect,” and to “fulfill” these obligations.
3. **Indicators.** Each indicator is meant to provide the step-wise process by which Participants can demonstrate conformance with all Cancún Safeguards while relying on progressive reporting on how the safeguards have been addressed and respected throughout REDD+ implementation. Verification will occur against the indicators only; as such, applicability, temporality, and scope conditions are included as appropriate.

There are three types of indicators:

Structure - demonstrate the relevant governance arrangements (e.g., policies, laws, and institutional arrangements) that are in place in the country and applicable jurisdiction for the case of subnational Participants under TREES and guarantee the implementation of REDD+ actions is done in consistency with Cancún Safeguards;

Process - demonstrate that relevant institutional mandates, as well as processes, procedures, and/or mechanisms that are in place and enforced in the country for the implementation of REDD+ actions in consistency with the Cancún Safeguards; and

Outcome - demonstrate implementation outcomes against the themes under which Cancún Safeguards have been unpacked, in consistency with the respect of rights and fulfillment of duties in accordance with international and national legislation and applicable jurisdictional legislation for the case of subnational Participants under TREES.

12.3 REPORTING REQUIREMENTS

Participants must always report on conformance with all Cancún Safeguards and, in accordance to the step-wise nature of REDD+ implementation, will report in a progressive manner through indicators established for each theme. At the start of the first crediting period, Participants must

demonstrate conformance with Cancún Safeguards by reporting against all structure and process indicators. In addition, at the beginning of the first crediting period, Participants must either demonstrate conformance with the outcome indicators or present a plan for achieving conformance with the outcome indicators by the end of five years from the time the Participant joined ART.

Within five years of joining ART, Participants must demonstrate conformance with all structure, process and outcome indicators under all themes under each of the Cancún Safeguards.

A TREES Safeguard monitoring report template is provided for use by Participants if desired. However, Participants may utilize their Summary of Information reports prepared in the context of UNFCCC reporting or similar reports used on Cancún Safeguards outside the UNFCCC insofar as all required information on required indicators is included. Participants may use Safeguard Information Systems in place as an important tool to provide data or systems information to demonstrate conformance as well. For the case of subnational Participants under TREES, reporting and monitoring tools to demonstrate conformance with safeguards shall demonstrate coherence and/or alignment with national reporting and monitoring in the context of the UNFCCC.

All indicators apply to all Participants. Where indicators reference a national program, framework or other requirement and a Participant is not a national government, the Participant must demonstrate how applicable subnational legislation is aligned and consistent with applicable national legislation.

12.4 SCOPE

TREES aims to ensure Participants are in full conformances with the Cancún Safeguards. TREES “unpacks” the safeguards into themes and indicators in line with relevant international agreements and decisions to provide a step-wise path for Participants to demonstrate progressive and on-going safeguard performance, while fostering transparent and consistent reporting, and allowing for third-party verification of Participant conformance. This approach ensures national and subnational Participants both address (structure indicators) and respect (process and outcome indicators) Cancún Safeguards while allowing time for processes to be put in place prior to reporting on actual outcomes associated with Cancún Safeguards. It also provides flexibility for progressive reporting on all Cancún Safeguards while requiring verifiable improved performance over time. In the case of subnational Participants, demonstration of conformance environmental, social and governance safeguards shall be aligned and consistent with national procedures and/or applicable legislation for demonstration of conformance with Cancún Safeguards and related requirements under the UNFCCC.

Aiming to respect the autonomy of Participants to develop and implement procedures, policies, or programs appropriate to their unique circumstances when demonstrating conformance with environmental, social and governance safeguards under TREES, the Standard requires conformance with safeguards requirements under the UNFCCC but does not prescribe specific approaches that must be used. As a result, TREES Safeguards have been developed to assess conformance in government-led programmatic REDD+ implementation. While specific requirements for traditional project-level safeguards such as formal grievance processes or

benefit sharing plans are not prescribed, the themes and indicators seek to ensure that activities are implemented in conformance with all Cancún Safeguards, including transparent implementation of activities and allocation of resources.

Participants will be able to fully draw upon the design and implementation work conducted to date to provide information on how all safeguards have been addressed and respected throughout REDD+ implementation.

