



ART
Architecture for
REDD+ Transactions

TREES VALIDATION AND VERIFICATION STANDARD

*Architecture for REDD+
Transactions (ART) Program*

DECEMBER 2021

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TREES VALIDATION AND VERIFICATION STANDARD

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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 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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ACRONYMS

ART	Architecture for REDD+ Transactions
ERRs	Emission Reductions and Removals
IAF	International Accreditation Forum
ISO	International Organization for Standardization
MOU	Memorandum of Understanding
TREES	The REDD+ Environmental Excellence Standard
TVVS	TREES Validation and Verification Standard
UNFCCC	United Nations Framework Convention on Climate Change
VVB	Validation and Verification Body

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1 INTRODUCTION

1.1 OVERVIEW

This document details the required validation and verification requirements and procedures that every Participant using The REDD+ Environmental Excellence Standard (TREES) must adhere to in order to be eligible for issuance of TREES credits. TREES focuses on national or large-scale subnational jurisdictional accounting. As a result, the requirements for validation and verification focus on data collection and reporting as well as the underlying processes and management systems supporting these efforts. This document is intended to guide validation and verification bodies (VVBs) and may also be used by ART Participants to inform their understanding of the validation and verification processes.

1.2 DEVELOPMENT PROCESS

The initial TREES Validation and Verification Standard (TVVS) was developed with support and input from two expert committees:

- The TREES Verification Committee
- The TREES Safeguards Committee

The Committees were composed of appointed independent experts with deep understanding and knowledge of REDD+, each serving in a personal capacity. Committee members provided expert advice and guidance for development of the TVVS; however, the TVVS does not reflect consensus opinions or necessarily the opinions of individual committee members.

1.3 ADOPTION OF AND REVISIONS TO THE TVVS

The ART Board will review and approve the adoption of each version of the TVVS. The ART Secretariat will conduct a review of the TVVS at a minimum of every three years, as appropriate based on experience implementing the TVVS, or whenever TREES or its program components are updated. The ART Secretariat will update the TVVS if deemed necessary, including input from technical expert committees and stakeholders as appropriate. The ART Board will approve adoption of all updated versions of the TVVS.

2 ART VALIDATION AND VERIFICATION BODIES

2.1 ELIGIBILITY

2.1.1 Accreditation

Validation and Verification Bodies (VVBs) must be accredited for ISO 14065 with ART included in its scope by an International Accreditation Forum (IAF) member with whom ART has a Memorandum of Understanding (MOU).

Applicants may be provisionally approved by the ART Secretariat while seeking accreditation if the VVB can demonstrate that it has both applied for accreditation for ART with an IAF member with whom ART has an MOU or is in the process of developing an MOU and is currently accredited for ISO 14065 and the forestry sector under a different Greenhouse Gas Program.

2.1.2 Competencies

VVBs must have all the following qualifications to be eligible to apply to be an ART VVB:

- Company has experience in third-party GHG verification of jurisdictional or national REDD+ programs or other large scale, multi-stakeholder project verification.
- Members of the verification team, preferably the lead verifiers, conducting these jurisdictional or national REDD+ program or other large scale, multi-stakeholder project verifications continue to serve as full-time employees of the company.
- Identified lead verifiers are full-time employees of the company and have management system auditing or product certification auditing experience.
- Company has access at all times to full-time personnel or contractors experienced in remote sensing, forestry, safeguards, and potentially relevant languages.

2.2 APPROVAL UNDER ART

Entities who wish to apply for approval as an ART VVB must submit an ART Validation and Verification Body Application form and an ART Attestation of Validation and Verification Body form to the ART Secretariat. These forms are available on the ART website and should be submitted along with supporting documentation to REDD@winrock.org.

The ART Secretariat will review the application and may request additional information as appropriate. The ART Secretariat will provisionally approve, approve, or reject the application. The ART Secretariat will provide the decision and reasons in writing to the VVB.

A provisional approval will be granted if the VVB meets all application requirements and the requirements outlined in 2.1.1. If the ART Secretariat provisionally approves the application, the VVB may conduct one ART Validation or Verification to serve as its witness audit during the accreditation process with the IAF member. If the VVB successfully completes the accreditation process, its application will be fully accepted. If the VVB withdraws its application for accreditation under ART or fails to resolve major nonconformances identified during the accreditation process, its application will be rejected.

A list of provisionally approved and approved VVBs will be maintained on the ART website.

