TREES 2.0, SAFEGUARDS, AND IPLCs

October 2022

Webinar Logistics

- To ask questions:
    - Type questions into '**Chat**' box near bottom of your webinar pane.
    - Questions can be submitted at any time during the webinar.
- Webinar will be recorded and posted to: www.artredd.org

Outline

1. Overview of jurisdictional REDD+

2. Overview of ART and TREES

3. Pathways for IPLC participation under ART

4. Summary of safeguards most relevant to IPLCs

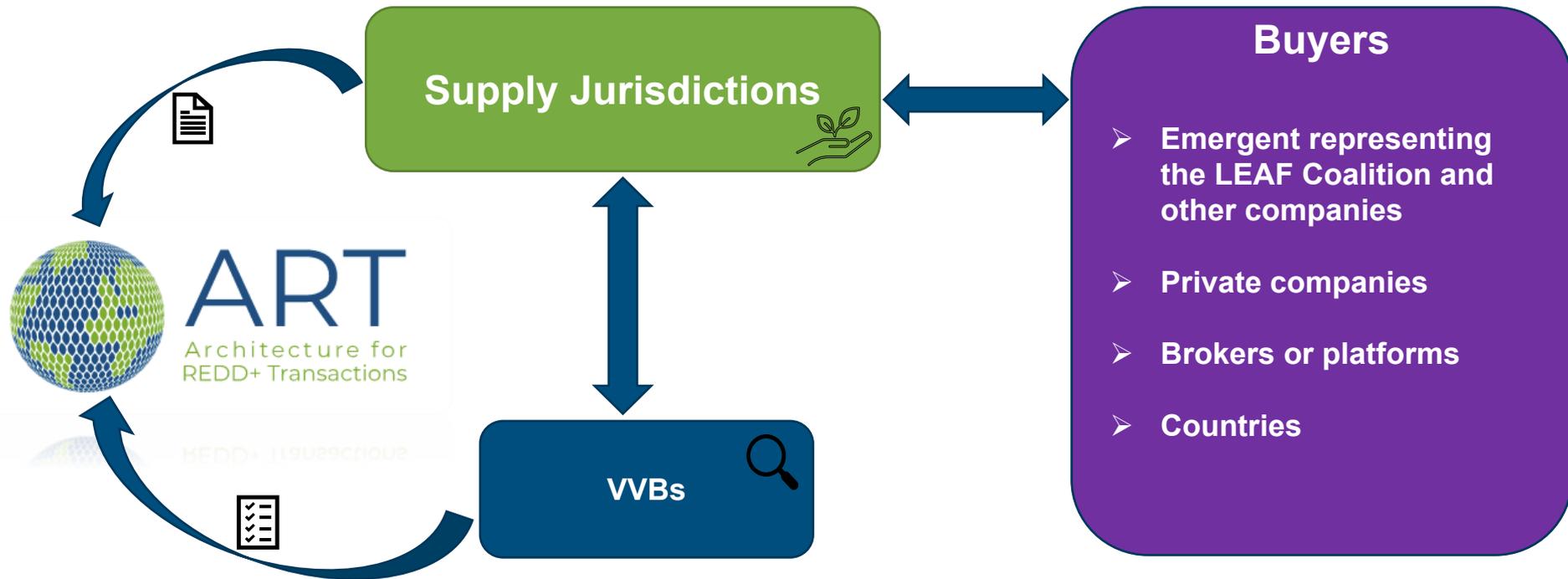5. Summary of how ART ensures Participant conformance with safeguards

Opportunity behind jurisdictional REDD+

- Forests play a critical role in our ability to fight climate change

- Threats to forest continue to grow

- Forest countries also must focus on economic development and recognizing rights of all stakeholders

- It is necessary to increase the scale of the actions and improve coordination to address these issues at the same time successfully

What jurisdictional REDD+ can offer

- Combining approaches at different levels allows achievement of more ambitious and sustainable results

- Some actions only governments can take

- Smaller scale efforts provide localized actions to address specific drivers of deforestation

- Jurisdictional REDD+ provides an incentive and a framework to coordinate across these efforts

