Paris Agreement Verified REDD+ Rainforest Carbon Credits:

A Buyer's Guide

REDD.plus

Coalition for Rainforest Nations

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Introduction

The climate emergency is here! And it is happening more quickly than most scientists anticipated a few years ago. The adverse effects of climate change are much more severe than expected. The Intergovernmental Panel on Climate Change (IPCC) – the United Nations (UN) body for assessing the science related to climate change – recommends that the world attempt to limit global warming to 1.5°C compared with pre-industrial levels to reduce the challenging impacts on ecosystems, human health, and well-being. Achieving a 1.5-degree pathway would mean dramatically slowing global deforestation.

The Paris Agreement shapes the global governmental efforts to combat climate change. It is an international climate treaty that defines how international law addresses the climate emergency. The Paris Agreement includes a dedicated article on the contribution of forests to mitigating climate change, and it recognizes Reducing Emissions from Deforestation and Degradation (REDD+) an implementation mechanism that aims to help "slow, halt and reverse forest cover and carbon loss."

The REDD+ Mechanism is the only carbon emissions standard that can claim full compliance with the Paris Agreement. It was based on the principle of providing financial value for the carbon absorbed and stored in tropical rainforests – offering incentives for all rainforest countries to halt deforestation, increase their carbon stock and to lead on tackling the climate emergency. It is critical that those acting to address this emergency understand this groundbreaking agreement and make their efforts consistent with its intent and methodologies.

Forest preservation efforts are measured and reported on a national scale to the United Nations Framework Convention on Climate Change (UNFCCC), which then verifies and publishes the emissions reductions. The REDD.plus platform provides businesses and individuals with access to these national emissions reductions. This guide will help you understand why the REDD+ Mechanism is critical for a sustainable future and will answer crucial questions about purchasing emissions reductions that count under the Paris Agreement and that are available on the REDD.plus platform.

The guide aims to answer the following questions:

1. Why tropical rainforests are the critical climate solution without which we cannot slow the climate emergency
2. How the UNFCCC's REDD+ Mechanism works as a standard to measure, report, and verify emission reductions from rainforests
3. How the REDD.plus platform provides businesses and individuals with access to national emissions reductions under the REDD+ Mechanism

This guide will raise additional questions, and we invite you to contact us at info@redd.plus to continue the dialogue. We all share the common goals of preserving and protecting rainforests and working to address the climate emergency.

2.0

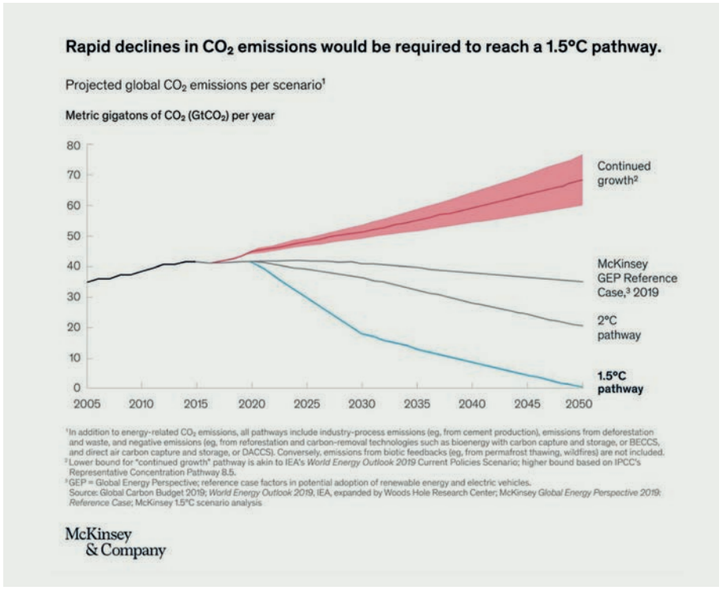
The Climate Emergency & why Rainforests are Important

2.1 The Climate Emergency

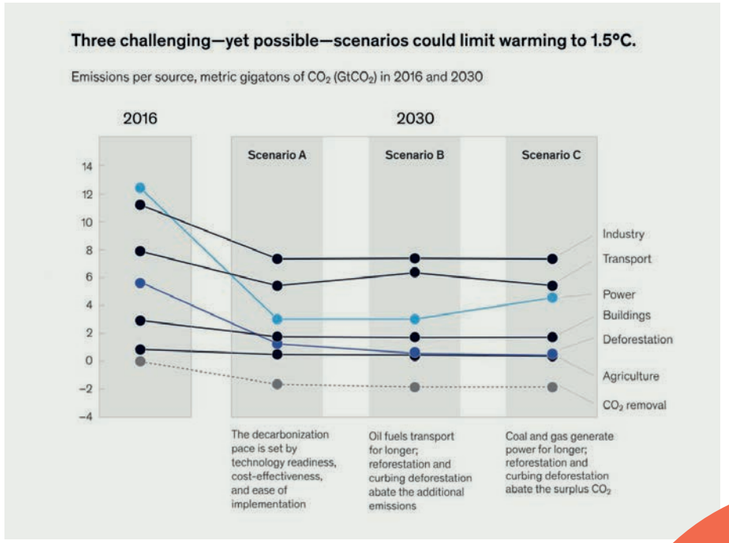
The climate emergency is here! And it is happening more quickly than most scientists anticipated a few years ago. The adverse effects of climate change are much more severe than expected. There is evidence that extreme weather frequency is linked to the intensity of climate change. 2020 was one of the hottest years on record and 2021 is on track to be even hotter.

Scientists now believe that catastrophic climate change could render a significant portion of the earth uninhabitable because of continued high emissions, self-reinforcing climate feedback loops, and looming tipping points. We must reduce emissions and increase removals of greenhouse gases to restore the melting Arctic and end the deadly cycle of damage that the current climate is delivering.