2.3 TRAINING

All lead verifiers from provisionally approved or approved VVBs must complete training on TREES prior to beginning validation or verification activities. The ART Secretariat will provide this training either on-line or in-person. Additional VVB staff or verification team contractors may also attend the training but are not required to do so. The training will not be open to the public.

A representative from each approved VVB must attend a quarterly meeting with the ART Secretariat. During these meetings, the ART Secretariat will address questions and/or provide clarifications to all VVBs to promote a consistent understanding of TREES and implementation of validation and verification activities.

As appropriate, the ART Secretariat may host additional trainings or issue guidance to highlight changes to TREES or new program requirements.

2.4 VVB ROTATION

In order to mitigate potential conflicts of interest, ART Participants must rotate VVBs after three consecutive verifications. A validation may be conducted in conjunction with one of the verifications but is not included in the verification count for rotation. After the third verification, the ART Participant must retain a new VVB for at least one verification. The new VVB may not use a lead verifier from any of the three previous verifications but may retain other members of the previous audit teams such as technical specialists.

2.5 MONITORING OF VVB PERFORMANCE

As part of their initial and ongoing accreditation process, VVBs will be monitored by their accreditation body through desk reviews as well as field audits. Any nonconformances identified during an accreditation witness audit or ongoing surveillance or reassessment audits will be

addressed through the accreditation body’s audit process and the ART Secretariat will follow any work restrictions or limitations imposed on a VVB by their accrediting body.

The ART Secretariat will also monitor the performance of the VVBs approved under ART in order to ensure consistency between VVBs and to improve the program. As required in TREES, the ART Secretariat will conduct completeness checks of all the validation and verification reports and associated documentation to ensure the VVBs followed the requirements outlined in TREES and in the TREES VVS. The ART Secretariat will also review finding resolutions to ensure correct interpretation of TREES and consistency between VVBs. These reviews may result in outcomes such as the development of new guidance documents, updates to existing guidance documents, additional training for VVBs, or potential issues being identified to VVBs.

The ART Secretariat may also be informed of potential issues through the public comment email available on the ART website. If the ART Secretariat identifies a potential issue with the performance of a VVB, the ART Secretariat will act as follows based on the severity of the issue:

ISSUE CATEGORY	DESCRIPTION	ACTIONS TAKEN
High severity	Issues such as deliberate misstatements on a conflict of interest review, fraud, or other such serious issues	<p>The ART Secretariat will report the issue to the appropriate IAF accreditation body for review and action.</p> <p>The VVB may continue to work on validations or verification in progress but may not issue validation or verification opinions or begin new validations or verifications until the issue has been resolved to the satisfaction of the IAF accreditation body.</p>
Medium severity	Issues with the internal systems, policies and procedures used by the VVB in performing the audit which could negatively impact the effectiveness of the audits performed. For example, repeated inconsistent application of TREES which indicates a training process issue.	<p>The ART Secretariat will communicate the concern to the VVB. The VVB must develop a plan to address the issue including a timeline for its implementation which must be approved by the ART Secretariat. If the issue is not addressed as agreed, the issue is elevated to high severity and communicated to the IAF accreditation body.</p>

ISSUE CATEGORY	DESCRIPTION	ACTIONS TAKEN
Low severity	Issues such as incorrect form usage, unintentional mistakes in calculation review, or similar issues	The ART Secretariat communicates the issue to the VVB and requests that the issue be corrected. The VVB is encouraged to review its processes to take preventative actions as appropriate

3 VALIDATION AND VERIFICATION

3.1 GENERAL REQUIREMENTS

In carrying out a validation or verification, the VVB shall apply consistent criteria to assess the accuracy, conservativeness, relevance, completeness, consistency and transparency of the information provided by the ART Participant in order to determine whether information provided by the Participant is reliable and credible.

A VVB shall apply the Principles for validation and verification as defined in ISO 14064-3:2019¹ for all validations and verification contracted on or after January 1, 2023. For validations and verifications contracted prior to this date, VVBs may use either ISO 14064-3:2006 or ISO 14064-3:2019.

3.2 VALIDATION AND VERIFICATION CYCLE

Validation and Verification is required following calendar year 1 of each crediting period. Verification is required after calendar years 3 and 5 of each crediting period. ART Participants may elect to have verifications following calendar years 2 and 4 of the crediting period. If these optional verifications are conducted and a positive verification opinion is reached, an ART Participant may be able to issue credits annually. If the optional verifications are not conducted, an ART Participant will only be able to issue credits following calendar years 1, 3, and 5, as no credits will be issued without verification.

