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15 April 2021 v4.0

ABOUT VERRA



Verra supports climate action and sustainable development through the development and management of standards, tools and programs that credibly, transparently and robustly assess environmental and social impacts, and drive funding for sustaining and scaling up these benefits. As a mission-driven, non-profit (NGO) organization, Verra works in any arena where we see a need for clear standards, a role for market-driven mechanisms and an opportunity to achieve environmental and social good.

Verra manages a number of global standards frameworks designed to drive finance towards activities that mitigate climate change and promote sustainable development, including the <u>Verified Carbon Standard (VCS) Program</u> and its <u>Jurisdictional and Nested REDD+ framework (NR)</u>, the <u>Verra California Offset Project Registry (OPR)</u>, the <u>Climate, Community & Biodiversity (CCB) Standards</u>, the <u>Sustainable Development Verified Impact Standard (SD VISta) and the Plastic Waste Reduction Program (Plastic Program)</u>. Verra is also developing new standards frameworks, including <u>LandScale</u>, which will promote and measure sustainability outcomes across landscapes. Finally, Verra was a founding member of the <u>Initiative for Climate Action Transparency (ICAT)</u>, which helps countries assess the impacts of their climate actions and supports greater transparency, effectiveness, trust and ambition in climate policies worldwide. Today Verra remains engaged with the ICAT in an advisory role.

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1 INTRODUCTION

REDD+ (reducing emissions from deforestation, forest degradation, carbon stock enhancements, sustainable management of forests, and conservation) can be implemented and accounted for at multiple scales. Jurisdictional REDD+ programs can create enabling conditions and provide the right incentives for on-the-ground forest protection by establishing appropriate policies and regulations. REDD+ projects can reduce deforestation and forest degradation while delivering direct benefits to communities and other local actors through site-specific activities that help address local drivers of deforestation and forest degradation. There is a growing consensus about the need for and value of coordinated multi-level REDD+ interventions, as integrated REDD+ systems can leverage the strengths of both jurisdictional and project-based approaches to address multi-layered and complex forest dynamics.

Verra's Jurisdictional and Nested REDD+ (JNR) Program provides a framework for developing jurisdictional REDD+ programs that integrate (or "nest") projects within a workable, practical, flexible, and robust carbon accounting and crediting platform that represents current best practices. The *JNR Requirements* are aligned, where relevant, with the UNFCCC decisions on REDD+ while supporting national REDD+ frameworks.

The *JNR Requirements* were initially developed by the Jurisdictional and Nested REDD+ Initiative (JNRI), overseen by an advisory committee and technical expert groups, comprising national and subnational government representatives, leading experts in REDD+, and representatives from NGOs and the private sector. These requirements were revised in 2021, after considerable public input and with oversight from the JNR Advisory Group and JNR Stakeholder Group.¹

2 OVERWEW OF SCENARIOS

The JNR Requirements support the evolution of jurisdictional frameworks over time as governments build the capacity to put in place and implement all components of a jurisdictional program. For example, a jurisdictional proponent could first develop and register a jurisdictional forest reference emission level (FREL) for projects and lower-level jurisdictional programs to nest into, which will promote consistent carbon accounting among nested activities, help reduce transaction costs, and promote environmental integrity across the jurisdiction. Subsequently, the jurisdictional proponent could establish a full-fledged jurisdictional program that encompasses crediting across levels, including projects, subnational jurisdictions, and/or national programs.

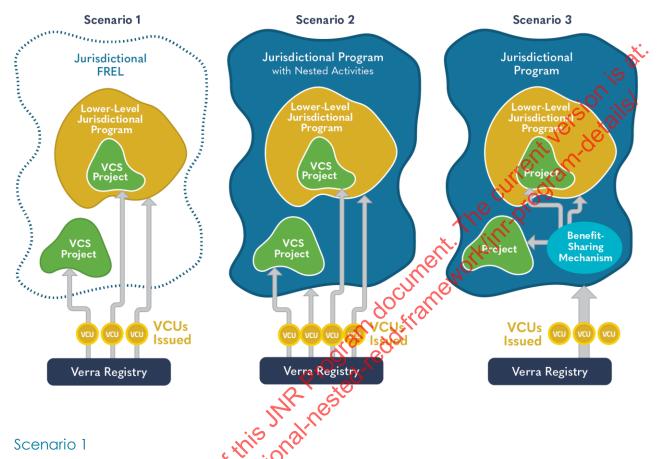
Accordingly, the *JNR Requirements* can be applied to the following carbon accounting and crediting Scenarios, which are shown in Diagram 1 below:

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¹ https://verra.org/about-verra/advisory-groups-committees/



Diagram 1. Overview of Crediting Scenarios



Jurisdictional Forest Reference Emission Level (FREL) with crediting to nested projects and/or jurisdictional programs

Where a higher-level (e.g., national) jurisdictional government decides that it is not ready to register a REDD program with the VCS or that it prefers not to do so, but wants to allow for projects and lower-level (e.g., state, province or municipal) jurisdictional programs to register as nested projects or programs, it can develop and register a FREL covering its jurisdictional territory. In this case, the jurisdictional FREL is developed following the *Jurisdictional and Nested REDD+ Guide* (this document) and the UNR Scenario 1 Requirements. The jurisdictional FREL is allocated to the REDD projects and lower-level jurisdictional programs in this situation are baselines or FRELs, respectively. Projects and lower-level jurisdictional programs in this situation are referred to as "having nested baselines or FRELs", accordingly.