2.2 Achieving 1.5 Degrees by 2030



The Inter-Governmental Panel on Climate Change (IPCC)– the UN body for assessing the science related to climate change – recommends that the world attempt to limit global warming to 1.5°C compared with pre-industrial levels to reduce the challenging impacts on ecosystems, human health, and well-being.



"Deforestation—quite often linked to agricultural practices, but not exclusively so—is one of the largest carbon-dioxide emitters, accounting for nearly 15 percent of global carbon dioxide emissions. Deforestation's outsize impact stems from the fact that removing a tree both adds emissions to the atmosphere (most deforestation today involves clearing and burning) and removes that tree's potential as a carbon sink. Even after accounting for ongoing reforestation efforts, deforestation today claims an area close to the size of Greece every year", according to a McKinsey report in 2020.

McKinsey offers three scenarios to reaching our climate goals – and all require the immediate curbing of global deforestation

McKinsey offers three scenarios to reaching our climate goals – and all require the immediate curbing of global deforestation:

"Achieving a 1.5-degree pathway would mean dramatically slowing global deforestation. By 2030, if all fossil fuel emissions were rapidly reduced (as in our first scenario), and all sectors of the economy pursued rapid decarbonization, deforestation would still need to fall about 75 percent. In the other two scenarios, where reduced deforestation serves to help counteract slower decarbonization elsewhere, deforestation would need to be nearly halted as early as 2030. Either outcome would require a combination of actions (including regulation, enforcement, and incentives such as opportunity-cost payments to farmers)" (McKinsey, 2020).

2.3 Beyond Carbon: Other Benefits of Preserving Rainforests

Preserving and restoring rainforest and other land-use changes are a critical climate solution. But the benefit goes far beyond just their role in the global carbon budget. The loss of the rainforest would be catastrophic for many other reasons:

- Rainforests are home to 70% of the world's remaining biodiversity.
- They are crucial to human health, providing over 25% of the medicines we use.
- They support more than 1 billion people; their destruction adds to the climate migration crisis taking place across the globe.
- Rainforests are vital to soil and water health.
- They are critical to food production.

2.4 Causes of Deforestation

The main drivers of deforestation are:

- Population growth. To meet the demands of a rapidly growing population in developing countries, forests are converted for agricultural lands, new living settlements, and infrastructure-building of roads.
- Mining. The increase of mining for gold and other valuable minerals in tropical forests is furthering damage due to the rising demand and high mineral prices. This causes environmental impacts like soil erosion, the formation of sinkholes, and contamination of soil, groundwater, and surface water by chemicals from mining processes.
- Logging or cutting of trees for paper production, firewood, building materials, and furniture making.
- Commercial agriculture, such as palm oil, which destroys mangrove plantations.
- Livestock ranching. Conversion of forests to cattle ranching and deforestation are most vital in Central and South America.

Agricultural expansion is the main driver of deforestation in Africa, Latin America, and subtropical Asia. Agriculture is especially responsible for deforestation in Latin America, where it accounts for over 90% of deforestation (whereas in Africa and subtropical Asia, it accounts for 70% to 75%).

2.5 Why Stopping Deforestation Is More Effective Than Planting Trees

Many believe that planting trees, or afforestation, is the most effective way to protect rainforests and that paying to prevent deforestation is "paying somebody to do nothing." This debate is called the removals vs. reduction distinction. It sounds good in theory, but it won't work in practice. Firstly, it takes years for reforestation and afforestation efforts to replace the carbon currently found in standing forests. A recent study found that there at least 260 billion tons of carbon stored in nature that is irrecoverable on any timescale relevant to avoiding dangerous climate impacts. Secondly, for the Paris Agreement, it is the net emissions that count. It makes no sense to plant trees in one location, only to destroy them in another. Also, when you are paying to stop deforestation, you are not "paying for nothing." You are paying for successful conservation efforts that have worked and preserved the rainforests – and the monies go to future conservation. Tropical rainforests provide vital natural services, such as carbon storage, water purification, and species habitats — so let's pay for that. In addition, the biodiversity lost in native rainforests would never be restored, simply replanting trees.

Footnotes:
1. "Climate Math: What a 1.5-Degree Pathway Would Take," McKinsey & Co, April 30, 2020,
https://www.mckinsey.com/business-functions/sustainability/our-insights/climate-math-what-a-1-point-5-degree-pathway-would-take.

3.0

How the world has risen to the challenge – The Paris Climate Agreement

3.1 United Nations Framework Convention on Climate Change (UNFCCC)

The UNFCCC is an international treaty addressing climate change that was adopted in May 1992 at the Earth Summit in Rio de Janeiro.

Today, it has near-universal membership. The 197 countries that have ratified the UNFCCC are called Parties to the Convention. Preventing "dangerous" human interference with the climate system is the ultimate aim of the UNFCCC.

It is under this treaty that governmental targets to reduce carbon emissions, such as the Kyoto Protocol and Paris Agreements, were negotiated and agreed. The UNFCCC is also the name of the UN Secretariat charged with overseeing the operations of the Convention.

The ultimate objective of the Convention is to stabilize greenhouse gas concentrations "at a level that would prevent dangerous anthropogenic (human induced) interference with the climate system." It states that "such a level should be achieved within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened, and to enable economic development to proceed in a sustainable manner."

The idea is that, as they are the source of most past and current greenhouse gas emissions, industrialized countries are expected to do the most to cut emissions on home ground. They are called Annex I countries and belong to the Organization for Economic Cooperation and Development. They include 12 countries with "economies in transition" from Central and Eastern Europe. Annex I countries were expected by the year 2000 to reduce emissions to 1990 levels. Many of them have taken strong action to do so, and some have already succeeded.

3.1.1 What Is the COP?

The Conference of the Parties (COP) is the supreme decision-making body of the Convention. All States that are Parties to the Convention are represented at the COP, at which they review the implementation of the Convention and any other legal instruments that the COP adopts and make decisions necessary to promote the effective implementation of the Convention, including institutional and administrative arrangements.

