



# ART

Architecture for  
REDD+ Transactions

## ARCHITECTURE FOR REDD+ TRANSACTIONS (ART) REGISTRY OPERATING PROCEDURES

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# 1 INTRODUCTION

## 1.1 ABOUT THE ARCHITECTURE FOR REDD+ TRANSACTIONS

The Architecture for REDD+ Transactions (ART) is a global initiative that seeks to incentivize governments to reduce emissions from deforestation and forest degradation (REDD), as well as restore forests and protect intact forests (+). ART's standard for the measurement, monitoring, reporting and verification of emission reductions and removals from the forest sector is The REDD+ Environmental Excellence Standard, known as TREES. ART aims to serve as a global quality benchmark for forest emission reductions and removals for both compliance and voluntary carbon offset markets and provide buyers of TREES Credits with credible results. ART is a wholly owned nonprofit subsidiary of Winrock International, which works with people in the U.S. and around the world to empower the disadvantaged, increase economic opportunity, and sustain natural resources.

ART is an independent carbon credit standards body and registry. ART has also been approved by the International Civil Aviation Organization (ICAO) to supply eligible ART-issued emission reduction/removal units to airlines for compliance under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). ART is positioned for roles in new compliance offset markets under Article 6 of the Paris Agreement and holds prominence in the global voluntary carbon market.

## 1.2 PURPOSE OF THESE OPERATING PROCEDURES

This document is intended to provide administrative details and practical steps for Account Holders to facilitate their use of the ART Registry and TREES Credits. This document does not have the force of law; does not establish new mandatory requirements for carbon offset programs; and, in no way supplants, replaces, or amends any of the requirements of the ART Standard, or ICAO requirements. Conversely, an omission or truncation of regulatory requirements in this document does not relieve entities of their respective obligations to fully meet all ART, and/or ICAO requirements.

## 1.3 OVERVIEW OF THE REGISTRY

The [ART Registry](#) serves as the book of record for tracking REDD+ Program listing, independent verification, and the issuance, transfer, retirement and/or cancellation of, and custodial services for, verified emissions reductions and removals recognized as TREES Credits. ART has engaged APX, Inc., as its technology provider with respect to the ART Registry.

The ART Registry Administrator will issue one serialized TREES Credit for each ton of carbon dioxide equivalent emissions that are reduced or removed by verified programs. The ART Registry will only issue TREES Credits originating from verified REDD+ programs that have been validated and verified by a Validation and Verification Body (VVB) approved by ART. To ensure that double-counting does not occur, Participants in the ART Registry must have 100% of their program's verified emissions reductions and removals for a monitoring and reporting period tracked through the ART Registry or deductions taken in line with the Double Counting provisions of TREES.

All Participants are required to have an ART Registry account to receive TREES Credits issued by the ART Registry. Any party, including traders, marketers, and end-use customers, wishing to hold, transfer, or cancel TREES Credits may establish an account in the system. All Account Holders must agree to follow the rules and operating procedures described in this document and in the ART Registry Terms of Use (ToU) agreement. All ART Registry accounts use a primary account, active sub-accounts, and retirement sub-accounts to manage TREES Credits. Active sub-accounts are used for holding and transferring TREES Credits. Retirement sub-accounts are used for retiring TREES Credits from circulation so that they can no longer be transferred between Account Holders or within an account. Account Holders can create multiple active and retirement sub-accounts to help organize TREES Credits within the account.

TREES Credits are issued into the Account Holder's primary account. Account Holders can then transfer their TREES Credits to other sub-accounts and/or other Account Holders or retire TREES Credits in their own account (including on behalf of third parties).

The ART Registry will provide the ART Registry Administrator, Account Holders, and the public with reports on activity within the system. Public reports will be accessible to all stakeholders via the public page on the ART Registry homepage (<https://art.apx.com/>) or the ART Registry page on the ART website (<https://www.artredd.org/art-registry/>).

## 1.4 GEOGRAPHIC SCOPE

There are no geographic limitations on Account Holders.

# 2 ACCOUNTS AND USER REGISTRATION

## 2.1 PARTICIPATION IN THE ART REGISTRY

Any entity or sovereign wanting to participate in the ART Registry must establish an ART Registry account. There is no limit to the number of separate accounts an entity or sovereign may establish. Any party, including non-Program Developers, such as traders, marketers, and

end-use customers wishing to hold, transfer, retire or cancel TREES Credits must establish an account in the ART Registry.

There are three types of ART Registry accounts:

- Sovereign Program Developer
- Transaction Account, including Omnibus Accounts
- Validation and Verification Body (VVB)

The Sovereign Program Developer is the only account type that can submit programs for ART registration and credit issuance. Transaction Accounts are intended for entities seeking to purchase, trade, sell, and/or retire TREES Credits for themselves or on behalf of others. VVB accounts are used to provide Validators and Verifiers the ability to review, validate, and verify Program data and documents for Programs to which they have been assigned.

All Account Holders must agree to follow the rules and operating procedures described in this document and in the ART Terms of Use. For the account to be approved and activated, the registrant must review and agree to the ART Terms of Use, which is integrated into the online account registration process. There is no limit to the number of separate accounts an entity may establish.

Instructions for opening an ART account and related forms, including the Terms of Use and ART Fee Schedule are available at <https://www.artredd.org/art-registry/>.

Once a new account profile is submitted for review, it cannot be accessed by the applicant until the Administrator approves the account. If changes are needed to any of the fields submitted in the profile between submission and approval, these will need to be made by the Administrator.

An account in the ART Registry will remain active until terminated. Termination can be initiated either by the Account Holder notifying the ART Registry Administrator or by the ART Registry Administrator directly.