If in the initial crediting period, a Participant elects to use a crediting period start date up to four years prior to the year of the TREES Concept submittal, the initial verification shall cover all years included in the initial monitoring report.

Validation and Verification Cycle

End of Year 1

All sections of the TREES Registration Document and TREES Monitoring Report, including eligibility criteria and Crediting Level data and calculations, monitoring data, ERR calculations for calendar year 1; and conformance with social/environmental safeguards

¹ This standard can be obtained from the website of the ISO Central Secretariat at the following address: www.iso.org.

End of Year 2 OPTIONAL	All sections of the TREES Monitoring Report including monitoring data and ERR calculations for the ERRs achieved in calendar year 2, and conformance with social/environmental safeguards
End of Year 3	All sections of the TREES Monitoring Report including monitoring data and ERR calculations for the ERRs achieved in either calendar year 3 only or calendar years 2 and 3 (if the optional verification was not performed), and conformance with social/environmental safeguards
End of Year 4 OPTIONAL	All sections of the TREES Monitoring Report including monitoring data and ERR calculations for the ERRs achieved in calendar year 4, and conformance with social/environmental safeguards
End of Year 5	All sections of the TREES Monitoring Report, including monitoring data and ERR calculations for the ERRs achieved in either calendar year 5 only or calendar years 4 and 5 (if the optional verification was not performed), and conformance with social/environmental safeguards

3.3 VALIDATION SCOPE

For the purpose of this document, validation is the systematic, independent, and documented process for the evaluation of a TREES Registration Document against applicable requirements of TREES. These include but are not limited to the following:

- Reference Period and Crediting Period – The VVB evaluates whether the reference period and crediting period are correctly defined and in line with the requirements of TREES.
- Accounting Area – The VVB evaluates the spatial information provided on the accounting area and evaluates whether it is in line with the requirements for national or sub-national accounting areas.
- Eligibility Requirements – The VVB evaluates the ART Participant’s conformance with each of the eligibility criteria.
- Ownership Rights to TREES Credits – The VVB evaluates whether the ART Participant has provided a description of its rights to the TREES credits or plan to obtain rights. The VVB validates the completeness of the description but does not validate the legality of the claims to the credits.
- Participation in other Programs – The VVB evaluates the information provided and whether projects or other programs listed by the ART Participant could or will generate

emission reduction or removals credits in some or all of the accounting area during the crediting period.

- Procedure to Avoid Double Counting – The VVB evaluates the procedure or plan provided by the ART Participant against the TREES requirements for avoiding double issuance, double use and double claiming of TREES credits.
- Crediting Level – The VVB evaluates whether the Participant is eligible to use the selected crediting approach if the Removals or HFLD Crediting Approaches are used. The VVB then evaluates whether the data and parameters used to construct the initial TREES, Removals, or HFLD crediting level meet all the accounting requirements of TREES and whether the initial crediting level itself has been estimated correctly. The VVB also evaluates whether the uncertainty calculation was performed correctly.
- Monitoring Plan - The VVB evaluates whether the description of the monitoring plan included in the TREES Registration Document complies with the requirements of TREES, including if the processes and methods used are sufficiently described and documented and if the processes and methods allow for transparent and consistent monitoring of emissions over time and comparison with the Crediting Level. The VVB shall assess whether the processes and monitoring arrangements described in the monitoring plan are feasible and that the means of implementation, including the data management and quality assurance and quality control procedures are sufficient.
- Reversals – The VVB evaluates whether the buffer contribution assessment tool has been correctly applied, if the information regarding mitigation factors is correct and complete, and if the result is correct.
- Leakage – The VVB evaluates whether the leakage assessment tool has been correctly applied and if the result is correct.

Variances – The VVB evaluates whether any variances from TREES have been documented by the ART Participant and received approval from the ART Secretariat.

- Emission Reductions and Removals – The VVB evaluates whether the ART Participant's approach and workbook for calculating emission reductions and removals is correct, including the application of the reversals and leakage deductions if appropriate.
- Stakeholder Comments – The VVB evaluates the ART Participant's response to any stakeholder comments submitted regarding the TREES Registration Document.
- Environmental, Social and Governance Safeguards – The VVB evaluates the indicators as follows:
 - Structure indicators – The VVB evaluates the description provided in the TREES Registration Document, of the relevant governance arrangements (e.g., policies, laws, and institutional arrangements) that are in place and evaluates whether these can ensure that the implementation of REDD+ actions will be in conformance with the indicator.