A key task for the COP is to review the national communications and emission inventories submitted by Parties. Based on this information, the COP assesses the effects of the measures taken by Parties and the progress made in achieving the ultimate objective of the Convention.

The Paris Agreement's goal is to limit global warming to well below 2°C, and preferably to 1.5°C, compared to pre-industrial levels.

The COP meets yearly, unless the Parties decide otherwise. The first COP meeting was held in Berlin, Germany, in March 1995. The COP meets in Bonn, the seat of the secretariat, unless a Party offers to host the session. Just as the COP Presidency rotates among the five recognized UN regions – that is, Africa, Asia, Latin America and the Caribbean, Central and Eastern Europe, and Western Europe and Others – there is a tendency for the venue of the COP to also shift among these groups.

To learn more, check out UNFCCC's website:
https://unfccc.int/process-and-meetings/the-convention/what-is-the-united-nations-framework-convention-on-climate-change

3.1.2 What Is IPCC?

The Intergovernmental Panel on Climate Change (IPCC) is an independent body founded under the auspices of the World Meteorological Organization and the United Nations Environment Program. It assesses the scientific literature and provides vital scientific information to the climate change process.

The COP has repeatedly expressed its appreciation for the work of the IPCC (decisions 6/CP.2, 7/CP.3, 19/CP.5, 25/CP.7, 9/CP.11, and 5/CP.13) and called on the Convention bodies – in particular, the Subsidiary Body for Scientific and Technological Advice (SBSTA) – to continue cooperating with the IPCC and to seek its advice. It has also urged Parties to contribute financially to the IPCC's work (decisions 19/CP.5 and 25/CP.7) and to nominate and support experts for the IPCC, especially from developing countries (decision 25/CP.7).

According to Article 21.2 of the Convention, the secretariat will cooperate closely with the IPCC to ensure that the Panel can respond to the need for objective scientific and technical advice.

Cooperation with the IPCC has been further defined and strengthened by several COP decisions. In 1995, COP 1 invited the Subsidiary Bodies (SBs), and the SBSTA, to submit proposals for future cooperation with the IPCC (decision 6/CP.1). This resulted in a Joint Working Group (JWG) of the SBSTA and the IPCC, established the same year. This informal group meets regularly to ensure coordination and exchange information on the activities of the two bodies. The JWG is composed of the Chairs of the SBSTA and IPCC, other presiding officers of the Convention and IPCC, and members of the secretariats. Meetings usually take place during the sessions of the SBs.

The IPCC is best known for its comprehensive assessment reports, incorporating summaries for policymakers from all three working groups, which are widely recognized as the most credible sources of information on climate change. The First Assessment Report in 1990 helped launch negotiations on the Convention. The 1995 Second Assessment Report – in particular, its statement that "the balance of evidence suggests a discernible human influence on global climate" – stimulated many governments into intensifying negotiations on what was to become the Kyoto Protocol. The Third Assessment Report, released in 2001, confirmed the findings of the Second Assessment Report, providing new and stronger evidence of a warming world. The Fourth Assessment Report (AR4), released in 2007, provided the scientific foundation for the Marrakech Accords. The Fifth Assessment Report, finalized in October 2014, informs the negotiations and policy formulation toward the Paris Agreement.

3.2. The Paris Climate Agreement

The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 parties at COP21 in Paris, on 12 December 2015 and entered into force on 4 November 2016.

Its goal is to limit global warming to well below 2°C, and preferably to 1.5°C, compared to pre-industrial levels.

To achieve this long-term temperature goal, countries aim to reach global peaking of greenhouse gas emissions as soon as possible to achieve a climate-neutral world by mid-century.

The Paris Agreement is a landmark in the multilateral climate change process because, for the first time, a binding agreement brings all nations into a common cause to undertake ambitious efforts to combat climate change and adapt to its effects. It sets out the first-ever framework for global action against greenhouse gas emissions from both developed and developing countries. It represents elements of previous climate actions plans and agreements within the UNFCCC. Unlike the Kyoto Protocol, which established legally binding reduction commitments for developed countries, the core of the new agreement puts forth a voluntary approach agreed upon by all heads of state and government in 2009 in Copenhagen, Denmark.

3.2.1 How Does the Paris Agreement Work?

Implementation of the Paris Agreement requires economic and social transformation based on the best available science. The Paris Agreement works on a five-year cycle of increasingly ambitious climate action carried out by countries. By 2020, countries submit their plans for climate action known as nationally determined contributions (NDCs). In their NDCs, countries communicate actions they will take to reduce their greenhouse gas emissions to reach the goals of the Paris Agreement. Countries also communicate in the NDCs actions they will take to build resilience to adapt to the impacts of rising temperatures. To better frame the efforts toward the long-term goal, the Paris Agreement invites countries to formulate and submit by 2020 long-term low greenhouse gas emission development strategies (LT-LEDS). LT-LEDS provide the long-term horizon to the NDCs. Unlike NDCs, they are not mandatory. Nevertheless, they place the NDCs into the context of countries' long-term planning and development priorities, providing a vision and direction for future development.

Specifically, the Paris Agreement confers on national governments the freedom to determine, at their own discretion, their level of ambition to contribute toward the fight against climate change.

3.2.2 The Challenge Ahead

One of the first challenges facing the Agreement will be how to strengthen the Parties' NDCs, as the combined effect of current commitments is not sufficient to hold global temperature rise below 2°C. The years to come will determine whether the structure and rules of the new treaty form a workable framework to tackle the climate emergency and keep the global temperature well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius.

Although climate change action needs to be massively increased to achieve the goals of the Paris Agreement, the years since its entry into force have already sparked low-carbon solutions and new markets. More countries, regions, cities, and companies are establishing carbon neutrality targets. Zero-carbon solutions are becoming competitive across economic sectors representing 25% of emissions. This trend is most noticeable in the power and transport sectors and has created many new business opportunities for early movers. By 2030, zero-carbon solutions could be competitive in sectors representing over 70% of global emissions.