12.5 SAFEGUARDS

12.5.1 Cancún Safeguard A

Actions are complementary or consistent with the objectives of national forest programs and relevant international conventions and agreements

THEME 1.1 Consistency with the objectives of national forest programs.

Structural Indicator: Domestic legal framework or policy (or national REDD+ strategy or action plan) for REDD+ actions is clearly defined and designed in consistency with national and if applicable, subnational, forest policies/programs.

Process Indicator: Public institutions have made use of mandates, procedures and resources to ensure REDD+ actions are designed and implemented in consistency with the broader legal or policy framework of the forest sector, and inconsistencies are identified and resolved.

Outcome Indicator: Design and implementation of REDD+ actions have been consistent with or complemented the objectives of the national and if applicable, subnational, forest policies/programs.

THEME 1.2 Consistency with the objectives of relevant international conventions and agreements.

Structural Indicator: Domestic and if applicable, subnational, legal framework or policy (or national REDD+ strategy or action plan) for REDD+ actions recognize and promote the application of ratified relevant international conventions and agreements in the context of design and implementation of REDD+ actions.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to design and implement REDD+ actions that recognize and promote the application of ratified relevant international conventions and agreements.

Outcome Indicator: Design and implementation of REDD+ actions have been consistent with or has complemented the objectives of identified, ratified and relevant international conventions and agreements.

12.5.2 Cancún Safeguard B

Transparent and effective national forest governance structures, taking into account national legislation and sovereignty

THEME 2.1 Respect, protect, and fulfill the right of access to information.

Structural Indicator: Participants have in place a legal framework, policies and/or programs for accessing information related to REDD+ actions in accordance with international human rights standards, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Process Indicator: Public institutions have made use of mandates, procedures, and resources for accessing information related to REDD+ actions in line with relevant ratified international conventions and agreements and/or domestic and if applicable, subnational, legal framework, policies, and programs for accessing information.

Outcome Indicator: The public has been aware of and exercised the right to seek and receive official information on REDD+ actions, as well as on how safeguards have been addressed and respected.

THEME 2.2 Promote transparency and prevent corruption, including through the promotion of anti-corruption measures.

Structural Indicator: Participants have in place anti-corruption measures and measures to promote transparency reflecting the principles of rule of law, proper management of public affairs and public property, integrity, transparency, and accountability, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to apply anti-corruption measures and measures to promote transparency in the implementation of REDD+ actions and the distribution of REDD+ benefits, according to relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal frameworks; the measures should reflect principles of the rule of law, proper management of public affairs and public property, integrity, transparency, and accountability.

Outcome Indicator: The distribution of REDD+ benefits related to the implementation of the REDD+ results-based actions have been carried out in a fair, transparent, and accountable manner, as per relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

THEME 2.3 Respect, protect, and fulfill land tenure rights.

Structural Indicator: Participants have in place a legal framework, policies or programs for the recognition, inventorying, mapping, and security of customary and statutory land and resource tenure rights where REDD+ actions are implemented, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to recognize, inventory, map, and secure statutory and customary rights to lands and resources relevant to the implementation of REDD+ actions in line with relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Outcome Indicator: Stakeholders had access to, use of, and control over land and resources in line with relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework, and no involuntary relocation took place without the free, prior, and informed consent (FPIC) of any indigenous peoples and local communities (or equivalent) concerned.

THEME 2.4 Respect, protect, and fulfill access to justice.

Structural Indicator: Participants have in place procedures for guaranteeing non-discriminatory and non-cost prohibitive access to dispute resolution mechanisms at all relevant levels, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to facilitate access to dispute resolution mechanisms for stakeholders involved in the implementation of REDD+ actions including judicial and/or administrative procedures for legal redress, which, *inter alia*, provide access for indigenous peoples, local communities, or equivalent stakeholders with a recognized legal interest.

Outcome Indicator: Resolved disputes, competing claims, and effective recourse and remedies have been provided when there was a violation of rights, grievance, dispute or claim related to the implementation of REDD+ actions.

12.5.3 Cancún Safeguard C

Respect for the knowledge and rights of indigenous peoples and members of local communities by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples

THEME 3.1 Identify indigenous peoples and local communities, or equivalent.