Carbon accounting and crediting occur only for nested projects and lower-level jurisdictional programs since there is no program registered for the higher-level jurisdiction.



Scenario 2

Jurisdictional program with crediting to the jurisdiction and/or nested projects/lower-level jurisdictional programs

Where a jurisdictional government wants to ensure key elements of the UNFCCC² are in place, and to account for the GHG emission reductions generated by the REDD activities it carries out in its territory while also allowing for direct crediting to projects and lower-level jurisdictional programs, it can register a jurisdictional program with nested activities. The jurisdictional program shall follow the *Jurisdictional and Nested REDD+ Guide (this document) and the JNR Scenario 2 Requirements.* When the jurisdictional program integrates the GHG estimation and accounting of activities within its boundaries, including REDD+ project areas and those of any existing lower-level jurisdictional programs in a consistent manner, projects and lower-level jurisdictional programs are considered "nested."

Scenario 2 jurisdictional programs must include all elements needed for jurisdictional accounting; at a minimum, a jurisdictional strategy or plan to develop REDD+ activities, a jurisdictional FREL, a jurisdictional measuring and reporting system, and a safeguards information system. In this case, both the jurisdictional program and nested REDD projects and/or nested lower level jurisdictional programs undertake carbon accounting and may seek issuance of VCUs. Alternatively, where the jurisdictional proponent has established the basic elements for REDD+ implementation under the UNFCCC3, but the jurisdictional program does not intend to generate or claim carbon credits under JNR, it may decide that only nested projects and/or lower-level jurisdictional programs may be credited (referred to as Scenario 2b).

Scenario 3

Jurisdictional program crediting only

Where a government wants (and has the legal right) to be credited for the GHG emission reductions achieved by the REDD activities carried out within the boundaries of its jurisdiction, it may register a jurisdictional program following the *Jurisdictional and Nested REDD+ Guide* (this document) and the *JNR Scenario 3 Requirements*. In such a case, carbon accounting and crediting occur only to the jurisdictional program, and projects or lower-level jurisdictional programs are not eligible for direct issuance of VCUs. Scenario 3 jurisdictional programs must include, at a minimum, all elements needed for jurisdictional accounting, a jurisdictional strategy or plan to develop REDD+ activities, a jurisdictional measuring and reporting system, a safeguards information system, and a benefit sharing system.

SCENARIO REQUIREMENTS

The JNR Requirements (comprised of this Jurisdictional and Nested REDD+ Guide and the three scenario modules outlined below) is the program document that establish the rules and requirements for all jurisdictional carbon accounting and crediting options. The following scenario modules (see Table

3

 $^{^{2}}$ As described in paragraph 71 of decision 1/CP.16

³ Ibidem



- 1), set out the specific rules and requirements for the development and implementation of the different jurisdictional carbon accounting and crediting options under the VCS JNR Program:
 - 1) JNR Scenario 1 Requirements: jurisdictional forest reference emission levels (FRELs) with crediting to nested projects and/or lower-level jurisdictional programs.
 - 2) JNR Scenario 2 Requirements: jurisdictional programs that include the key elements of the UNFCCC,4 with or without crediting to the higher-level jurisdictional program and/or nested projects/lower-level jurisdictional programs.
 - 3) JNR Scenario 3 Requirements: jurisdictional program crediting only (without nested activities) that include the key elements of the UNFCCC.⁵

 Table 1. Overview of JNR Carbon Accounting and Crediting Options

	Scenario 1	Scenario 2	Scenario 3
	Jurisdictional FREL with project/lower-level program crediting only	Jurisdictional program with jurisdictional and/or project/lower-level program crediting	Jurisdictional program crediting <u>only</u>
Purpose	Jurisdictional proponents develop a FREL for lower-level jurisdictional programs and/or projects to nest into.	Jurisdictional proponents tevelop a higher-level jurisdictional REDD program that includes crediting to nested lower-level jurisdictional programs and/or projects and may include crediting to the higher-level jurisdictional program.	Jurisdictional proponents develop a jurisdictional REDD program that does not include lower-level jurisdictional programs and/or projects.
Crediting	Wested Jurisdictional programs and/or projects	Jurisdictional program (optional) and nested lower-level jurisdictional programs and/or projects	Jurisdictional program only
Document	JNR Scenario 1 Requirements	JNR Scenario 2 Requirements	JNR Scenario 3 Requirements

⁴ Ibidem

⁵ Ibidem



APPENDIX I DOCUMENT HISTORY

Version	Date	Comment
v4.0	15 April 2021	Initial version released under VCS Version 4
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Standards for a Sustainable Future Verified Carbon Standard Jurisdictional Granden August A







Climate, Community & Biodiversity Standards





Plastic Waste Reduction Standard