3.3 The Reducing Emissions from Deforestation and Degradation Mechanism (REDD+)

REDD+ is the global community's action plan to slow, stop, and reverse deforestation. The Coalition for Rainforest Nations (CfRN) originated the concept, which was proposed to UNFCCC at the Montreal COP by Papua New Guinea and Costa Rica in 2005. In 2015, REDD+ was enshrined in the Paris Agreement, and covers 90% of the world's tropical rainforests forests.

REDD+ is a global conservation mechanism whose aim is to make tropical rainforests worth more alive than dead by overcoming the financial incentives that destroy and degrade them for timber, agriculture, and livestock grazing. The mechanism accomplishes its goals by measuring the carbon captured and stored in rainforests, which is the best method available to valuing this resource.

3.4 Article 5

The Paris Agreement includes a dedicated article on the contribution of forests to mitigating climate change. Article 5 refers to the contribution of the conservation and enhancement of sinks and reservoirs of greenhouse gases in general:

- Parties should take action to conserve and enhance, as appropriate, sinks and reservoirs of greenhouse gases as referred to in Article 4, Paragraph 1(d), of the Convention, including forests.
- Parties are encouraged to take action to implement and support, including through results-based payments, the existing framework as set out in related guidance and decisions already agreed under the Convention for policy approaches and positive incentives for activities relating to reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks in developing countries; and alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests, while reaffirming the importance of incentivizing, as appropriate, non-carbon benefits associated with such approaches.

The current version of Paragraph 2 encourages Parties to implement and support REDD+. It is therefore now the duty and commitment of all rainforest nations to give REDD+ the necessary relevance by supporting its implementation in line with all UNFCCC decisions.

Article 5, Paragraph 2, also clearly formalizes the architecture of the REDD+ mechanism and all methodological details and guidance adopted under the UNFCCC up to Paris.

A reference to REDD+ is also included in Decision 1/CP.21, notably in Paragraph 55, which "recognizes the importance of adequate and predictable financial resources, including for results-based payments, as appropriate, for the implementation of REDD+; while reaffirming the importance of non-carbon benefits associated with such approaches; encouraging the coordination of support from, inter alia, public and private, bilateral and multilateral sources, such as the Green Climate Fund, and alternative sources in accordance with relevant decisions by the Conference of the Parties."

The implementation of REDD+ activities in developing countries at the national level still varies in many respects and depends strongly on national circumstances. What is certain is that all countries must follow the set of principles and requirements established at international level under the UNFCCC process and now defined by Article 5 of the Paris Agreement.

3.5 Article 6

Following the example set by the Kyoto Protocol to respond to the climate emergency through a market-based approach, the Paris Agreement recalls concepts in Article 6 on cooperative approaches.

Specifically:

Article 6.2 provides for an accounting framework using cooperative approaches between Parties for the international transfer of mitigation outcomes to achieve the respective NDCs. The Coalition has been negotiating to ensure that the transfer of units derived under REDD+ are included in this cooperation scheme. For the Coalition, REDD+ implementation responds perfectly to Article 6.3, which stipulates that the use of internationally transferred mitigation outcomes to achieve NDCs under this Agreement shall be voluntary and authorized by participating Parties.

Article 6.4 establishes a central mechanism to trade credits from emissions reductions generated through specific projects.

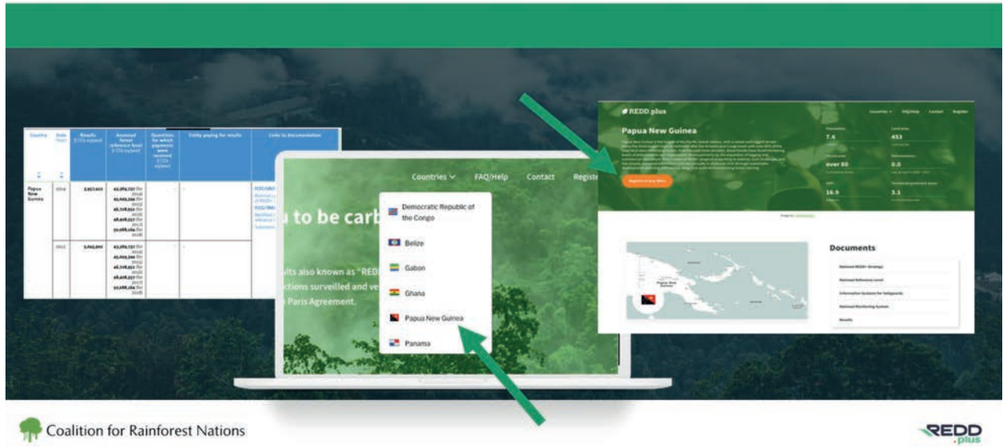
Article 6.8 establishes a work program for non-market approaches such as applying taxes to discourage emissions.

4.0

Understanding REDD.plus

CfRN created the ***REDD.plus platform*** for the purpose of selling Paris Agreement verified REDD+ rainforest carbon credits from rainforest nations. The platform provides businesses and individuals access to emission reductions, known as REDD+ Results, that rainforest nations have created under the UNFCCC REDD+ Mechanism. The private sector can now reward national actions of rainforest coalition countries that have preserved and protected rainforests to offset their own carbon footprint. With the country's approval, REDD.plus serializes each ton of REDD+ Results posted on the UNFCCC REDD+ Info Hub onto a registry where its life cycle can be tracked from issuance to retirement. Further REDD.plus is designed to allow private companies and individuals to retire – not trade – REDD+ Results Units (RRUs).