## 2.2 TRANSACTION OR SOVEREIGN PROGRAM DEVELOPER ACCOUNTS

Sovereign Program Developers seeking listing and registration of REDD+ programs are required to have an account in the ART Registry. The Sovereign Program Developer account type is the only account type that can register REDD+ programs. Entities seeking to purchase, trade, sell, and/or retire TREES Credits for themselves or on behalf of others are required to have a Transaction account in the ART Registry.

Both Sovereign Program Developer and Transaction Account Holders can hold, transfer, and retire TREES Credits.

Applicants will provide basic account registration information, such as Account Holder name, address, contact information, etc., to the ART Registry Administrator through a secure webpage on the ART Registry website.

## 2.3 VALIDATION AND VERIFICATION BODY ACCOUNTS

VVBs wishing to open an ART Registry account must first apply for approval to become an ART VVB. Upon approval, the VVB must then complete the online account registration. All ART Accredited Verifiers are listed on the ART website.

VVB accounts are used to provide Validators and Verifiers with the ability to review, validate and verify Program data and documents for programs to which they have been assigned. Additionally, VVBs have the ability to upload program documents.

There are no ART fees for VVB accounts.

## 2.4 OMNIBUS ACCOUNTS: RETIRE OR HOLD TREES CREDITS ON BEHALF OF OTHERS

Omnibus accounts are a special type of Transaction account that can be established to retire or hold TREES Credits on behalf of individuals or organizations not affiliated with the Account Holder's organization.

- Omnibus retirements refer to the retirement of credits on behalf of a buyer who is seeking to claim the emission reductions or removals for their own environmental objectives. These credits shall be retired using sub-accounts as described in the Terms of Use posted on the ART website.
- Omnibus holdings refer to the holding of credits on behalf of a third party known as an Indirect Owner. Account Holders with omnibus holdings are buying and selling credits on behalf of others and subject to the related requirements below and in the Terms of Use posted on the ART website.

Only Account Holders that have been approved by the ART Registry Administrator to hold TREES Credits on behalf of others may do so. If an Account Holder is approved to operate in this way on the ART Registry, sub-accounts must be created in the name of each Indirect Owner. Indirect Owners of TREES Credits may request to have a login to their sub-account for direct view-only access. ART may from time-to-time request to audit these sub-accounts and request documentation to support the holdings.

## 2.5 ART REGISTRY ADMINISTRATOR ACCESS TO ACCOUNTS

The ART Registry Administrator has full access to all ART Registry accounts, including the ability to view, modify, create, and delete data. Actions taken by the ART Registry Administrator in an account is tracked in the account's Event Log so that the Account Holder has a complete record of the ART Registry Administrator actions. Additionally, email notifications are sent to the Account Manager when the ART Registry Administrator makes certain changes to account or

program data. The Administrator also has the ability to email all Account Holders via notification functionality in the ART Registry as needed.

In the event of a data security issue or breach, the ART Registry Administrator and/or APX has the ability and right to take the ART Registry offline. The ART Registry Administrator or APX may endeavor, but is not required, to notify the Account Holder in advance of taking such action. To prevent irreparable harm, the ART Registry is subject to regular backups, which may be used in conjunction with activity and event logs as a remedy to restore the ART Registry to an earlier state prior to a service disruption or breach.

## 3 ACCESS TO ACCOUNTS AND CONFIDENTIALITY

### 3.1 ACCOUNT ACCESS AND AUTHORIZED ACCOUNT REPRESENTATIVES

Account Managers have full access to any account that they establish. They also have the sole ability to request additional Authorized Account Representatives with login permission for other individuals who will require access to the account. All requests for Authorized Account Representatives must be submitted by the designated Account Manager to the ARTRegistry@winrock.org email to be reviewed by the ART Administrator prior to activation approval.

User access may be granted at the account or sub-account level. The process for granting access is generally as follows: the Account Manager emails documentation pertaining to each user, such as name and email address, to the ART Administrator via ARTRegistry@winrock.org, and indicates the level of access that is permitted (i.e., Limited Access or Admin Access) and the sub-accounts that can be accessed. For the full list of documentation needed for Authorized Account Representatives, please email the ART Administrator at ARTRegistry@winrock.org.

NOTE: The ART Terms of Use agreed to by each Account Manager applies to any person who receives access to an ART account from an Account Manager.

The ART Administrator will review the proposed new user and the associated documentation. If approved, the ART Administrator will select a login and an initial password for the new user. These will be communicated to the new user and the Account Manager. When logging into the ART Registry for the first time, the ART Registry will prompt the new user to change their password. The new user will then be able to perform the functions or view the information per the permissions granted by the Account Manager. The Account Manager may at any time revoke the permissions granted to the Authorized Account Representative by emailing the ART Administrator at the ARTRegistry@winrock.org.



The ART Registry's My Event Log report tracks and displays all account activities for each user through the unique user ID. All ART Registry users will be able to access the My Event Log report for their account(s). The Account Manager will see all activities for all logins accessing the account, while Authorized Account Representatives will only see activities for their login.

## 3.2 LEVELS OF ACCOUNT ACCESS

When an Account Manager requests logins for the Authorized Account Representative(s) to access the account to review data or complete specific actions, the Account Manager assigns the specific login rights to the account. The following sections describe the rights and access the Account Holder can assign to new users.

### 3.2.1 Account Holder – Admin

When requesting a login for the Authorized Account Representative(s), the Account Manager can assign the login Account Holder - Admin privileges. This provides the login with all the same rights as the Account Manager. The new login will be able to register programs, manage TREES Credits, and request additional logins, if necessary.

### 3.2.2 Account Holder – Limited Access

When requesting a login for the Authorized Account Representative(s), the Account Manager can assign the login Account Holder - Limited Access. The Account Manager will identify the specific sub-accounts that the login will be able to access and view. This provides the login with limited rights to access and view account information. Limited Access logins are not able to transfer, retire or cancel credits.

