

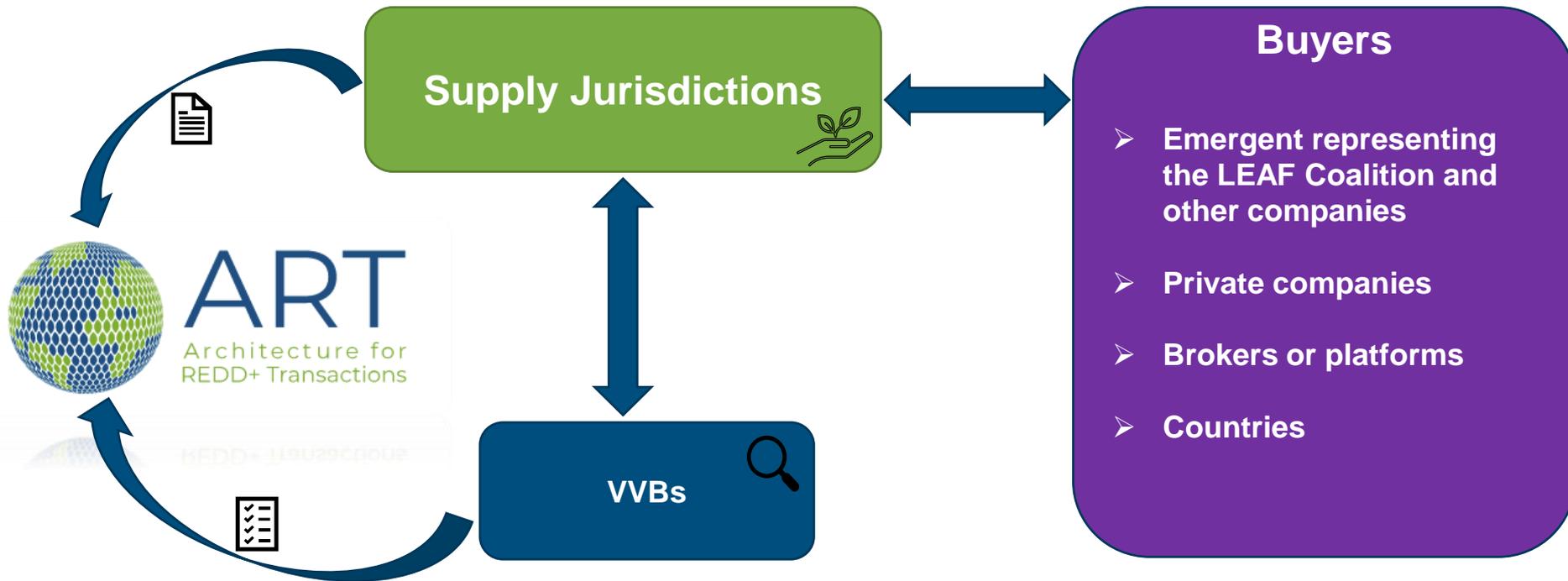


ART
Architecture for
REDD+ Transactions

Overview of Safeguards for Jurisdictions

December 2022

Roles in the Carbon Market



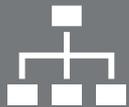
Safeguards in TREES

- Requirements unpack the Cancun Safeguards into themes and indicators
- Framework allows jurisdictions to
 - build on their existing safeguards systems
 - design and implement programs that reflect their unique circumstances
 - improve continuously by monitoring, evaluating and adapting

Safeguard themes and indicators



TREES outlines 16 themes of the Cancun Safeguards



Each theme has three indicators:

Structure
Process
Outcome



The review of the safeguards elements is equally important to the review of the carbon accounting elements.

Structure Indicators

- Demonstrate that relevant governance arrangements are in place to ensure that design and implementation of REDD+ actions is done in line with relevant safeguards theme
- Arrangements may be part of the national or subnational legal framework or may be REDD+ specific arrangements
- In reporting: identify the relevant arrangements and provide a summary of how each is relevant to its REDD+ actions

Process Indicators

- Demonstrate that appropriate processes, procedures or mechanisms are in place to enact and enforce the arrangements outlined in the Structural indicator
- In reporting: identify the relevant processes, procedures or mechanisms including responsible parties and provide a summary of how each is relevant to its REDD+ actions