UNFCCC REDD+ Results are converted into Paris Agreement verified REDD+ rainforest carbon credits



A Transparent Process for Converting UNFCCC REDD+ Results into REDD+ Results Units

- National governments generate REDD+ carbon reductions or REDD+ Results
  - The MRV methodologies for generating REDD+ Results were approved in 21 decisions at COP meetings and formalized into the Paris Agreement.
  - This emission reduction crediting mechanism is administered by the UNFCCC Secretariat.
  - After independent verification, the emission reductions are posted to the UNFCCC REDD+ Info Hub as REDD+ Results.

- REDD+ Results are converted into REDD+ Results Units (RRUs).
  - The national government signs an agreement with REDD.plus.
  - The REDD.plus registry, administered by IHS Markit, serializes each ton of REDD+ results, thus creating RRUs that can now be bought and retired by businesses and individuals.
  - Each RRU represents 1 metric ton of CO^2.

- RRUs are purchased and retired.
  - Purchasing and retiring of RRUs can be done through the REDD.plus platform or soon on the REDD.plus exchange operated by CBL Markets.

Who performs the key tasks in creating, retiring, and reporting on REDD+ Results Units?

- Issuers are national governments of rainforest nations who measure and report emission reductions from REDD+ activities to UNFCCC.
- Standards for MRV were decided under UNFCCC processes, approved by COP decisions, and enshrined into the Paris Agreement.
- Administration is provided by the UNFCCC Secretariat
- Independent verification is conducted by individuals from the UN Roster of Experts.
- REDD.plus Registry is administered by IHS Markit.
- REDD.plus Exchange is powered by CBL Markets.
- Reporting of retirements to the UNFCCC is done by REDD.plus to ensure proper accounting into NDCs and the global carbon budget.

5.0

How to buy Paris Agreement Verified REDD+ Rainforest Carbon Credits

REDD.plus: A Three-in-One Platform & Exchange

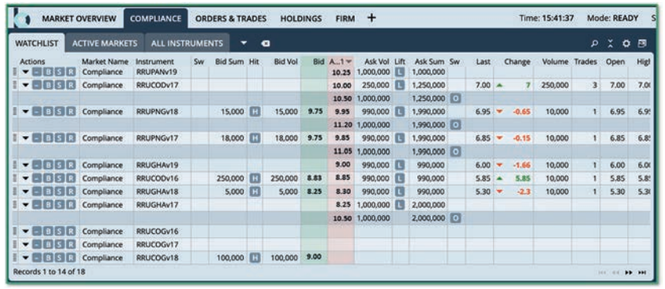
There are a variety options for buyers to purchase and retire their REDD+ Results Units:

5.1 REDD.plus Sales Website

Please use the ***REDD.plus website***, which accepts both credit cards and electronic bank-to-bank payments. This is the fastest way to purchase and is the recommended method for individuals and small businesses.

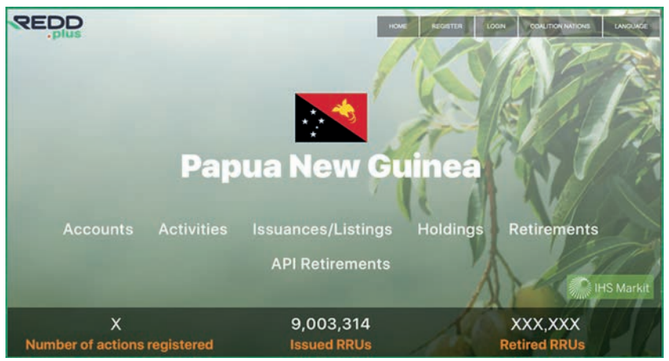
5.2 REDD.plus Exchange

Corporate and institutional buyers should purchase credits on the REDD.plus exchange operated by CBL Markets. To do so, please register an account on the ***REDD.plus Registry*** and CBL Markets. Once you receive an approval, you will be able to view which countries are offering carbon credits. You will be able to conduct a transaction directly on with CBL Markets.



5.3 For Large Purchases

Please work directly through REDD.plus and the CfRN. To do this, please open an account on the ***REDD.plus Registry*** operated by IHS Markit. Once your application has been approved, you will receive an email from IHS Markit and REDD.plus. This will then open the opportunity to negotiate your purchase directly with the countries through the CfRN. They will also lead you through the payment and retirement processes.



6.0

UNFCCC REDD+ Mechanism & REDD+ Carbon Credits (Or REDD+ Results)

6.1 The Global Rainforest Conservation Mechanism – REDD+

The UNFCCC's REDD+ Mechanism provides a global conservation standard whose aim is to make tropical rainforests worth more alive than dead by overcoming the financial incentives that destroy and degrade them for timber, agriculture, and livestock grazing. The REDD+ Mechanism accomplishes its goals by measuring the carbon captured and stored in rainforests, which is the most sustainable method available to valuing this resource. Countries and communities can then be compensated for the benefits their forests provide to all humanity.

The mechanism is designed to be national in scope; it was formalized in the Paris Agreement and currently covers 90% of the planet's rainforests and over 65 rainforest countries. The methods used to measure, report, and verify emission reductions were ratified at 21 separate decisions at the yearly meeting of the UNFCCC, known as the COP. REDD+ was formalized into the Paris Agreement, which has been approved by over 197 countries.

Note: The UNFCCC publication ***Key Decisions Relevant for Reducing Emissions from Deforestation*** and Forest Degradation provides a summary of the actions the COP took to create the REDD+ Mechanism.

6.2. What Is the REDD+ Mechanism?

The REDD+ Mechanism offers the only globally agreed standard to other carbon market standards, such as Verra, Gold Standard, Plan Vivo, or American Carbon Registry. The standards for the REDD+ Mechanism were designed and approved using normal UNFCCC processes and procedures. At the COP's request, the guidance, modalities, and procedures for measurement, reporting, and verification (MRV) under the REDD+ Mechanism were developed by the two Subsidiary Bodies of the UNFCCC (SBSTA and the Subsidiary Body for Implementation [SBI]) and ad hoc working groups. These groups rely on guidance and guidelines from the IPCC. The COP then meets to approve – or not – these recommendations.