Structural Indicator: Participants have in place a legal framework, policies or procedures for the identification or self-identification of indigenous peoples, and local communities, or equivalent, and for the respect of their rights, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to respect the rights of the indigenous peoples and local communities, or equivalent in the design and implementation of REDD+ actions, according to relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Outcome Indicator: Indigenous peoples and local communities, or equivalent, have been identified and their respective rights have been respected in the design and implementation of REDD+ actions.

THEME 3.2 Respect and protect traditional knowledge.

Structural Indicator: Relevant ratified international conventions/agreements, and/or domestic and if applicable, subnational, legal framework define, and provide guidance for respecting and protecting indigenous people's knowledge and/or local communities' knowledge.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to respect and protect indigenous peoples and/or local communities' traditional knowledge in the implementation of REDD+ actions, in line with relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Outcome Indicator: Traditional knowledge of indigenous peoples and/or local communities, or equivalent, has been respected and protected in the design and implementation of REDD+ actions where permission for its use has been granted.

THEME 3.3 Respect, protect, and fulfill rights of indigenous peoples and/or local communities, or equivalent.

Structural Indicator: Participants have in place legal framework, policies or programs to respect, protect and fulfill human rights of indigenous peoples and local communities, or equivalent, in conformity with customary law, institutions, and practices as applicable and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to respect, protect and fulfill rights of indigenous peoples local communities, or equivalent throughout the implementation of the REDD+ actions, according to relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Outcome Indicator: Rights of indigenous peoples and local communities, or equivalent, have been identified and respected, protected and fulfilled in the design and implementation of REDD+ actions.

12.5.4 Cancún Safeguard D

The full and effective participation of relevant stakeholders—in particular indigenous peoples and local communities—in actions referred to in paragraphs 70 and 72 of decision 1/CP.16

THEME 4.1 Respect, protect, and fulfill the right of all relevant stakeholders to participate fully and effectively in the design and implementation of REDD+ actions.

Structural Indicator: Participants have in place legal frameworks, policies or programs to respect, protect and fulfill the right of all relevant stakeholders to participate fully and effectively, including timely access and culturally appropriate information prior to consultations, and these are anchored in relevant ratified international

conventions/agreements and/or domestic and if applicable, subnational, legal framework; access is established to recourse mechanisms to ensure the participation process is respected.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to respect, protect and fulfill the right to full, effective and timely participation in the design and implementation of REDD+ actions, as indicated in relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Outcome Indicator: Relevant stakeholders have participated fully, effectively and timely in the design and implementation of REDD+ actions.

THEME 4.2 Promote adequate participatory procedures for the meaningful participation of indigenous peoples and local communities, or equivalent.

Structural Indicator: Relevant ratified international conventions, agreements, and/or domestic legal framework recognizes, respects, and protects the respective rights to participation of indigenous peoples, local communities, or equivalent, through their respective decision-making structures and processes, which requires appropriate procedures take place in a climate of mutual trust.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to promote the meaningful participation of indigenous peoples and local communities, or equivalent in the design, implementation and periodic assessments of REDD+ actions, according to their respective rights and decision-making structures and processes and to the relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Outcome Indicator: Design, implementation, and periodic assessments of REDD+ actions were, where relevant, undertaken with the participation of indigenous peoples and/or local communities, or equivalent, including if applicable through FPIC, in accordance with relevant international and/or domestic and if applicable, subnational, legal framework, and in accordance with their respective rights and decision-making structures and processes.

12.5.5 Cancún Safeguard E

That actions are consistent with the conservation of natural forests and biological diversity, ensuring that the actions referred to in paragraph 70 of decision 1/CP.16 are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits

THEME 5.1 Non-conversion of natural forests and other natural ecosystems.

Structural Indicator: Relevant domestic legal framework, policies and programs consistently define the term natural forests and other natural ecosystems, distinguishing them from plantations, describe the process for mapping the spatial distribution of natural forests and

other natural ecosystems, and policies or procedures are in place prohibiting the conversion of natural forests and other natural ecosystems as part of REDD+ actions.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to ensure the design and implementation of REDD+ actions considers information of spatial distribution of natural forests and other natural ecosystems and avoids the conversion of these forests and other natural ecosystems, in line with relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework, policies and programs.

