

IETA COMMENTS ON CALIFORNIA AIR RESOURCES BOARD'S UPDATED TROPICAL FOREST STANDARD

The International Emissions Trading Association (IETA) appreciates this opportunity to provide comments on California Air Resources Board (CARB)'s updated Tropical Forest Standard (TFS). The Intergovernmental Panel on Climate Change (IPCCC) recently reported that the world must reach net zero emissions by 2050 to limit warming to under 1.5 degrees Celsius ([IPCC, 2018](#)). Natural climate solutions, particularly forest sequestration, can provide roughly one-third of the abatement required to meet such ambitious climate goals at a cost of less than 10 dollars per ton ([Griscom et al., 2016](#)). IETA therefore supports endorsement of the TFS as it facilitates the type of cost-effective abatement needed to avert climate crisis.

The Board's endorsement of the TFS would advance California's global climate leadership. For example, if the Board endorses the TFS, then regulators overseeing the dozens of emerging cap-and-trade programs around the world and negotiators working on the Carbon Offsetting and Reduction Scheme (CORSA) under the International Civil Aviation Organization (ICAO) or Article 6 of the United Framework Convention on Climate Change (UNFCCC) would seriously consider whether and how to incorporate REDD+ credits into their policies.

IETA understands that use of TFS credits in California's compliance market would require significant additional regulatory actions that are not currently under discussion. Such future regulatory actions would include: (1) adoption, rather than endorsement, of the TFS; and (2) a positive linkage determination. The use of TFS credits, if it occurs, would entail both opportunity and some risk. On the one hand, the use of TFS credits would provide additional cost-effective abatement. On the other hand, the use of TFS credits must occur when there is an assurance of environmentally robust credits. The monitoring, reporting, verification, and registration for REDD+ offset credits should be appropriately stringent and be in line with requirements for domestic forestry projects that currently supply CARB offset credits. We have explained these, and other, issues that require additional work in a future regulatory process, in previous letters.

The importance and value of emissions reductions from tropical forestry can be highlighted via two of the dozens of REDD+ projects, underpinned by strong social safeguards, that have effectively delivered significant climate benefit while supporting local communities and indigenous groups.

1. The Chocó-Darién Conservation Corridor REDD Project in Colombia, started in 2010, was the first certified REDD project on community owned, collectively titled land. It helped establish land tenure and preserve Afro-Caribbean culture while enabling the local communities to carry out long-term land use planning to support their livelihoods and protect the forest.
2. The Makira Natural Park REDD project works with the Madagascar Ministry of Environment, Ecology and Forests and WCS in a threatened protected area to improve community land stewardship and governance and support sustainable livelihoods. Performance payments from carbon credit sales have enabled community members to reduce illegal hunting and logging and achieve their development goals including building new schools and hospitals and improving agricultural productivity.



IETA commends CARB on its impressive work and reiterates support for TFS endorsement. Our members remain committed to supporting the successful innovation of market-based policies that reduce carbon emissions. If you have questions, or further clarification related to this submission, please contact IETA's Managing Director, Katie Sullivan (sullivan@ieta.org).

Sincerely,

A handwritten signature in blue ink, reading 'Dirk Forrister', is positioned to the right of the 'Sincerely,' text.

Dirk Forrister

IETA President and CEO