REDD+ was designed as an emissions crediting standard to be used for national programs.

The REDD+ Mechanism is a well-defined process for countries to generate verified emission reductions that qualify for compensation or results-based payments. The Mechanism's methods and procedures were agreed upon by countries under UNFCCC, and independent third-party experts verify the emissions reductions. The REDD+ Mechanism has defined requirements for the MRV of emissions reductions, and it provides safeguards against environmental and social risks. It is unique because it is national in scope and fully complies with the Paris Agreement.

The UNFCCC Secretariat administers the REDD+ Mechanism. It makes the final determination if a country has fulfilled all the requirements and then posts the emission reductions to the ***REDD+ Info Hub*** as REDD+ Results. Emissions reductions are verified by independent experts from the UNFCCC Roster of Experts. There is representation from both developed and developing countries, and none of the experts can come from the country seeking verification.

6.2.1 Which Activities Qualify under REDD+?

National REDD+ programs can cover both actions to reduce emissions (preserving) and to remove carbon (restoring):

- Reducing emissions from deforestation
- Reducing emissions from forest degradation
- Conservation of forest carbon stocks
- Sustainable management of forests
- Enhancement of forest carbon stocks

The REDD+ Mechanism is a well-defined process for countries to generate verified emission reductions that qualify for compensation or results-based payments.

6.3 What Makes the REDD+ Mechanism Unique?

It is a national scope emission reductions program created under and administered by the UNFCCC. It is formalized in Article 5 of the Paris Agreement, and as such, it has been approved by over 197 countries. No other emissions program can make these claims. National programs – combined with the rigorous measurement, independent verification and global record keeping required under the Paris Agreement – have delivered results on a global scale, unmatched by any other voluntary program.

The two key elements of the REDD+ Mechanism – national in scope and compliant with the Paris Agreement – are intertwined, and together create the atmospheric integrity needed to save rainforest and avoid a climate crisis. One without the other would not do the job.

As negotiated and agreed upon, the REDD+ Mechanism unequivocally vests the authority for measuring and reporting emission reductions from forest activities with national governments, not projects or jurisdictional programs. National scope requires net emissions accounting across all forest areas in a nation. This means no credits are granted for projects in one area of the country if logging is ongoing elsewhere in the country. Subnational programs could previously be used as an "interim" measure to a national program, it was agreed subnational scales could not be used for markets. To ensure atmospheric integrity, the REDD+ label was never intended to be used for individual projects.

6.4 The Impact of REDD+

The REDD+ Mechanism is the most successful voluntary emissions-reduction program created.

- To date, 10 countries have generated 9.0 billion tons of emissions reductions verified by the UNFCCC.
- Fifty countries have submitted a Forest Reference Level, which acts as the crediting baseline for calculating reductions and is a critical step in the process to generate REDD+ Results.
- The UNFCCC has completed 45 technical assessments of REDD+ programs.
- Unfortunately, countries have been rewarded for less than 4% of their REDD+ Results, which is why we need REDD.plus.

6.5 Why REDD+ Is Important

REDD+ makes rainforests worth more alive than dead, overcoming the financial incentives to destroy and degrade them for timber, agriculture, and livestock grazing. Measuring and pricing the carbon captured and stored is currently the best method we have to value this critical resource. This is what the REDD+ Mechanism accomplishes. Through the creation of national programs, global record keeping, and rigorous international measurement and verification, REDD+ is the only mechanism that is proven to slow deforestation on a global scale.

6.5.1 What REDD+ Offers Developed Countries

REDD+ can help countries meet their Paris Agreement targets or NDCs. Under the Paris Agreement, all countries have agreed to reduce their emissions according to the national targets they've set for themselves. These countries can use REDD+ to meet their NDCs – it delivers emissions reductions cost-effectively while protecting their forests.

The Paris Agreement also recognizes that some countries will want to transfer and trade to meet those NDCs. The REDD+ Mechanism specifies a system for tracking, measuring, and verifying carbon reductions and carbon removals submitted by rainforest nations. After the results and removals have been verified, they can be publicly listed on the UNFCCC REDD+ Info Hub.

6.5.2 What REDD+ Offers Businesses

With many of the world's largest corporations pledging to eliminate all their emissions, the REDD+ Mechanism provides credible carbon emission reductions to help them. Corporations can achieve zero emission goals by exclusively purchasing of renewable energy. If the necessary renewable energy is not available, comprehensive energy efficiency measures can be undertaken in the meantime. They can also drive down emissions from their entire supply and value chain through green policies.

REDD+ allows corporations to make a positive contribution to the environment when they cannot reduce their emissions directly from their own measures. Businesses can purchase emissions reductions from tropical rainforest conservation under the REDD+ Mechanism – which also helps preserve and restore a vital natural resource and protect endangered species. You can support our countries' national efforts to stop deforestation by purchasing their emissions reductions on REDD.plus.

6.5.3 Offset Personal Carbon Footprints

Finally, you can also use REDD+ to offset personal carbon footprints. Carbon emissions from lifestyle choices – from transportation to diet – affect the climate. This is a global problem, but you can be a part of the solution. Reduce it by purchasing REDD+ carbon credits from our countries on REDD.plus.

6.6 How the REDD+ Mechanism Works

The REDD+ Mechanism is a well-defined process for countries to generate verified emission reductions that can qualify for compensation or a results-based payment. The Mechanism's methods and procedures were agreed to at the UN climate negotiations. As mentioned earlier, it is administered by the UNFCCC Secretariat and requires verification of estimated emissions reductions by independent third-party experts. Like privately developed standards, the REDD+ Mechanism has defined requirements for the MRV of emissions reductions, and it provides safeguards against environmental and social risks.

