September 27, 2022

Winrock International, a global mission-driven nonprofit organization named for Winthrop Rockefeller, through the American Carbon Registry (ACR) and Architecture for REDD+ Transactions (ART) enterprises it hosts, has constructively engaged in the ICVCM predecessor initiative the Task Force for Scaling Voluntary Carbon Markets (TSVCM) throughout 2020 and 2021 and with the ICVCM since its creation. We firmly believe in the importance of ensuring the integrity of crediting systems for emission reductions and removals in global carbon markets in order to build confidence to scale the market to significantly contribute to Paris Agreement goals.

It is critical that we build market confidence in a manner that is inclusive of all stakeholders, recognizes current high-quality crediting programs and activities and screens out low-quality programs and activities, is as efficient and streamlined as possible so as not to make costs for implementation prohibitive and to ensure the maximum revenues flow to stakeholders, and builds on existing robust assessments by regulatory bodies such as the California Air Resources Board and the International Civil Aviation Organization (ICAO).

While we recognize the hard work that has gone into the CCPs and Assessment Framework, we have several key concerns:

1. The process to develop the CCPs and Assessment Framework has excluded key stakeholders including not only the carbon crediting bodies themselves that are to be assessed, but also project developers, verifiers, governments, Indigenous Peoples and Local Communities and civil society more broadly. While we are all invited to provide feedback through the consultation process, timing is very short for stakeholders to fully comprehend the implications of the initiative and digest the details. The suite of documents at over 140 pages is technically complex and has only been made available in English. The online BSI portal for commenting is intimidating to even the most technologically savvy and will further hinder feedback from stakeholders around the globe who may not have access to a reliable internet connection. It is also unclear how comments that are not in English will be considered and even if the portal supports the characters present in many alphabets of non-English languages
2. The draft Assessment Framework creates a new threshold for quality that no project or jurisdictional REDD+ crediting program currently meets. The framework does not build on benchmarked best practice and goes well beyond global compliance markets such as the UN's ICAO framework (and resulting decisions on credits eligible for CORSIA) in addition to the Paris Agreement itself. The fact that no crediting programs or credits in the market today will meet the current proposed ICVCM threshold and therefore will not be deemed CCP compliant for at least several years will send a harmful signal to the marketplace and will halt investments at precisely the time we need investments to rapidly scale to accelerate emission reductions and removals to stay within global temperature limits of 1.5°C. This is the opposite of what the ICVCM is trying to achieve.
3. The proposed assessment framework and assessment approach are overly subjective and cumbersome and rely soley or heavily on the Expert Panel's judgement. Given the lack of objective evaluation criteria, it is unclear how conformance will be determined or if there will be consistent interpretation of the requirements by different assessors over time. Furthermore, it seems the expert panel decisions on highly technical matter across various sectors and geographies will override the decisions that have already been taken by crediting bodies through their own processes of stakeholder consultation and expert scientific technical review. This will undermine the market entirely.

To address these concerns we recommend:

1. ICVCM should conduct a second consultation on the CCPs and Assessment Framework to share and solicit feedback on the revisions from the current process. The consultation should be offered in multiple languages to allow for greater participation and input from the international community. It should be clear that comments are allowed to be submitted outside of the BSI portal and in multiple languages.
2. ICVCM should create a quality threshold that can be seamlessly applied today in order to create confidence in the market without further delay. This initial threshold should reflect current best practice as determined via a broad benchmarking exercise and be reasonably achievable in a timely manner by leading crediting programs such as the independent crediting programs approved by ICAO. This should be followed by a continuous improvement mechanism to review requirements over time, backed by science, informed by experience gained with the practical application of the threshold requirements, and conducted in a manner respectful of the governance processes of existing crediting programs. The initial threshold framework should be in place until the CCPs are fully implemented across the crediting programs.
   In addition, transparent governance is essential including avoidance of conflicts of interest of decision-makers and detailing who is making recommendations, who is making decisions, how those recommendations and decisions are made (committee level, group level, by consensus, by majority vote) and how discrepancies in opinions will be resolved. It is also critical that an appropriate grievance process should be in place for crediting bodies to appeal ICVCM decisions.
3. The assessment procedure should focus on building on other existing assessment frameworks and evaluations rather than undertaking its own assessment from scratch. The ICAO assessment of crediting bodies for CORSIA eligibility provides an excellent foundation for the ICVCM and would significantly reduce the administrative and cost burden for both standards and the ICVCM. Parallel, duplicative assessment processes do not add integrity to the market but increase confusion as well as costs for all stakeholders.
   We strongly discourage the proposed methodology-by-methodology, sector or project-type phased assessments of additionality, baselines and other program elements. This duplication of work will not only create a massive bottleneck in the evaluation process, but also intends to supplant the processes that standards already have in place to ensure consultation and expert input to approved methodologies. The ICVCM Assessment Framework should instead include high-level principles to support objective program-level evaluations of approaches at the program level for assurance of additionality, safeguards, robust quantification and mitigating risks of non-permanence. This can also build on the extensive work done by the ICAO TAB to benchmark crediting programs and allow flexibility in appropriate region and sector-based compliance with the criteria (a functional equivalency among different approaches).

   To remove inherent subjectivity, it is critical that the Assessment Framework be accompanied by objective evaluation criteria and clear guidelines for interpretation of the criteria to allow for consistent application of the framework among crediting programs and by different evaluators over time.

We appreciate your consideration of our comments,

Mary Grady Executive Director
American Carbon Registry, an enterprise of Winrock International
Architecture for REDD+ Transactions, Secretariat at Winrock International

ICVCM Consultation Questions

1. Are the most important principles, criteria and requirements included in the draft CCPs and the draft Assessment Framework?

At the highest level, yes, we agree with the key principles of carbon credit integrity in the CCPs, however achieving consensus on what "integrity" means is complicated in a global carbon market across a multitude of sectors.

We of course agree that offset credits should be of the highest quality, reflecting reductions, avoidance or removals that are additional to those that would occur in the absence of carbon markets (including exceeding performance benchmarks); are quantified and reported in an accurate and conservative way against a public, science-based methodology; are verified by an accredited third-party, and are generated from activities and programs that have measures in place to address risks of non-permanence and leakage. In addition, they should be associated with a credible standard-setting body that provides rigorous processes for registration, validation, monitoring, verification, methodology assessment and revision over time, and transparent tracking of the issuance and retirement of serialized credits.

Overall, we are concerned about the complexity and subjectivity of the assessment process and the prescriptive nature of the requirements. Many of the requirements in the Assessment Framework go well beyond currently accepted market norms – including the Paris Agreement itself and compliance markets such as California and ICAO's CORSIA - without strong supporting rationale for the need for new approaches. These are detailed in our comments.

The fact that no crediting programs or credits in the market today will meet the current proposed ICVCM threshold and therefore will not be deemed CCP compliant will send a harmful signal to the marketplace and will cause buyers to stop investing in existing or forthcoming offset credit projects and jurisdictional REDD+ programs until there is clarity.

The topics of additionality, baselines, leakage, non-permanence, verification and double counting are inherently complex. There is no right "one size fits all" approach, and different crediting programs have evolved different approaches that work in different sectoral, geographic and economic contexts. If there are specific concerns about integrity, they should be focused with some level of precision to apply an appropriate solution for the context. The bar for quality should not be set with new untested approaches. The threshold criteria should be rigorously road tested and analyzed for cost-benefit. Similarly, going back and relying on approaches that have proven to be unworkable (such as temporary crediting) or easy to game (such as IRR calculations to demonstrate financial additionality) will also not improve quality in the VCM.

A large number of projects in the market today are following rigorous methodological rules and requirements for safeguards and independent verification. If the process is made even more onerous, not only will projects and jurisdictions not be incentivized to continue to improve performance, this process may drive them to seek other ways to access finance via pathways

with less stringent requirements or to simply define their own methodologies rather than continue crediting under reputable global GHG Programs. This is the opposite of what the ICVCM is trying to achieve.

Recognized, science based, peer-reviewed crediting bodies have a long, credible history and should have the primary role in assessing and establishing their methodologies. This is where regionally necessary, and topic specific experts reside. In addition, they should continue to regularly review existing methodologies including baseline determination, additionality assessment and monitoring and quantification protocols to reflect the latest science, economic and technological advances, or changes in domestic regulation. ICVCM should not substitute its untested technical review for peer-reviewed, expert processes currently used by the registries.

2. Are there principles, criteria and requirements that are not relevant or should not be included in the draft CCPs and draft Assessment Framework?

Some of the Assessment Framework requirements are unnecessarily complex and not even relevant for all crediting types. In addition, there are elements of integrity that are out of the control of carbon crediting bodies such as around contractual arrangements and commercial terms and disclosure of benefit sharing arrangements (as opposed to requiring participatory process where appropriate).

The use of the IFC Performance Standards for safeguards, as detailed in Section 7 Sustainable Development Impacts and Safeguards, is an example. Environmental and social safeguard requirements should be based on project/program and regional-specific risk. Any risks should be identified and mitigated, however, the risks for an industrial methane capture project in the U.S. are inherently different than a community-based forestry project in Mexico, therefore, requirements should be different. In addition, the requirements for assessments and reporting on labor rights and working conditions, resource efficiency and pollution prevention, biodiversity conservation and sustainable management of living natural resources and gender equality are all extreme and should only be required if a true risk is identified.

Furthermore, the requirements to utilize specific frameworks for SDG monitoring and reporting is also overly prescriptive and ensuring net positive SDG impact likely challenging. While reporting qualitatively on SDG contributions of carbon projects is acceptable and a common practice (and a requirement of ICAO), having those contributions certified against a standard should be optional. Certainly projects should positively contribute to sustainable development, however, different projects have different levels of contribution, which is largely a buyer preference and not an indication of the integrity of the emission reduction or removal and does not affect the empirical impact in meeting climate goals. For example, industrial projects that capture methane have an incredibly important climate contribution since methane is a short-lived climate pollutant, but may not have many other SDG contributions. That should not detract from the quality of the emission reduction credit.

While social issues are of critical cultural importance, adding SDG co-benefits as a requirement for the CCP label will materially slow the qualification process, delay the uptake of the ICVCM framework and unneeded transaction confusion. The excessive nature of the required social benefit quantification could also limit and skew project development away from projects that create these benefits because the development costs for these types of projects will be much higher than projects that don't create these extra societal benefits.

In Section 6 Minimum information requirements, while we fully agree with the importance of transparency and adequate carbon credit program governance (i.e., avoidance of conflict of interest and ensuring a robust code of business conduct), many of the elements identified for reporting are overly expansive, overstep what the registries require or are impractical. In 6.1 initial a)1-15 and b)1-4 (clarification that some of this information is public, but not all. For example a)5 "all necessary information to enable third parties to replicate the emission reduction calculations (including baseline quantification) and assess the social and environmental impacts of the activity" is not workable. It appears that the Expert Panel would like any individual to be able to replicate the VVB process. The VVBs will be reviewing all of this material and if the integrity of the VVB process is ensured through the accreditation (for competency) and oversight process, it is not necessary for outside individuals to do so. In addition, information on benefit sharing arrangements is not usually public.

Related to stakeholder consultation, requiring quantitative reporting and proof of positive net benefits, for 3 issuance periods beyond crediting period end is excessive and adds additional costs. Increasing project costs for these types of activities could push developers to other project types and away from projects that have significant social benefits, or it could push developers to create project using alternative tracking tools like Crypto or without a registry. This outcome reduces the transparency and impacts the credibility that the ICVCM is trying to improve.

In the full threshold for Section 6 c)1-4 under #1, making public all workbooks, data and calculations for baseline and additionality oversteps confidentiality. For #4, it is not the purview of crediting bodies to assess whether the mitigation is compatible with net-zero by midcentury if even possible to objectively assess.

On Option 1a, 1b or 2a for making public transaction volume, pricing and benefit sharing allocation, crediting programs are not involved in transactions and do not collect this data.

Requiring projects to provide key commercial terms like price and revenue (or specific calculation sheets), or how projects provide equitable and fair revenue sharing is also not justified from a carbon mitigation perspective and infringes on key competitive information. Requiring this type of information, could cause developers to be less transparent and some could choose other options (e.g., crypto) rather than development of a project according to existing registry standards

The nature and format of benefit sharing should be developed in a participatory manner and should be appropriate to the scale, set of stakeholders, and legal framework of the host country.

Mandating a single benefit sharing agreement or prescribing the outcomes denies stakeholders like Indigenous Peoples, Local Communities and others the right to negotiate the terms and arrangements most beneficial to them. Carbon crediting standards and registries are not parties to ERPAs and do not track contractual arrangements. Therefore Option 1B, no reporting of key financial information should be required.

In Section 10 Robust Quantification of Emission Reductions and Removals, we disagree with the notion of a process to assess the (baselines and other quantification of) individual project types and methodologies. This evaluation of robust quantification should be done at a program level.

We also comment on a few specific aspects of the quantification section. First, requiring GHG programs to stipulate that ERRs must be estimated *conservatively* rather than *accurately* undermines any incentive projects and programs have to continue to invest in new and improved monitoring systems. The goal of any carbon methodology or Standard should be to reflect the impact of the activities on the atmosphere as fully and accurately as possible, not to simply be conservative for the sake of being conservative. If conservativeness is the ultimate goal, simple defaults could be used for all parameters instead of more complex accounting methods. Standards and methodologies should promote the collection of increasingly better data to improve confidence in the results. Furthermore we are confused about how underreporting has a negative impact on the market and why deductions must be taken or provisions made to prevent underreporting. This especially seems to contradict earlier sections which stress that conservativeness is the main objective.