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Roles in the Carbon Market

Supply Jurisdictions

VVBs

Buyers

➢ **Emergent representing the LEAF Coalition and other companies**

➢ **Private companies**

➢ **Brokers or platforms**

➢ **Countries**

Examples of other certification schemes

The REDD+ Environmental Excellence Standard (TREES)

QUESTIONS

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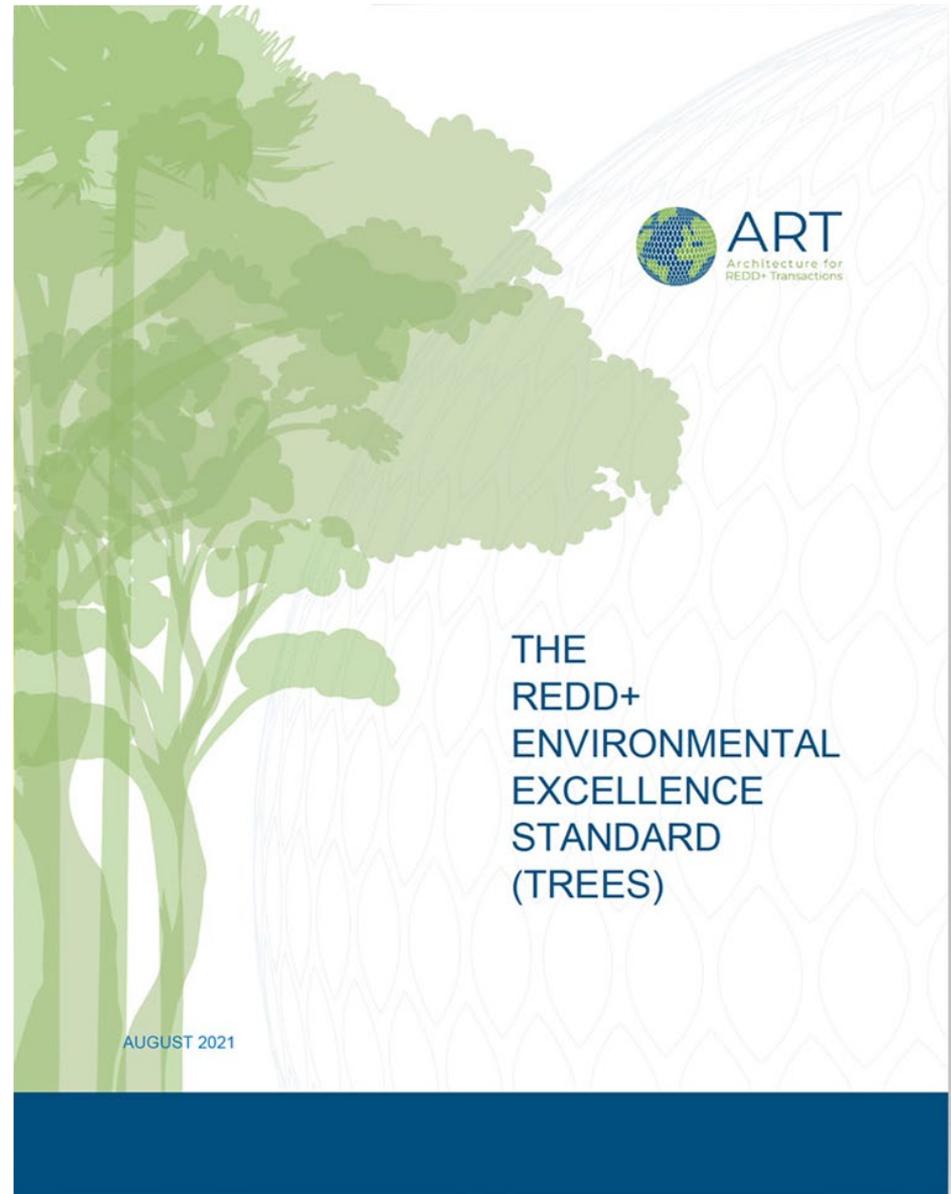
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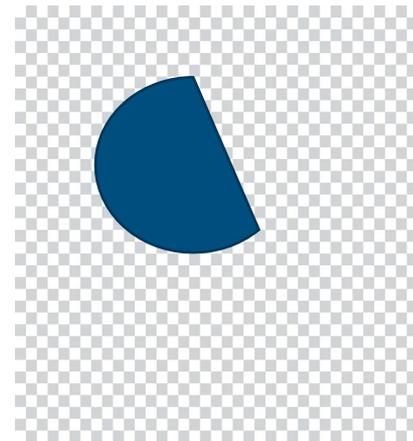
ART Participants