Outcome Indicator: REDD+ actions were designed and implemented avoiding the conversion of natural forests and other natural ecosystems to plantations or other land uses.

THEME 5.2 Protect natural forests and other natural ecosystems, biological diversity, and ecosystem services.

Structural Indicator: Relevant ratified international conventions, agreements, and/or domestic legal framework or policies identify priorities for the protection and conservation of natural forest areas and natural ecosystems, biodiversity, and ecosystem services, to which REDD+ actions could contribute.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to protect and avoid adverse impacts on natural forest areas and natural ecosystems, biodiversity, and ecosystem services in the design and implementation of REDD+ actions, according to relevant ratified international conventions, agreements, and/or domestic legal frameworks, policies and programs.

Outcome Indicator: REDD+ actions have promoted the protection of natural forest and other natural ecosystem areas, biodiversity and ecosystem services.

THEME 5.3 Enhancement of social and environmental benefits.

Structural Indicator: Relevant ratified international conventions, agreements, and/or domestic legal framework, policies and programs regulate the assessment of potential social and environmental benefits of REDD+ actions.

Process Indicator: Public institutions have made use of mandates, procedures, and resources to assess social and environmental benefits of REDD+ actions and to promote the enhancement of these benefits in the implementation of these actions, according to relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal frameworks, policies and programs.

Outcome Indicator: REDD+ actions have contributed to enhancing social and environmental benefits.

12.5.6 Cancún Safeguard F

Actions to address the risks of reversals

THEME 6.1 The risk of reversals is integrated in the design, prioritization, implementation, and periodic assessments of REDD+ policies and measures.⁶

Process Indicator: Public institutions have identified and integrated measures to address the risk of reversals in the design, prioritization, implementation, and periodic assessments of REDD+ actions.

No structure or outcome indicators have been developed for Safeguard F as these issues are broadly addressed by requirements in other sections of the Standard.

12.5.7 Cancún Safeguard G

Actions to reduce displacement of emissions

THEME 7.1 The risk of displacement of emissions is integrated in the design, prioritization, implementation, and periodic assessments of REDD+ policies and measures.

Process Indicator: Public institutions have identified and integrated measures to address the risk of displacement of emissions in the design, prioritization, implementation, and periodic assessments of REDD+ actions.

No structure or outcome indicators have been developed for Safeguard G as these issues are broadly addressed by requirements in other sections of the Standard.

13. AVOIDING DOUBLE COUNTING

Section 13 of TREES outlines the requirements to avoid double counting, double claiming and double issuance.

13.1 DOUBLE ISSUANCE

Double issuance occurs when more than one unique unit is issued for a single ERR, within the same program/registry or when more than one program/registry issues unique units for a single ERR. To mitigate the risk of double issuance, TREES requires the disclosure of any verified or issued emission reductions in the same accounting area, including credits from projects, which will be deducted from TREES issuance volume, checks of duplicate registration under other programs (including offset programs) and requirements for disclosure of other registrations, as well as for cancellation of the units on one registry prior to re-issuance on another.

An exception to this requirement may be granted in cases in which credits from projects located within the Participant jurisdiction are verified and/or issued by a GHG program and labelled as

⁶ In accordance and/or complementarity to technical measures and procedures to address reversals included in Section 7 of the Standard.

being allowed only for use in a domestic compliance market within the Participant jurisdiction. Further, this exception is only applicable if the Participant (i.e., the host country government) provides assurance and verifiable evidence that the specified project credits are only eligible for use towards meeting obligations under a domestic compliance scheme or program, and that no entity is permitted to make claims about the use of the specified project credits towards corporate climate or net-zero targets. In the case of this exception, the volume of credits verified and issued to projects specifically for use in a domestic compliance scheme, and for which no claims are allowed to be made, will not be deducted from TREES issuance volume.