- Process indicators – The VVB evaluates the description provided TREES Registration Document, of relevant institutional mandates, processes, procedures, and/or mechanisms that are in place and enforced and evaluates whether these can ensure that the implementation of REDD+ actions will be in conformance with the indicator.
- Outcome indicators – For the first five years after the participant joins ART, the VVB evaluates the description provided in the TREES Registration Document to ensure the ART Participant:
 - defines the desired context-specific outcome(s); and
 - presents an initial plan for collecting monitoring information that can demonstrate outcomes starting within five years of the Participant joining ART or sooner

For all subsequent years, the VVB validates the description provided in the TREES Registration Document to ensure the ART Participant:

- defines the Participant-defined context-specific outcome(s), including any justified adjustments since previous crediting periods; and
- presents a plan, including any justified adjustments since previous crediting periods, for ongoing collection of monitoring information that will demonstrate stepwise improvements in achieving Participant-defined context-specific outcomes

3.4 VERIFICATION SCOPE

For the purpose of this document, verification is the systematic, independent, and documented assessment by a qualified and impartial third party of the ERR statement for a specific reporting period.

The verification process is intended to assess the degree to which a project conforms with TREES and has correctly quantified net GHG reductions and removals and demonstrated conformance with the Environmental, Social and Governance Safeguard requirements. For this the VVB shall assess:

- Eligibility – The VVB verifies that the ART Participant continues to be in conformance with the TREES eligibility criteria.
- Crediting period and reporting period - The VVB verifies the correct crediting period and reporting period are used.
- Accounting area – The VVB verifies the spatial information provided on the accounting area is consistent with the information provided in the TREES Registration Document.
- Ownership rights to ERRs to be issued by ART - The VVB verifies that the ART Participant has provided a description of its rights to the TREES credits or plan to obtain rights and verifies that any changes since the last TREES document submission have been included. The VVB does not assess the legality of the claims to the credits.

- Participation in other Programs – The VVB verifies that the ART Participant lists all REDD+ crediting or payment-for-performance programs and/or REDD+ Project(s) within the proposed area regardless of credit ownership and whether any changes since the last TREES document submission have been noted.
- Avoidance of Double Counting – The VVB verifies the ART Participant has implemented the plan or procedure to avoid double counting.
- Summary of REDD+ activities – The VVB verifies the inclusion of the summary of REDD+ activity implementation. The activities described will not be verified.
- Emissions for the reporting period – The VVB verifies the reported emissions for the period including whether:
 - the monitoring plan has been implemented as outlined in the TREES Registration Document, and
 - whether data and parameters used to construct the total meet all the accounting requirements of TREES.
- Reversals – The VVB verifies whether the buffer contribution assessment tool is applied correctly.
- Leakage – The VVB verifies whether the leakage assessment tool is applied correctly.
- Variances - The VVB verifies that all variances from TREES have been documented by the ART Participant and received approval from the ART Secretariat.
- Emission Reductions and Removals – The VVB verifies whether the ART Participant's calculation of the emission reductions and removals, if quantified, over the reporting period is correct, including evaluating that the reversals and leakage deductions are appropriately applied. The VVB ensures that emissions reductions using the HFLD crediting approach and removals are clearly identified to ensure proper labeling in the ART Registry.
- Closure of Previous Verification Minor Non-conformances – The VVB evaluates whether resolutions to any outstanding minor nonconformances from the previous verification have been fully implemented.
- Stakeholder Comments – The VVB evaluates the ART Participant's response to any stakeholder comments submitted regarding the TREES Monitoring Report.
- Environmental, Social and Governance Safeguards – The VVB evaluates the indicators as follows:
 - Structure indicators – The VVB evaluates whether the evidence provided by a Participant demonstrates that the relevant governance arrangements (e.g., policies, laws, and institutional arrangements) were in place, ensuring that the implementation of REDD+ actions was in conformance with the indicator.
 - Process indicators – The VVB evaluates whether the evidence provided by a Participant demonstrates that the relevant institutional mandates, processes,

procedures, and/or mechanisms were in place and enforced, ensuring that the implementation of REDD+ actions was in conformance with the indicator.