1) Country registers national area = any size

2) Country registers subnational area (includes IP territories and/or subnational jurisdictions) ≥ 2.5 mill

3) Subnational government = 100% Area ≥ 2.5 mill

Subnational areas only allowed until 31st December 2030.

Three crediting approaches under TREES

Emission reductions

- **TREES** crediting approach for jurisdictions reducing deforestation and degradation
- **HFLD** crediting approach for jurisdictions with high forest cover and low deforestation rates.

Removals

- Non forests that transition to forests (plantations or natural restoration)

High Forest Low Deforestation or HFLDs

- Innovative crediting approach for jurisdictions that have high forest cover and low levels of deforestation
  - Historic forest protectors didn't have a clear pathway to participate in carbon markets
- Provides a pathway for Indigenous Peoples' territories given their longstanding forest protection efforts

HFLD Eligibility

- HFLD Score =

  Forest Cover Score + Deforestation Rate Score

  - If Score is greater than 0.5 for all years of reference period, Participant is HFLD

Forest cover	FCS	Deforestation rate	DRS	HFLD score
60%	.1	.1%	.4	.5
70%	.2	.3%	.2	.4
75%	.25	.3%	.2	.45
80%	.3	.49%	.01	.31
80%	.3	.25%	.25	.55
55%	.05	.05%	.45	.5

HFLD crediting approach

Crediting level **=** **Historic emissions** **+** **Adjustment depending on carbon stocks and HFLD score**

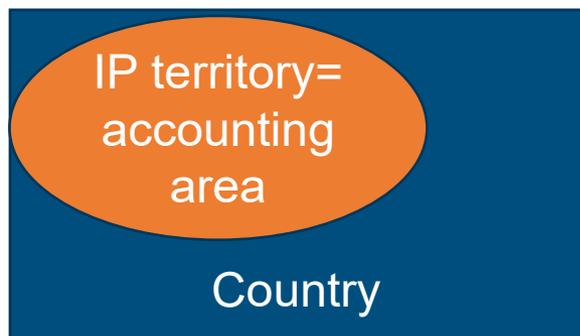HFLD jurisdictions must continue to actively mitigate threats in order to maintain high forest cover and low deforestation rates.

QUESTIONS
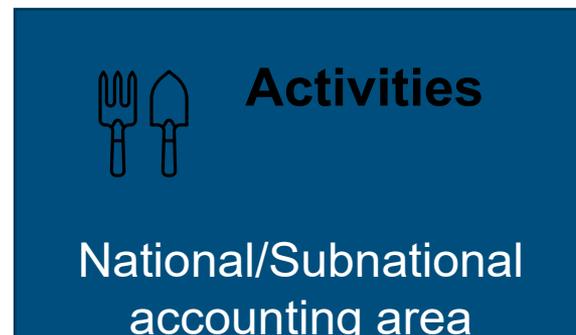
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Pathways for participation and involvement of IPLCs in jurisdictional REDD+ under TREES

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Three main pathways:

OPTION A

IP territory = accounting area

Country

OPTION B

Activities

National/Subnational accounting area

OPTION C

Project

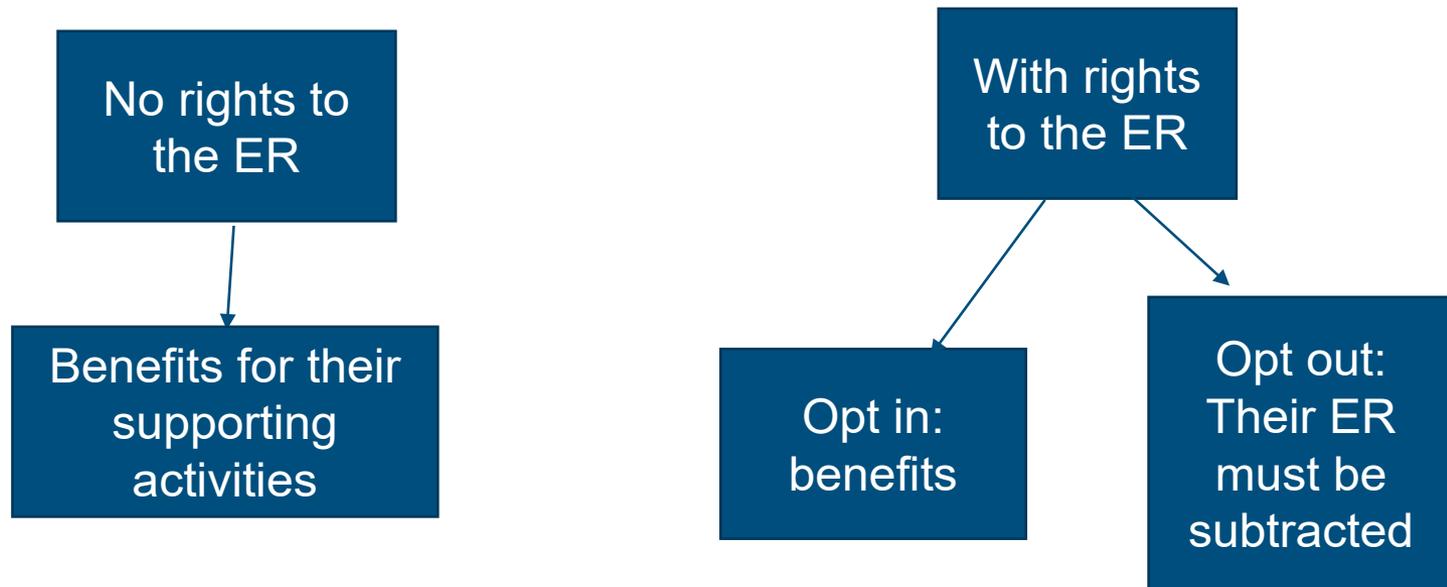National/Subnational accounting area
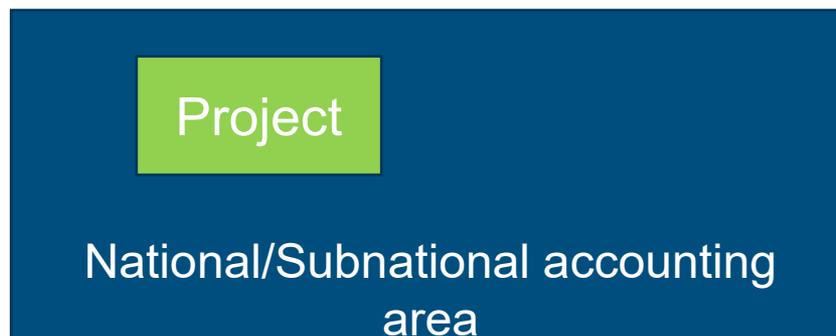
A. IP territory is part of the subnational accreditation area proposed by national gov.
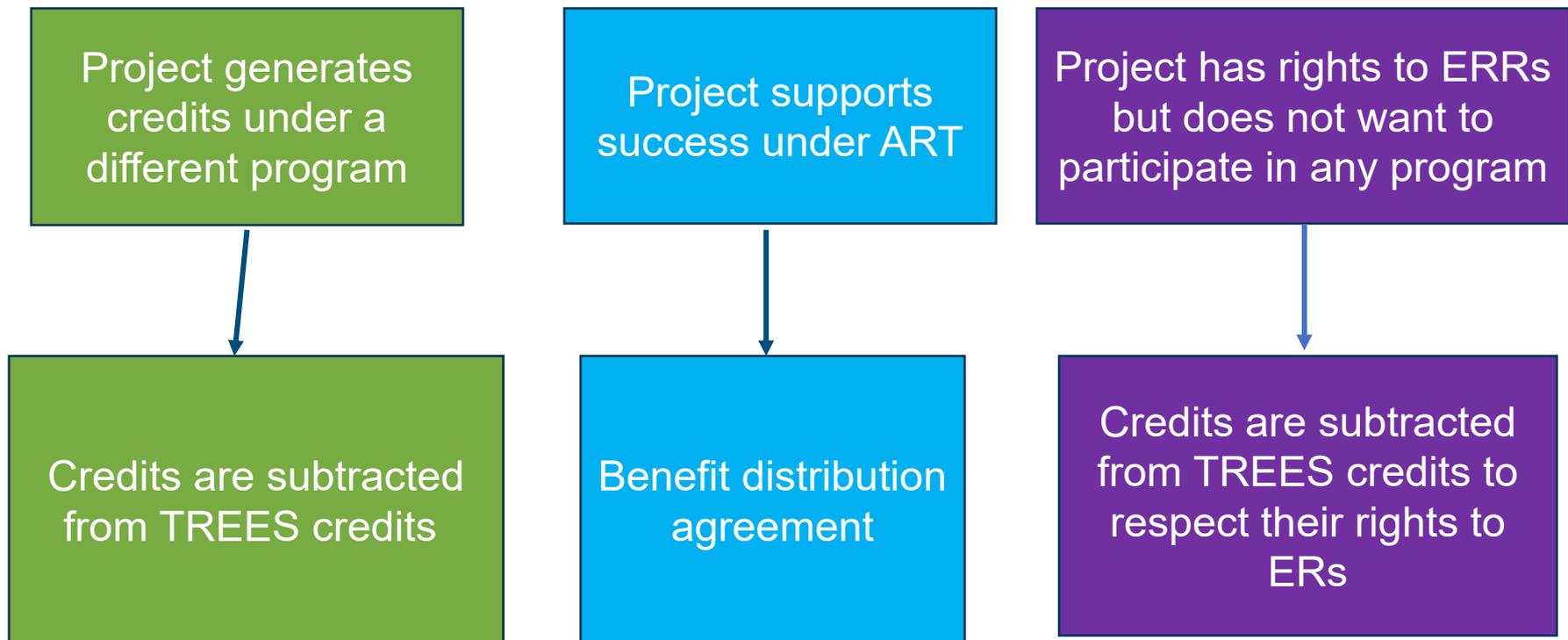
- A subnational area can include one or more jurisdictions and/or IP territories (at least 2.5 million hectares)

