

ART Board Meeting Minutes

5 October 2021

ART Board members: F. Seymour, A. Nababan, C. Nobre, D. Zarin, W. Bumpers, L. Ruiz, A. Kalibata

ART Secretariat: M. Grady, J. Orrego, C. Magerkurth, F. Casarim

AT Board members met for the quarterly Board meeting overing the third quarter of 2021. Topics discussed included an update on ART Operations, discussion of the ART Fee Structure, financial planning for ART, and an update on the LEAF Coalition.

1. Approval of meeting minutes

INFORMATION

The Secretariat shared draft meeting minutes from six ART Board meetings held between January and July of 2021. These meetings included four special meetings specifically convened to discuss TREES 2.0 technical topics both prior to the approval of the public consultation version of TREES 2.0 and also following receipt of public comments.

DISCUSSION

- The Board requested additional details be added to the meeting minutes to more fully capture the discussions held.

DECISIONS AND ACTION ITEMS

ACTION ITEM: The Secretariat will revise the minutes to add additional detail. The ART Board Chair will review the revised minutes prior to distribution to the rest of the Board.

2. Operations update

INFORMATION

The Secretariat presented a comprehensive summary of ART activities since the last Board meeting in July. This included:

- the launch of TREES 2.0,
- public webinars in English, Spanish and Portuguese and stakeholder specific webinars
- consultation meetings with jurisdictions, potential buyers and other stakeholders
- communications efforts including:
 - interviews with media,
 - work on a new website,
 - development of didactic materials regarding ART and TREES,
 - translations of key documents into 4 languages, and
 - development of additional guidance

The Secretariat also presented an update on ART Registry activity:

- 7 jurisdictions have submitted TREES Concepts
 - More have indicated plans to submit in 2021
- Guyana has submitted:

- 2016-2020 TREES Registration Document
- 2016-2020 TREES Monitoring Report
- 2021-2025 TREES Registration Document
- 18 ART Registry accounts pending
 - 3 jurisdictions (Guatemala, Kenya and Jalisco)
 - Singapore
 - Mix of buyers and observers

The Secretariat also presented an update on ICAO activity:

- Submitted TREES Material Changes to ICAO
 - HFLD Approach
 - Removals Approach
 - Indigenous Peoples Pathway
 - Requirements for Avoiding Double Counting with CORSIA
 - Requirements for MRV for CORSIA eligibility
- Expect questions and TAB interview in Q4
- TAB recommendation expected in early 2022 for a spring update

Finally, the Secretariat presented an update on the TREES Validation and Verification Standard, noting that the TVVS needs to be updated in line with the changes approved by the ART Board in TREES 2.0, and the schedule for attendance at COP26.

DISCUSSION

- The Board asked several questions regarding operations and communications.
- The Board discussed the value of developing a status dashboard for the ART website which would highlight where each participant is in the ART process. This will be discussed further when jurisdictions begin moving through the process and there is more diversity in the status.
- The Board asked questions regarding the public reports available through the ART Registry.
- The Board discussed and asked questions regarding the needed updates to the TVVS.
- Plans for COP 26 and key meetings were identified and discussed.

DECISIONS AND ACTION ITEMS

ACTION ITEM: The Secretariat will provide the TVVS with changes tracked to the ART Board via email for a no objection approval.

3. ART Fee structure

INFORMATION

In order to ensure self-sustainability of the ART Program in the future, the ART Secretariat presented a draft fee schedule for the Board's consideration. The fee structure proposal was based on the anticipated operating costs, anticipate number of credits being issued each year and the Secretariat's desire to streamline the fee structure as much as possible to simplify the process for Participants and other stakeholders. A summary of the fees associated with relevant other greenhouse gas programs was also presented.

DISCUSSION

- The Board discussed the proposed fee structure, asking questions relating to the type and amount of each fee.

- The challenges associated with government procurement processes and payment of fees were discussed highlighting the need to ensure a simplified issuance fee structure.

DECISIONS AND ACTION ITEMS

ACTION ITEM: The Secretariat will modify the proposed fee structure to reflect the Board’s discussion and ensure clarity.

ACTION ITEM: The Secretariat will prepare and distribute potential scenarios to provide a quasi-sensitivity analysis for Board members to review.

ACTION ITEM: The Board will review these documents and approve the fee structure on a no objection basis via email.

4. ART Financial Planning

INFORMATION

The Secretariat presented a brief summary of possible bridge funding options being sought to provide sufficient funding until the fee structure allows ART to be self-sustaining.

DISCUSSION

- The Board offered suggestions for additional avenues the Secretariat may wish to consider exploring.

5. LEAF Coalition Update

INFORMATION

While ART is not a member of the LEAF Coalition, the Secretariat presented:

- a summary of the information known regarding the proposal review process,
- a summary of the support the Secretariat provided in answering questions regarding TREES requirements by the Coalition, and
- anticipated timing for Coalition next steps.