International leakage should be removed from consideration. It is not currently accounted for, including under the UNFCCC, because not only is it challenging to accurately quantify, but also because it is perverse to discount credits from a good actor for bad actions happening beyond its borders. As more national accounting areas are included in the carbon market, international leakage will be captured in the annual emissions reporting.

Nesting arrangements and benefit sharing arrangements should not be prescribed rather be left to the Jurisdiction and the appropriate stakeholders to determine in line with appropriate safeguards.

Crediting periods should not be required to align with NDC reporting. This is neither practical or necessary. In addition, for jurisdictional REDD+, it is not possible to require a jurisdiction to attribute a specific number of ERRs achieved to specific mitigation activities. One of the many benefits of scale is the ability to enact multiple overlapping or intertwined programs and policies. This increases success across the landscape but also makes it almost impossible to accurately attribute specific quantities of ERRs to each activity. Quantifying the total reductions or removals as well as listing the activities conducted provides the same level of assurance as to the drivers of the reductions or removals.

Section 11 Transition to Net Zero Emissions requires an assessment by the Expert Panel of whether the activity type is compatible with achieving net zero emissions by mid-century (are

"net zero consistent."). This is unnecessarily complex. Net zero consistent is subjective and depends on the timing of crediting, jurisdiction and sector. It is unclear how these requirements would be evaluated or verified and how far up and down stream would need to be considered (if a full life cycle assessment for all activities and components). The same goal could be met by ensuring the crediting programs have robust additionality requirements and even through the application of a negative list of project types that are ineligible for the CCP label such as those that lock in long-term emissions.

Proposed requirements in Section 13 Issues Related to Paris Agreement Alignment, also go beyond current market practice and arguably do not impact the quality of an emission reduction or removal.

3. Are there principles, criteria and requirements that are not included and should be added?

There are a number of Assessment Framework elements that are currently identified as being required in the future under the "full assessment" that, with some minor edits and clarifications, could be met now. Those include:

Criterion 1.7: Access to an independent grievance resolution mechanism criteria a-f.

Criterion 1.8: robust legal underpinnings of carbon credits criterion d

Many of the requirements (if clarified) in Criterion 1.9: effective corporate governance

Criterion 2.1: Methodology approval process, criterion f

Criterion 2.2: Requirements for quantifying emissions reductions or removals, criterion f

Criterion 3.5: Robust oversight of the VVBS in performing their auditing functions under the carbon-crediting program, criteria a-c

Criterion 8.4, Consideration of Legal Requirements (for additionality), criterion a under FULL

Criterion 9.2b: Sufficiency of the compensation mechanism under FULL

Criterion 9.4: Institutional sustainability under FULL

4. Are the requirements appropriately balanced between the initial and full stringency thresholds to address outstanding integrity concerns affecting the trust in the voluntary carbon market?

Predictability in the VCM is critical. Therefore, the market needs clarity on current threshold requirements for obtaining the CCP label as well as a clear understanding of the process and

timing to review and update the Assessment Framework in the future. This includes for alignment with new decisions to be taken under the Paris Agreement and enhancements and technological advances to monitoring and reporting methods.

We urge the creation of a quality threshold that can be seamlessly applied today, in order to create confidence in the market without further delay. This initial threshold should reflect current best practice in the market and be reasonably achievable in a timely manner by leading crediting programs such as the independent crediting programs approved by ICAO.

Aligned with recommendations from others in the industry, we recommend that a best practice threshold be determined via a broad benchmarking exercise focused on practices across standards. Crediting programs employ different approaches to address common elements of quality including additionality, non-permanence and safeguards. A review of current practice would yield much needed clarity on the sufficiency and improvement areas of these measures.

This should be followed by a continuous improvement mechanism to review requirements over time, backed by science, informed by experience gained with the practical application of the threshold requirements, and conducted in a manner respectful of the governance processes of existing crediting programs.

Any proposed changes to Standards cannot be required to be agreed and implemented overnight, rather would have to be phased in. Each Standard has defined timelines for transitions which largely do not align with the proposed timelines for ICVCM. For example, the Standard may be revised within 3 years but projects may have a full crediting period to implement some of the changes meaning they would not be in conformance with the CCPs for a much longer time. In some instances, projects may have spent years and considerable resources being developed and may not be able to change their approaches in a short timeframe or without additional resources being obtained. For Indigenous Peoples and Local Community projects in particular, this may present a large burden.

The dangers of the extensive requirements as laid out in the current proposal are two-fold: crediting program and active proponents may not apply for CCP assessment thereby rendering the process moot. Secondly, the monitoring and governance systems required to enforce these criteria require tremendous resources and pose a potential multi-year bottle neck in bringing CCP units to market. This will effectively halt investment flows to climate mitigation activities at a time when we need to accelerate our actions to stay within global temperature limits of 1.5°C.

5. What timeframe would you recommend for the duration of the initial threshold, taking into account the time needed for carbon-crediting programs to revise standards, processes and procedures; carbon-crediting periods; issues related to legal contracts etc.?

It is urgent to drive climate finance to emission reduction activities and technologies around the world and to scale the availability of high-quality credits in the market. The proposed process runs the risk of slowing down rather than accelerating high quality transactions.

Specifically on the assessment process as detailed – in particular with regard to review of crediting programs and separately of methodologies / project types for probability of additionality, robustness of baseline setting etc, we propose an alternate, streamlined approach that will require fewer resources and reduce the time to market for CCPs.

The assessment procedure should focus on building on other existing assessment frameworks and evaluations rather than undertaking its own assessment from scratch. Frameworks such as Western Climate Initiative (WCI) have been implemented by linked jurisdictions and include criteria for governance and quality aspects of offset credits. The ICAO assessment of crediting bodies for CORSIA eligibility – including the objective criteria for evaluation of compliance against quality criteria - provides an excellent foundation for the ICVCM and would significantly reduce the administrative and cost burden for both standards and the ICVCM. Parallel, duplicative assessment processes do not add integrity to the market but increase confusion as well as costs for all stakeholders.

In a streamlined model, the ICVCM could fast track approval of crediting programs already approved by ICAO. This could include "automatically" endorsing ICAO approved independent crediting programs (NOTE: NOT government crediting programs) as meeting the ICVCM governance, registry, validation and verification, and avoiding double counting requirements of the Assessment Framework.

The methodology-by-methodology, sector or project-type phased assessments of additionality and baselines should NOT be conducted as proposed in the draft Assessment Framework. This duplication of work will not only create a massive bottleneck in the process, but also intends to supplant the processes that standards already have in place to ensure consultation and expert input to the approved methodologies.

The ICVCM Assessment Framework should instead include high-level principles to support objective program-level evaluations of approaches at the program level for assurance of additionality, safeguards, robust quantification and non-permanence. This can also build on the extensive work done by the ICAO TAB to benchmark crediting programs and allow flexibility in appropriate region and sector-based compliance with the criteria (a functional equivalency among different approaches).

The development of a negative list of project types that are deemed non-additional / non eligible for the CCP label (grid connected renewables in non-LDC countries, fossil fuel switch etc) could facilitate an on-ramp for eligibility of other crediting types / sectors without the need for a methodology-by-methodology review.

The initial threshold framework should be in place until the CCPs are fully implemented across the crediting programs

6. Is this different for different areas of the draft Assessment Framework?

Arguably the ICAO decisions on independent crediting programs should be immediately applicable to meeting ICVCM requirements for governance, validation and verification, registry and avoiding double counting. The inclusion and exclusion of certain credit types under the ICAO decisions could be revisited in a more streamlined and surgical manner – focusing on true risks – than a full methodology-by-methodology or sector review by the Expert Panel.

7. Are there other key considerations that should be explored?

The Assessment Framework is highly subjective. Many of the provisions rely solely or heavily on the expert panel's judgement. It is unclear how conformance will be determined or if there will be consistent interpretation of the requirements by different assessors over time. Furthermore, it seems the expert panel decisions on highly technical matter across various sectors and geographies will override the decisions that have already been taken by crediting bodies through their own processes of stakeholder consultation and expert technical review. This will undermine the market entirely.

It is critical that the Assessment Framework be accompanied by objective evaluation criteria and clear guidelines for interpretation of the criteria. (See ICAO documents).

In addition, transparent governance is essential indicating the competence of decision-makers, and detailing who is making recommendations, who is making decisions, how those recommendations and decisions are made (committee level, group level, by consensus, by majority vote) and how discrepancies in opinions will be resolved. Furthermore, an appropriate grievance process should be in place for crediting bodies to appeal ICVCM decisions.

8. Should the Integrity Council draw on assessments by the Technical Advisory Body under CORSIA or any other comparable body?

YES, The ICVCM should build extensively on existing evaluations. This includes approval of crediting programs by regulatory bodies such as the California Air Resources Board, ARB, which has oversight of Offset Project Registries (OPRs). ACR has been operating as an approved OPR in California for a decade, supporting ARB's implementation of the cap and trade program and having issued roughly 2/3 of credits that can be used by capped entities towards their compliance obligation. ACR submitted a comprehensive application and was deemed by ARB to meet all requirements of the cap and trade regulation including organizational governance and mitigation of conflicts of interest, rigor and transparency of process, technical competence of staff for managing the carbon offset project listing and registration process and for oversight of verification, and operation of registry infrastructure. We meet accreditation requirements on

knowledge of the regulation, all offset protocols and verification (through a testing process), meet regularly with and are audited for performance by ARB.

The ICVCM should also build on approval of crediting bodies (and credit types) by ICAO based on a rigorous assessment by the 19-member international Technical Advisory Body (TAB) to adherence to program-level and credit-level quality criteria that were developed and piloted over the course of several years. If assessments conducted by these types of bodies were eligible as a means of demonstrating adherence to CCPs, it would greatly reduce the administrative burden for both Standards and the ICVCM. Duplicating efforts is inefficient, time-consuming and creates significant market uncertainty.

9. If so, for which criteria and requirements would previous assessments of carbon crediting programs and carbon credits be most relevant?

All with a focus on streamlining approval for several key areas as in the response to question 6.

10. With regard to double counting (criterion 4.5), the carbon-crediting program shall provide clear documentation regarding the ownership of the emission reductions achieved and shall have provisions in place to ensure that:

a) Carbon credits are not issued in respect of mitigation activities that receive other funding with an explicit claim to emission mitigation, or that generate or receive tradable units under other environmental market mechanisms OR

b) Mitigation activity proponents provide a legal attestation confirming they have free, uncontested, and exclusive claim to credited emission reductions or removals

Government funding support by itself should not eliminate the potential for a specific project type to be eligible as an offset credit. For example, Direct Air Capture projects or long-term CO2 storage projects are essential for addressing climate change and the value of a carbon credit will not typically provide sufficient incentive to enable their development – as such direct government tax incentives like that found in the U.S. or Canada will be needed in addition to carbon revenue.

Option b is in place for ACR projects.

For jurisdictional REDD+, ART has robust provisions to avoid double counting in all of its forms. However, it would not meet the current requirements vis a vis double counting with domestic compliance systems. A domestic regulated carbon market can be a powerful tool for countries to implement including allowing reduction and removal credits generated in the country through GHG projects for use to meet the compliance obligation. In some cases, these are used to meet the compliance obligation only, and no claim for offsetting or other benefits is allowed to be

made. In this instance, these ERRs should be permitted to count as reductions by the national GHG program and be issued under a GHG Program. There is no double claim made or double use. The only claim is towards reducing the national GHG emissions. The compliance system is a means of valuing carbon and driving finance to those that can achieve reductions and removals immediately while longer term programs are developed and implemented. We recommend specifically permitting an exclusion from these double counting provisions for domestic compliance systems where no claims can be made.

11. The Expert Panel of the Integrity Council considered alternative approaches to assess alignment with Environmental and Social Safeguards requirements for carbon crediting programs during the initial phase. The options include:
    Option 1): a risk-based approach to mitigation activity types building on IFC risk categorisation;
    Option 2): evidence of alignment with national regulatory framework;
    Or
    Option 3): a joint approach using option 1 and 2.

We believe that Option 2): evidence of alignment with national regulatory framework provides the most flexibility and rigor.

12. The Integrity Council seeks views from the public on this question to inform whether and how IFC risk categorization can help ensure a consistent approach by carbon crediting programs to address safeguards in the draft Assessment Framework in different jurisdictions and activity types. Your views will inform the design of the assessment process with the view to attest that mitigation activity proponents effectively implemented safeguards while providing the opportunity for current market infrastructure to update assurance systems' capacities and processes.

Environmental and social safeguards should be included in all crediting frameworks; however, the implementation will depend on geography and sector. As proposed by ICVCM the safeguards are excessive and impractical, too prescriptive to be broadly applied, VBBs are not currently accredited for these scopes (and it may be beyond current competencies), and thus this is an over-reach for the CCPs and AF. We suggest a more generic framework that includes assurances that applicable environmental and social safeguards have been addressed.

ESG safeguards for jurisdictional REDD+ should be based on the Cancún Safeguards and their operationalization including building on current reporting to the UNFCCC. Requirements that go beyond this are inappropriate.