## 3.3 CHANGES TO THE ACCOUNT MANAGER AND PROFILE INFORMATION

Please contact the ART Registry Administrator at [ARTRegistry@winrock.org](mailto:ARTRegistry@winrock.org) to request changes to the Account Manager or profile information.

## 3.4 PASSWORD RESETS

All users may reset their own password by clicking on the “Change Password” link at the top right of the home screen. The user will be prompted to enter their Login Name, Current Password and New Password.

## 3.5 ACTIVATION AND INACTIVATION OF LOGINS

Only active logins may be used to access the Registry. Only the ART Registry Administrator is permitted to activate and inactivate logins associated with the account. Requests for activation, changes in permissions, or inactivation of a login must be directed to the ART Registry Administrator.

NOTE: Logins may not be removed or deleted. Inactivating a login will not remove an associated email from the Account's list of contacts.

# 4 PROGRAM REGISTRATION

All ART Participants who want TREES Credits issued for their REDD+ programs must first establish a Sovereign Program Developer account within the ART Registry, as described in Chapter 2, prior to registering their emission reductions and/or removals program(s). Obtaining an ART Registry account with the ART Registry does not imply or confer Program registration.

Participants must appoint a single party to act as the single point of contact, who will serve as the Account Manager.

The ART Registry Administrator will issue one serialized TREES Credit for each ton of carbon dioxide equivalent emissions that are reduced or removed by verified programs. The ART Registry will only issue TREES Credits originating from verified REDD+ programs that have been validated and verified by a Validation and Verification Body (VVB) approved by ART. To ensure that double-counting does not occur, Participants in the ART Registry must have 100% of their program's verified emissions reductions and/or removals for a monitoring and reporting period tracked through the ART Registry or deductions taken in line with the Double Counting provisions of TREES.

## 4.1 PROGRAM PHASES AND REGISTRATION PROCESS

The Program Setup screen and Manage Programs module within the ART Registry have been designed to facilitate and track Program registration. The screen and module display the program's status and registration next steps, so the Participant and the ART Registry Administrator know who is responsible for taking the next action in the registration and issuance process. Additionally, there are command buttons that appear in the Program Setup screen that appear at different stages in the registration process, which are used to further help facilitate Program registration and TREES Credit issuance.

The Program status and next step are changed by the Participant by pressing command buttons on the Program Setup Screen. To help guide Account Holders through the Program registration process, the Participant will only be able to select buttons that are appropriate at that time.

As a Program is moved to a new status, the ART Registry system automatically generates emails to the party required to perform the action identified as the next step. Automatically generated emails are sent to email addresses indicated on the Program Contact E-mail under the Program Setup page. Multiple users may be added to the Program Contact E-mail to receive automatically generated updates by separating each email address with a semicolon. The Participant is automatically notified of each status change by email. Once TREES Credits are issued and the Program status is changed to "Registered", the Participant will only need to go back into the registry to begin a new verification cycle for future reporting periods. The dates of monitoring periods are decided by the Participant. The Participant is responsible for contacting the VVB or obtaining a new VVB to complete the verification in accordance with ART verifier rotation requirements.

**Table 1 – Program Registration and Issuance Process**

STATUS	PHASE	NEXT STEP	PARTY TO TAKE NEXT ACTION	COMMENTS
<b>New</b>	Program Concept Submittal Pending	Submit Program Concept	Participant	Enter data on Program Setup screen, upload listing form in Program Documents screen and click the Submit Program button.
<b>New</b>	Program Submitted for Review	Administrator to Review Program Concept	ART Administrator	The ART Administrator will approve, reject, or request a resubmittal.
<b>Listed</b>	Program Concept Approved	Submit Program Registration Documents	Participant	The ART Administrator will approve, reject, or request a resubmittal.
<b>Listed</b>	Program Resubmittal Pending, if applicable	Revise and Resubmit Program for Listing	Participant	<p>If applicable, you will receive an email from ART staff with the specific revision request. When the changes have been made click the Submit Program Registration Documents button.</p> <p>NOTE: if the Participant was requested to resubmit a TREES Concept, then click Submit Program Concept. If the Participant was</p>

STATUS	PHASE	NEXT STEP	PARTY TO TAKE NEXT ACTION	COMMENTS
				requested to resubmit a TREES Registration Document and/or TREES Monitoring Report, then click Submit Program Registration Documents.
<b>Listed</b>	Program Registration Documents Approved	Select VVB	Participant	Select the VVB from the dropdown list and answer the relevant questions in the Program VVB Area of the Program Setup screen. Click the Save button.
<b>Listed</b>	VVB Selected	Submit COI Assessment for Administrator Approval	VVB	VVB will upload the COI form on the Program Documents screen and click Submit for Approval.
<b>Listed</b>	VVB Selection Ready for ART Administrator review	Review VVB Selection	ART Administrator	The ART Administrator will approve, reject, or request a resubmittal.
<b>Listed</b>	VVB's COI Resubmittal Pending, if applicable	Resubmit COI Assessment	VVB	If applicable, ART staff will work directly with the verification body to resolve outstanding issues regarding your Program.
<b>Listed</b>	VVB Approved	Submit Notice of Verification Services	VVB	VVB will upload the COI form on the Program Documents screen.
<b>Listed</b>	VVB Approved	Submit Program Data and Reporting to VVB	Participant	Upload necessary data reports in Program Documents screen and enter a new emissions record in Program Emissions Reductions/Removals screen. Click the Submit for Verification button.