○ Outcome indicators –

For the first five years after joining ART, the VVB evaluates whether the evidence provided by a Participant

- demonstrates that the initial plan for monitoring the Participant-defined context-specific outcome(s) outlined in the TREES Registration Document has been implemented, fully or in part; or
- demonstrates that the ART Participant has concluded development of its outcome monitoring plan by the end of five years after joining ART and is ready to implement the plan.

For all subsequent years, the VVB evaluates whether the evidence provided by a Participant

- demonstrates that the outcome monitoring plan defined by the ART Participant is being implemented, together with any identified and justified changes to the monitoring plan originally outlined in the TREES Registration Document; and
- demonstrates that ongoing collection of monitoring information shows stepwise improvements in Participant-defined context-specific outcomes in summarized results reporting.

3.5 LEVEL OF ASSURANCE

The verification process shall be designed and applied to provide a reasonable level of assurance in regard to the degree to which an ART Participant complies with TREES, has correctly quantified net GHG reductions, and correctly applied its management systems underlying the GHG reduction calculations.

3.6 VALIDATION AND VERIFICATION PROCESS

3.6.1 Contracting

ART Participants shall directly solicit bids from and select any approved or provisionally approved ART VVB using their own processes. The list of approved VVBs shall be maintained on the ART website. The ART Secretariat does not participate in the selection of VVBs or contracting process and does not negotiate terms or fees.

3.6.2 Conflict of Interest

In addition to the Attestation of Validation and Verification Body, which includes detailed and comprehensive conflict of interest provisions, ART-approved VVBs must execute a Participant-specific TREES Validation and Verification Conflict of Interest Form for each validation or verification. This form is available on the ART website and must be submitted through the ART

Registry. The ART Secretariat reviews the form to ensure that potential conflicts of interest have been identified and that mitigations proposed are appropriate. The ART Secretariat may request additional information or revisions if needed prior to approving the document. The ART Secretariat must approve the document prior to the VVB beginning any work on the validation or verification.

3.6.3 Audit process

In line with their accredited internal processes and procedures, VVBs shall perform the following steps in order to complete the validation and/or verification.

3.6.3.1 KICKOFF MEETING

The VVB shall hold a kickoff meeting with the ART Participant prior to work beginning. At a minimum, the kickoff meeting shall include a review of the scope of the audit, the audit team, the audit process, materiality, types of nonconformances and their impact on the audit and outcomes.

3.6.3.2 VALIDATION OR VERIFICATION PLAN

The VVB shall develop a validation or verification plan including sampling requirements in line with their internal risk assessment and sampling plan development processes taking into account the relative contribution of each source, internal or external audits of the data, and other factors affecting risk. TREES will not require specific data sampling or field work given the variability of the activities and data sources that might be included.

3.6.3.3 AUDIT

The VVB shall implement the validation or verification plan following the appropriate audit trails. The audit shall consist of both desk review and on-site components. An on-site kickoff meeting shall be conducted which at a minimum provides a schedule and an overview of the anticipated audit activities. An on-site audit closing meeting shall be conducted at the conclusion of on-site audit activities.

3.6.3.4 FINDINGS

Findings shall be categorized according to the following structure. When appropriate, multiple related findings arising from the same system or process may be grouped for the ART Participant to address.

Major Nonconformance – A nonconformance that:

1. Has a material impact on the ERRs claimed by the ART Participant,
2. Is a systems issue that could result in a material impact on the ERRs in the future, or

3. Is a systemic issue that affects the ART Participant's ability to conform with the requirements of TREES, including eligibility and safeguards requirements.

A major nonconformance must be resolved prior to a positive verification opinion being issued by the VVB. All major nonconformances and resolutions must be listed in the validation or verification report.

Minor Nonconformance – a nonconformance that:

1. Does not have a material impact on the ERRs claimed, or
2. Does not represent a systemic failure that would lead to nonconformance with the requirements of TREES including eligibility and safeguards requirements.

An example of a minor safeguards nonconformance is a nonconformance with the written procedure or process cited by the ART Participant where the ART Participant's implemented safeguards actions and process or procedure still meets the applicable TREES requirement.

