

ART Board Meeting Minutes

25 June 2020

ART Board members: F. Seymour, D. Zarin, C. Nobre, A. Kalibata, B. Bumpers, A. Nababan

Winrock Participants: J. Kadyszewski, M. Grady, C. Magerkurth, J. Orrego, F. Casarim

Board members reviewed and discussed the ART Secretariat's second quarter implementation and third and fourth quarter 2020 Work Plan including ART's application to ICAO, work with the removals and HFLD committees, and ART stakeholder outreach and engagement targets.

1. ART Board Meeting Minutes April 2020

INFORMATION

The Secretariat presented draft meeting minutes from the April 2020 ART Board Meeting.

DISCUSSION

- Board members commented that the minutes were thorough.

DECISIONS AND ACTION ITEMS

The ART Board approved a motion to approve and adopt the ART Board Minutes from the April 2020 meeting and for the Secretariat to develop redacted minutes from the meeting which will be posted on the website following ART Board Chair review and approval.

ACTION ITEM: The Secretariat will develop redacted April 2019 Board meeting minutes for the ART Board Chair to review and approve prior to posting on the ART website.

2. ART 2020

INFORMATION

1. The Secretariat included a summary of ART implementation during the second quarter of 2020 in the Board Book.
2. The Secretariat presented highlights of activities which included:
 1. Submission of application to ICAO
 2. Country outreach including with UK, Germany
 3. Engagement with UN-REDD

DISCUSSION

1. The Board requested additional detail regarding the status of outreach to potential supply countries such as Colombia, Ecuador and Peru which was provided by the Secretariat.
2. The Board asked questions and offered suggestions regarding:
 - a. Nesting under TREES
 - b. Educating the REDD+ community on the need for jurisdictional and national accounting
 - c. Potential for ART to support FCPF Participants after FCPF sunsets
 - d. ICAO application timeline

DECISIONS AND ACTION ITEMS

ACTION ITEM: The Secretariat will continue to conduct outreach to ART countries / jurisdictions

ACTION ITEM: The Secretariat will meet with potential ART delivery partners and buyers / funders prior to the next Board meeting.

3. Q3 and Q4 2020 Work Plan

INFORMATION

1. The Secretariat presented the work plan for Q3 2020. The plan includes:

ART/TREES

- Respond to questions from ICAO and attend virtual interview in Montreal late August
- Implement ART operations
 - accepting and processing Participant and VVB applications
 - liaising with country Participants and VVBs
- Develop and implement VVB training
- Work with HFLD and Removals Committees
 - Coordinate with World Bank FCPF and GFOI
- Develop ART fee structure options for Board consideration
- Liaise with organizations developing offset quality ratings systems

Stakeholder Outreach

- Continue direct outreach and engagement with interested countries, jurisdictions and potential buyers
- Coordinate with Emergent on “early movers” strategy and engagement
- Propose to FCPF a transition strategy to ART after 2025 FCPF sunset
- Plan and participate in virtual Climate Week events
- Represent ART as a work group participant within all three NCS Alliance WGs, in the IETA NCS working group, in IETA webinar series and in the new initiative to *Mobilize Voluntary Carbon Markets for Climate Action*

2. The Secretariat presented the work plan for Q4 2020. The plan includes:

ART/TREES

- ART submission to ICAO on post-2020 units
- Implement ART operations
 - accepting and processing Participant TREES documentation and VVB applications
 - liaising with Participants and VVBs
- Refine concepts for HFLD and removals for ART Board consideration in 2020
- Update TREES text based on decisions
- Begin planning public consultation and webinars for HFLD and removals approaches

Stakeholder Outreach

- Continue direct outreach and engagement with interested jurisdictions and potential buyers
- Coordinate with Emergent on “early movers” strategy and engagement
- Follow-up with FCPF on a transition strategy to ART after the 2025 FCPF sunset
- Represent ART within relevant working groups, networks and alliances (NCS Alliance, IETA, Voluntary Market)

DISCUSSION

1. The Board discussed and provided input on outreach priorities.
2. The Board asked questions and offered suggestions regarding development of a financial plan for ART to become self-sufficient. The Board also discussed when the right time to develop a projection would be to ensure its credibility.

DECISIONS AND ACTION ITEMS

ACTION ITEM: The Secretariat will identify an appropriate timeline for development and presentation of a long-term financial plan.

ACTION ITEM: The Secretariat will continue to coordinate with UN-REDD and other potential implementation partners.

ACTION ITEM: The Secretariat will include suggested outreach priorities to its outreach plan.

3. ICAO Monitoring Requirements

INFORMATION

The Secretariat presented a proposed resolution for the ART Board's consideration and vote. ICAO requires a binding 20-year monitoring and reversal compensation period for programs or projects supplying credits to CORSIA. The Secretariat does not recommend updating TREES to include this requirement until ART is accepted into CORSIA. However, ICAO would like to see this requirement included in order to approve ART. The proposed Board Resolution resolves this issue by approving the modification as formal Board-approved Guidance to be incorporated into TREES once ART is approved by ICAO.

DISCUSSION

The Board discussed whether this requirement might make sense for all Participants.

DECISIONS AND ACTION ITEMS

The ART Board approved a motion to approve and adopt the proposed resolution with no modifications.

4. Committee Updates

INFORMATION

The Secretariat presented detailed information regarding removals and HFLD committee work to date and the planned Indigenous Peoples study. The information was also included in the Board Book.

DISCUSSION

The Board asked questions regarding the Committees and planned study and offered suggestions of key topics to be considered.

DECISIONS AND ACTION ITEMS

ACTION ITEM: The Secretariat will continue to convene the Removals and HFLD Committees prior to the next Board meeting in October.

ACTION ITEM: The Secretariat will schedule and conduct an ART Board meeting specifically to present the results of the Committee work prior to the October Board meeting.

ACTION ITEM: The Secretariat will provide the results of the Indigenous Peoples study at the next Board meeting and will convene a special Board meeting if needed based on the results of the study.



**RESOLUTION
OF THE BOARD OF DIRECTORS (the “Board”)
OF THE ARCHITECTURE FOR REDD+ TRANSACTIONS (“ART”)**

**Adopted by Consensus Board vote
June 25, 2020**

RECITALS

WHEREAS, on March 23, 2020, the International Civil Aviation Organization (ICAO) issued a call for applications for Emissions Unit Programs to be evaluated to supply emission reduction units to airlines under the Carbon Offsetting Scheme for International Aviation (CORSIA), the global airline offset mechanism; and

WHEREAS, on April 17, 2020 the ART Secretariat submitted its application to ICAO for evaluation by the Technical Advisory Body (TAB); and

WHEREAS, on May 29, 2020, the TAB sent clarification questions to the ART Secretariat as part of the ongoing assessment of the ART application and specifically requested that ART make available the planned updates that will require and facilitate a minimum 20-year monitoring period for jurisdictional programs that wish to be CORSIA-eligible; and

WHEREAS, after careful consideration and discussion, the Board approves the publication of official Guidance to require that ART REDD+ programs that wish to be CORSIA-eligible to monitor, report and verify under TREES for a minimum of four five-year crediting periods (20 years) (the “ICAO Eligibility Guidance”);

NOW, THEREFORE, BE IT

RESOLVED, that the ICAO Eligibility Guidance is hereby authorized and approved;

RESOLVED, FURTHER, that such Guidance constitutes part of the Operative Documents, with which ART Participants are required to comply under the ART Terms of Use Agreement;

RESOLVED, FURTHER, that such Guidance will be formally incorporated into TREES upon ICAO approval of ART to supply emissions units under the CORSIA.