

ART Board Meeting Minutes

15 December 2021

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

ART Board Observers: R.F. Adjei, P. Dolma Sherpa

ART Secretariat: M. Grady, C. Magerkurth, F. Casarim, B. Hemphill

ART Board members met for the quarterly Board meeting covering the fourth quarter of 2021. Topics discussed included updates on ART Operations, outcomes of COP26, the activities of the LEAF Coalition, information on the ART pipeline, fundraising for ART, and ART Board 2022 planning.

1. Introduction of new Board Members

INFORMATION

The Board Chair introduced Pasang Dolma Sherpa and Roselyn Fosuah Adjei who will join the ART Board beginning in January 2022. They attended the December 2021 ART Board meeting as observers to facilitate their transition.

DISCUSSION

- The Board welcomed and appreciated our new members' willingness to join the Board.

2. Approval of Meeting Minutes

INFORMATION

The Secretariat shared draft meeting minutes from seven ART Board meetings held between January and October 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 to be added to the meeting minutes to ensure the discussions were more fully captured.

DECISIONS AND ACTION ITEMS

ACTION ITEM: The Secretariat will revise the meeting minutes to add additional detail and circulate to the Board for approval via email.

3. Operations Update

INFORMATION

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

ART Secretariat Staffing

- Jessica Orrego has taken a new position with a different organization.

- Christina Magerkurth will assume the role of Managing Director of ART.
- Brook Hemphill joined the team November 29th.
- Two organizational positions are actively being recruited.
 - ART Policy Manager
 - ART Portfolio Manager

DISCUSSION

- The Board expressed appreciation for Jessica Orrego’s services and noted that she will be missed.
- The Board congratulated Christina Magerkurth on her new role in the Secretariat.
- The Board welcomed Brook Hemphill and appreciated her enthusiasm to join the Secretariat.

The Secretariat also presented updates regarding:

ICAO:

- ART was approved by ICAO to provide post 2020 vintage credits for CORSIA making ART the first jurisdictional REDD+ program (and one of only two crediting programs) approved by ICAO to supply post 2020 units
- The Secretariat responded to the ICAO Technical Advisory Body’s (TAB) first round of questions regarding our material update submitted in August
- A second round of questions is expected in January and then a decision around March 2022.

ART Fee Schedule:

- Conducted a soft launch of the fee structure with jurisdictions first. No comments were received
- Additional soft consultations with other stakeholders including Emergent have received positive feedback
- Will post on website mid-December and update ART Registry Terms of Use agreement to include fees

Communications:

- Conducted numerous consultation meetings with potential buyers, jurisdictions and other stakeholders
- Continued work on the website refresh and plans to launch new website in 2021
- Continued developing new materials regarding ART and TREES
- Launched the “Options for Private Sector Involvement in REDD+ Under ART” paper and conducted a public webinar on December 8th.

DISCUSSION

- The Board asked several questions regarding communications.
- The Board recommended targeted outreach about the new Private Sector Involvement paper to participating jurisdictions.

DECISIONS AND ACTION ITEMS

ACTION ITEM: The Secretariat will share the Private Sector Involvement paper and webinar recordings, as well as other communication document links with the Board via email.

4. COP Update

INFORMATION

The Secretariat presented an update on announcements regarding the LEAF Coalition made at COP:

- LEAF announced 7 new corporate partners (now 19) and a total of \$1 billion committed for purchases by the Coalition
- LEAF announced that 23 jurisdictions submitted eligible proposals in response to the LEAF Call for Proposals
- Letters of Intent (LoI) signed in Glasgow:
 - Costa Rica
 - Ecuador
 - Ghana
 - Nepal
 - Vietnam
- Memorandum of Understanding (MoU) signed in Glasgow with the Brazilian Interstate Legal Amazon Consortium

The Secretariat also presented an update on the Paris Agreement Article 6 and the resolution of the two biggest issues with implications for ART:

- Double Counting
 - Host Country Authorization and Corresponding Adjustments are required for all post-2020 vintage transfers under 6.2 (ITMOs and CORSIA) and 6.4 (CDM 2.0)
 - Host Countries may also authorize and agree to make Corresponding Adjustments for other purposes including for voluntary use
- CDM (6.4)
 - Clarified transition of existing activities, use of 2013-2016 units towards first NDC with no corresponding adjustment, accounting (baselines and crediting periods) and a new governance body
 - Cancellation of 2% of credits issued under 6.4 to assure Overall Mitigation of Global Emissions (OMGE)
 - A 5% levy on issuances under the 6.4 mechanism as a Share of Proceeds (SoP) will support the Adaptation Fund

DISCUSSION

- The Board asked questions and discussed the Paris Agreement Article 6 and its implications for ART.

5. LEAF Update

INFORMATION

The Secretariat also presented an update on the LEAF Coalition efforts since COP:

- Emergent has signed Memorandum's of Understanding with:
 - DRC (Tshuapa province), Burkina Faso, Quintana Roo, Jalisco, Guyana, Nigeria, and PNG have since signed MOUs
- Negotiations for ERPA's will begin with the 5 countries that received Letters of Intent in 2022.

DISCUSSION

- The Board discussed and asked several questions regarding the LEAF Coalition.
- The Board discussed ART's role in supporting the LEAF Coalition as well as other buyers of TREES Credits.

DECISIONS AND ACTION ITEMS

ACTION ITEM: The Secretariat will continue to provide information to LEAF applicants about the requirements of TREES2.0.

5. ART Pipeline

INFORMATION

The ART Secretariat presented the status of jurisdictions in the ART pipeline to the Board.

DISCUSSION

- The Board discussed and asked questions about the ART pipeline.

DECISIONS AND ACTION ITEMS

ACTION ITEM: The ART Secretariat will provide a copy of the document to the ART Board and will identify private versus public information regarding the status of jurisdictions.

6. ART Financial Planning

INFORMATION

The Secretariat presented an update on 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 for funding that the Secretariat may wish to consider exploring.

7. ART Board

INFORMATION

The Board Chair, Board members and the ART Secretariat expressed sincere appreciation and gratitude for the significant contributions that Dan Zarin and Abdon Nababan have made during their tenure on the ART Board.