



Summary of proposed changes from TREES 1.0 to TREES 2.0 February 2021

The ART Secretariat is soliciting public comments on proposed updates to TREES in the table below. The ART Secretariat is not accepting comments on text that is not proposed for revision, nor on text for which revisions are proposed to improve clarity (included in the table below in gray for information only).

Topic	Revision or Clarification	Section	Statement of reasons
Editorial	Ensures the consistent use of acronyms and phrases; adds removals to all mentions of emission reductions (ERs).	All	These changes were made to ensure consistency and readability across the document, and to reference the inclusion of removals and HFLD approaches under ART.
ART Process	Clarifies that the ART Board does not need to approve the submission of the TREES Concept prior to a Participant being listed.	Section 2.5	This clarification was made to correctly represent the process for approval of initial documentation.
Eligible Participants	Adds criteria for Indigenous Peoples to be considered eligible as subnational accounting areas or as direct Participants in ART.	Sections 3.1 and 3.1.1	ART would like to provide a pathway for eligibility of Indigenous Territories as discrete subnational accounting areas under a national Participant or via direct Participation. Eligibility criteria are proposed that align with existing criteria for subnational jurisdictions. A scale threshold is required in order to conform with the ART Immutable Principle that allows for crediting at the “national level, or subnational as a time-bound interim measure, only where it represents high ambition and large scale and is recognized as a step towards national level accounting.” ART strongly encourages and

THE REDD+ ENVIRONMENTAL EXCELLENCE STANDARD (TREES)



			welcomes specific comments and feedback on the proposed criteria, in particular from prospective Participants among Indigenous Peoples, national governments, and sub-national jurisdictions.
Eligible Participants	Adds language to clarify TREES position on projects and REDD+ implementation activities.	Section 3.1	Clarifies that while ART does not directly credit projects or similar smaller-scale activities, ART encourages Participants to work with the private sector, communities and other stakeholders to design and implement successful programs. ART does not prescribe how such activities must be nested or incorporated into national or subnational programs. Each Participant is allowed to determine the arrangement that is best for their individual needs.
Safeguard Information Systems	Clarifies the types of SIS allowed under TREES.	Section 3.1.2	This clarification was made to ensure consistent interpretation of the requirement.
Eligible Activities	Adds removals activities.	Section 3.2	This addition is associated with the inclusion of removals crediting under ART.
Additionality	Adds language on removals.	Section 3.3	This addition is associated with the inclusion of removals crediting under ART.
Forest Definition	Clarifies that the same forest definition must be used for the entire crediting period.	Section 3.4	This clarification was made to ensure consistent interpretation of the requirement.
Accounting Requirements	Adds removals accounting language.	Section 4.1	This addition is associated with the inclusion of removals crediting under ART.

THE REDD+ ENVIRONMENTAL EXCELLENCE STANDARD (TREES)



Activity Data	Clarifies which remote sensing approaches are permissible and which requirements apply to each.	Section 4.1.1	This clarification was made to ensure consistent interpretation of the requirements. Text has been added to confirm that all currently used remote sensing approaches are accepted and to identify more explicitly which requirements apply to which remote sensing approaches.
Emission Factors	Clarifies requirements for historical emission factors.	Section 4.1.2	This clarification makes clear that requirements for ground-based measurement data do not apply retro-actively.
Removal Factors	Adds a new section.	Section 4.1.3	This new section is associated with the inclusion of removals crediting under ART.
Scope of Activities	Revises language to include removals and to delete the requirement for ex-ante projections of emission sources when justifying de minimis exclusions.	Section 4.4	This new language is associated with the inclusion of removals crediting under ART. The requirement for ex ante projections of emissions was deleted due to the inherent inaccuracy and challenges of making such estimates.
Scope of Pools	Clarifies that peat soils are a required primary pool for organic soils.	Section 4.5	This clarification was made to ensure a consistent interpretation of the requirement and intent of ART.
Crediting Level	Corrects equation.	Section 5.1	This correction was made to ensure accuracy of the equation.
Optional HFLD Crediting Level	Adds a new section.	Section 5.1.1	This new section provides a distinct HFLD crediting approach under ART to reward Participants that meet the TREES High-Forest Low-Deforestation (HFLD) eligibility score, which includes forest cover and