We have many concerns with the proposed framework:

1. There should be acknowledgement that the safeguards apply only to the mitigation activities in the locations where they occur and that cited safeguards requirements may appropriately and justifiably not be applicable to some mitigation activities and/or some projects or programs due to the circumstances of the project or program.
2. Rather than ICVCM attempting to define all possible permutations and approaches that could be used and where they do and do not apply to activities, we would suggest that the ICVCM consider a simplified list of topic-based criteria which each Standard could include in the manner that best suits the nature of their programs. This provides the underlying rigor sought while providing flexibility for the differences in scale, type of activity and location of the activities occurring.
3. There should be a clear link between the legal framework and requirements of the host country or jurisdiction and the safeguards requirements. Projects and programs should (as required in other CCPs) be operating legally within their location and should ensure that national, regional, and local laws and requirements are followed.
4. We recommend the ICVCM consult forest countries, Standards and program developers regarding the possibility and legality of implementing many of the safeguards. For example, in Criterion 13.1.6, several indicators state that Standards must require certain activities by projects and programs "regardless of whether the Indigenous People are recognized as such..." or where Indigenous Peoples claim lands but have no recognized rights to the lands. From a practical standpoint, this would be impossible to implement as a Standard would need to among other things, define Indigenous Peoples under its program, define which should be recognized under its programs and what rights are afforded to them, and determine how land claims should be evaluated. Given the diversity of Indigenous Peoples and customary land tenure rights throughout the world, it is not appropriate for each Standard to individually provide a single definition for use across the globe. At a minimum, this will lead to large differences between Standards and significant confusion in the marketplace.

   Similarly, the legality and ability of Standards to require and projects and programs to implement all the safeguards should be considered in consultation with a wide array of stakeholders. A Standard does not have the sovereignty to assign carbon rights or land tenure rights to any stakeholder or to force programs and projects to do things where in conflict with national or local laws.
5. The scope of these safeguards which combines aspects of multiple programs and safeguards definitions each designed for individual purposes presents will require a tremendous effort by Standards and projects and programs to implement. Small scale projects will be able to address them more quickly as many will not be applicable. However, larger projects and jurisdictional programs will require years to fully develop and implement these with a significant cost. We recommend the Expert Panel consult with Standards and program developers as to the possible implementation timeline and likelihood that programs or large projects may simply decide not to participate. It would be a travesty if the ICVCM CCPs and AF were designed in a way that only small-scale projects could meet the requirements as

this would miss the opportunity for significant climate change mitigation opportunities to occur.

6. There are inconsistencies in the safeguards as presented. For example, involuntary relocation simply requires consultation in 13.1.4 but requires full consent if related to Indigenous Peoples as stated in 13.1.6. Many of the criterion go in to great, prescriptive detail whereas Cancun Safeguard B which traditionally encompasses access to information, anti-corruption and other key safeguards is simply relegated to a single criterion.

13. Do you anticipate that there will be challenges in meeting the Sustainable Development requirements in the draft Assessment Framework under the initial threshold? If you do, could you provide information on those challenges.

We do not agree with the requirements for MRV of Sustainable Development impacts. There are many industrial project types (high GWP refrigerant destruction, methane capture) that have HUGE mitigation value, are clearly incentivized by the VCM, but do not have the same SDG impact as some other project types. We are trying to solve the climate crisis, so that should be the focus in addition to assuring no harm by projects, compliance with all national and international laws, regulations, and requirements for participatory processes. Contributions to SDGs is highly desirable, but MRV will not be simple to implement in a standardized manner across geographies and sectors.

Detailed requirements as currently outlined in the ICVCM could result in fewer of the most socially beneficial projects being developed because the proposed significantly higher MRV cost.

SDG monitoring should be considered as optional attributes rather than as mandatory. This will provide a pathway for inclusion and market differentiation and allow programs to implement on a timeframe that is achievable.

14. Should mitigation activities created and managed by IPLCs be subject to differentiated safeguards requirements?

Mitigation activities managed by IPLCs are often part of projects for which the IPLCs are not direct proponents (this includes projects and jurisdictional REDD programs). Therefore, differentiated safeguards would have to more broadly apply to any project that includes Indigenous Peoples and Local Communities. It would be much more pragmatic to have flexible safeguards requirements based on consultative process (as applicable) and risk mitigation than having differentiated requirements for IPLCs.

15. If so, how would you recommend that the application of free, prior and informed consent (FPIC) is addressed in carbon crediting program guidance and mechanisms to ensure that relationships with IPLCs are based on informed consultation?

It should be first noted that consent and consultation are not the same as indicated in this question and that FPIC is usually defined as appropriate based on the nature and impact of the activities, not based on who the project or program proponent is. We recommend FPIC rather than consultation be used when appropriate in line with best practices (as defined by UNDP and other similar organizations) across all proponents and in line with the legal framework of the country where the activity occurs.

16. Are there alternative approaches to additionality that should be considered and that are not covered under the current draft Assessment Framework?

ICVCM includes financial analysis, barrier analysis, market penetration (common practice) analysis, legal requirements, and positive lists established by registries.

We do not agree with the proposed structure for assessing additionality, which would impose new requirements on crediting bodies and on project developers. It is unclear what problem these new requirements are solving, how they were developed, if/how they will add value and if they are even practical in terms of implementation and verifiability.

Over two decades of analysis and consideration of additionality testing has resulted in a variety of new approaches to assess additionality that are currently applied across the market. This includes performance standards that are used in combination with legal/regulatory additionality tests, such as employed by ACR (and the California Air Resources Board) as well as requirements for regulatory additionality combined with a barriers test. In our view, these do not need to be replaced, and we therefore recommend that the Expert Panel and ICVCM Board carefully analyze commonly applied approaches to additionality such as performance standards that do NOT include financial assessments or the need to demonstrate intent for carbon revenues.

Specifically with regard to financial additionality, the IRR test has multiple challenges including the inability to standardize an approach across sectors, geographies and financing structures; the inability to obtain benchmark IRR in certain sectors (such as forestry); the need to disclose confidential financial information on project returns and internal hurdle rates; the ability to easily game the numbers and the difficulty in verifying the results.

Furthermore, we disagree with the sentiment that the investment analysis must show that carbon revenues must specifically raise the financial feasibility above a yet to be defined financial benchmark. The sensitivity analysis even further complicates the approach. Such complexities require significant amounts of research and time to even determine whether a project is eligible, which ultimately could narrow participation to all but the largest carbon offset developers. The barrier analysis and market penetration analysis provide a good alternative to the financial

analysis, but we disagree that the market penetration assessment must be combined with one of the other viability assessments rather than stand-alone and disagree with the subjective nature of applying “medium”, “high”, or “relatively low” assessment categories. Similarly, we agree that positive lists should be justified and periodically updated but disagree they must conform to the criteria for investment analysis.

Specifically as related to jurisdictional REDD+, the additionality test must be practical for implementation by governments, as employed by ART and as described below.

17. The Integrity Council proposes in its draft Assessment Framework a risk-based assessment of additionality, to be conducted by the Expert Panel by project type, as a first step in the overall assessment of additionality for CCP.

a) Please provide comment as to the feasibility and desirability of this additional level of risk-based analysis by project type.

The Assessment Framework introduces a complex two step evaluation process to determine additionality. The first step is an evaluation by the expert panel of the probability that the activity is additional. The framework states “*The likelihood of additionality depends on the financial attractiveness of a mitigation activity without carbon credit revenues. An activity that financially is highly attractive is more likely to be implemented without carbon credits (except where other barriers prevent its implementation). In contrast, mitigation activities with very poor financial performance will be unlikely to be implemented without carbon credit revenues. The most commonly applied indicator for assessing the financial attractiveness of a mitigation activity is its internal rate of return (IRR) in relation to a required benchmark for investments*.”

For jurisdictional REDD+ this type of assessment is impractical and unnecessary because it is clear that we are losing forests at an unprecedented rate and countries need financial incentives to reduce deforestation and protect and restore forests.

For project-based crediting, this highly subjective exercise seems to substitute the Expert Panel’s judgement for the processes within the crediting bodies to both develop appropriate additionality tests as part of the methodology process as well as to apply that test based on the technical competence of staff and oversee the independent verification of that test. How does the ICVCM intend to be an expert on all of the various types of projects in existence?

We are concerned with the proposed requirement to conduct a financial attractiveness assessment on every project. In our experience, financial assessments are not always a robust approach for determining additionality, in particular when comparing the project scenario with and without carbon revenue. This is because this type of analysis is inherently subjective, due to variability in the cost of capital and pricing. The use of IRR alone is an insufficient measure of project viability since it ignores the cost of capital, which varies widely amongst project owners. For example, each company or project owner will have different access to and reliance on equity

and debt, and this varies depending on the type of organization (e.g., for profit vs nonprofit). Then, different project owners will select different capital structures based on access and cost, which influences the project weighted average cost of capital (WACC), and the cost of capital will vary over time due to changes in macro and market conditions. Further, there is no consistent, industry accepted approach to underwriting investments in carbon projects with respect to future timber prices and carbon prices, but also related to other revenue streams (e.g., agricultural products, hunting and recreation leases). Deferring to the traditionally recognized financiers of timberland investments and agricultural activities, such as pension funds, would not provide the necessary benchmark information. There is no standard benchmark for land- based carbon offset investments and these would vary greatly by geography and project type (wetland restoration would be different than IFM on small private timberlands or from agricultural practices). Therefore, it would be very difficult to rely on sample data or literature, and, in our view, experts would be unable to provide a valid assessment of the indicators. Finally, because of this wide variability of financial inputs it could easily result in cases where projects that are deemed viable do not secure financing, while other projects that are deemed unviable do secure financing, somewhat weakening the use of this test to determine project additionality.

We also note that the subjectivity and variability of these analyses make them virtually impossible to verify with reasonable assurance, and verification bodies often lack the expertise to assess such subjective assumptions. It is equally difficult to secure qualified subcontractors to assist verifiers with this assessment, and the hired 'experts' often lack the relevant industry knowledge. Forcing verifiers to make these assessments will result in inconsistency across project verifications.

As a critical input to these analyses, carbon credit price and transaction costs are highly variable and subject to change over time. Carbon projects can take years to develop. The speculative nature of this attribute in the financial analysis has real world, HUGE implications as to whether a project would be considered additional and pursued. In the absence of better, more specific guidance on how this must be implemented, this requirement could adversely affect project implementation with little actual basis.

As a specific example, forests are an asset with multiple potential revenue streams and management outcomes. IRR maximization is a motivator in considering multiple management pathways. However, it is not an exclusive motivator and amenity value is often equally or more important. IRR should be used as it is intended - as one attribute of a fuller decision framework for evaluating a management pathway. Requiring either "no income, cost savings or benefits other than carbon credit revenues" or "relatively poor financial attractiveness without carbon credit revenues" AND "carbon credits revenues significantly impact financial feasibility" AND "achievement of financial attractiveness with carbon credit revenues" sets an unrealistic bar for determining financial additionality.

We recommend ELIMINATING the assessment in Step 1, which is subjective, questions the processes of the crediting bodies and will introduce great market uncertainty.

Instead of the two-phased approach, we recommend that for project level crediting the ICVCM assess whether carbon crediting programs have transparent, sectorally-appropriate, science-based additionality tests that incentivize the project action, rather than specifically or exclusively fund it.

For jurisdictional REDD+, we suggest performance-based additionality as defined in TREES as allowing for crediting below a conservative, historic performance level. It is important to note that regulatory additionality tests are not appropriate for jurisdictional REDD+, however, for which enforcement of laws is critical to achieving results.

For both projects and jurisdictional REDD+, we strongly suggest eliminating the pure financial additionality tests and the prior intent of carbon revenues and allowing for performance standards as appropriate additionality tests.

b) In this assessment, the Integrity Council proposes to use as one data point analysis of carbon prices. Please provide comments as to the feasibility of use of this indicator, and on the alternative use of marginal abatement costs for this purpose.

As described above, carbon prices are not an indicator of additionality and should not influence the outcome of the financial analysis component. Price reflects a host of variables including supply/demand balance, purchase size, the number of substitutes, geographic preferences, buyer brand identity, additional benefits, etc. In addition, price is commercially sensitive information that most project developers will be unwilling to divulge.

c) Please provide recommendations on additional means of assessing the additionality tests carbon crediting Standards currently employ.

ICVCM seems to want to substitute the Expert Panel's judgement for the crediting program's science-based peer review process. How does the ICVCM intend to be an expert on the myriad of project types in existence? This is likely an unreasonable expectation.

We recommend ELIMINATING the Expert Panel additionality assessment in Step 1, which is subjective, questions the processes of the crediting bodies and will introduce great market uncertainty.

Instead of the two-phased approach, we recommend that for project level crediting the ICVCM assess whether carbon crediting programs have transparent, sectorally-appropriate, science-based additionality tests that incentivize the project action, rather than specifically or exclusively fund it.

For all credit types, we strongly suggest eliminating the pure financial additionality tests and the prior intent of carbon revenues and allowing for performance standards as appropriate additionality tests.

Negative lists of activities could also streamline the process since there is likely strong industry agreement on major categories of activities that are non-additional.

For jurisdictional REDD+, to meet the proposed ICVCM financial additionality test, "*Jurisdictional REDD+ activity proponents shall provide evidence demonstrating that expected revenues received per tonne of credited CO2-equivalent mitigation (or per tonne paid for through results-based finance) are sufficient to cover or exceed the expected costs per tonne of CO2-equivalent mitigation achieved. Expected cost per tonne shall be estimated as the ratio of: i. the jurisdictional REDD+ activity proponent's estimate of the total jurisdictional budget needed to undertake the REDD+ implementation plan amortised over the jurisdictional REDD+ activity's initial crediting period; and ii. the jurisdictional REDD+ activity proponent's estimate of the total emission reductions and removals it expects to achieve by undertaking the REDD+ implementation plan, amortised over the jurisdictional REDD+ activity's initial crediting period*."