STATUS	PHASE	NEXT STEP	PARTY TO TAKE NEXT ACTION	COMMENTS
Listed	Ready for Verification	Review Data and Submit Opinion	VVB	VVB will require resubmittal of Program data or, after completing the verification, upload verification documentation and click the Submit Program Verification button.
Listed	Program Data Resubmittal Pending, if applicable	Revise and Resubmit Program Data/Reporting	Participant	If applicable, upload revised data reports in Program Documents screen and/or edit the emissions record in Program Emissions Reductions/Removals screen. Click the Submit Program for Verification Button.
Listed	VVB Opinion Submitted	Submit Program for Final Administrator Review	Participant	Click Submit Program for Final Approval. The ART Administrator will now begin to review the Program.
Listed	Program Submitted for Final Review	Review Program	ART Administrator	The ART Administrator will approve, require resubmittal of Program data, or require resubmittal of VVB documents.
Listed	VVB Opinion Resubmittal Pending, if applicable	Revise and Resubmit Opinion	VVB	If applicable, VVB will upload revised verification documentation and click the Submit Program Verification button.
Registered	Registered, Credits Issued	Select VVB	Participant	See Select VVB row above.

## 4.2 SUBMIT A PROGRAM

To submit a new emissions reduction and/or removal program, the Account Manager must complete the following actions:

1. Click “Submit New Program” link found under the Manage Programs section on the main home menu.
2. Provide information related to the characteristics of the Program using the Program Setup screen.
3. Upload all required documents using the Program Documents screen, selecting the appropriate crediting period and monitoring period.
4. Click the Submit Program button.

Upon submission, the Program goes to the ART Registry Administrator for approval. Once a Program is approved, it will be visible to the Participant (and selected VVB, when applicable) under the Manage Programs section on the main home screen. By clicking on the link for the program’s name, the Account Manager can access the Program Setup, Program Documents, and Program Emission Reductions/Removals screens necessary to advance a Program through each phase described below.

## 4.3 ASSIGNMENT OF PROGRAM VERIFIERS

Each Participant in the ART Registry requires Program validation and verification by an ART approved VVB. As part of the Program validation and verification process, the Participant must first select an ART approved VVB from the list maintained on the ART website and then negotiate and agree to the terms for validation and verification of the Program.

Following the approval of the Program by the ART Administrator, the Account Manager will be prompted to select a VVB. To select a VVB the Account Manager must complete the following steps:

1. Select Program Developer to Select VVB under the Manage Programs module on the home screen.
2. Select a VVB from the Program Verification section on the Program Setup screen.
3. Complete the Program Verifier Area questionnaire and click Save. If the Participant indicates “Yes” for any of the Program Verifier Area questions, then a Conflict of Interest Note explaining the reasoning must be added.
4. Click Save.

The VVBs are responsible for providing the documents required by ART for each Participant that selects them, including Conflict of Interest disclosure forms.

## 4.4 PROGRAM DATA

TREES Credits are only issued to Participants that meet the criteria set forth in TREES. Program data entered in the ART Registry must be validated and verified by a duly accredited VVB to ensure emissions reductions and/or removals are real and properly measured. Program data for the total volume of emissions reductions and/or removals in a reporting period will be entered into the ART Registry system by the Participant. The ART Registry Administrator will

review the program data entered and compare it to the Verifier's verification report before TREES Credits are approved. ART will approve TREES Credits for the total volume of emissions reductions and/or removals achieved and verified, and no partial approvals are allowed.

For each reporting period, the Account Manager will enter program data into the ART Registry using the Program Data Screen. Required program data includes the methodology/Standard version, the reporting period (also referred to as the vintage assignment period) start and end dates, the quantity of credits being verified by crediting approach being used (TREES Credits, HFLD and/or Removals if applicable), buffer contribution, quantity of TREES Credits covered by country NDC target, CORSIA qualification, and whether a corresponding adjustment will be required. The ART Registry Administrator will review the program data and compare it to the Program and verification documents before TREES Credits are approved in the Registry as having been verified.

Once credits have been approved following the process outlined in TREES, the ART Registry Administrator will approve the credits in the ART Registry signaling that the credits have been verified and approved by the ART Board. At that time, each credit will receive a serialized number. These credits will be labeled as Verified and able to be seen through public reports on credit status. Participants may request issuance of these credits at any time as discussed below.

Account Managers or Authorized Account Representatives will repeat this step for each new monitoring period for which TREES Credits are being sought.

## 4.5 ADDITIONAL DESIGNATIONS

When completing the Program Data for each monitoring period, a Program may request additional labels. The ART Registry offers the ability to label TREES Credits with such additional designations. Please review TREES or contact the ART Registry Administrator to discuss what is necessary to meet qualifications. These designations may be at either the Program level or assigned at the point of issuance depending on the type of designation.

Available labels at the TREES Credit level:

- High Forest Low Deforestation (HFLD)
- Removals
- Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)
- Corresponding adjustment

## 4.6 CREDIT ISSUANCE PROCESS

Account Managers or Authorized Account Representatives may request issuance of the credits approved as being verified at any time by using the Verified Tab on its credit listing.

1. The tab displays all available verified credits by vintage year and any other appropriate labels such as crediting approach.
2. Enter the total number of credits to be issued in the top left field.
3. Place a check mark to the left of any row from which credits are to be issued and enter the exact number of credits for that row to the left.
4. The total number of requested credits to be issued must be in line with the minimums listed on the ART Fee Schedule, available on the ART website. Within those limits, requests can be made for partial issuances.
5. When the selections are completed, click “Issue”.

The ART Registry Administrator will receive an email indicating the request has been made. An invoice for the appropriate issuance fee will be sent to the Account Manager. Once payment has been received, the ART Registry Administrator will issue the credits. At that time, the Account Manager or Authorized Account representatives will be free to transfer, retire, or cancel credits.