THE REDD+ ENVIRONMENTAL EXCELLENCE STANDARD (TREES)



			deforestation rate. This crediting level approach was developed by the ART Secretariat, following consultation with a committee of HFLD experts with the objective of ensuring that HFLD credits are fungible in carbon markets. An easy-to-use tool is available on the ART website to enable Participants to calculate their crediting level according to the proposed method more easily.
Crediting Level for Removals	Adds a new section.	Section 5.2	This new section provides a distinct crediting approach for removals under ART for Participants that have successfully reduced emissions from deforestation and degradation. Removals from the conversion of non-forest to forest are eligible for crediting. Crediting for forests remaining forests is not yet eligible, due to issues related to additionality and setting a credible baseline, but it may be considered in future versions of TREES. This crediting level approach was developed by the ART Secretariat, following consultation with a committee of removals experts.
Monitoring	Includes a 20-year MRV requirement for Participants wishing to sell TREES credits into CORSIA.	Section 6.2	This optional requirement was added to enable Participants to adhere to requirements of CORSIA.
Reversals	Clarifies how Mitigating Factor 2 should be calculated.	Section 7.1.1	This text was clarified to ensure consistent application of this mitigating factor.

THE REDD+ ENVIRONMENTAL EXCELLENCE STANDARD (TREES)



Reversals Buffer Pool Contribution	Modifies the equation to add removals.	Section 7.1.2	This addition is associated with the inclusion of removals crediting under ART.
Leakage Deduction	Modifies the equation to add removals.	Section 7.2.1	This addition is associated with the inclusion of removals crediting under ART.
Uncertainty	Revises the approach to determine the uncertainty of the ERRs and assign a deduction based on the risk of over-crediting corresponding to an ART-wide tolerance level.	Section 8	This section was changed to address ART's intent to update the uncertainty approach in TREES 2.0 based on continued evaluation of approaches and consultation with experts. These changes now include the quantification of the uncertainty of the emission reduction and removal value, and only applies deductions when ERRs could be over-estimated. A tool to assist Participants to correctly conduct a Monte Carlo simulation will be posted on the ART web site.
HFLD Eligibility	Replaces the definition of HFLD with a calculated HFLD Score and threshold approach.	Section 9.2	This change was made based on consultation with HFLD experts, who indicated that a dynamic score is more robust than a static definition.
Calculation of ERRs	Revises the equations to include removals.	Section 10	This new section is associated with the inclusion of removals crediting under ART.
Safeguards Reporting Requirements	Revises the timeframe for reporting on outcome indicators.	Section 12.3	The correction was made to reflect the intent that all Participants have equal time to meet this requirement, regardless of the start date that is selected.
Safeguards Indicators	Modifies select indicators to improve readability and provide clarification.	Section 12.5	These clarifications were made to ensure a consistent interpretation of the requirements.

THE REDD+ ENVIRONMENTAL EXCELLENCE STANDARD (TREES)



<p>Avoiding Double Counting</p>	<p>Clarifies how TREES addresses the avoidance of double claiming.</p>	<p>Section 13</p>	<p>This section clarifies how TREES addresses the avoidance of double claiming, recognizing that international requirements for Corresponding Adjustments to avoid double counting under the Paris Agreement Article 6 are still being negotiated, that the infrastructure for countries to account for Corresponding Adjustments is not yet in place, that there will be a transition period for the Paris Agreement rules and infrastructure to be in place, and that and that Corresponding Adjustments may not be required for all potential agreements that ART Participants may enter into.</p> <p>Recognizing also that requirements for Corresponding Adjustments are clear for government-to-government transfers under Article 6.2 and for transfers for use in the ICAO CORSIA, the ART Registry already has infrastructure in place to facilitate the avoidance of double claiming for all transactions where accounting for international transfers may be required or preferred. This includes functionality to publish Host Country Letters of Authorization for transfer of TREES Credits, to label TREES Credits associated with a Letter of Authorization, as well as to label TREES Credits for which a corresponding</p>
---------------------------------	--	-------------------	--

THE REDD+ ENVIRONMENTAL EXCELLENCE STANDARD (TREES)



			adjustment has been applied.
Validation and Verification	Adds removals to scope of validation and verifications.	Section 14	This addition is associated with the inclusion of removals crediting under ART.
Complaints and Appeals	Clarifies that complaints may arise from validation or verification.	Section 16.1	This clarification was made to ensure consistent interpretation of the intent.
Definitions	Revises relevant definitions to include removals and crediting level options.	Definitions	This addition is associated with the inclusion of removals crediting under ART.
TREES Documents	Adds removals information to the document content.	Annex A	This addition is associated with the inclusion of removals crediting under ART.
CORSIA Double Counting	Adds new double counting requirements for transfers for use under the ICAO CORSIA	Annex B	This annex was added to enable Participants to adhere to requirements of ICAO CORSIA.