This type of requirement for financial additionality makes no sense at a jurisdictional scale. Drivers of deforestation and degradation always have a significant financial component. The revenue from protection and restoration activities has to be greater than the alternative land use and would need to be considered when planning the activities. Furthermore, a financial additionality test would be difficult, if not impossible, to document and verify. Acquiring the financial information from every landowner and small-scale project implementer as would be needed to perform the full analysis would be extremely burdensome.

In addition to the above, the jurisdiction must demonstrate the implementation of new and enhanced policies and measures to meet the proposed additionality test. It is unclear in the proposed options how this will be assessed whether the new laws or the ongoing or new activities can "be reasonably expected to significantly lower emissions." What is significant and on what basis would such an assessment take place when the activities or laws are part of a greater overall portfolio of laws and activities? Would a jurisdiction be required to make ex-ante estimates? This would not be a reasonable exercise to require, nor would it likely result in meaningful results. Jurisdictional REDD+ inherently must include and work to optimize both existing policies and new policies. A REDD+ strategy that doesn't include both existing and new policies will be very difficult to implement, as these strategies often seek to leverage existing policies and frameworks to create benefit sharing mechanisms, expand programs within existing regulations, and improve efficiency (and in some cases, enforcement) of them.

We suggest that the Expert Panel consider the approach used by current jurisdictional programs as these have been vetted through expert review and many public consultations. For example, ART relies on a performance-based additionality test by only crediting for emission reductions achieved below a conservative, historical emissions baseline and for removals on land that has been degraded / deforested for at least five years. ART also requires that governments have in place REDD+ implementation plans that describe policies and measures that are contributing to reducing deforestation. These plans take years to implement and show results.

Also under the Assessment Framework, jurisdictional REDD+ activity proponent must also show evidence of expectation of carbon credits by providing "*clearly documented evidence that the generation of carbon credits or results-based payments was considered prior to the start of the first crediting period. This may include the application or other formal documentation submitted to any jurisdictional REDD+ carbon crediting or results-based payments program, an official document shared with stakeholders with clear intent to apply to a carbon crediting or results-based payments program, or a recorded stakeholder meeting where such an application to a carbon crediting or results-based payments program was discussed."* This requirement is also not appropriate for jurisdictional REDD+.

Already, the level of effort for a jurisdiction to comply with current REDD+ offset standards is significant, costly and requires extensive technical support, capacity building and importantly, political will. In addition to developing and implementing REDD+ Strategies, jurisdictions must develop and maintain MRV systems, benefit-sharing systems, and robust safeguard information systems that include public portals and significant participatory processes. Jurisdictions must also determine the legal underpinning for ownership of carbon assets, create trusts to transparently receive and disburse carbon finance and a multitude of other activities that would NOT have occurred in the absence of the carbon market.

Jurisdictions are gaining access to carbon markets now for the first time, and many jurisdictions are in the early stages of designing their REDD+ programs in hopes of achieving results that will attract much needed carbon finance. Imposing additional barriers could devastate so much commendable action that has been taken to date and we strongly recommend that the proposed additionality requirements be removed. Instead, we suggest that the ICVCM consider the requirements of ART TREES, for example, as having been through an extensive stakeholder review and Board approval process.

Specifically for jurisdictional REDD+, we suggest performance-based additionality as defined in TREES as allowing for crediting below a conservative, historic performance level. It is important to note that regulatory additionality tests are not appropriate for jurisdictional REDD+, however, for which enforcement of laws is critical to achieving results.

18. Proof that carbon credits were expected prior to project development

Criterion 8.5, as noted by ICVCM, goes beyond the project start date requirements established by crediting bodies. The existing lookback limitations and deadlines for validation/registration of a project following the start date serves to screen out pre-existing projects while allowing project developers some flexibility in navigating robust reporting and documentation rules.

An additional requirement to provide evidence that carbon credits were explicitly considered prior to the project start date will add an undue administrative burden to project developers and will needlessly exclude some high-quality projects from CCP eligibility. We strongly recommend the removal of criterion 8.5 from the assessment of additionality.

19. The Integrity Council is open to views on the appropriate balance of requirements between the criteria applied to assess permanence, as well as alternative approaches. Are there alternative approaches to permanence that should be considered and that are not covered under the draft Assessment Framework?

The first two proposed options in the Assessment Framework for assuring permanence require either 1) a 50- year project monitoring and reversal compensation term, or 2) a 25 year legally binding minimum MRV term with discounted ton-year crediting (e.g., 25% credits per year). The 100 years as "permanent" is proposed based on the 100-year GWP's, which have no scientific basis in relation to the permanence of carbon emissions reductions or removals in the atmosphere.

The vast majority of forestry credits being issued by independent standards today (likely less than 3%) do not meet these requirements, nor are they reasonable if the objective is maximum program uptake and climate impact in the near term. It is questionable whether a 100- year commitment by any organization is even credible given the relatively short institutional life of companies. Furthermore, we advocate that the CCPs explicitly *prohibit* or propose extreme limitations on ton year accounting (as in option 2) due to the lack of scientific consensus on that approach, and the vast difference in crediting that result from different approaches that have been proposed and applied by Standards.

Option 3 should be deemed as equally viable as other options and defined as multi-decadal commitments for projects with enforcement for MRV during that period, a robust reversal risk mechanisms including a buffer pool and no buffer pool refunds. The mechanism should ensure reporting and compensating in real time (during the verification cycle).

For JREDD, option 3 should be defined as enforcement for MRV and compensation for reversals in real time (during the verification cycle) and retirement of cumulative buffer pool contributions when the Participant leaves the program to compensate for future potential reversals.

While being implemented by some project-level crediting programs, differentiation between intentional and unintentional reversals is not appropriate for jurisdictional REDD+. To date, no program has an insured buffer pool and only a few have enforceable legally-binding agreements for long-term MRV.

In cases in which reversal reporting and compensation is required immediately, and in which the buffer pool is robust (no refunding of credits), the buffer pool may be able to adequately compensate for future reversals many decades past the end of MRV.

It is important to note that reversal risk is inherently different for activities that are being implemented at a scale (i.e., national or subnational) with appropriate risk mitigation measures in place including contributing to a buffer pool and monitoring, reporting and compensating for reversals.

For jurisdictional REDD+ a reversal occurs when reported annual emissions are above the conservative, historical crediting level of emissions from deforestation and forest degradation. These are actual ER that have been verified to have occurred. Unlike at the project scale, a single fire or harvest event does not necessarily cause a reversal in a jurisdictional REDD+ program since forest carbon stock reversals in one area may be absorbed or netted out through performance reducing emissions and enhancing stocks in other areas. There is no differentiation between intentional and unintentional reversals because these jurisdictional reversal results from a combination of natural and anthropogenic causes (related to, but not limited to timber harvesting, agricultural expansion, community dependence on forest products, supply chains, overall economic health, strength of land and forest management policy, governance, etc.).

Jurisdictional-level implementation can ensure more robust accounting for reversals since at a large scale, forest carbon stock reversals in one area may be absorbed or netted out through exceptional performance in other areas. Unlike at the project scale, a single fire or harvest event does not necessarily cause a reversal in a jurisdictional REDD+ program. Therefore, at minimum, jurisdictional approaches to implementation should be recognized for reducing risk or reversals, effectively downgrading where nature-based activities sit on the "susceptibility of reversal" matrix.

ART's standard TREES has requirements in place to contribute to the buffer pool as well as monitor, report and compensate for reversals. Buffer pool contributions are not refunded over time. The TREES buffer pool contributions (25% of credits per issuance, which can potentially be reduced to 5% if a jurisdiction achieves all three mitigating factors, but most likely at the higher end) are significant when compared with the annual percent of forest loss across large areas.

According to data from Global Forests Watch, while cumulative forest loss can occur in jurisdictions that are not effectively implementing or being rewarded for reducing emissions from deforestation, the loss occurs slowly over time - having trended under 1% annually for the past 15 years, and interannual differences are relatively low even during changes in governments. *This analysis suggests it is unlikely that a Participant would have a reversal for an amount that exceeds its cumulative buffer contribution. Given the trends in annual forest loss of under 1%, the Participant's comparatively sizeable buffer pool contribution should conservatively compensate for any prospective reversals for many decades into the future.*

Annual Tree Cover Loss (%), source Global Forest Watch

Country	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Indonesia	0.74	0.89	0.86	0.87	1.2	0.8	0.96	1.4	0.71	1.2	1.1	1.5	0.81	0.76	0.73	0.60
DRC	0.24	0.23	0.23	0.20	0.32	0.41	0.22	0.32	0.46	0.67	0.47	0.69	0.74	0.69	0.61	0.66
Brazil	0.67	0.55	0.50	0.47	0.35	0.52	0.37	0.56	0.37	0.52	0.43	1.0	0.87	0.57	0.52	0.63

Under TREES, in the event of a reversal, the Participant reports the total volume (of annual reported emissions higher than the conservative historic crediting level). The ART Secretariat retires the corresponding volume of units from the buffer pool. If the reversal volume exceeds the Participant's total contributions to the buffer pool to date, the Participant must replenish the difference. If the Participant does not have units available to compensate for any amount that the reversal exceeds buffer pool volume contributed to date (from any credits issued that have not been transferred or retired), that amount would be compensated by other credits from the pool. The Participant would then be required to replenish that volume from a future issuance. This may carry forward to multiple future issuances or across crediting periods as needed to ensure the full amount is replenished. In addition, after a reversal, a Participants must increase its buffer contribution for a period of five calendar years by 5% to reflect increased reversal risk. The five calendar years carries forward across crediting periods as well. This requirement is enforced through the legal Terms of Use Agreement.

If a Participant were to leave the ART program prior to the successful replenishment of the buffer pool, they would be required to purchase credits to make the buffer pool whole as per the legally binding Terms of Use Agreement they signed when they joined ART.

When any Participant leaves the ART program, any remaining buffer pool credits they have contributed are automatically retired. This is to compensate for any future reversals that may occur. In addition, buffer pool credits are never returned to a Participant.

20. Should the Integrity Council consider the establishment of an attribute to differentiate credits according to the type of underlying mitigation activity? If so, at what level should types be differentiated (e.g., reductions vs removals, tech-based vs nature-based)?

We believe labeling projects by generic categories will be useful for buyers. However, too many labels will create confusion. ACR and ART currently have registry functionality in place to label credits as either verified emission reductions or removals (not further differentiated by tech or nature since that is obvious under the project type), for credits that have a host country authorization (and ultimately a corresponding adjustment) and for credits that are ICAO qualified. We support labels for projects that have additional certifications such as for the SDGs.

20. With regard to Paris alignment:

a) Should the voluntary use of carbon credits require host country authorization to ensure association with corresponding adjustments? Should this be conditional on specific circumstances or use cases?

Article 6 requires authorization for transfers under Article 6 and for use of credits for CORSIA compliance. VCM projects are not required by the Paris agreement to have authorization. Both

the ACR and ART registries have functionality in place to publish host country letters of authorization, label authorized units and label units with CAs. This should be optional.

b) Should the voluntary carbon market levy a share of proceeds to assist developing countries most vulnerable to climate change to meet the costs of adaptation?

This should be optional.

c) Should the voluntary carbon market provide a contribution to overall mitigation of global emissions, through the cancellation of carbon credits at issuance or other similar provisions?

This should be optional.

PRIVATE CIRCULATION		Date:	Document:

No	Comment submitted by	Clause/ Subclause/ Annex	Paragraph/ Figure/ Table/	Comment (justification for change)	Proposed change
1		Criterion 1.2 a)		• transition towards net-zero emissions; • benefit-sharing arrangements;	Consider the appropriateness of these two as may be addressed elsewhere (in safeguards) or may not be applicable to all project types.
2		Criterion 1.2, Full Threshold, A	Independent Grievance mech	ACR and ART have grievance mechanisms managed by the standards, which we believe is independent. Winrock/ART will not be subject to an external mechanism.	There should not be an independent grievance mechanism as defined as an external third-party, taking appeals on program-related decisions.
3		Criteria 1.2, Full Threshold, B		It is unclear how to implement this provision.	ACR/ART recommend shifting net positive SDG reporting to be an attribute rather than a mandatory CCP as no standard means of documenting net positive SFGs is available.
4		Criteria 1.4, Initial and full, A	Disclosure of financial information	ART is currently funded by the government of Norway, and this is publicly disclosed. In the future, ART will be funded by fees from the issuance of credits. As the ART Secretariat is hosted at Winrock, ART's financials roll up into Winrock's, but are not separately reported or disclosed. Funding from sources that could imply undue influence of competing interests are prohibited by Winrock's code of conduct. ACR is funded by fee-based revenue and ACR financials roll-up into Winrock. Funding from sources that could imply undue influence of competing interests are prohibited by Winrock's code of conduct.	Recommends financial reports of parent organizations in lieu of stand-alone disclosure statements.
5		Criteria 1.5, Initial and full, A		The scope of "all aspects of its program" is a broad remit, and it is unclear how this is defined in practice. Decisions are made by ART Secretariat Management, ART Board and the Winrock Board as well as by the ACR program management team, but not all are published. Key decisions such as those surrounding the development of the Standards and methodologies are documented and published on the website.	Clarify the scope of the phrase “all aspects of its program”.

