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October 29, 2018

Jason Gray California Air Resources Board 1001 I Street Sacramento, CA 95812

## Conservation International comments on the California Tropical Forest Standard: Criteria for Assessing Jurisdictional-Scale Programs that Reduce Emissions from Tropical Deforestation

Dear Mr Gray,

Conservation International appreciates the opportunity to submit comments to the California Air Resources Board (CARB) in response to the draft California Tropical Forest Standard: Criteria for Assessing Jurisdictional-Scale Programs that Reduce Emissions from Tropical Deforestation hereinafter the "Standard." Conservation International is convinced of the importance of nature-based solutions to tackle climate change and urges CARB to endorse the Standard as an important step towards increasing implementation of these nature-based solutions.

Nature-based climate solutions, the protection, restoration, and sustainable management of forests and land, are proven ways of storing and reducing carbon emissions. Better stewardship of forests, grasslands and wetlands also provides other critical environmental, social and economic benefits. These solutions are available immediately, are scalable and can transform key sectors of the global economy, such as forestry and agriculture. Land use and land use change are responsible for a quarter of global greenhouse gas emissions. Nature-based climate solutions can provide at least a third of the mitigation action needed to keep warming well below 2°C, the target agreed in the Paris Agreement.

Global estimates suggest that only 2% of public climate finance supports activities reducing emissions from agriculture, forestry, and other land use. It is estimated that up to USD 33 billion in investment will be needed to make the step change towards a deforestation-free global economy by 2030; this finance will need to come from public and private sources, including from market measures, such as the California Cap-and-Trade program. All actors--both public and private--must go much further in reducing emissions and increasing sinks from the land sector if the world is to narrow the ambition gap for tackling climate change. And through this Standard, California has an important role to play in leading the way for high integrity and effective forest sector programs.

We recognize that public participation and respect for the rights of forest-dependent and other local communities and other social and environmental safeguards are critical for effective and equitable design and implementation of forest sector programs. To provide assurances that these safeguards have been respected, we strongly support the requirements in the Standard for partner jurisdictions to provide independently verified reports on safeguards using principles and criteria equivalent to REDD+ SES Version 2. REDD+ SES was developed through an inclusive participatory process and provides a comprehensive framework covering best practices on a full range of risks and opportunities of tropical forest sector programs. Experience from use of REDD+ SES in seventeen jurisdictions including in Brazil, Indonesia, Peru, Mexico and Democratic Republic of Congo shows that it has supported transparent,

participatory and comprehensive assessment of safeguards for forest sector programs. Please see attached some reports detailing this experience and see <u>www.redd-standards.org</u> for further information. We commend CARB for its ongoing leadership in addressing climate change and recognition of the vital role reducing deforestation must play in any climate change solution. We urge the Board to endorse this Standard and look forward to working with you in support of this effort.

Sincerely,

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Dawson Hunter U.S. Government Policy Conservation International



## Attachment:

To further strengthen the application of the Standard, we have the following comments:

## Chapter 10 Social and Environmental Safeguards:

- Recognizing that the UNFCCC has adopted decisions requesting developing countries to implement activities reducing deforestation and forest degradation to promote and support a set of safeguards, referred to as the 'Cancun' safeguards, and that countries must establish national systems for providing information on how these safeguards have been addressed and respected throughout the implementation of activities, we recommend the following edits and additions (in red)
  - "In meeting the public participation and participatory management requirement specified in Chapter 3, subparagraphs (c)(1)-(2), the implementing jurisdiction must demonstrate adherence to the Cancun REDD+ Safeguards agreed to under the UNFCCC (Decision 1/CP.16), specifically the following:"
  - "...the implementing jurisdiction's sector plan must include social and environmental safeguards that are consistent with the UNFCCC Cancun Safeguards and the national safeguards information system and must provide narratives as to how these safeguards are met using principles and criteria that are equivalent to those specified in the REDD+SES Version 2 (REDD+SES 2012) and indicators specified in the sector plan..."
- Recognizing that countries implementing activities to reduce deforestation and forest degradation are using various safeguards frameworks to support national clarification of the Cancun safeguards, depending on the different sources of finance for these activities, we recommend that the following policies and frameworks be referenced
  - Reference to additional documentation, such as the Green Climate Fund Indigenous Peoples Policy, the Green Climate Fund Gender Policy, the United National Development Program Social and Environmental Standards, the World Bank's Social and Environmental Framework, and the International Finance Corporations Performance Standards may be used to help in demonstrating that these safeguards requirements are met.

While we recognize the value of linking with jurisdictional programs that reduce tropical deforestation and forest degradation, we encourage CARB to consider inclusion of emission reductions and removals from all of the activities under REDD+ UNFCCC decisions, including forest conservation, sustainable management of forests and enhancement of forest carbon stocks, in future versions of the Standard when they meet CARB's accounting requirements.

Finally, we agree that this standard has strong potential for use in other emissions trading systems in development around the world that are considering including offsets from jurisdictional tropical forest sector programs. We note that for wider use the standard should be amended to apply to national-level programs in addition to subnational programs and should allow for flexibility in the details of the transfer process described in Chapter 16 according to the needs of the system applying the standard.

Attachments providing detailed information on how REDD+ SES has been used to provide detailed reports on safeguards for the forest sector REDD+ program in the State of Acre in Brazil:

- REDD+ Social & Environmental Safeguards Monitoring Manual in the System of Incentives for Environmental Services (August 2013)
- Self-evaluation report of compliance with the social and environmental safeguards in the SISA and ISA Carbon Program of the State of Acre (November 4, 2014)
- REDD+ SES International Review State of Acre, Brazil (November 2015)