## 5 TREES CREDITS

A TREES Credit represents one ton of CO2 equivalent GHG emission reduction or removal issued by the ART Registry. TREES Credits are issued in whole numbers only. Once a TREES Credit is issued, no changes can be made to that TREES Credit, except for changes to the labels under certain circumstances. The ART Registry does not define the lifetime or expiration date for TREES Credits. Participants and the parties wishing to purchase, transfer, and retire TREES Credits do so to meet their own internal requirements or those set by an entity recognizing TREES Credits.

### 5.1 TREES CREDIT ISSUANCE

The ART Registry Administrator will issue one serialized TREES Credit for each ton of CO2e emissions that is reduced or removed by an independently verified Program meeting ART's Standard and program registration requirements. ART will approve TREES Credits for the total volume of emissions reductions and/or removals achieved and verified, and no partial approvals are allowed. Each TREES Credit shall have a unique serial number, which shall contain codes embedded in the number that include the Program ID, the geographic location of the program, and the vintage of the TREES Credit.

**Table 2 – Serial Number Format**

INFORMATION PROVIDED	ORDER	FORMAT	CHARACTER LIMIT	INPUT	COMMENTS
Registry	1	Alphanumeric	3	ART	Intended to provide



INFORMATION PROVIDED	ORDER	FORMAT	CHARACTER LIMIT	INPUT	COMMENTS
					context if the serial numbers are viewed outside of the ART Registry
<b>Program Country</b>	2	Alphanumeric	2	Two-letter country codes	ISO country codes
<b>Program ID</b>	3	Numeric	7	Unique number value assigned by registry for the Program	
<b>Vintage</b>	4	Numeric	4	YYYY	Year in which emissions reduction or removal activity took place for which credits were issued. TREES requires submission by complete calendar years, so months and days are not included in the serial number
<b>Batch Number</b>	5	Numeric	5	1-999 999 999	Unique numeric value assigned to each batch of credits issued within the registry
<b>Unit Serial Block Start</b>	6	Numeric	9	1-999 999 999	Numeric values assigned by registry from 1-999,999,999
<b>Unit Serial Block End</b>	7	Numeric	9	1-999 999 999	Numeric values assigned by registry from 1-999,999,999

Serial Number Example: ART-BR-192-2020-203-1-5000 (ART Registry, Brazil, Program ID 192, Vintage 2020, credit batch 203, serial block begins 1, serial block end 5000). Note, each serial block includes begin and end values. So, in this example the serial number block represents 5,000 TREES Credits.

## 5.2 FREQUENCY OF TREES CREDIT APPROVAL

The ART Registry Administrator will approve TREES Credits periodically when the Participant obtains Program verification, with initial TREES Credit approval occurring when verification is first completed, reviewed, and accepted by the ART Registry. The Account Holder is free to initiate the process at their discretion in accordance with ART requirements.

Approval and subsequent issuance of TREES Credits into an Account Holder's account is performed by the ART Registry Administrator after careful review to ensure that the program meets the requirements of TREES.

# 6 ACCOUNT AND SUB-ACCOUNT STRUCTURE

Sovereign Program Developers and Transaction Account Holders can organize TREES Credits using two types of sub-accounts: Active and Retirement sub-accounts. When an ART Registry account is created, a default Retirement sub-account and a default Active sub-account are created. It is possible to establish multiple Active and Retirement sub-accounts at the Account Holder's discretion. Verified TREES Credits whose issuance is approved by the ART Board are assigned serial numbers and are publicly visible in the ART Registry. Once issuance fees have been paid, the TREES Credits will be formally issued to the Account Holder's default Active account. Account Holders can then transfer TREES Credits to other sub-accounts. The Account Holder will be able to view a listing of TREES Credits in each sub-account, including information relating to the credits such as vintage year.

Each account and sub-account will have a unique identification number, similar to a banking system where checking and savings accounts associated with a single individual each have unique account numbers. Users may attach aliases to sub-accounts for ease of reference (e.g., by customer, by product name, by vintage, etc.)

ART Registry users will be able to perform various functions and transactions within each account and sub-account type, as described below. There are no limitations on the number of Active or Retirement sub-accounts that an Account Holder may have.

## 6.1 DEPOSITS INTO ACTIVE ACCOUNTS

There are three ways that ART Registry TREES Credits are deposited into the default active account or sub-accounts:

- Credits can be issued by the ART Registry Administrator based on verified reductions and/or removals and ART Board approval and will appear in the default active account upon Issuance.
- Within an account, TREES Credits can be transferred from one active sub-account to another or between an active sub-account and the default active account.
- An Account Holder can accept a transfer of TREES Credits from another ART Registry Account Holder into the default active account or an active sub-account.

## 6.2 TRANSFERS FROM ACTIVE ACCOUNTS

There are two ways to withdraw or remove TREES Credits from the default active account or active sub-accounts:

- Transfer the ART Registry TREES Credits to another ART Registry Account Holder, or
- Transfer the ART Registry TREES Credits to the Account Holder's own sub-account (active or retirement).

## 6.3 RETIREMENT SUB-ACCOUNTS

A single default Retirement sub-account will be established when an Account Holder registers with the ART Registry. An Account Holder may establish additional Retirement sub-accounts, as needed. A Retirement sub-account is used as a repository for ART Registry credits that the Account Holder wants to designate as retired. ART Registry TREES Credits in a Retirement sub-account are no longer transferable to another party and serve as an electronic record or proof of retirement. Similarly, ART Registry TREES Credits in a Retirement sub-account cannot be transferred into any other sub-account, including another Retirement sub-account (if an Account Holder has multiple Retirement sub-accounts). The Retirement sub-account is effectively the last resting place for an ART Registry TREES Credit.

There is only one way for ART Registry TREES Credits to be deposited in the Retirement sub-account; they must be transferred into the Retirement sub-account by the Account Holder from one of his/her Active accounts. Account Holders follow the process outlined in Section 7.5, indicating the retirement reason and if retired on behalf of a third-party, indicating the party on whose behalf the credits are retired.