No	Comment submitted by	Clause/ Subclause/ Annex	Paragraph/ Figure/ Table/	Comment (justification for change)	Proposed change
6		Criteria 1.5, Initial and full, B		As noted above, key decisions on TREES are documented and published. The definition and scope of "program decisions" makes it unclear whether this is sufficient.	Clarify the intended scope of “program decisions” and how to evaluate this criterion.
7		Criteria 1.5, Initial and full, D		It is unclear how broad the scope of program decisions to be made public implies.	Clarify what decisions are intended to be included and which stakeholders the CCP is concerned with.
8		Criteria 1.5, Full, I		Crediting programs are not involved in the transactional aspects of carbon markets. This is well beyond our remit. ART, and ACR as appropriate, requires VVBs to ensure that benefit sharing agreements have been implemented as agreed upon, but we do not ask for the end recipient to specify what they did with the funds they received.	Delete this criterion as it is beyond the scope of a GHG crediting program.
9		Criteria 1.7, Full, G		ACR and ART can clarify that grievances will be responded to in a certain reasonable timeframe. However, the time to investigate and resolve a grievance is highly dependent on the nature of the grievance. The time bound resolution may be outside of ACR and ART’s control.	Either delete “time-bound” from the criterion or clarify that the initial response must be “time-bound” but that a resolution’s timeframe may vary based on the nature of the issue.
10		Criteria 1.7, Full, H		Any grievances received that are evaluated as part of the program verification public comment process will be public. There may be circumstances in which grievances will not be made public though at the request of the submitter or the legal system.	ACR and ART suggest allowing exceptions based on the request of the submitter, legal considerations, and other cases where a grievance should remain confidential.
11		Criteria 1.7, Full, I		We will not be able to demonstrate conformance with these requirements unless they are streamlined as they imply a lot of downstream monitoring.	We recommend eliminating requirement i) as resolution / redress of the grievance is addressed in our process.
12		Criteria 1.8, Initial threshold, B		The ACR and TREES Validation and Verification Standard outlines what actions will be taken to address any errors identified in previous validations and verifications. It does not identify liability however.	GHG Crediting programs should have rules to address errors found. However, assigning a liability is not the mandate of the GHG Crediting program. These terms would be included in the ERPA.

No	Comment submitted by	Clause/ Subclause/ Annex	Paragraph/ Figure/ Table/	Comment (justification for change)	Proposed change
13		Criteria 1.8, Initial threshold, C		The ACR and TREES Validation and Verification Standard outlines what actions will be taken to address any errors identified in previous validations and verifications.	We recommend eliminating cancellation of previously issued as an option for recourse. Methods of addressing past errors should be identified and clearly outlined. However, cancelling credits should not occur as this causes significant uncertainty and risks to the market. Instead, compensation methods should be employed.
14		Criteria 1.9, Full, A		Winrock has internal procedures for evaluation of ACR and ART management and staff. Organizational and staff KPIs are not public nor are performance evaluations, nor do we think this is appropriate.	We support performance reviews and evaluation; however, we recommend eliminating the clause requiring making the outcomes of such processes public. This will not add to the integrity of the credit achieved and is likely to result in a less rigorous internal process. Deeper reflection is likely to occur when the results are to be discussed internally only.
15		Criteria 1.9, Full, B		Winrock is annually audited according to GAAP, which includes ACR and ART, and the results of the Winrock audit are published in its annual report. However, there are no " Formal and transparent arrangements for determining how to apply the corporate reporting, risk management and internal control principles."…. Neither ACR nor ART have separate financials.	We recommend designing the criteria in this section to be more flexible as each GHG crediting program has a different structure and a single approach to high integrity governance is unlikely to fit all structures. Providing additional information as to the concern the criterion is attempting to address will help programs identify and suggest alternative approaches more easily.
16		Criteria 1.9, Full, D		We do not understand what this means or what it has to do with organizational or credit integrity.	Please clarify the intent of this criterion. Providing additional information as to the concern the criterion is attempting to address will help programs identify and suggest alternative approaches more easily.
17		Criteria 1.9, Full, E		We do not understand what this means or what it has to do with credit integrity.	Please clarify the intent of this criterion. Providing additional information as to the concern the criterion is attempting to address will help programs identify and suggest alternative approaches more easily.
18		Criteria 1.9, Full, F		We do not understand what this means or what it has to do with credit integrity.	Please clarify the intent of this criterion. Providing additional information as to the concern the criterion is attempting to address will help programs identify and suggest alternative approaches more easily.

No	Comment submitted by	Clause/ Subclause/ Annex	Paragraph/ Figure/ Table/	Comment (justification for change)	Proposed change
19		Criteria 1.9, Full, G		Development of management systems and/or verification against them would be prohibitive for a small staff. ACR and ART's operations are covered under Winrock's operations and guidelines.	We recommend designing the criteria in this section to be more flexible as each GHG crediting program has a different structure and a single approach to high integrity governance is unlikely to fit all structures. Providing additional information as to the concern the criterion is attempting to address will help programs identify and suggest alternative approaches more easily.
20		Criteria 2.1, Full, E		Why is this necessary and what does it contribute to credit integrity? For ART developing an example for a jurisdictional approach would not likely be helpful given the wide variability of programs that will join.	We suggest removing this requirement. Providing additional information as to the concern the criterion is attempting to address will help programs identify and suggest alternative approaches more easily.
21		Criteria 2.1, Full, G		This would be captured in the periodic review.	This criterion is not necessary if there are processes in place to periodically review and assess the methodologies as is required elsewhere.
22		Criteria 2.2, Initial, C		ART allows a maximum 4-year lookback period from the time the Participant joins ART if the jurisdiction can meet all MRV and safeguard requirements for the previous years. Participants are required to identify the new and ongoing activities conducted during the timeframe as part of the REDD+ program. ACR has time bound requirements for listing and validating projects from the start date.	We would recommend permitting a lookback period for jurisdictional REDD+ subject to data and safeguards requirements to reflect the reality that programs must often begin initial efforts prior to joining a GHG crediting program. It is appropriate to allow start dates to align with calendar years rather than specific dates to simplify accounting and provide flexibility when multiple activities are beginning around the same time. Project-level safeguards must be in place to allow flexibility for different project start dates and implementation.
23		Criteria 2.2, Initial, D		This is a requirement of TREES for the TREES Crediting Approach. The removals crediting approach is based on the area being restored in the reference period and therefore, it is allowed to increase over time as this is more conservative. The HFLD Crediting Approach permits increases which would reflect improved performance of the Participant at mitigating drivers of deforestation and degradation.	We recommend either removing this requirement or modifying it to both reflect different types of activities and to reflect changing conditions. It would be helpful to understand why this requirement is in place for jurisdictional REDD but not project REDD however to better suggest alternatives.

No	Comment submitted by	Clause/ Subclause/ Annex	Paragraph/ Figure/ Table/	Comment (justification for change)	Proposed change
24		Criteria, 2.2, Full, E		This is already in place for ACR, however under ART, TREES requires the Participant to use the same GWP included in its UNFCCC reporting to align reporting as much as possible. If the transition to the 5th IPCC report has not yet occurred, we require a plan for transitioning to be presented. We do not have a date associated with it however.	The deadline for the transition should be permit more flexibility as long as baseline and annual emission calculations are consistent. Full transition to the 5th AR is required under the Paris Agreement so we will see countries making that change.
25		Criteria 2.2, Full, G		We fundamentally disagree with conservativeness being more important than accuracy. We also do not require that each input parameter use the most conservative value and then require an uncertainty deduction to also be taken. The overall uncertainty of over-reporting is identified, and an appropriate deduction is required. This ensures the integrity of the credit without being punitive to programs. Under-reporting of credits does not harm the market or negatively impact the integrity of the credits.	We recommend this phrasing “emission reductions or removals be determined in a conservative manner (rather than striving to use the most accurate estimate)” be revised to reflect the importance of both conservativeness and completeness in line with the principles of most GHG programs. Strengthen the focus on accuracy over conservativism also incentivizes ongoing MRV improvements
26		Criteria 2.2, Full, H		While projects incorporate legal requirements (regulatory additionality) and government policies in the baseline determination, this is not a concept that can be operationalized for jurisdictional REDD+ and does not allow activities to contribute to NDC achievement.	We recommend clarifying that performance threshold crediting levels automatically incorporate this requirement and the requirement to specifically list all non-REDD+ actions and legal requirements that may impact performance is not possible.
27		Criteria 2.2, Full, K		We do not see how alignment of the crediting periods and NDC reporting promotes integrity. Reporting on progress towards NDCs may occur at any time during a crediting period. Also, does this suggest that crediting periods may be of different lengths depending on when a program begins?	We recommend not requiring alignment of the crediting period and NDC reporting to allow consistent crediting periods across programs.

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28		Criteria 2.2, Full, L		ACR requires a new baseline and additionality assessment for a new crediting period (but does not agree with the financial additionality test as being the only one). TREES requires reassessment of the crediting level every 5 years to ensure that any changes in business as usual are captured and to drive ambition. However, TREES does not and will not require financial additionality as it is an inappropriate test for JREDD (as evidenced by all three Standards using the same performance threshold test).	For projects we recommend clarifying that additionality will be re-assessed using the test in place. We recommend permitting the use of the performance threshold additionality test for JREDD programs in line with the best practice for this scale exemplified by all jurisdictional programs currently.
29		Criteria 2.2, Full, M		For projects, this is captured in the accounting. This is not possible to define at a jurisdictional scale and would not add more information regarding performance and integrity than simply providing data demonstrating that the emissions have been reduced and removals have increased.	We recommend removing this requirement for JREDD as it is not possible nor useful at a jurisdictional scale.
30		Criteria 3.1 First and full F		Neither ACR nor ART see a reason to require issuance requests of verified credits at certain intervals as this will depend on when credits are contracted for sale. It is unclear how this requirement ensures quality and integrity for previously issued credits. If an activity ceases to operate, it will either not generate credits in the future or experience a reversal which will be compensated for in line with the requirements of the Standard.	We recommend removing this requirement as it does add to the integrity of an already verified emission reduction or removal.
31		Criteria 4.1, Initial and Full, A		ART allows an exception for the use of credits as issued ONLY for use in a domestic compliance scheme. These are not recognized by ART or subtracted from TREES issuance	We recommend permitting the exclusion of domestic compliance schemes, such as tax obligations, where no GHG claim is being made. This is not widely used now but will enable governments to use a wider variety of schemes to incentivize financing of REDD+ programs without reducing integrity.

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32		Criteria 4,2, Initial, A		ART allows an exception for the use of credits as issued ONLY for use in a domestic compliance scheme. These are not recognized by ART or subtracted from TREES issuance. Otherwise, the robust provisions in TREES protect against the double issuance, double use, or double claiming of ERRs.	We recommend permitting the exclusion of domestic compliance schemes, such as tax obligations, where no GHG claim is being made. This is not widely used now but will enable governments to use a wider variety of schemes to incentivize financing of REDD+ programs without reducing integrity.
33		Criteria 4.2, Initial, B		ART allows an exception for the use of credits as issued ONLY for use in a domestic compliance scheme. These are not recognized by ART or subtracted from TREES issuance. Otherwise, the robust provisions in TREES protect against the double issuance, double use, or double claiming of ERRs.	We recommend permitting the exclusion of domestic compliance schemes, such as tax obligations, where no GHG claim is being made. This is not widely used now but will enable governments to use a wider variety of schemes to incentivize financing of REDD+ programs without reducing integrity.
34		Criteria, 4.2, Initial, C		ART allows an exception for the use of credits as issued ONLY for use in a domestic compliance scheme. These are not recognized by ART or subtracted from TREES issuance. Otherwise, the robust provisions in TREES protect against the double issuance, double use, or double claiming of ERRs.	We recommend permitting the exclusion of domestic compliance schemes, such as tax obligations, where no GHG claim is being made. This is not widely used now but will enable governments to use a wider variety of schemes to incentivize financing of REDD+ programs without reducing integrity.
35		Criteria 4.2, Full		Errors in previous validation and verifications are addressed as outlined in the VVS. The process identified in the requirement is not the process required by ACR or by TREES, as this would lead to the potential cancellation of already transacted credits which is not workable in the market. ACR and TREES requires the next verification to be adjusted as appropriate to compensate for the error.	We recommend eliminating cancellation of previously issued credits as an option for recourse. Methods of addressing past errors should be identified and clearly outlined. However, cancelling credits should not occur as this causes significant uncertainty and risks to the market. Instead, compensation methods should be employed.
36		Criteria 4.4, Initial and full, A		ART allows an exception for the use of credits as issued ONLY for use in a domestic compliance scheme. These are not recognized by ART or subtracted from TREES issuance. Otherwise, the robust provisions in TREES protect against the double issuance, double use, or double claiming of ERRs.	We recommend permitting the exclusion of domestic compliance schemes, such as tax obligations, where no GHG claim is being made. This is not widely used now but will enable governments to use a wider variety of schemes to incentivize financing of REDD+ programs without reducing integrity.