The ART Participant must propose a plan for resolving minor nonconformances that includes allocated resources and timeline. Minor nonconformances do not need to be fully resolved prior to the VVB issuing a positive validation or verification opinion as long as the VVB approves the plan for resolution. All minor nonconformances and resolutions or planned resolutions must be listed in the validation or verification report. Planned resolutions must be reviewed during the next verification following the proposed completion date. If the ART Participant is unable to either close the minor nonconformance in the agreed timeframe or provide a satisfactory explanation regarding the delay, the minor nonconformance will be elevated to a major nonconformance.

Observation – an issue identified by the audit team that does not have objective evidence to constitute a nonconformance but may lead to one in the future. ART Participants may respond to these issues or elect not to respond. All observations must be listed in the validation or verification report.

Clarification requests – questions used by the audit team to identify and track open issues and requests for information from Participant. Clarification requests do not indicate nonconformance but may lead to one depending on subsequent information provided. These may be optionally used by VVBs to provide transparency in the audit trail and improve communication between the VVB and the ART Participant. As such, they will not be included in the publicly available validation or verification report. The ART Secretariat may request to see the list of clarification responses.

3.6.3.5 RESOLUTIONS

The VVB shall review and either approve or reject resolutions to audit findings proposed or implemented by the ART Participant based on the type of finding. This may be an iterative process whereby the VVB reviews resolutions multiple times. The review may include requests for additional evidence, clarification requests, submission of revised documentation, and/or a site visit.

3.6.3.6 INTERNAL REVIEW OF VALIDATION AND VERIFICATION DOCUMENTS

Prior to the final issuance of the validation report and/or verification report and opinion, the draft documents and List of Findings shall be reviewed by an independent internal reviewer. The purpose of the internal review is to ensure that the validation and/or verification activities were completed in accordance with TREES, and that all findings identified during the course of the validation and/or verification have been resolved.

3.6.3.7 REPORT AND OPINION

The VVB shall submit a TREES Validation Report including the validation opinion, following completion of the validation and a TREES Verification Report and Opinion to the Secretariat following completion of the verification. Reports and Verification Opinions shall follow the latest templates available on the ART website.

ART requires the application of a positive or negative² opinion. No deviations are allowed without the prior approval of ART.

3.6.3.8 CLOSING MEETING

The VVB shall conduct a closing meeting with the ART Participant which concludes the validation and/or verification process.

3.7 PUBLIC AVAILABILITY OF DOCUMENTS

All VVB Validation and Verification Reports and Verification Opinions shall be publicly available through the ART Participant's account on the ART Registry. Portions of the report may be redacted in the publicly available version if the report references Commercially Sensitive Information (CSI) identified by the ART Participant in either the TREES Registration Document or the TREES Monitoring Report and the VVB has confirmed the sensitive nature of the information.

3.8 VVB RECORD KEEPING

VVBs shall retain records in line with their accredited record keeping procedures and policies. VVBs shall retain all records relating to TREES validation and verifications for a minimum of 10 years after the conclusion of the relevant reporting period.

² A positive opinion is defined as an "unmodified" opinion in Section 7.3.2.2 of ISO14064:2019. A negative opinion is defined as an "adverse" opinion in Section 6.3.2.4 of ISO14064:2019. ART does not allow for a "modified" opinion as outlined in Section 6.3.2.3 of ISO14064:2019. Further, ART does not allow the verifier to disclaim the issuance of an opinion (Section 6.3.2.5 of ISO14064:2019).

3.9 TERMINATING AN AUDIT

If an ART Participant terminates a validation or verification after validation or verification services have begun but before the VVB is able to reach an opinion, the VVB shall inform the ART Secretariat in writing of the status of the validation and verification and reasons why the validation or verification has been aborted.

3.10 MATERIALITY

The materiality threshold for TREES in respect to the quantified net GHG reductions is 1% of the total emission reductions claimed during the reporting period.

3.11 VALIDATION AND VERIFICATION ERRORS

No TREES credits will be invalidated once issued. If an error is found in a previous validation or verification which necessitates either an increase or decrease in emission reductions, the adjustment required shall be made to the total emission reductions in the reporting period being verified when the error was discovered. If the emissions reductions in the current reporting period are insufficient to address the error, the remaining adjustment necessary shall carry over to the next reporting period, and so on, until the error has been fully compensated for.

3.12 COMPLAINTS AND APPEALS

The ART Participant shall utilize the complaint and appeal procedure of the VVB for any issues regarding the performance of the VVB.

For issues relating to TREES or ART, the ART Participant shall utilize the procedure outlined in TREES, Section 16.