VERRA'S REDD+ TEAM 18 January 2024

VM0048: REDD Update for Governments



Webinar Objectives

Stakeholders understand:

- Methodology at a high level
- How Verra seeks to collaborate with Governments
- Current stage and next steps



Agenda

- Introduction
- Overview of activity data collection and allocation
- Collaboration opportunities
- Next steps



Verra

Driving large-scale investment toward high-impact activities that tackle the most pressing environmental and social issues of our day













Methodology Development Team

- Methodology/overall support
 - Dr. Tim Pearson (GreenCollar)
 - Kevin Brown (Wildlife Conservation Society)
 - Dr. Sarah Walker (Wildlife Conservation Society)
 - Simon Koenig (Climate Focus)
 - Dr. Till Neeff (independent)
 - Dr. Igino Emmer (Silvestrum)
 - David Shoch (TerraCarbon)
- Risk mapping and modeling and allocation procedures
 - Dr. Lucio Pedroni (Carbon Decisions International)
 - Juan Felipe Villegas (Carbon Decisions International)
 - Prof. Robert Gil Pontius (Clark University)
 - Prof. J. Ronald Eastman (Clark Labs)
 - Dr. Rebecca Dickson (Terra Carbon)

- Verra staff
 - Salvador Sánchez Colón, Manager, REDD+ Technical Innovation
 - Andrew Copenhaver, Manager, Forest Carbon Data Innovation
 - Marie Calmel, Technical Director, Natural Climate Solutions
 - Julie Baroody, Senior Director, Forest Carbon Innovation
 - Naomi Swickard, Senior Director, REDD+ Program Development and Innovation



Consultations

- Ongoing:
 - Key input from Verra's Jurisdictional and Nested REDD Advisory Group
 - One-on-one discussions with governments, project proponents, service providers, and other stakeholders
- Consultation with Governments Nov-December 2023 (COP 28); January 18, 2024
- Formal Developers' discussions: November 2022 January 2023
- Public Consultation: April and May 2022
- Webinar Series: October December 2021



Context

Overview of Verra's REDD Work





Current Method & Motivation for New Approach

Reference regions

 The only approach readily available in the voluntary carbon market for establishing avoiding unplanned deforestation (AUDef) project baselines

Drivers for alternative methods

- Data/technology is at a point to enable new approaches that are workable and credible
- Alignment with government actions & accounting



REDD is Evolving?

- Shorter baseline periods for REDD projects
- Consolidating methodologies

VERRA

VM0048 Methodology Structure





VM0048 Context

Questions

Activity Data Collection and Allocation

Activity Data Collection Risk Mapping and Allocation Roles and Responsibilities

The Jurisdictional Deforestation Dataset

MVD055:

- Projects no longer in charge of collecting baseline deforestation data
- Verra compiles a single high-quality, jurisdictional-level set of deforestation data
- Verra allocates deforestation data to projects, based on local risk of deforestation reduced potential conflict of interest,

consistent carbon accounting across the jurisdiction

Jurisdictional data set



Activity data: Estimated area deforested in the jurisdiction over the 10 yr historical reference period (HRP)



Forest cover benchmark maps: forest/non-forest coverage in the jurisdiction at three time points over the HRP

Deforestation risk model/map: Spatially-explicit assessment of risk of deforestation across the iurisdiction



The Jurisdictional Deforestation Dataset - Requirements

| Dataset | Requirements |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Activity data | No pixel-counting Sample-based, biased-corrected estimation using high-resolution imagery (10m & 30m) Uncertainty estimation, < 20% Discounting factor |
| Forest Cover Benchmark Maps | High spatial resolution (30m or finer) High accuracy: 90% for forest, 70% for deforestation classes |
| Emission factors | Uncertainty estimationDiscounting factor |



April 2023: First Request for Proposals for Development of Jurisdictional Activity Data and Forest Cover Benchmark Maps November 2023: Second Request for Proposals



Crowdsourced Supplemental Data

| Data | Potential Use |
|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Sample plots, spatial stratification, land cover maps, identified exclusions, etc., | Activity data (AD) generation |
| Remote sensing imagery, ancillary spatial data, projects FCBMs, etc., | Forest cover benchmark maps (FCBMs) |
| Maps of potentially arable land/ protection status/accessibility, carbon stock maps. | Maps of available land for activity shifting, EF for outside leakage belt |



May 2023: Call for submission of supplemental materials from stakeholders



Allocation of Jurisdictional Activity Data

- Jurisdictional activity data are allocated to projects in the jurisdiction proportionally to the local risk of deforestation
- VT0007 Unplanned Deforestation Allocation Tool
 - FCBMs are used to model, in a spatially-explicit fashion, the risk of deforestation across the jurisdiction -> Jurisdictional Deforestation Risk Map
 - Portions of the jurisdictional activity data are allocated to projects within the jurisdiction proportionally to the risk of deforestation existing in the project area
- Projects develop local-level estimates of relevant emission factors
- Allocated activity data × estimated emission factors = projects' baselines



VT0007 Unplanned Deforestation Allocation Tool under final testing, release in 2024-Q1

Predicted Deforestation Density (ha/pixel) 2014 - 2020





Accounting Approach of the Consolidated REDD Methodology





Activity Data Collection and Allocation

Questions

Government Engagement

Government engagement options Alignment with other programs

Goals and Objectives

Goal 1: Voluntary carbon market forestry projects complement and strengthen government programs and strategies