The process a country follows to create REDD+ Results is as follows:

1. A country begins by fulfilling the four core elements of REDD+.

- Create a **National REDD+ Strategy or Action Plan** that analyzes the causes of deforestation and forest degradation and develops a strategy to address them. The Plan must address critical issues such as land tenure, governance, gender equity, and the rights of indigenous people and local communities.
- Demonstrate a **National Forest Monitoring System** that defines what is being monitored, how it is being done, and why this approach was chosen.
- Publish a **Safeguards Information System** that details how a country is addressing the environmental and social risks created by a REDD+ program. The climate negotiators who created REDD+ were clear that preserving and protecting rainforests cannot come with negative social and environmental impacts.
- Generate a **Forest Reference Level (FRL)** that uses historical data to project expected baseline emissions, against which actual emissions will be compared to estimate emissions reductions. The FRL then undergoes an independent analysis and verification by independent third parties chosen from the UNFCCC Group of Experts. Their report is published on the ***REDD+ Info Hub***.

2. Actual emissions during the crediting period are measured and compared to the FRL to calculate the estimated emissions reductions. This is reported in an Annex to the country's Biennial Update Report (BUR). The BUR is itself a key element in a country's obligations, showing how the REDD+ Mechanism is integrated into and compliant with the Paris Agreement.

3. The estimate of emission reductions then undergoes analysis and verification by independent third parties chosen from the UNFCCC Roster of Experts. Their report is published on the ***REDD+ Info Hub***.

4. The UNFCCC Secretariat reviews all documentation presented by the country ensuring that the country has met all requirements of the REDD+ Mechanism.

5. The emissions reductions are posted to the ***REDD+ Info Hub*** as "REDD+ Results." With the approval of the national government, REDD.plus then provides a registry that serializes each ton of reduction and makes available for purchase by individuals and businesses.

The guidelines for MRV of emissions reductions under the UNFCCC REDD+ mechanism are created by one standard setter – the UNFCCC – formalized in the Paris Agreement, and approved by 192 countries, providing over 50 countries' worth of emissions reductions from tropical rainforests.

7.0

What makes REDD+ Results Units High-Quality Forest Carbon Credits?

As formalized into Article 5 of the Paris Agreement, the REDD+ Mechanism is designed to "slow, halt and reverse forest cover and carbon loss" across an entire country. It has led and will continue to lead to sequential declines in emissions and protect entire rainforests. It thus meets and exceeds the accepted criteria to judge the quality of carbon credits: Real, Measurable, Permanent, Additional, Independently Verified, and Unique.

7.1 Scale and Rigor

The UNFCCC REDD+ Mechanism, as mandated in Article 5 of the Paris Agreement, creates a financial value for the carbon absorbed by rainforests and offers performance-based payments for national conservation efforts that have worked. Despite little public awareness, the REDD+ Mechanism has delivered over 9 billion UNFCCC verified emissions reductions and has a multi-gigaton pipeline coming available in the next three years.

7.2 The Global Carbon Standard

The UNFCCC REDD+ Mechanism is a standard that meets the goals of the Paris Agreement. It was explicitly designed for the goals of a global climate agreement and with purpose of ending deforestation and forest degradation. The national scale net accounting and mandated improvement each 5 year cycle cannot be matched by other voluntary standards.

7.3. Role of Governments and National Action

Success in preserving and restoring rainforest requires clarity and enforcement of land-tenure and land-use regulations. Simply put, good government policies are critical to save rainforests, with the authority and responsibility for forests vested locally. Paying for carbon credits from a national-scale program is crucial.

UNFCCC REDD+ emissions reductions can be generated only if there is a net reduction of emissions at a national scale. This eliminates the risk found in subnational, jurisdictional, and project programs that deforestation will leak or be displaced outside the boundaries of the program. Buyers should be aware the project-based carbon credits preserve only one part of a national forest – and do not stop destruction of forests "further down the river bend" or in another part of the country.

Under the Paris Agreement, countries are obliged to generate emission reductions on net emissions from the entire forests of that country. This prevents the problem commonly called leakage or displacement. The carbon credits must originate from proven and verified conservation activities that have resulted in sequential declines in emissions and deforestation in the country of origin.

UNFCCC REDD+ emissions reductions are part of a country's overall greenhouse gas inventory under the Paris Agreement, which means carbon credit retirements can be seamlessly integrated into national climate targets, called Nationally Determined Contributions (NDCs). This provides the accounting transparency of emissions reductions and makes corporate purchases of carbon credits directly relevant to a country's efforts to tackle the climate emergency. Credits are properly accounted for in a rainforest nation's national greenhouse gas inventory and the country of the commercial entity buying the offsets. They are also reflected in their NDC of both buyer and seller countries toward the Paris Agreement.

To help determine whether these emissions declines have taken place, UNFCCC verifies a country's rainforest conservation performance over a period. To assist this process and measure performance, a country must first propose a baseline, which is then verified by UNFCCC. The baselines of the REDD+ Mechanism are called Forest Reference Level (FRL) and are based on actual previous historical emissions at the national level.

7.4 Ongoing Belt-Tightening

A country may initially project an upward trend in emissions based on history, but it is expected to move to a flat and then declining FRL to support more aggressive NDCs. This process is known as "belt-tightening," and it is necessary for a country to follow the Paris Agreement. This creates a global regime and pathway to ending deforestation under the Paris Agreement. The historical emissions, the FRL, and the reported emissions reductions are posted on the *UNFCCC REDD+ Info Hub*.

7.5 Climate Justice and Equity

UNFCCC REDD+ forestry carbon credits provide a cost-effective way for retiring entities to purchase emissions reductions directly from developing countries and confidently know that 100% of the payment is going to the countries where the emissions reductions were created.