Outcome Indicators

- Demonstrate implementation outcomes for each theme are being monitored
- In reporting, identify and describe:
 - selected monitoring parameters including how a successful outcome is defined
 - monitoring methods to be used
 - a summary of collected data
- Note - if the data analysis does not indicate a successful outcome, a description of how the structure or process indicators will be modified should be included

Conformance with the Safeguards

- In the first crediting period, participating jurisdictions must conform to all structure and process indicators
- They must also either conform with or provide a plan for conforming with the outcome indicators

No Credits will be issued if the jurisdiction cannot demonstrate conformance with the safeguards

Reporting on Safeguards

- Participants report to ART on safeguard conformance with:
 - TREES Registration Document
 - TREES Monitoring Report
 - delivered before each verification
- Also required to:
 - Submit a Summary of Information report to the UNFCCC
 - Have a digital or analog system for providing information on safeguards

TREES Safeguards and UNFCCC Reporting

- Jurisdictions may use the TREES templates to report on safeguards, or
- Jurisdictions may reference their Summary of Information reports that they submit to the UNFCCC
- Alternative reports may also be acceptable
- Reporting must explain how the jurisdiction meets the requirements of each indicator however

National vs. Subnational

- TREES and the TREES Safeguards Guidance document outline modifications to the requirements for subnational governments
 - Consistency with national safeguards if they exist
 - Submit a summary of safeguards information to the appropriate national government entity
 - Tracking system for safeguards data

Selected safeguards topics

1. Respect, protect, and fulfill the right of access to information (Theme 2.1)

- Structure: describe the national, subnational or REDD+ specific framework that defines procedures for providing information on the design, implementation and monitoring of REDD+ activities
- Process: describe the programs, processes or other means to ensure implementation of the procedures identified
- Outcome: define and monitor parameters to demonstrate that relevant stakeholders have been aware of and have exercised their right to access information

2. Knowledge and rights of indigenous peoples

- Theme 2.3 Respect, protect, and fulfill land tenure rights
- Theme 3.1 Identify indigenous peoples and local communities, or equivalent
- Theme 3.2 Respect and protect traditional knowledge
- Theme 3.3 Respect, protect, and fulfill rights of indigenous peoples and/or local communities, or equivalent

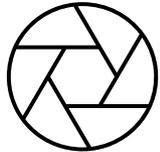
3. Consultation and participation

- **Theme 4.1.** Respect, protect, and fulfill the right of all relevant stakeholders to participate fully and effectively in the design and implementation of REDD+ actions.
 - **Structure Indicator:** Participants have in place legal frameworks, policies or programs to respect, protect and fulfill the right of all relevant stakeholders to participate fully and effectively, including timely access and culturally appropriate information prior to consultations,
- **Theme 4.2.** Promote adequate participatory procedures for the meaningful participation of indigenous peoples and local communities, or equivalent.

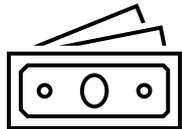
4. Benefit distribution

- **Theme 2.2** Promote transparency and prevent corruption, including through the promotion of anti-corruption measures.
 - **Outcome indicator (theme 2.2):** The distribution of REDD+ benefits related to the implementation of the REDD+ results-based actions have been carried out in a fair, transparent, and accountable manner, as per relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.
- **Theme 5.3** Enhancement of social and environmental benefits

Benefit sharing options



Distribute TREES credits transferring them to stakeholders' ART Registry accounts so they can negotiate sales independently



Distribute money from the government following the sale of TREES credits based on carbon contribution



Distribute payments for EcoServices or other non-carbon related monetary benefits



Distribute non-monetary benefits (infrastructure, land titles, others)

5. Dispute resolution mechanisms

- Theme 2.4 Respect, protect, and fulfill access to justice.
 - Outcome Indicator: Resolved disputes, competing claims, and effective recourse and remedies have been provided when there was a violation of rights, grievance, dispute or claim related to the implementation of REDD+ actions.

6. Gender equality and empowerment of women

- Participants should respect, promote and consider principles of gender equality and empowerment of women when implementing REDD+ actions
- Gender considerations should be taken into account when addressing, respecting and reporting on all the safeguards

Validation and Verification

- 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
 - Optional after years 2 and 4
- Validation and Verification Bodies shall be accredited for validation and verification by an accreditation body that is a member of the International Accreditation Forum (IAF) and approved by ART

What does an Auditor Check?

- Does the information contained in the reports shows the Participant meets the requirements of TREES?
- Is the information contained in the reports accurate and complete?
 - Review evidence
 - Conduct interviews



Thank you

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