- Countries harness the potential of the VCM to meet and enhance their NDCs and national ambition
- This includes increased:
 - government engagement e.g., dissemination of the new methodology and the jurisdiction risk allocation approach
 - assurance that projects follow national regulations
 - harmonization of data
 - coordination with other programs such as FCPF, ISFL, ART, UN-REDD
 - engagement with local stakeholders and updates to safeguards and impact accounting



Goals and Objectives

Goal 2: Forest carbon activities are optimized to leverage the latest science and technology in credible, consistent and transparent ways

- Research collaborations established to provide input to and independent analysis of methodologies and key technical issues.
- Forest Carbon Technology Working Group established to provide clear guidance and boundaries around the incorporation of new technologies, while promoting adoption of those that deliver accurate and cost-effective improvements, including DMRV technology
- This will help enhance governments action on Article 10 of the Paris Agreement to enable innovation for an effective, long-term global response to climate change and promoting sustainable development.



Potential Challenges for the Implementation of the VM048

Challenges:

- Timing
 - $_{\odot}\,$ Short timeframe for shifting to new methodology as required for VCM 2.0 to ensure integrity
 - Verra aims to have allocations ready for nearly all jurisdictions/projects by late 2024/early 2025
- Specification of requirements
 - High accuracy, low uncertainty data necessary for local-level projects aimed at high-integrity VCM
 - $_{\odot}\,$ May not align entirely with existent national data in this first round
- Alignment with FRELs and other programs
 - Small differences in requirements of other programs (ART Trees, ISFL, FCPF...)



Current Opportunities for Collaboration

- Data Sharing:
 - From Gov to Verra Inputs for constructing jurisdictional datasets (forest cover maps, national forest inventory data, activity data estimates, deforestation risk data & maps, emission factor estimates, local allometric equations, etc.
 - From Verra to Gov Jurisdictional datasets shared with governments for potential use to strengthen national reporting.
- Engagement during AD collection and risk mapping process
 - New and ongoing collaboration throughout process, to be defined bilaterally
- Strengthening Technical Capacities
 - $_{\odot}~$ On VCM Structure and operations through Regional Teams
 - $_{\odot}~$ On REDD Projects under the VCS
 - On VM0048 technical requirements (jurisdictional approach, risk-based allocation, nesting, etc.)
 - $_{\odot}\,$ Leveraging data and allocation

Data could be used for other purposes – identifying high threat areas, incentivizing project development, harmonizing data across programs



Harmonizing with Other programs

Projects Implemented in Jurisdictional REDD Programs

- Projects implemented within a registered JNR program are eligible to use this methodology for activities included under that program.

• Projects must be nested according to the JNR requirements

- REDD projects within a non-JNR REDD jurisdictional program should follow the relevant jurisdictional program's requirements and must be registered and monitored under VCS following methodology VM048.
 - Where the project baseline under VM048 is higher than the local government's baseline, project may limit the amount of VCUs it issues to the government amount (required, if relevant in local regulations)
- Verra discussing further with ART, FCPF, ISFL to provide additional guidance



Longer-term Opportunities for Collaboration

• Data harmonization- AD and Risk maps

 \circ National

- $_{\odot}\,$ Other programs (ART, FCPF, ISFL)
- Additional capacity strengthening and
- Potential collaborations
 - In developing/updating of forest datasets (forest cover maps, deforestation stats, deforestation risks, etc.)
 - Forest carbon monitoring
- Strengthening REDD Activities:
 - $_{\odot}\,$ Participation of government in VCM and Article 6 & 10
 - $_{\odot}\,$ Public-private partnerships and financing mechanisms
 - $_{\odot}\,$ Technology innovation for forest carbon monitoring



Government Engagement

Questions

Next Steps

Transition to VM0048 & VMD0055



Status of AD Development and Risk Mapping

AD collection completed/close to completion (Phase 1)

- Acre State, Amapá State, Amazonas State, Pará State, Rondônia State, Brazil
- Mai-Ndombe Province, Democratic Republic of Congo
- Cambodia, Colombia, Kenya, Tanzania

AD collection currently being contracted (Phase 2+)

• All other jurisdictions

Data available to allocate

- Phase 1: mid-2024
- Phase 2+: end 2024/early 2025



Coming soon

- All Verra avoiding unplanned deforestation projects will now use this methodology
 - Firm timeline for adoption
 - $_{\odot}\,$ True-up mechanism
- Alignment of Jurisdictional & Nested REDD+ with VM0048
- Development of Avoiding Planned Deforestation module
- Exploration of viability of forest degradation activities
- Revision to <u>VM0033</u>, <u>Methodology for Tidal Wetland and Seagrass Restoration</u>
- Development of tropical peatlands methodology



Next steps with governments

- Governments willing to participate to identify a key point of contact (or a working group limited to 2-5 people).
- Verra will discuss the national circumstances, any questions with the identified contact(s)
- In depth technical overview of methodology with relevant staff (where desired)
- Verra and the WG/Government to map the process (to agree on the frequency of meetings, participants, data sharing, and outputs of the process).
- In time, maintenance and sharing of data and updates would be addressed.



Key resources







Questions?

forestcarbon@verra.org



THANK YOU

Thank you for your rich contributions to the living world. Questions related to this webinar can be directed to forestcarbon@verra.org