- IPs and governments develop agreements on participation, activities, benefits, credits, etc.

- If HFLD, then the optional crediting approach can be used

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B. Develop activities to support a national or subnational REDD+ initiative

- All relevant stakeholders (including IPLCs) can participate with multiple agreement options:

No rights to the ER → Benefits for their supporting activities

With rights to the ER → Opt in: benefits

With rights to the ER → Opt out: Their ER must be subtracted

C. Nesting projects: When there are independently monitored projects/activities

Project generates credits under a different program	Project supports success under ART	Project has rights to ERRs but does not want to participate in any program
Credits are subtracted from TREES credits	Benefit distribution agreement	Credits are subtracted from TREES credits to respect their rights to ERs

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Benefit sharing options to be agreed between IPLCs and govts
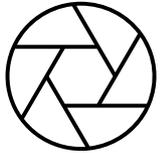
Receive a transfer of TREES credits to an IP or LC ART Registry account and negotiate sales independently
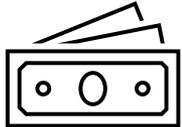
Receive money from the governmental following the sale of TREES credits based on carbon contribution

Receive payments for EcoServices or other non-carbon related monetary benefits

Receive non-monetary benefits (infrastructure, land titles, others)

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Conformance with the Cancun Safeguards

- A. Consistency with the objectives of national forest programs and international agreements

- B. Transparent and effective national forest governance structures.

