

ART Secretariat Winrock International ,  
2121 Crystal Drive,  
Suite 500 Arlington,  
Virginia 22202 USA  
+1 703 302 6500

Prepared by:  
South Pole  
Technoparkstrasse 1  
8005 Zürich

Zürich, 26.9.2019

*SP feedback to: **The REDD+ Environmental Excellency Standard (TREES)***

Dear ART Secretariat,

South Pole has carefully reviewed the standard and would like to seek the clarity on the following aspects:

Section	Statement in the standard	Comment	Additional Clarifications
1.Introduction	Participants are governments	Further, there is little to no guidance for private sector and project owners on the ground on how they can be engaged in the TREES standard and benefit from the ERs revenues is provided in the Standard.	

<p>1.3 Conflict of interest</p>	<p>ART Board members and Secretariat staff shall be subject to the ART Ethical Standards.</p>	<p>Which are circumstances that could create a conflict of interest?</p> <p>Is the ART ethical Standard publicly available?</p>	<p>How were the experts in the committees elected and how has this ensured a Standard to the interest of developing and developed countries?</p> <p>How will validation and verification experts and organizations be selected?</p>
<p>3.1.1 Subnational accounting area</p>	<p>During an interim period through December 31, 2025, national governments may register subnational accounting areas as a recognized step to national-level accounting. After the interim period, accounting shall be at a national level.</p>	<p>Would be essential to include options to hold the standard certification if a country doesn't achieve the national level by December 31, 2025. This option could be based on the results achieved at the due date, under the intent of ART and TREES is to help accelerate progress toward national scale accounting and implementation. So at least the standard should indicate what happens with countries that do not move from subnational to national in 2025. Do they lose the certificate?</p>	<p>- Additionally, As part of the six guiding principles of the standard, the principle of "embodying high environmental integrity" could be specially extended, as complete information on the technical elements involved in national compliance with this principle is not yet established in the rules, and given the scale of the processes that will be certified by the standard, it is necessary to establish relationships</p>

			<p>between biodiversity monitoring and various types of land cover (forests). For this reason, it would be important as an opportunity to assess the positive externalities of REDD trying to include in the section on applicability, eligibility, and key requirements, specifically in numeral "3.3, those countries with high forest cover, low deforestation (HFLD)" who are supposed to receive a specific label, that the standard considers the opportunity to include also high biodiversity and perhaps a new label for HFLDHB (High Forest Cover/Low Deforestation / High Biodiversity) countries.</p>
--	--	--	---

<p>3.1.1 Subnational accounting area</p>	<p>The boundaries of subnational accounting shall correspond with one or several administrative jurisdictions no more than one level down from national level</p>	<p>-Could be not applicable to some countries. Would be recommended that the government definition of subnational areas rests on the country. -The document does not indicate if there's potential for a parallel voluntary carbon market (VCS) and how consistency is ensured between nested project ERs and subnational/national ERs</p>	<p>-SP would like to understand from the standard if in the future it will include jurisdictional nested approaches or if this is not intended. -And if so, the standard will provide guidance/rules on methodological adjustments, double claiming and public-private agreements through voluntary markets</p>
<p>3.2 eligible activities</p>	<p>“It is anticipated that removals will only be rewarded for results below the crediting level for deforestation and forest degradation.”</p>	<p>What is meant here with removals only below crediting level?</p>	<p>Is it meant that the TREES standard is capping removals based on emission reduction quantities?  Could this disadvantage HFLD countries?</p>
<p>4.1.1 Activity data</p>	<p>Analyses must identify cyclical systems such as timber or tree crop harvest rotations and shifting cultivation/fallow systems such that deforestation (or emissions following temporary tree clearing for tree harvest systems) from these activities is not</p>	<p>This information is particularly important as it relates to the drivers.  This standard does not request any additional information related to the drivers of deforestation and degradation.</p>	<p>As drivers such as large scale agriculture, logging and mining are behind the monitored activities, could it be an option to incentives with this standard public/private</p>

	counted more than one time.		investments in cleaner practices by enterprises in those sectors?
4.1.2 Emission factors	“In instances where the post-deforestation land use carbon stock is higher than the pre-deforestation carbon stock, there can be no crediting for the net sequestration. Instead the emissions shall be treated as zero.”	The TREES standard aim to ensure no ERs are generated for conversions from natural forests to plantations with higher carbon stocks. If replacing vegetation is equal to pre-deforestation this is treated as a zero emission.	In those cases it could be an option to add a biodiversity integrity through biodiversity monitoring and various types of land cover (forests) which could be an additional principal of the standard.
5.1 Calculating a TREES crediting level	For the initial crediting period TREES Participants shall calculate a Crediting Level from the average of emissions during a historical period.	As some countries are attempting to develop baselines based on risk allocation, the possibility to address this approach should be allowed for next crediting periods once the subnational or national jurisdiction generates enough guidelines to allocate the potential of the emission reduction.	-The TREES Crediting Level shall be updated every five years (starting with the first year of crediting) and, following the initial crediting period, shall be subject to an exogenous fixed decrease of 20% at each update. What is the incentive behind this decrease for countries to participate to the standard? Assuming the registration may take upto 1 year

			<p>from the date of submission, credits period may begin and credits level can be done 4 years prior to submission date, it seems confusing to update the crediting level the standard also asks to update crediting level every 5 years starting from the first year of crediting level, which makes it a bit confusing. So you register and update the crediting level together?</p>
<p>9. High Forest Cover/Low Deforestation (HFLD) Countries</p>	<p>It is the intent of ART to establish a robust approach to explicitly address this category and credit HFLDs beyond historical levels, for continued low deforestation, in a manner consistent and fungible with credits from other REDD+ activities or other carbon markets.</p>	<p>Having in mind that HFLD countries are likely to receive fewer emissions reduction credits under the initial TREES methodology than HD countries, does the standard foresee flexibility/rewards for HFLD countries?</p> <p>What is the direct benefit for HFLD countries to be HFLD tagged?</p>	<p>South Pole suggest that the TREES standard could make registration and issuance fees lower for HFLD countries. And/or the standard could make requirements more flexible in terms of enabling the use of the standard for HFLD countries.</p> <p>South Pole suggest to explain explicitly what is meant with “consistent and fungible with credits from other REDD+”</p>

			activities or carbon markets”
14.1 Validation and verification scope and frequency	Validation and Verification is required following year 1 of each crediting period. Verification is required after years 3, and 5 of each crediting period. TREES Participants may elect to have verifications following years 2 and 4 of the crediting period.	Taking into account that the initial crediting period may begin up to four years prior to the TREES Participant’s submittal date of the TREES Concept Note, this cycle doesn’t apply for the first certification period.	- The Verification cycle seems very frequent and early, falling before the actual submittal of the Concept Note.
15.1 Account requirements	All TREES Participants will have an account in the ART Registry, which will be 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 ART Secretariat will also manage a pooled buffer account in the ART Registry which will be publicly available.	How it will be aligned with the requirements for national countability and national platforms? For example, RENARE in Colombia?	

Others - General		-Given the importance of the generation of emissions reductions from deforestation and degradation for the fulfillment of the goals at national or subnational level, and the benefits that this supposes for the conservation of biodiversity and ecosystem services, it would be of special interest to generate as part of TREES guidelines a section on biodiversity indicators and benefits in ecosystem services associated to the registered documents, which must be demonstrated to give added value to the ART credits and contribute to the implementation of the National Biodiversity Action Plans.
---------------------	--	--

We would be happy to discuss this further in one on one calls.

Regards,  
South Pole Team