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37		Criteria 4.4, Initial and full, B		ART allows an exception for the use of credits as issued ONLY for use in a domestic compliance scheme. These are not recognized by ART or subtracted from TREES issuance. Otherwise, the robust provisions in TREES protect against the double issuance, double use, or double claiming of ERRs.	We recommend permitting the exclusion of domestic compliance schemes, such as tax obligations, where no GHG claim is being made. This is not widely used now but will enable governments to use a wider variety of schemes to incentivize financing of REDD+ programs without reducing integrity.
38		Criteria 4.5, Initial and full, B		TREES requires ownership to be defined and supporting evidence to be provided for all ERRs claimed. ART does not require a legal attestation however.	We recommend maintaining the requirement in A that requires documentation and evidence of ownership. If this requirement is met, a legal attestation does not add additional value.
39		Criteria 6.1, Initial, A		Both ACR and ART require many of these items to be publicly available through the associated Registry. However, neither ACR or ART will require all this information to be publicly available. The quantity of evidence and data listed here is tremendous (especially at a national scale). It appears designed to ensure that any individual to be able to replicate the VVB process. If the integrity of the VVB process is ensured through the above requirements, it is not necessary for outside individuals to attempt to replicate the review. Outside individuals would not meet the competency requirements ACR and ART place on VVBs nor be subject to the training and oversight ACR and ART provide. Therefore, they should not conduct their own reviews and the detailed data is not required.	We recommend revising the requirement to reflect key program documentation rather than all supporting evidence.

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40		Criteria 6.1, Initial, B		This requirement is unclear. What is an "associated risks benefit sharing arrangement" and what is "informed public endorsement"? ACR and ART will continue to allow some of these documents to be deemed commercially sensitive information. For example: 1) Benefit sharing arrangements may be deemed confidential in case such as agreements with project developers who do not wish the terms they negotiated to be public knowledge as the arrangement is part of the proprietary business model (Noting that confidential information must be available to the VVBs) 2)If a grievance was resolved through the judicial system and the outcome is confidential for whatever reason, ART is unable and unwilling to attempt to force disclosure of the resolution. We do not feel that allowing the confidentiality when appropriate undermines the credibility of the credits.	We recommend clarifying the intent of this requirement to allow suggestions to be made for alternative approaches and for an evaluation of the appropriateness of all these requirements to be made. Legitimate scenarios exist where information should be confidential.

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41		Criteria 6.1, Full, C		1) ACR and ART require basic information to be publicly available. It is unclear what the extent of this requirement entails. For a national program, there may be dozens of workbooks leading up to the final calculations. We do not feel it is necessary for every underlying data point to be publicly accessible. If a buyer wishes to request it, they may do so from the ART Participant. 2) This requirement is unclear. Guidelines for whom to respond to missing documentation inquiries and what is meant by missing documentation? 3) ACR and TREES include this requirement. 4) ACR andART do not feel it is the purview of the offset market to assess whether the mitigation is compatible with net-zero by midcentury. This is both outside of the scope of Registries and nearly impossible to truly assess. We recommend Option 1b which eliminates all the requirements regarding revenues received and how the money is spent. Registries are not involved in transactions, and they should not be to avoid any conflicts of interest. Therefore, requiring this data to be reported and/or defining how the revenues can be used is not within the scope of the Standards.	We recommend clarifying the requirements as discussed in the comment, evaluating whether the requirement is appropriate and necessary, and selecting option 1b which eliminates all the requirements regarding revenues received and how the money is spent.
42		Criteria 7.1, Initial and full, C		We do not specify methodologies for doing this type of assessment.	We recommend clarifying that the requirement is for GHG crediting programs to allow flexibility of approaches rather than to dictate methodologies.

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43		Criterion 7.2 Initial and Full Threshold A-I		For ACR, national and local laws and regulations, including for labor, are required. All these items fall outside the Cancun Safeguards and as such are not covered by the TREES requirements explicitly.	Environmental and social safeguards should be included in all crediting frameworks; however, the implementation will depend on geography and sector. As proposed by ICVCM the safeguards are excessive and impractical, too prescriptive to be broadly applied, VVBs are not currently accredited for these scopes (and it may be beyond current competencies), and thus this is an over-reach for the CCPs and AF. We suggest a more generic framework that includes assurances that applicable environmental and social safeguards have been addressed. ESG safeguards for jurisdictional REDD+ should be based on the Cancún Safeguards and their operationalization including building on current reporting to the UNFCCC. Requirements that go beyond this are inappropriate. Furthermore, for projects and JREDD, SDG monitoring and IFC safeguard conformance should be considered as optional attributes rather than as mandatory. This will provide a pathway for inclusion and market differentiation and allow programs to implement on a timeframe that is achievable.
44		Criterion 7.3 Initial and Full Threshold A-B		For ACR, national and local laws and regulations, including for labor, are required. All these items fall outside the Cancun Safeguards and as such are not covered by the TREES requirements explicitly. They may be addressed by the environmental laws of the country, but TREES does not require this specifically.	Same as row 43
45		Criterion 7.4 Initial and Full Threshold A		ACR requires evidence of no relocation or resettlement (voluntary or involuntary). TREES does not explicitly address economic vs physical relocation but does require "no involuntary relocations without FPIC." TREES does not detail legal protection or compensation requirements.	Same as row 43.

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46		Criterion 7.5 Initial and Full Threshold B-C		TREES does not explicitly state this, but it is reasonable to assume it is part of "THEME 5.2 Protect natural forests and other natural ecosystems, biological diversity, and ecosystem services."	Same as row 43.
47		Criterion 7.6		Many of these state that a "procedure" must be defined by the carbon crediting program. ART will not define a single procedure that must be used by all jurisdictions for all IPLC.	The procedures developed should be designed in conjunction with the IPLCs and specific to each jurisdiction to respect the decision-making structures and processes of each IPLC community.
48		Criterion 7.6 Initial and Full Threshold A		ACR's requirements are stated, but less prescriptive. TREES does not define when FPIC must occur but does require the "Theme 4.2: Outcome indicator: Design, implementation, and periodic assessments of REDD+ actions were, where relevant, undertaken with the participation of indigenous peoples and/or local communities, or equivalent, including if applicable through FPIC..." TREES does not define a procedure for this however.	FPIC is usually defined as appropriate based on the nature and impact of the activities, not based on who the project or program proponent is. We recommend FPIC rather than consultation be used when appropriate in line with best practices (as defined by UNDP and other similar organizations) across all proponents and in line with the legal framework of the country where the activity occurs.
49		Criterion 7.6 Initial and Full Threshold B		ACR's requirements are stated, but less prescriptive. TREES requires "THEME 4.2. Promote adequate participatory procedures for the meaningful participation of indigenous peoples and local communities, or equivalent." with reference specifically to the need to work with the respective decision-making structures and processes. TREES does not define a procedure for doing so nor specifically define inclusive or culturally appropriate.	The procedures developed should be designed in conjunction with the IPLCs and specific to each jurisdiction to respect the decision-making structures and processes of each IPLC community.

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50		Criterion 7.6 Initial and Full Threshold C		This requirement is unclear. Negative social or environmental impacts? This would be addressed through THEME 2.3 Respect, protect, and fulfill land tenure rights, THEME 4.2. Promote adequate participatory procedures for the meaningful participation of indigenous peoples and local communities, or equivalent, THEME 3.3 Respect, protect, and fulfill rights of indigenous peoples and/or local communities, or equivalent and THEME 5.3 Enhancement of social and environmental benefits.	Same as row 43.
51		Criterion 7.6 Initial and Full Threshold D		TREES does not define when FPIC must occur but does require the "Theme 4.2: Outcome indicator: Design, implementation, and periodic assessments of REDD+ actions were, where relevant, undertaken with the participation of indigenous peoples and/or local communities, or equivalent, including if applicable through FPIC..."	Same as row 43.
52		Criterion 7.6 Initial and Full Threshold E		TREES does not require conformance with UN DRIP or ILO 169 unless the Participant or the Participant's host country have ratified the agreements or otherwise committed to adhering to the requirements. A carbon standard does not have the sovereignty to require a government to adhere to international laws it has not otherwise agreed to.	Same as row 43.
53		Criterion 7.6 Initial and Full Threshold F		TREES does not explicitly address uncontacted Indigenous groups. However, THEME 3.1 Identify indigenous peoples and local communities, or equivalent and THEME 3.3 Respect, protect, and fulfill rights of indigenous peoples and/or local communities, or equivalent could reasonably be expected to lead to the identification of areas where uncontacted communities live and respecting their rights to remain uncontacted.	Same as row 43.

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54		Criterion 7.6 Initial and Full Threshold H		TREES does not have specific provisions regarding UNESCO Cultural Heritage conventions but THEME 3.3 Respect, protect, and fulfill rights of indigenous peoples and/or local communities, or equivalent would likely cover cultural heritage as well.	Same as row 43.
55		Criterion 7.6 Initial and Full Threshold I		TREES does not explicitly require this although it is discussed in the guidance.	Same as row 43.
56		Criterion 7.7		Many of these state that a "procedure" must be defined by the carbon crediting program. ART will not define a single procedure that must be used by all jurisdictions for all IPLC. The procedures developed should be designed in conjunction with the IPLCs and specific to each jurisdiction to respect the decision-making structures and processes of each IPLC community.	Same as row 43.
57		Criteria 7.7, Initial and full, A		This is not specified in the Cancun Safeguards, so TREES does not explicitly have this requirement.	Same as row 43.
58		Criteria 7.7, Initial and full, B		THEME 3.3 requires Participants to "Respect, protect, and fulfill rights of indigenous peoples and/or local communities, or equivalent.". TREES requires this to be done in line with universal instruments ratified by the host country but does not specify the International Bill of Rights or use the phrase "core human rights". TREES does not define a procedure for this however.	Same as row 43.
59		Criteria 7.7, Initial and full, C		TREES has numerous themes regarding consultations, access to information, and respecting traditional knowledge. Evidence is required to complete validation and verification. We do not define a procedure to do this however and as such, it is unclear whether these provisions meet the entirety of this requirement.	Same as row 43.

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60		Criteria 7.7, Initial and full, D-E		This is not specified in the Cancun Safeguards, so TREES does not explicitly have this requirement.	Same as row 43.
61		Criteria 7.7, Initial and full, F		TREES requires that "Participants have in place procedures for guaranteeing nondiscriminatory and non-cost prohibitive access to dispute resolution mechanisms at all relevant levels". TREES does not define the procedure that must be used however and does not specify a timeline for resolution as that depends entirely on the nature of the dispute and the resolution process in place.	Same as row 43.
62		Criteria 7.8, Initial and full, A-F		This is not specified in the Cancun Safeguards, so TREES does not explicitly have this requirement. Our Safeguards Guidance Document discusses how gender is a cross cutting issue that should be addressed in each theme however.	Same as row 43.
63		Criteria 7.10, Initial, A-E Full F-H		This is not specified in the Cancun Safeguards, so TREES does not have this requirement. TREES does require Participants to discuss how the REDD+ activities have contributed to sustainable development but does not require this type of detail. Expert review and public consultation would be needed to evaluate whether these requirements are possible or appropriate for a jurisdictional program.	Same as row 43.
96		Criteria 7.11, Initial and second threshold, A		TREES includes themes requiring the full and effective participation of all stakeholders and IPLCs as well as themes regarding access to information and access to justice which support the participation. It is unclear whether these will fulfill the requirement however as no theme specifically defines the responsibility for benefit sharing arrangements.	Same as row 43.

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97		Criteria 7.11, Initial and second threshold, B		Carbon crediting programs must recognize the differences in legal frameworks in different jurisdictions and the variable nature of benefit sharing arrangements (for example: a benefit sharing agreement with an organization that owns the carbon rights and is transferring them will inherently be different than a benefit sharing agreement with an organization that is receiving benefits in return for implementing activities). As such, it is not appropriate for a crediting program to define a single set of requirements for benefit sharing arrangements.	Same as row 43.
98		Criteria 7.11, Initial and second threshold D		There may be instances in which stakeholders such as project developers wish the content of the benefit sharing arrangements to be confidential to protect their financial information. ACR and ART would respect this and not require them to make the documents publicly available.	Same as row 43.
99		Criteria 7.11, Initial and second threshold, E		Carbon crediting programs should remain neutral and should not be involved in consultation processes or in distribution of benefit sharing agreements. Proper consultation processes should be evaluated as part of the safeguards and not be a requirement for the carbon crediting program.	We recommend revising the criteria to reflect the role that Standards can and should play in the market.
100		Criteria 7.11, Initial and second threshold F		There may be valid reasons to not have the agreements be public as discussed earlier. In addition, if the local language is not English, why would the agreements need to be translated into English? VVBs are required to have team members that speak local languages as appropriate, so their work does not require the document to be translated.	We recommend revising the requirements to eliminate this unnecessary and potentially burdensome requirement.

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101		Criteria 7.11, Initial and second threshold G		The carbon crediting programs should recognize that plans and agreements must be developed in line with the legal framework of the jurisdiction in which they are developed and in line with the nature of the agreement. Such prescriptive requirements are not appropriate for a jurisdictional carbon crediting program to define as there may be many, widely different models that can be developed.	We recommend revising this requirement to reflect the difference in nature between JREDD and projects and to permit benefit sharing agreements for JREDD to be developed in line with the Cancun Safeguards without further requirements.
102		Criteria 7.11, Initial and second threshold H		Carbon crediting programs are not involved in transactions and are unable to define terms for agreements. This is well beyond the remit of the carbon crediting programs and stakeholders should be able to negotiate the terms that they desire.	We recommend eliminating any requirements relating to the secondary market for carbon crediting programs.
103		Criteria 7.11, Initial and second threshold I		TREES requires VVBs to confirm that all safeguards are met including anti-corruption indicators. It is unclear if this is a "performance system".	We recommend revising this to clarify that full implementation of the Cancun Safeguards for JREDD meet this requirement due to the anti-corruption themes.