- C. Respect for the knowledge and rights of indigenous peoples and members of local communities

- D. Full and effective participation

- E. Consistency with the conservation of natural forests and biological diversity

- F. Actions to address the risks of reversals

- G. Actions to reduce displacement of emissions (leakage)

TREES themes and indicators

TREES outlines 16 themes of the Cancun Safeguards
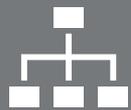
Each theme has three indicators:

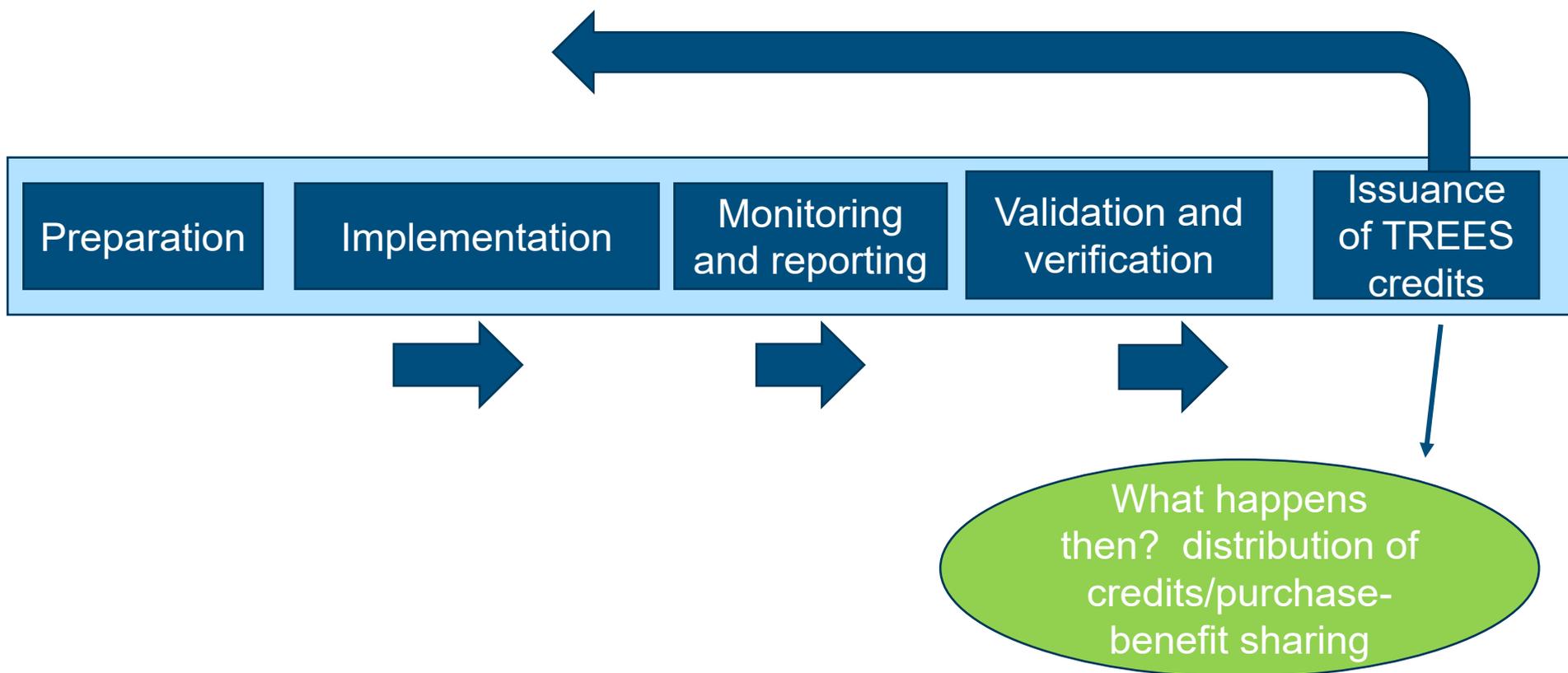**Structure**: policies, laws, and institutional arrangements

Process: institutional mandates, processes, procedures, and/or mechanisms are in place to enforce

Outcome: monitoring to demonstrate the results of the processes

The review of the safeguards elements is equally important to the review of the carbon accounting elements during validation and verification.