13.2 DOUBLE USE

Double use occurs when a unique unit is used twice, for example if it is 1) sold to more than one entity at a given time (also referred to as double selling) due to double issuance or fraudulent sales practices, 2) used by the same owner toward more than one obligation / target, or 3) paid for as a results-based payment and then also transferred or sold to another entity. Double use can also occur if the use of a unique issued unit is reported, such as towards NDC achievement or a CORSIA obligation, but the unit is not retired or cancelled.

To prevent double use, TREES requires clear proof of ownership upon issuance and tracking of ownership of credits within the registry by serial number and account. In addition, double selling will be prohibited through rules in the legal Terms of Use agreement to be executed by all ART Registry account holders, which will expressly prohibit double use of credits and prohibit the transfer of ownership of credits off-registry.

13.3 DOUBLE CLAIMING

Double claiming occurs when the same ERR is used by two or more entities (e.g. Parties to the Paris Agreement, airplane operators under CORSIA, corporate voluntary buyers) to meet climate change mitigation obligations, targets, pledges, commitments or efforts, including international transfers under the Paris Agreement towards achievement of Nationally Determined Contributions (NDCs) and transfers for use by airplane operators under the ICAO CORSIA, or when voluntary market transfers are counted toward both corporate buyer pledges and supplier country NDCs. ART Participants may authorize transfers of TREES Credits for compliance purposes to buyers outside of the Participant's country by submitting a Host Country Letter of Authorization to ART and subsequently applying an accounting adjustment in biennial transparency reports to the UNFCCC. At present, voluntary market transactions do not require corresponding adjustments.

Where accounting for international transfers may be required or preferred, the ART Registry facilitates this process for all transactions by providing the infrastructure to publish Host Country Letters of Authorization for transfer of TREES Credits, to label TREES Credits or associated with a Letter of Authorization, as well as to label TREES Credits for which a corresponding adjustment has been applied. All TREES Credit retirements and cancellations will be transparently recorded in public reports on the ART Registry. In addition, all transfers of TREES Credits for use under CORSIA must follow the procedures and requirements outlined in Annex B.

14. VALIDATION AND VERIFICATION

14.1 VALIDATION AND VERIFICATION SCOPE AND FREQUENCY

The TREES Standard requires validation to occur after year 1 of each 5-year crediting period and verification to occur after years 1, 3, 5 of each crediting period. Verification will be optional following years 2 and 4 of each crediting period. However, no credits will be issued without verification.

14.2 VALIDATION AND VERIFICATION BODY ACCREDITATION

Validation and Verification Bodies shall be accredited for validation and verification by an accreditation body that is a member of the International Accreditation Forum (IAF) as outlined in the TREES Validation and Verification Standard.

Validation and Verification Bodies shall also complete an application and an Attestation of Validation and Verification Body to be an approved ART Validation and Verification Body.

The Validation and Verification Body application documents and a list of approved ART Validation and Verification Bodies shall be maintained by the ART Secretariat on the ART website.

14.3 VALIDATION AND VERIFICATION PROCESS

TREES Validations and Verifications shall be conducted in accordance with the TREES Validation and Verification Standard available on the ART website.

15. REGISTRY REQUIREMENTS

15.1 ACCOUNT REQUIREMENTS

All Participants will have an account in the ART Registry, managed by the ART Secretariat. The ART Registry will contain Participant information, program documentation, Validation and Verification Reports, records of serialized credit issuance, and credit cancellation, transfer, and retirement data. The Secretariat will also manage a pooled reversals buffer account in the ART Registry which will be publicly available.

15.2 PUBLICLY AVAILABLE DOCUMENTATION

All approved and final TREES documents listed in Section 2.4 shall be publicly available through the ART Registry. Participants may designate certain parts of the documentation as Commercially Sensitive Information (CSI).

16. COMPLAINTS AND APPEALS

16.1 COMPLAINTS

All complaints relating to validation and verification should be directed to and resolved through the Validation and Verification Body's complaints and appeals procedure.

When a Participant or stakeholder objects to a decision made by ART representatives or the application of the ART program requirements, the confidential complaint procedure outlined in TREES shall be followed.

16.2 APPEALS

If a complaint remains unresolved after the conclusion of the complaint procedure, a Participant or stakeholder may appeal any such decision or outcome reached using the procedure outlined in TREES.