## 6.4 GROUP RETIREMENT SUB-ACCOUNTS

In cases where an Account Holder has received permission from ART to retire TREES Credits in their account on behalf of others, a group retirement sub-account should be established. An Account Holder will create a retirement sub-account and name the sub-account beginning with "Group - [insert Customized Name]". For all retirements in the group retirement sub-account, the beneficial owners must have provided written authorization to the Account Holder prior to the Account Holder completing the retirement on their behalf. ART may from time-to-time request to audit these sub-accounts and request documentation to support the holdings. In

addition, upon retirement of TREES Credits on behalf of a beneficial owner, the Account Holder must select:

- **Retirement Reason:** Select from dropdown list
- **Retirement Reason Details:** Name/description of Indirect/Beneficial Owner
- **Email Notification:** Email address(es) of Indirect/Beneficial Owner

## 7 ISSUANCE AND TRANSFERS OF TREES CREDITS

### 7.1 ISSUANCE OF TREES CREDITS

Credits will be approved with a "verified" status and not able to be transacted, retired, or canceled until "issued" by the ART Registry Administrator. Upon request of TREES Credit Issuance by the Account Holder, as discussed previously, (and after any applicable fees are paid) TREES Credits will be issued and can be transacted, retired, or canceled.

### 7.2 TRANSFERRING TREES CREDITS BETWEEN ART REGISTRY ACCOUNTS

ART Registry Account Holders may transfer active TREES Credits to other ART Registry Account Holders at any time. TREES Credits are specified by their serial numbers and other characteristics, such as program type and location. Account Holders select the TREES Credits to transfer as well as the recipient of the transfer from a dropdown list of ART Registry Account Holders. After the transfer has been initiated, the TREES Credits pending transfer will be marked as "transfer pending". This will have the effect of "freezing" the TREES Credits so that they cannot be moved to another sub-account or another Account Holder. Account Holders can initiate a transfer of active TREES Credits by logging in with their credentials and following these steps:

1. Click on the credit quantity listed in the View/Transfer Credits column for the Account found under Open Accounts in the View, Transfer, Retire and Cancel Credits section on the main home screen.
2. In the new screen, users can view TREES Credit details for all batches of credits held within that account.
3. Click Transfer in the left column of the TREES Credit batch to be transferred.
4. A new screen will open. Enter the quantity of TREES Credits to be transferred.
5. Select the recipient from the dropdown list in the Other Account Holder line.

## 6. Click Confirm.

The ART Registry system will then generate an automatic electronic notification of the request to transfer TREES Credits to the proposed recipient. The TREES Credit transfer recipient must confirm the transfer before the TREES Credits are moved into their account.

The transferring Account Holder may withdraw any transfer before such transfer has been confirmed by the recipient by withdrawing the transfer in a designated screen on the website. The ART Registry will notify the recipient that the transfer was canceled.

The transfer of any TREES Credit or block of TREES Credits shall only be completed in the ART Registry upon the electronic confirmation by both the transferring Account Holder and the recipient.

Once the ART Registry has completed the transfer of TREES Credits from one account to another, the ART Registry will send an electronic confirmation to both Account Holders confirming that the transfer has been completed.

## 7.3 HOLDING TREES CREDITS ON BEHALF OF BENEFICIAL OWNERS

Only Account Holders that have been approved by ART Registry to hold TREES Credits on behalf of others may do so. If an Account Holder is approved to operate in this way on the registry, then sub-accounts must be created in the name of each beneficial owner in the account. Beneficial owners of TREES Credits may request to have a login to their sub-account for direct view-only access. ART Registry may from time-to-time request to audit these sub-accounts and request documentation to support the holdings.

## 7.4 CANCELATION OF TREES CREDITS

Cancellation of TREES Credits primarily occurs for the purpose of CORSIA compliance or a reversal.

Account Holders can initiate a cancellation of active TREES Credits by logging in with their credentials and following these steps:

1. Click on the credit quantity listed in the View/Transfer Credits column for the Account found under Open Accounts in the View, Transfer, Retire and Cancel Credits section on the main home screen.
2. In the new screen, users can view TREES Credit details for all batches of credits held within that account.
3. Click Transfer to the left of the TREES Credit batch to be canceled.
4. A new screen will open. Enter the quantity of TREES Credits to be canceled.
5. Select Cancel and select the reason for Cancellation. Additional details can be entered if desired.

6. Click Confirm.

After the cancellation has been initiated, the ART Registry Administrator is notified of the cancellation request and will proceed to confirm the cancellation. Once credits are cancelled, they are no longer active and can no longer be transferred or retired.

The ART Registry Administrator will also cancel TREES Credits to compensate for reversals as necessary, per the terms of TREES and the ART Terms of Use.

## 7.5 RETIREMENT OF TREES CREDITS

Any retirement of TREES Credits must be initiated by the ART Registry Account Holder in possession of the TREES Credits. All retirements are final so the Account Holder must be confident they intend to retire TREES Credits when performing this action. The ART Registry requires that all intermediaries regularly retire TREES Credits on the Registry since only TREES Credits retired on the Registry - not simply in the internal books of the intermediaries - are truly retired and not subject to double counting or double selling.

