

October 29, 2018

Honorable Members of the California Air Resources Board  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95812

**Re: Comments on the California Tropical Forest Standard: Criteria for Assessing Jurisdictional-Scale Programs that Reduce Emissions from Tropical Deforestation**

Dear Chair Nichols and Members of the Board:

The Nature Conservancy (TNC) appreciates the opportunity to submit comments to the California Air Resources Board (CARB) on the draft California Tropical Forest Standard: Criteria for Assessing Jurisdictional-Scale Programs that Reduce Emissions from Tropical Deforestation (hereinafter the “Standard”). We have also submitted a group letter to support the Standard and the work CARB has undertaken to develop it, as well as strong encouragement for CARB to move forward on this path. TNC has over 20 years’ experience designing and implementing forest carbon projects and policy domestically and internationally, and offers the following comments and recommendations in support of this Standard.

The recently released IPCC report, *Global Warming of 1.5 °C*<sup>1</sup>, is a sobering reminder that we’re still not on track to meet the goals outlined in the Paris Agreement, which California is committed to achieving. In order to keep global warming well below 2 degrees Celsius and to strive for no more than 1.5 degrees, more aggressive action is needed. This global problem needs a global solution and in addition to making deep cuts to global emissions, we need to increase efforts to remove carbon from the atmosphere. Recent research by The Nature Conservancy and others demonstrates that nature-based solutions can provide up to 37 percent of the emission reductions needed by 2030 to keep global temperature increases under 2 degrees celsius-30 percent more than previously estimated.<sup>2</sup> Not only do tropical forests have the potential to be a significant carbon sink, but many local and indigenous communities rely on these forests for their traditional way of life, livelihood, and wellbeing.

Overall, TNC strongly supports Board endorsement of the California Tropical Forest Standard. We believe it sets a high bar for environmental integrity, social and environmental safeguards, transparency, and participatory processes to engage local communities in efforts to reduce emissions from global forest degradation and deforestation. We also wish to emphasize that this standard has broad utility as a tropical forest sustainability standard that could support a variety of climate programs, including those addressing supply chain sustainability and low carbon fuels, in addition to carbon markets.

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<sup>1</sup> Global Warming of 1.5 °C, an IPCC special report on the impacts of global warming of 1.5 °C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty.

<http://www.ipcc.ch/report/sr15/>

<sup>2</sup> Natural climate solutions Proceedings of the National Academy of Sciences, Vol. 114, No. 44. (31 October 2017), pp. 11645-11650, doi:10.1073/pnas.1710465114 by Bronson W. Griscom, Justin Adams, Peter W. Ellis, et al.

Recognizing that Board endorsement of this standard is not a regulatory action, we provide the following suggestions for consideration if a regulatory rulemaking process occurs in the future:

- Definitions:
  - Provide clarification to certain definitions, such as “transparent”, “high quality”, and “high degree of accuracy”.
- Monitoring and reporting (page 16):
  - Reference the IPCC Tier 3 methodology for MRV as a minimum for the standard.
  - Clarify how the percent credit deduction is calculated from the quantitative uncertainty measurement methodology.
  - Ensure methods for monitoring and reporting are the same as those used for the reference level in order to maintain consistency.
  - The standard should refer to specific IPCC methodologies and/or the relevant document/s.
- Reference level (page 12):
  - Consider additional approaches to updating reference levels and crediting baselines to ensure greater consistency and crediting. It would be helpful to avoid instances where a jurisdiction that reduces emissions by a smaller amount could earn more credits than if it had reduced emissions by a larger amount.
  - Any methodology developed for the baseline and monitoring for *either* deforestation or degradation should be grounded in peer-reviewed science.
- Other:
  - We are pleased to see there is explicit ‘no double counting’ language in the standard. The language would benefit from expanding its explicit applicability beyond just NDCs.

We commend CARB for its ongoing leadership to address climate change and recognition of the vital role natural and working lands must play in any climate change solution, both in California and abroad. We urge the Board to endorse this Standard and look forward to working with you to support this effort. Please contact us if you have any questions or seek further clarification.

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The Nature Conservancy