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		8.1		8.1 proposes an IRR approach to assessing the first-tier additionality threshold for ICVCM eligibility - “financial attractiveness”. It is unclear how an IRR threshold approach would be conducted across an entire project category (as well as whether it would even be appropriate), whether from sample data, literature, or expert judgement. In our experience, IRR thresholds are typically proprietary and vary from project to project, and therefore are more relevant to a specific project, rather than applied to an entire project type/category. The financial attractiveness parameters (*I1, I2, I3*) are not adequately defined (what’s the basis of the 1, 0.7, and 0.3 values?) and requiring “no income”, “very poor”, or “relatively poor” financial attractiveness will ultimately disincentivize credible climate action. Embedded assumptions on benchmark IRR and carbon credit pricing further undermine the credibility of this approach. The assessment becomes even more problematic if IRR is required to shift from negative to positive (i.e., “achieve financial attractiveness”) based on carbon finance alone. Carbon finance is often one of several revenue sources that are “stacked” with other management efforts and funding sources needed to fully develop a project. In IFM, for example, carbon finance will never fully compensate for forgone timber revenues. The low uptake of A/R, grassland, and wetland projects is further evidence that carbon projects are not always (and often aren’t) a standalone profitable endeavor, when compared to other potential management strategies. AFOLU projects face inherently large initial investment costs to entering the carbon market, as well as tradeoffs between commodity production and carbon sequestration. Recognizing only mitigation activities with negative or low	We do not agree with the proposed structure for assessing additionality, which would impose new requirements on crediting bodies and on project developers. It is unclear what problem these new requirements are solving, how they were developed, if/how they will add value and if they are even practical in terms of implementation and verifiability. Over two decades of analysis and consideration of additionality testing has resulted in a variety of new approaches to assess additionality that are currently applied across the market. This includes performance standards that are used in combination with legal/regulatory additionality tests, such as employed by ACR (and the California Air Resources Board) as well as requirements for regulatory additionality combined with a barriers test. In our view, these do not need to be replaced, and we therefore recommend that the Expert Panel and ICVCM Board carefully analyze commonly applied approaches to additionality such as performance standards that do NOT include financial assessments or the need to demonstrate intent for carbon revenues. Specifically with regard to financial additionality, the IRR test has multiple challenges including the inability to standardize an approach across sectors, geographies and financing structures; the inability to obtain benchmark IRR in certain sectors (such as forestry); the need to disclose confidential financial information on project returns and internal hurdle rates; the ability to easily game the numbers and the difficulty in verifying the results. Furthermore, we disagree with the sentiment that the investment analysis must show that carbon revenues must specifically raise the financial feasibility above a yet to be defined financial benchmark. The sensitivity analysis even further complicates the approach. Such complexities require significant amounts of research and time to even determine whether a project is eligible, which ultimately could narrow participation to all but the largest carbon offset developers.

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				IRR's will inherently disincentivize entire classes of mitigation activities, many of which are highly scalable.	The barrier analysis and market penetration analysis provide a good alternative to the financial analysis, but we disagree that the market penetration assessment must be combined with one of the other viability assessments rather than stand-alone and disagree with the subjective nature of applying "medium", "high", or "relatively low" assessment categories. Similarly, we agree that positive lists should be justified and periodically updated but disagree they must conform to the criteria for investment analysis. Therefore we suggest that the methodology-by-methodology, sector or project-type phased assessments of additionality and baselines should NOT be conducted by the Expert Panel as proposed in the draft Assessment Framework. This duplication of work will not only create a massive bottleneck in the process, but also intends to supplant the processes that standards already have in place to ensure consultation and expert input to the approved methodologies. The ICVCM Assessment Framework should instead include high-level principles to support objective program-level evaluations of approaches at the program level for assurance of additionality, safeguards, robust quantification and non-permanence. This can also build on the extensive work done by the ICAO TAB to benchmark crediting programs and allow flexibility in appropriate region and sector-based compliance with the criteria (a functional equivalency among different approaches). The development of a negative list of project types that are deemed non-additional / non eligible for the CCP label (grid connected renewables in non-LDC countries, fossil fuel switch etc) could facilitate an on-ramp for eligibility of other crediting types / sectors without the need for a methodology-by-methodology review.

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		8.2		The implementation barriers test is qualitative and subjective. It relies on expert judgement as to whether the project faces “considerable”, “convincingly”, “likely”, or “decisive” barriers to implementation, somehow ultimately requiring a qualitative expert judgement ranking in the form of a percentage (how can a qualitative assessment determine thresholds as to whether an implementation barrier falls above 90% = very high; greater than 67% = medium; or less than 67% = low?). The market is accustomed to quantifying project attributes based on quantitative data (e.g., financial indicators, penetration rates, uncertainty, and others). Broadly subjective and qualitative characterizations of project attributes undermine the validity of this approach.	The barrier analysis and market penetration analysis provide a good alternative to the financial analysis, but we disagree that the market penetration assessment must be combined with one of the other viability assessments rather than stand-alone and disagree with the subjective nature of applying “medium”, “high”, or “relatively low” assessment categories. Similarly, we agree that positive lists should be justified and periodically updated but disagree they must conform to the criteria for investment analysis. Therefore we suggest that the initial tier 1 additionality assessment by the ICVCM be eliminated. The methodology-by-methodology, sector or project-type phased assessments of additionality and baselines should NOT be conducted as proposed in the draft Assessment Framework. This duplication of work will not only create a massive bottleneck in the process, but also intends to supplant the processes that standards already have in place to ensure consultation and expert input to the approved methodologies. The ICVCM Assessment Framework should instead include high-level principles to support objective program-level evaluations of approaches at the program level for assurance of additionality, safeguards, robust quantification and non-permanence. This can also build on the extensive work done by the ICAO TAB to benchmark crediting programs and allow flexibility in appropriate region and sector-based compliance with the criteria (a functional equivalency among different approaches). The development of a negative list of project types that are deemed non-additional / non eligible for the CCP label (grid connected renewables in non-LDC countries, fossil fuel switch etc) could facilitate an on-ramp for eligibility of other crediting types / sectors without the need for a methodology-by-methodology review.

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		8.3		The market penetration test may be a useful for some project activities (perhaps solar), but seemingly less so for AFOLU. For example, while we expect market penetration would be quite low for wetland and grassland mitigation, A/R, and IFM, we are concerned there isn't adequate data available to draw concrete conclusions across entire project types. It is further complicated by a subjective and qualitative assessment of the uncertainty of financial attractiveness parameters.	we suggest that the initial tier 1 additionality assessment by the ICVCM be eliminated. The methodology-by-methodology, sector or project-type phased assessments of additionality and baselines should NOT be conducted as proposed in the draft Assessment Framework. This duplication of work will not only create a massive bottleneck in the process, but also intends to supplant the processes that standards already have in place to ensure consultation and expert input to the approved methodologies. The ICVCM Assessment Framework should instead include high-level principles to support objective program-level evaluations of approaches at the program level for assurance of additionality, safeguards, robust quantification and non-permanence. This can also build on the extensive work done by the ICAO TAB to benchmark crediting programs and allow flexibility in appropriate region and sector-based compliance with the criteria (a functional equivalency among different approaches). The development of a negative list of project types that are deemed non-additional / non eligible for the CCP label (grid connected renewables in non-LDC countries, fossil fuel switch etc) could facilitate an on-ramp for eligibility of other crediting types / sectors without the need for a methodology-by-methodology review.

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		Step 2 general comments		Step 2 assesses additionality based on regulatory surplus, consideration of carbon revenues, and the viability of the mitigation activity (i.e., investment analysis, barrier analysis, market penetration, and positive lists). The section would benefit from a clear statement as to the hierarchy of the assessment (is it program level, **project type**, or **project level**?**)**. ACR rules contain many of these same tests of additionality – which are assessed at the project level. We are generally in agreement that projects should exceed legal requirements. However, we are concerned if the expectation is that evidence of carbon intent must predate project start. ACR PP's typically engage with ACR at listing, and may not be familiar with such a requirement prior to engaging with a registry. A continued fatal flaw in the ICVCM approach is its threshold approach. In the 8.6a investment analysis, carbon revenues must "shift" IRR from negative to positive. In barrier analysis carbon revenues must overcome each identified barrier. Market penetration must surpass a blanket % threshold across all project types. As elaborated below, carbon revenues by themselves (especially at current pricing) often are not fully capable of shifting these circumstances. Rather, they are used as a revenue supplement, or are combined with other revenue streams. Carbon sequestration is a distinct commodity amongst other potential revenue streams and should be considered as such. Our other general comment is similar to step 1. Developing qualitative rankings based on expert judgement only adds subjectivity and confusion to the market.	Eliminate the tiered additionality assessment by the ICVCM. The methodology-by-methodology, sector or project-type phased assessments of additionality and baselines should NOT be conducted as proposed in the draft Assessment Framework. This duplication of work will not only create a massive bottleneck in the process, but also intends to supplant the processes that standards already have in place to ensure consultation and expert input to the approved methodologies. The ICVCM Assessment Framework should instead include high-level principles to support objective program-level evaluations of approaches at the program level for assurance of additionality, safeguards, robust quantification and non-permanence. This can also build on the extensive work done by the ICAO TAB to benchmark crediting programs and allow flexibility in appropriate region and sector-based compliance with the criteria (a functional equivalency among different approaches). The development of a negative list of project types that are deemed non-additional / non eligible for the CCP label (grid connected renewables in non-LDC countries, fossil fuel switch etc) could facilitate an on-ramp for eligibility of other crediting types / sectors without the need for a methodology-by-methodology review.

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		8.4		We are generally in agreement that projects should exceed legal requirements and should be periodically reevaluated. However, requiring an assessment of regulatory surplus prior to registration is problematic, as they inherently have not yet enrolled in our program and we do not review projects prior to listing.	Clarification of requirement.
		8.5		In some, but not all cases, we agree it's reasonable to demonstrate that carbon credits were considered in developing the project – assuming listing submittal, board resolutions, land acquisition date, establishment of carbon inventory, and other reasonable demonstrations would qualify. However, a requirement that the evidence must pre-date the carbon project start date is problematic. ACR project start dates typically COINCIDE with an actionable/measurable activity (examples above; most often listing submittal). We suggest the ICVCM reconsider the requirement to provide evidence of intent PRIOR to the project start date and, where applicable allow listing submittal as acceptable evidence of intent, and that such formal documentation of intent can occur COINCIDENT with project start date. Since project start date coincides with an actionable engagement with the registry, we contend that setting a timeframe between project start date and validation provides similar assurance of additionality as setting a timeframe between "proof of prior consideration" (as set out in the CCP's) and registration of the mitigation activity (please define "registration"). In cases of a performance standard (exceeding a BAU baseline), intent of carbon revenues is not part of the additionality test.	Clarification of requirement.

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		8.6		The ACR 3-prong additionality test addresses the approaches mentioned in 8.6. The majority of ACR AFOLU projects do perform investment analysis at the project level. The analysis typically shows the project/investment represents a lower IRR than baseline alternatives (i.e., logging, forgoing revegetation and mitigation efforts, allowing continued degradation). Carbon revenues at current pricing are most always not sufficient to fully "shift" the activity to being financially attractive. Rather, they recover a portion of the cost associated with managing for climate benefits. Even when carbon revenues are paired with other revenue streams (e.g., habitat, recreation, conservation) they often still present an overall loss in IRR compared to baseline alternatives.	Remove requirement for carbon revenues to fully "shift" financial performance per IRR.
104		Criteria 8.7, Initial, A		See response below.	We recommend the elimination of the financial additionality requirements for JREDD+ as well as the demonstration of impacts of new policies and measures and of advanced consideration of carbon credits. We also recommend that a performance threshold approach for additionality for REDD+ such as currently employed by ART and other major jurisdictional programs be an approved additionality test for jurisdictional REDD+ without other requirements. This approach has been tested through multiple peer review and public consultation processes and was selected as best suited to the scale and nature of activities.

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105		Criteria 8.7, Full, A		TREES requires Participants to share a REDD+ Implementation Plan that outlines new and ongoing activities to achieve emission reductions and removals. It is not clear how "that are explicitly designed and reasonably expected to sufficiently address key drivers of deforestation and degradation at scale" is to be demonstrated or evaluated. No jurisdiction is going to put forth a plan it does not believe will achieve results, so this requirement seems unnecessary and very subjective.	Same as row 104
106		Criteria 8.7, Full, A Option 2		Option 2. It is unlikely that such a calculation could be conducted in a meaningful manner, and it is unclear how such information supports the integrity of the resulting credit.	Same as row 104
107		Criteria 8.8, Initial, B		TREES does not require evidence of carbon credits being considered prior to the crediting period beginning. Jurisdictions have had no market access historically and could not reasonably be expected to have publicly stated that they intended to obtain carbon financing from credits prior to a clear pathway being established.	Same as row 104
108		Criteria 8.8, Full, A		TREES does not require evidence of carbon credits being considered prior to the crediting period beginning. Jurisdictions have had no market access historically and could not reasonably be expected to have publicly stated that they intended to obtain carbon financing from credits prior to a clear pathway being established.	Same as row 104.
109		Criteria 8.8, Full, B		TREES does not include this requirement. It may take a significant amount of time for some jurisdictions to move forward with a program successfully and we do not feel this requirement adds to the integrity of the credits generated.	We recommend that no maximum timeframe be included for JREDD given the potentially long design and implementation timeframes required.