Safeguards through ART's REDD+ Process

| Preparation | Implementation | Monitoring and reporting | Validation and verification | Issuance of TREES credits |

What happens then? distribution of credits/purchase-benefit sharing

How do the TREES safeguards address IPLCs concerns?

1. Knowledge and rights of indigenous peoples

- **Theme 2.3** Respect, protect, and fulfill land tenure rights

- **Theme 3.1** Identify indigenous peoples and local communities, or equivalent

- **Theme 3.2** Respect and protect traditional knowledge

- **Theme 3.3** Respect, protect, and fulfill rights of indigenous peoples and/or local communities, or equivalent

2. Consultation and participation

- 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.

  - Structure 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,

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

3. Benefit distribution

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

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

  - Outcome indicator (theme 2.2): 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 5.3 Enhancement of social and environmental benefits

4. Dispute resolution mechanisms

- Theme 2.4 Respect, protect, and fulfill access to justice.

  - 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.

# How does ART ensure Participants comply with TREES safeguards?

1. Transparent Reporting

- Participants transparently report how they are complying with the safeguards through:
  - TREES Registration document
  - TREES Monitoring Report which is delivered before each verification

2. Public Comments submitted to ART

- In addition to the consultations required by the safeguards, ART publishes all documents publicly and encourages comments from interested parties

- All the comments received are delivered to the Participant to be addressed and to the verification body to be reviewed as part of their audit
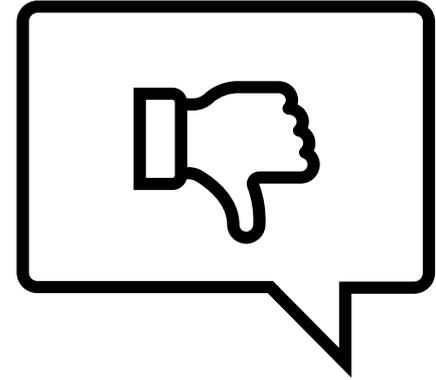
3. External verification

- No credits are issued without verification

- Validation and Verification Bodies are independent:
  - Overseen by ART and the International Accreditation Forum (IAF) organization
  - A Conflict of Interest assessment occurs each verification
  - Receive additional training from ART

- Each verification includes assessing compliance with safeguards based on the indicators of the standard

- No credits will be issued without major non-conformances being resolved

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Validation and Verification

- Objective is to confirm with a reasonable level of assurance that all claims made in the Registration Document and Monitoring Report are correct

- Very important process for integrity

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What is the Audit Process?

- Kick-off Meeting with Government
- Develop Initial Validation or Verification Plan
- Conduct Audit
- Issue Findings
- Review Resolutions to Findings
- Internal VVB Review
- Issue Report and Opinion
- Closing Meeting

ART Oversight

- Secretariat members observe the audit process

- Secretariat reviews the validation and verification reports

- ART Board conducts final check prior to approving issuance of credits

What does an Auditor Check?

- Does the information contained in the reports shows the Participant meets the requirements of TREES?

- Is the information contained in the reports accurate and complete?
    - Review evidence
    - Conduct interviews

How do they decide what to review?

- Initial assessment of risk based on information in reports and public comments
    - Where information isn't clear
    - Areas which have significant impact on results
    - Comments from stakeholders regarding what has gone well and where they are concerned
- Constantly update to reflect new information obtained
- Interviews may be selected at random and based on which stakeholders were involved in various processes
    - Usually interview different stakeholders each verification

What types of evidence might they look at?

- Examples of carbon evidence
  - Handwritten forest data collection sheets
  - Remote sensing images and analyses
  - Procedures for training employees and reviewing their work

- Examples of safeguards evidence
  - Consultation materials, sign-in sheets and meeting minutes
  - Records relating to land tenure and titling processes

Thank you

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