### 7.5.1 Mechanism for Credit Retirement

To retire a TREES Credit or block of TREES Credits, an Account Holder needs to transfer the TREES Credit(s) to a retirement sub-account. Account Holders can retire TREES Credits by logging in with their credentials and following these steps:

1. Click on the credit quantity listed in the View/Transfer Credits column for the Account found under Open Accounts in the View, Transfer, Retire and Cancel Credits section on the main home screen.
2. In the new screen, users can view TREES Credit details for all batches of credits held within that account.
3. Click Transfer to the left in the column of the TREES Credit batch to be retired.
4. Enter the quantity of TREES Credits to be retired.
5. Select Retirement Account and pick from the available retirement accounts in the dropdown list in which to retire the TREES Credits.
6. Select the retirement reason from the dropdown list. Possible reasons include:

The screenshot shows a web form for selecting a retirement account and reason. The form includes a radio button for "Retirement Account" (selected), a dropdown menu for "Retirement Reason" (set to "Default - 49"), and a dropdown menu for "Retirement Reason Details" (set to "Select a reason"). The "Retirement Reason Details" dropdown is open, showing a list of reasons: "Contribution to Host Country NDC", "Contribution Towards Corporate Climate Pledge", "Contribution Towards Corporate Climate Pledge AND Host Country NDC", "On Behalf of Third Party", "Support of Social or Environmental Pledges", "Compensation for a Reversal", and "Other". There are also radio buttons for "Cancel Credits" and "Buffer Pool", and a text field for "Email Notification (list address, separate with ';')".

7. If credits are to be retired on Behalf of a Third Party, a new required field will appear where Account Holders must identify the Third Party.
8. If desired, enter the email addresses to be notified of the retirement.
9. Click Confirm.

## 7.5.2 Retiring TREES Credits on Behalf of Beneficial Owners

Only Account Holders that have been approved by the ART Registry Administrator to retire TREES Credits on behalf of others may do so.

Beneficial Owners may request to have a login to their sub-account for direct view-only access. Beneficial Owners may require Omnibus account holders to make their individual sub-account information public and accessible via the ART Registry public reports. Retirements are always required to be made public.

# 8 REPORTING

## 8.1 PUBLIC REPORTS

Public reports are accessible to everyone via the public page on the ART Registry website. The public reports provide registry transparency by publicly disclosing details about ART Participants as well as allowing the public to view details about the issuance, retirement, and cancellation of TREES Credits for registry accounts. Additionally, the public reports allow the ART Registry Account Holders to publicly list details regarding TREES Credit holdings or TREES Credits retired at their discretion. The public reports for the registry include:

- **Participating Entities.** This report lists general Account Holder information, including information such as Account Holder name, Account Type, general location, and website (if applicable).
- **Programs.** This report lists information about all Programs listed and registered on the ART Registry. Information provided includes Program name, Program type, Program status (e.g., Listed, Registered, etc.), Program location, and links to download Program documentation. Programs will be listed in this report once they have been approved for listing by the ART Administrator.
- **Program Credits Verified.** This report lists all the blocks of TREES Credits that have been verified, whether or not they have been issued. The report displays quantity of TREES Credits verified, serial numbers, Program name, Program type, Program location, and a link to Program documentation, which includes Program verification reports.

- **Credit Status.** This report lists all the blocks of TREES Credits that have been verified. The report displays quantity of TREES Credits, their status (verified, issued, retired, canceled), serial numbers, Program name, Program type, Program location, and a link to Program documentation, which includes Program verification reports.
- **Search Credit Serial Number.** This report allows prospective TREES Credit buyers to lookup the status (Active or Retired) for TREES Credits. The public can do this provided they have been given the Serial Number Batch ID, Serial Block Start, and Serial Block End.
- **Accounts Disclosed to the Public.** This report displays a list of sub-accounts that have been made available to the public by Account Holders. The report displays information about the TREES Credits held in the sub-account. The information will consist of quantity of TREES Credits, serial numbers, the TREES Credit status, and originating Program information such as Program name, location, and type.
- **Retired Credits.** This report lists all the TREES Credits retired within the ART Registry. The report displays the Account Holder, quantity of TREES Credits retired, reason for retirement, date of retirement, serial numbers, Program name, Program type, and Program jurisdiction/country.
- **Canceled Credits.** This report lists all the TREES Credits canceled within the ART Registry. The report displays quantity of TREES Credits canceled, serial numbers, Program name, Program type, Program location and cancelation reason.
- **Buffer Pool Account Balance.** This report provides visibility to the public for reviewing how many buffer credits have been deposited or cancelled.

## 8.2 ACCOUNT HOLDER REPORTS

Account Holder reports are specific to each account and only accessible by the Account Manager and those approved for access by the Account Manager. The Account Holder reports are as follows:

- **My Event Log.** The My Event Log report provides an activity log of all account related events that occurred, date-time when they occurred, and which login initiated them. The report also lists events affecting the account that are initiated by other Account Holders. For example, when receiving or making a TREES Credit transfer, the report will list the actions of both the transferor and transferee in their respective event logs.
- **My Sub-Accounts.** The My Sub-Accounts report displays the batches of TREES Credits held in sub-accounts. The report is filtered by sub-account vintage using the pull-down menu at the top of the report.
- **My Credits.** The My Credits report provides a listing of all TREES Credits held in an account. The report provides an easy-to-read summary of the account's TREES Credits. The report is filtered by the following tabs:
  - **Active:** This tab displays all the blocks of the active TREES Credits held in the account. The details provided for the TREES Credits include sub-account,



Program name, Program type, Program location, vintage, serial numbers, and quantity of TREES Credits. Clicking on a link in the Quantity column will display a TREES Credit Details Report for the selected batch of TREES Credits.

- **Retired:** This tab displays all the blocks of retired TREES Credits held in the account. Retired TREES Credits can no longer be transferred. The details provided for the TREES Credit include sub-account, retirement reason, text about transferee/honoree/other if it is entered, Program name, Program type, Program location, vintage, serial numbers, and quantity of TREES Credits. Clicking on a link in the Quantity column will display a Credit Details Report for the selected block of TREES Credits.
- **Credit Transfer History.** This report lists all TREES Credits transferred to retirement or cancelation and into and out of the account. For transfers into and out of the account, it lists the date of the transfer and identifies the Account Holder ID and accredited ART Registry participating in the transfer. Details about the TREES Credits involved in the transfer include the quantity of TREES Credits, the TREES Credit serial numbers, the TREES Credit vintage, the Program name, and the Program type.