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		9	General comments	It doesn't make sense to have a step to determine the degree of reversal risk. This is something that happens at the crediting program level and should be able to pass the sniff test without an Expert Panel evaluation. For projects with "material" non-permanence risk (all AFOLU), the framework is largely built around either a 100+ year project monitoring and compensation term, or an equivalent crediting adjustment (e.g., 1% credits per year for 100 years). The 100 years is seemingly built around 100 GWP's, which have no relevance to permanence of carbon emissions reductions or removals. The 100-year permanence threshold is not realistically enforceable, does not coincide with the known near-term actions that are needed to combat climate change, and should be removed/revised. The market and climate will not benefit from ICVCM shaming projects that refuse to undertake unachievable and unenforceable project commitments. ICVCM should also remove the option 2 ("XX+ commitment period…with a path…to 100 years"). This is ton-year accounting and is not a commonly employed or accepted practice in the carbon market to date. In fact, ACR has rejected ton year accounting, and Verra recently rejected ton-year accounting as a practice after public consultation and widespread non-consensus on the validity of the approach (see pages 45 – 97 of their public comment responses). ICVCM should focus on ensuring functioning and robust risk mitigation mechanisms that safeguard permanence over clearly stated, realistic, measurable, and (for projects) enforceable timeframes. This is illuded to in option 3 (alternative approaches), which will be important to define in a way that is clear and workable.	Eliminate the initial step to evaluate the degree of reversal risk and instead ensure that programs have appropriate reversal risk mitigation mechanisms in place for any project type that has this risk (less stringent mechanisms for projects with lower risks). Option 3 should be deemed as equally viable as other options and defined as what programs are currently doing: multi-decadal commitments for projects with enforcement for MRV during that period, a robust reversal risk mechanisms including a buffer pool and no buffer pool refunds. The mechanism should ensure reporting and compensating in real time (during the verification cycle). For JREDD, option 3 should be defined as enforcement for MRV and compensation for reversals in real time (during the verification cycle) and retirement of cumulative buffer pool contributions when the Participant leaves the program to compensate for future potential reversals In cases in which reversal reporting and compensation is required immediately (within the verification cycle), and in which the buffer pool is robust (no refunding of credits), the buffer pool may be able to adequately compensate for future reversals many decades past the end of MRV. While being implemented by some project-level crediting programs, differentiation between intentional and unintentional reversals is not appropriate for jurisdictional REDD+. To date, no program has an insured buffer pool and only a few have enforceable legally-binding agreements for long-term MRV, which is likely unattainable in many contexts.

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		9.1		It doesn't make sense to have a step to determine the degree of reversal risk. This is something that happens at the crediting program level and should be able to pass the sniff test without an Expert Panel evaluation. Table 43 alludes that all AFOLU projects have "Material" non-permanence risk if they are subject to natural disturbance…"over a specified time horizon (100 years)". The assessment framework should be clearer that 100 years is an example of a specified time horizon as other time horizons are seemingly considered as minimum MRV and compensation under criterion 9.2a option 2 and alternative approach 3.	Eliminate the initial step to evaluate the degree of reversal risk and instead ensure that programs have appropriate reversal risk mitigation mechanisms in place for any project type that has this risk (less stringent mechanisms for projects with lower risks). Clarify that options are flexible for demonstration of requirements for programmatic elements for meeting multi-decadal reversal risk mitigation measures.
		9.2		Table 44 initial threshold option 1 requires commitment to monitor and compensate for a minimum of 50 years. What is 50 years based upon, and why couldn't this threshold equally be justified as 40, 30, or some other threshold that better aligns with existing carbon market project terms?	Consider alternative options to the 50 year minimum MRV and reversal compensation period for projects such as ACR's 40-year term.
		9.2		Table 44 initial threshold option 2 requires a 25+ year duration, paired with incentives to a path towards full crediting after 100 years (ton-year accounting). Requiring both a 25-year project duration and 1% over 100 years will disincentivize investment in climate mitigation, as the timeframe for recouping initial investment is beyond the acceptable return timeframe for literally any organization. Ton-year accounting is not a commonly applied or accepted approach in the existing carbon market, so it is puzzling and concerning that ICVCM would propose it.	Reconsider the viability of option 2. If ton year accounting is to be allowed, clarify the requirement for MRV and compensation over a multi-decadal timeframe (not naked ton year accounting).

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				Table 44 option 3 (both initial and full thresholds) suggests alternative approaches that may suffice to reach equivalent assurance of permanence. This flexibility is great and necessary. The approach should avoid subjectivity and expert judgement in favor of a systematic assessment framework.	Option 3 should be defined as multi-decadal commitments <u>for projects</u> with enforcement for MRV during that period, a robust reversal risk mechanisms including a buffer pool and no buffer pool refunds. The mechanism should ensure reporting and compensating in real time (during the verification cycle). For JREDD, option 3 should be defined as enforcement for MRV and compensation for reversals in real time (during the verification cycle) and retirement of cumulative buffer pool contributions when the Participant leaves the program to compensate for future potential reversals. Eliminate the mandate for legally binding multidecadal MRV commitments as well as for insurance of the buffer pool.
		9.2 FULL		The requirement for either 100+ year commitment or 50+ year commitment and 1% crediting per year are both highly problematic (for reasons already stated) and don't align with the near-term action we know is relevant to combatting climate change.	Eliminate this (future) requirement.
		9.2 initial and Full		While at the project level ACR does differentiate between avoidable and unavoidable reversals, ART does not. At the jurisdictional scale, a reversal is defined as when the annual emissions exceed the crediting level. It is not possible with any degree of accuracy to discern which exact event over the course of a year across an entire jurisdiction caused the exceedance. Requiring insurance for the buffer pool itself seems redundant, given the subsequent requirement for a sufficiently charged buffer pool. There are no insurance mechanisms currently being offered / used.	Eliminate the requirement for distinction between avoidable and unavoidable reversals for jurisdictional REDD. Clarify that legally-binding agreements are preferred, but not required since this may not be possible in many instances. Eliminate the requirement for an insured buffer pool.

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		9.3		Temporary crediting (issuing, retiring, and re-compensating credits over time) is not employed by any crediting standard currently in the market. It is questionable to deem such an approach acceptable given the approach was employed in the CDM and found to be ineffective at delivering climate results. Term lengths of 5 – 30 years, followed by administrative burdens of retirement and replacement of credits are not of interest to buyers (or sellers) and an operational challenge to crediting bodies.	Eliminate the option for temporary crediting.
114		9.4 Initial and Full		Both ACR and ART have in normative program documents plans for Winrock's administration of the program over time, including upon the dissolution of ART. We agree institutional stability is important to oversee long-term commitments, however, a plan for institutional stability is only as valuable as it's enforcement mechanism. The likelihood that an organization will exist for 100 years is extremely low (this coincides with only a few of the largest corporations in the U.S.). The ICVCM should be realistic in setting project terms, as legally binding agreements are only valuable if they are enforceable. Programs with 100+ year minimum project terms cannot with any certainty guarantee their existence for 100 years. We firmly suggest minimum project term should coincide with reasonably achievable institutional sustainability.	Align the minimum project term MRV and reversal compensation requirements (as applicable) with a reasonable timeframe for achievable institutional sustainability. Incorporate the full threshold requirement as the initial threshold since ICAO approved programs include this requirement.

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115		10	General	Similar to other sections, the Robust Quantification section does not follow a systematic, replicable, and transparent assessment framework. Most of the assessments are left to “expert judgement” of the ICVCM review panel, such that crediting programs cannot begin to assess their conformance against the assessment framework with any degree of certainty. Also similar to other sections, more detail and care needs to be taken to consistently prescribe the hierarchy at which the assessment is performed (program-level vs. project type vs. project level). The text emphasizes conservatism in all aspects of accounting. Care should be taken to balance conservatism and accuracy, and not unnecessarily penalize and disincentivize climate friendly practices.	Revise the approach as a process/program-based assessment which does not include expert judgement. For example, ICVCM would consider whether crediting programs have processes and systems in place to account for uncertainty (as applicable), to ensure that baselines are developed using credible and scientifically justified assumptions and models, and to assure that methodologies follow published processes such as the inclusion of public comment and/or peer-review by experts in the field. Assessments should be made based on clear and objective criteria rather than assessing based on degree of acceptable uncertainty or conservatism. Removing expert judgement would also allow programs to evaluate their conformance to ICVCM criteria with reasonable certainty, which is not possible as is.

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116		10.1 Step 1		Step 1 involves systematic assessment of “aspects” of carbon credit types (i.e., boundary of mitigation activity, determination/quantification of baseline emissions, quantification of emissions from the mitigation activity, etc). Within each aspect, “key elements” are to be systematically assessed for uncertainty, robustness, and conservativeness. Each “element” is assessed according to fraction of mitigation activities affected, degree of over- or underestimation, and variability among mitigation activities. The outcome is presented as Table 48. The complicated hierarchy of the assessment process makes it difficult to evaluate. And, once again, the evaluations rely on expert judgement to assign categorical rankings (i.e., high, medium, low). A systematic assessment of quantification approaches, by methodology, is a very large endeavor. The scope differs from other CCP assessments (such as additionality) that occur by project *type*, or at the program level. It will require ongoing assessment as new methodologies are created and methodologies updated on a regular basis. We suggest if assessment of quantification is performed, it is done at the program-level only. An assessment is inherently NOT systematic if left entirely to expert judgement, therefore objective assessment criteria should be developed.	We strongly recommend ELIMINATING the Expert Panel systematic assessment of quantification approaches by methodology, which is highly subjective, questions the processes of the crediting bodies and will introduce great market uncertainty. Instead of the two-phased approach, we recommend the ICVCM assess the processes and systems that crediting bodies have in place to account for uncertainty (as applicable), to ensure that baselines are developed using credible and scientifically justified assumptions and models, and to assure that methodologies follow published processes such as the inclusion of public comment and/or peer-review by experts in the field. Assessments should be made based on clear and objective criteria rather than assessing based on degree of acceptable uncertainty or conservatism.

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117		10.2 initial and full		Criterion 10.2 and 10.3 assessments are not well defined and heavily left up to expert judgement. The evaluation of uncertainty and conservatism is subjective, and inherently assumes the ICVCM assessment panel are “experts” in baseline setting across all project types and all aspects of carbon quantification. This is not realistic given the myriad of types of carbon projects and the methods available for developing and quantifying a baseline. In terms of assessing NDC’s, the mandate of the GHG program is to develop approaches to ascertain the impact on the atmosphere of the activities conducted across the geography registered. It is not appropriate nor feasible for the GHG Programs to assess a country's NDCs across all sectors and make judgements on whether they will achieve the stated goals.	See recommendation above (row 116) Eliminate the requirement for carbon crediting bodies to assess a country’s NDC commitments and judge whether they will be successful in meeting the goals. This is unrelated to whether the mission reduction or removals being credited is high integrity.
118		10.2 step 2m initial, B and Full B		TREES uncertainty deductions are based on a program wide tolerance of 66% probability that the credits are not overreported. It is unlikely that ART would approve a higher threshold as the deductions would be punitive at that time. ART may consider a higher threshold once degradation uncertainties are lower as requiring degradation to be included causes overall uncertainties to be significantly higher.	Restate the uncertainty requirement to clarify that, for jurisdictional REDD, a sliding scale deduction approach can be used such that a higher overall uncertainty results in a higher associated deduction.
119		Criteria 10.4, Step A,B		No current method exists for quantifying international leakage and it is not included in any current GHG program of any scale. Additionally, conservative defaults should be permitted for leakage deductions.	Remove requirement to account for international leakage until such time as better means of quantify the value are obtainable.
120		Criteria 11.1, Initial and Full A-D		Neither ACR or ART TREES credits activities that are incompatible with net-zero emissions. However, it is unclear how these would be evaluated or verified and how far up and down stream would need to be considered (i.e., a full life cycle assessment for all activities and components?). It seems beyond the mandate of the program to evaluate this aspect activities.	We recommend removing this requirement as it is outside the mandate of carbon crediting programs.

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121		Criteria 12.2 A-D		Neither ACR or ART TREES includes SDG net positive impact monitoring.	We recommend this be an optional practice once methodologies to do so and verify the claims are developed.
122		Criteria 12.3, A-C		ACR and ART recommend that attributes labeled in the Registries be limited to quantification approach, corresponding adjustments and perhaps a general box where other items can be noted. There are an endless number of possible attributes that may be of interest to the market and requiring each to be similarly defined and labeled across all programs is impossible.	We recommend inclusion of labels for quantification approach, corresponding adjustments and perhaps a general box where other items can be noted.
123		Criteria 13.1, Option 1, and option 2		Contribution / levy to a Share of Proceeds (SoP) for Adaptation Finance	We recommend this be optional.
124		Criteria 13.2, Option 1, and option 2		Contribution / levy to Overall Mitigation in Global Emissions (OMGE) consistent with CMA	We recommend this be optional.
125		Criteria 13.3, Option 1, and option 2		Addressing double claiming of mitigation outcomes with host country NDC (require host country authorization for VCM transfers)	We recommend this be optional.