

The Architecture for REDD+ Transactions (ART)

THE REDD+ ENVIRONMENTAL EXCELLENCE STANDARD (TREES), VERSION 3.0

United Nations Environment Programme (UNEP)

Section	Item in TREES 3.0	UNEP comments and recommendations
2.4 DOCUMENTATION REQUIREMENTS	Copies shall also be submitted in any additional official language of the Participant	A welcome revision to improve accessibility.
3.1.1 Subnational Accounting	During an interim period through December 31, 2040, subnational accounting areas may be registered under ART as a recognized step to national-level accounting.	The extended deadline to transition to national-level accounting is a valid recognition of reality. Perhaps, however, <i>ad-interim</i> sub-national accounting could be permitted until 2035, and re-assess the situation at that time?
3.4.1 Emission Reduction and Removals Rights	[Entire sub-section]	The explicit inclusion of a sub-section on ERR rights is a most welcome improvement upon TREES 2.0 (where these requirements were included but in the annexed description of TREES concept note structure and contents).
3.4.2 Benefit Sharing Arrangements	[Entire sub-section]	<p>Although there is no explicit requirement for benefit sharing arrangements within the WFR, or the Cancun safeguards, upon which TREES is based, the explicit inclusion of requirements on benefit sharing is a welcome revision. Benefit sharing, as central issue to effective and legitimate jREDD, has matured to the point that both Participants and buyers alike understand that it is of critical importance to demonstrating the (social) integrity of ERRs.</p> <p>That said, Participants would benefit from explicit clarification, here and/or in the BCB certification modules (Specifically BCB Module 3, Mandatory Indicators under Theme 1. Sustainable Indigenous and Community Economy), of the two sets of requirements when it comes to benefit sharing with IP&LCs.</p> <p>Suggest some clarification of benefit sharing arrangements in cases of subnational accounting - <i>In cases of subnational accounting, Participants shall ensure benefit sharing arrangements are aligned with</i></p>

		<i>existing and applicable appropriate national policies, procedures, rules or regulations on the topic of benefit sharing from natural resource, particularly forest carbon, transactions.</i>
	The stakeholder groups eligible to receive benefits, including, where applicable, Indigenous Peoples, Local Communities, Afro-descendant Peoples, and other rights holders;	Suggest alternative formulation - <i>The stakeholder groups eligible to receive benefits, including, where applicable, Indigenous Peoples, Local Communities, Afro-descendant Peoples, <u>women, youth, elders and other vulnerable groups</u> and other <u>private land holders</u> – to a) indicate more gender-responsive benefit sharing requirements; and b) be consistent with text used in the safeguards section. It also acknowledges the possibility of commercial private sector stake-/title holders, e.g. project-level REDD+, important to nested approaches.</i>
	The principles and criteria guiding how benefits are allocated	Rather than, or in addition to, principles and criteria, it might be more pragmatic to require a description of <i>what</i> kinds of benefit allocated among stakeholders, including descriptions of elements such as: a) monetary and non-monetary benefits; b) carbon and non-carbon benefits; and c) costs versus benefits. This, together with other descriptive elements would then result in a straightforward, yet comprehensive set of requirements: <i>who</i> benefits- <i>what</i> benefits are shared - <i>how</i> benefits are shared.
	The processes used to develop and implement the benefit sharing arrangements	Suggest making explicit reference to ERR rights requirements - <i>The processes used to develop and implement the benefit sharing arrangements, <u>in full respect of ERR rights, aligned with the framework provided in section 3.4.1 above</u></i>
4.1.2 Emission Factors	For peat soils a methodology for tracking emissions through time both for the crediting level and during reporting periods must be presented.	TREES would benefit from inclusive (of the main tropical peatland countries') methodological guidance on emissions and removals from peat soils. UNEP is available to enter into a dialogue with the ART Secretariat on this topic.
4.2.2 Removal Factors	Participants may determine that the emission factors do not need updating and this should be explained and justified in the TREES Documentation.	Typo? Should read as - <i>Participants may determine that the <u>removals</u> factors do not need updating...</i>
12.1 PURPOSE	TREES requires Participants to demonstrate they have implemented REDD+	Participants would benefit from explicit clarification, here and/or in the BCB certification modules, of the two sets of

	activities defined in the REDD+ Implementation Plan consistent with Cancún Safeguards ensuring activities not only do no harm but also enhance social and environmental benefits.	requirements when it comes to enhancing social and environmental benefits
12.2 STRUCTURE	Due to the highly related nature of the Structure and Process indicators, Participants shall report on these together.	Combining of structural and process indicators is a welcome revision as will significantly increase the clarity, and reduce the burden of safeguards reporting, validation and verification.
	There are three types of indicators:	<p>Suggest rephrasing to - <i>There are <u>two</u> types of indicators:</i></p> <p>To clarify that Participants are required to report against two, not three indicators. ART could consider further alignment to UNFCCC concepts and language of 'addressing and respecting' safeguards by relabeling as follows: Structure and process indicators become '<i>addressing indicators</i>'; and Outcome indicators become '<i>respecting indicators</i>'.</p> <p>Further, the text on safeguards structure could be clearer on how safeguards outcomes are the results of implementing the structures and processes.</p>
12.4 SAFEGUARDS	[Entire sub-section]	The simplified language of safeguards indicator formulation, throughout, is also a welcome revision to improve clarity and reduce Participant transaction costs.
12.4.4 Cancún Safeguard D	Structure and Process Indicator: Participants have in place a legal framework, policies or programs as well as the necessary procedures and resources to respect, protect and fulfill the right of all relevant stakeholders, including women, youth and vulnerable groups, to participate fully and effectively...	Despite no explicit reference to gender in the Cancun safeguards, the inclusion of gender-responsive language is a noteworthy positive improvement on TREES 2.0.