## 9 ART REGISTRY FEES

The ART Registry Administrator may implement fees associated with using the ART Registry. All applicable fees will be publicly available in an ART Registry Fee Schedule prior to instituting any fees.

Annual account fees are assessed to Transaction Account Holders upon their account approval and in January of each subsequent calendar year beginning in 2024. The fee schedule is posted on the ART website. Fees for the first year are prorated based on the month of account approval.

Please note that Sovereign Account Holders and VVB Accounts do not pay an annual account fee.

Issuance fees are assessed based on a sliding scale linked to the number of credits being issued. Please refer to the ART Fee Schedule on the ART website for the latest fee information.

Fees are not charged for transfer, retirement, or cancelation.

## 10 ADMINISTRATOR RIGHTS AND RESPONSIBILITIES

In addition to administering the Participant registration process and issuing TREES Credits, the ART Registry Administrator is responsible for assuring that ART Registry users meet proper

conduct standards. The ART Registry Administrator has full access to all ART Registry accounts, including the ability to view, modify, create, and delete data. Any action taken by the Administrator in an account is tracked in the account's Event Log so that the Account Holder has a complete record of the Administrator actions. Additionally, email notifications are sent to the Account Manager when the Administrator makes changes to account or Program data.

## 10.1 INACTIVATING OR CLOSING AN ACCOUNT

In the event submitted account data is found to be false or if the Account Holder is not following the rules stipulated by ART in the ART Registry Terms of Use, in this document, or as posted elsewhere by ART Registry, the ART Registry Administrator will notify the Account Holder about the incorrect data or misconduct. A process of either correcting the information or conduct will ensue between the ART Registry Administrator and the Account Holder until the ART Registry Administrator is satisfied that the information provided, or Account Holder conduct, meets ART Standards and requirements. The ART Registry Administrator may choose to inactivate the Account Holder's account during or at any time from when the issue is identified to when it is resolved.

At any point in time, an Account Holder may also provide a 30-day written notice of choosing to close their account. In the case of Transaction accounts, any active TREES Credits will need to be transferred to another Account Holder or else they will be cancelled in the closed account.

# GLOSSARY

Terms not defined in these ART Registry Operating Procedures have the meanings as such terms are defined in the ART Terms of Use, TREES, or applicable compliance offset program regulation.

**Account Holder:** An Account Holder is an organization that has established an Account within the ART Registry.

**Account Manager:** An individual within the Account Holder's organization who will open the account and denote the applicant organization's agreement to the legally binding ART Terms of Use at the time of account opening. Upon approval of the account, the Account Manager may request additional logins as needed for other users from the organization and have access to all account activity. Only the Account Manager can request additional logins and agree to updated Terms of Use.

**Active Sub-Account:** Active sub-accounts are holding places for active ART Registry credits. These can be used by an organization to organize their active (not yet retired) credits.

**Active Credit:** An active TREES Credit is a credit that has not yet been retired or canceled. It is held in a default Active account or sub-account. Such TREES Credits may be transferred to another Account holder, to an active sub-account, or retired.

**Additional Program Labels:** The ART Registry allows for TREES Credits to be issued indicating other Program designations if they have been met. (e.g., HFLD)

**Annual Account Fee:** This fee applies to Transaction Account Holders upon their account approval in January of each subsequent calendar year beginning in 2024. The fee schedule is posted on the ART website. Fees for the first year are prorated based on the month of account approval. Please note that Sovereign Account Holders and VVB Accounts do not pay an annual account fee.

**CORSIA Eligible (Unit Designation):** A CORSIA Eligible carbon credit is a tag on a carbon credit to designate it as fully eligible for use by airplane operators for CORSIA. The designation is the same for all vintages.

**Issue or Issuance:** The creation of serialized TREES Credits equivalent to the number of verified GHG reductions or GHG removals for a Participant over a specified period. Issued credits are delivered to the Participant account for transfer, retirement, or cancellation.

**Issuance Fee:** The fee to be paid by the Account Holder to transition verified credits into issued credits which can be transacted, retired, or canceled. The fee schedule is posted on the ART website. Please note that no transfer, retirement, or cancellation fees are required.

**Participant:** The entity(ies) with legal authority to implement the registered Program.

**Program ID:** When a Program from the ART Registry has been listed or registered, the ART Registry Administrator creates a unique ART Program ID.

**Retirement of Credits:** Retirement of TREES Credits is an action taken to permanently remove a TREES Credit from circulation within the ART Registry system. Retirement may be initiated only by the ART Registry Account Holder for TREES Credits in his/her own account(s). Retirement is effectuated by transferring TREES Credits into a Retirement sub-account.

**Retirement Sub-Account:** A Retirement sub-account is used as a repository for ART Registry TREES Credits that the Account Holder wants to designate as retired and remove from circulation. Once a TREES Credit has been transferred into an ART Registry Retirement Account, it cannot be transferred again to any other account.

**Sovereign Account:** This account type has been assigned the Rights of Registration for a given Participant. This gives the designated Account Holder full and sole management and authority over the transactions and activities related to the Participant within the ART Registry.

**Transaction Account Holder:** This account will transfer and retire TREES Credits but will not submit programs to the ART Registry.

**TREES Credit or Credit:** An ART Registry verified emissions reduction or removal.

**Validation and Verification Body (VVB):** A validator or verifier approved pursuant to the requirements of TREES and the TREES Validation and Verification Standard.

**Verified Credit:** TREES Credits equivalent to the number of verified GHG reductions or GHG removals for a Participant over a specified period for which an issuance fee has not yet been paid. These credits are visible to the public but are not able to be transacted, retired, or canceled.