UNFCCC REDD+ carbon reduction activities should do no environmental harm and ensure that human rights are protected. This is enshrined under the UNFCCC REDD+ Mechanism by the Cancun Safeguards, which the COP approved in 2010. As noted in Section 4.7, a Safeguard Information System is one of the four core elements of a UNFCCC REDD+ program. Three of the seven safeguards make provisions for environmental protection and human rights, requiring REDD+ programs to provide respect for the knowledge and rights of indigenous peoples and members of local communities, by considering relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples.

Finally, under the Paris Agreement, rainforest countries' contributions should be implemented to reflect equity and the principle of common but differentiated responsibilities and respective capabilities, considering different national circumstances. This ensures that lesser developed nations with more limited resources can participate in the UNFCCC REDD+ mechanism and generate carbon reductions from their rainforests.

7.6 Carbon Credits That Count

Unlike subnational REDD+ projects, the Measuring, Reporting and Verification (MRV) of the UNFCCC REDD+ emission reductions that create the carbon credits are encompassed into a country's overall obligations under the Paris Agreement. This means that the carbon credits that you buy count toward the global carbon budget. By meeting these requirements, the UNFCCC REDD+ Mechanism ensures that purchases of nationally issued REDD+ carbon credits create a real impact in addressing the climate emergency.

Moreover, the global carbon budget must balance. Two entities cannot claim the emission reductions from the same carbon credit, irrespective of whether an offset comes from a project or national program, or if the buyer/seller is a country, business, multilateral organization, or individual.

All cross-border transfers of offsets must be appropriately accounted for in the country NDCs of both the buyer and seller.

The UNFCCC REDD+ Mechanism ensures that purchases of UNFCCC REDD+ carbon credits create a real impact in addressing the climate emergency.

7.7 Price Transparency

Buyers expect to receive full price transparency on where their monies go after a purchase. They also what to understand what the overhead costs of the programs, such as project design, marketing, validation, verification, listing, issuance, and retirement? Nationally issued REDD+ carbon credits offered on the REDD.plus platform transfer 100% of the price a buyer pays back to the country This reflects the price per ton plus all fees paid.

Further countries:

- Receive free technical support from UN Agencies and nongovernmental organizations, such as the CfRN, to help them measure and report their emissions reductions under the Paris Agreement
- Pay no fee to the UNFCCC for the assessment of the FRLs and analysis of submitted
- Pay no charges to REDD.plus for listing credits

This all ensures that a buyer's money has the maximum impact.

Annexes

Annex 1: About Coalition for Rainforest Nations

The CfRN is a group of rainforest countries coming together under the initial leadership of Prime Minister Sir Michael Somare of Papua New Guinea and President Óscar Arias of Costa Rica in 2005. For the first time, rainforest countries took the lead: They have not caused climate change, but they are willing to be part of the solution. CfRN introduced the REDD+ concept into the UN climate negotiations in 2005 at the COP meeting in Montreal. CfRN is a Secretariat-registered, US-domiciled nonprofit. Over the next 10 years, CfRN was instrumental in the negotiations on the details of REDD+ Mechanism before it was finally formalized into the Paris Agreement.

Annex 2: Introduction to the UN's Climate Negotiating Framework and Procedures

How Does It Work?
The UNFCCC is more than just an annual meeting of the COP. Analysis, research, and negotiations take place year-round in various SBs, standing committees, and at the IPCC. The COP directs these activities, seeking guidance on issues and solutions before making final decisions. While the process is arduous, it is also thorough and assures that outcomes are equitable and have support from the broad global community.

What Are the Reporting Requirements for Rainforest Nations Under the Paris Agreement?
Article 4 of the Paris Agreement lays out requirements for country reporting, defining what, when, and how to report. For rainforest nations, the two major reports are the National Communications and BURs. A strength of the REDD+ Mechanism is how it is integrated into the overall efforts a country is making to address climate change and fulfill its obligations under the Paris Agreement.

- Rainforest nations should update their **National Communication** every four years. At the minimum, they should contain "six thematic components, including national circumstances and institutional arrangements; national GHG inventory; programmes containing measures to facilitate adequate adaptation to climate change; programmes containing measures to mitigate climate change; other information; and constraints and gaps, and related financial, technical and capacity-building needs."4

- **BURs** should be submitted every two years and contain "updates of national GHG inventories, including a national inventory report and information on mitigation actions, needs and support received. Such reports provide updates on actions undertaken by a Party to implement the Convention, including the status of its GHG emissions and removals by sinks, as well as on the actions to reduce emissions or enhance sinks."5

What Is the "Global Stocktake"?
The global stocktake assures that efforts to address climate change improve through time. The Paris Agreement, and therefore the national REDD+ programs, are not "set it and forget it"; they require ongoing analysis to ensure that the best efforts are being made to achieve a 1.5°C world.

Article 14 states that the COP *"shall periodically take stock of the implementation of this Agreement to assess the collective progress towards achieving the purpose of this Agreement and its long-term goals (referred to as the 'global stocktake'). It shall do so in a comprehensive and facilitative manner, considering mitigation, adaptation and the means of implementation and support, and in the light of equity and the best available science. The Conference of the Parties serving as the meeting of the Parties to this Agreement shall undertake its first global stocktake in 2023 and every five years thereafter unless otherwise decided by the Conference of the Parties serving as the meeting of the Parties to this Agreement. The outcome of the global stocktake shall inform Parties in updating* ***and enhancing, in a nationally determined manner, their actions and support in accordance with the relevant provisions of this Agreement, as well as in enhancing international cooperation for climate action."*** [6]

What Are the SBSTA and SBI?
The Convention established two permanent Subsidiary Bodies (SB): the Subsidiary Body for Scientific and Technological Advice (SBSTA) and the Subsidiary Body for Implementation (SBI). These bodies give advice to the COP, and each has a specific mandate. As its name suggests, the SBSTA's task is to provide the COP with advice on scientific, technological, and methodological matters. The SBI gives advice to the COP on all matters concerning the implementation of the Convention.

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