

JNR VERSION 4: SUMMARY OF UPDATES AND EFFECTIVE DATES

Release Date: April 15th, 2021

This document summarizes the substantive changes made to the existing requirements included in version 3.4 of the *Jurisdictional and Nested REDD+ (JNR) Requirements* and the new requirements that were incorporated into the JNR Program under VCS Version 4. This document is divided into structural changes and requirement updates. The first column makes reference to the Scenario to which the updated requirement is applied to.

A summary of the comments received during the 2021 consultation and rational for updates and modifications to the *JNR Requirements* can be found in the *JNR Version 4 Public Consultation Summary of Comments* document.

All JNR Version 4 documents are effective on the date of release, unless evidence of contracting for validation under JNR v.3.4 prior to 15 April 15 2021 is provided, except for the use of the *Allocation Tool*, which shall be used for nesting under all versions of the JNR Requirements as of 15 April 2021.

Updated and New Requirements

JNR Requirements

| Scenario | Section | Requirement |
|----------|---------|--|
| All | All | The JNR Requirements v3.4 were divided into four separate documents that describe the different phases and crediting pathways of jurisdictional and nested REDD+ (i.e., crediting only to jurisdictional programs and projects nested into a forest reference emission level(FREL), crediting to both jurisdictional programs and nested projects and lower-level jurisdictional programs and crediting only to jurisdictional programs). These are described below. |



| | | Jurisdictional and Nested REDD+ (JNR) Guide: Describes the JNR in general and provides guidance on the various JNR documents and their use. |
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| | | JNR Scenario 1 Requirements: Provides the requirements for developing a jurisdictional FREL (without all components of a jurisdictional program) and the requirements for project and lower-level jurisdictional program nesting into a higher-level jurisdictional FREL. JNR Scenario 2 Requirements: Provides the requirements for developing and monitoring a jurisdictional program with crediting to the jurisdictional program (optional) and/or nested lower-level jurisdictional programs and projects, and the requirements for project and lower-level jurisdictional program nesting into a jurisdictional program. Scenario 3 Requirements: Provides the requirements for developing and monitoring a jurisdictional program with direct crediting to the jurisdiction only. |
| 2 | General Requirements | New. Scenario 2 was divided into 2a and 2b. Under Scenario 2a carbon accounting is conducted at the jurisdictional level and at the nested project and/or lower-level jurisdictional level, and credits may be issued to both the jurisdictional program and nested REDD+ projects and programs (referred to as Scenario 2a). Alternatively, under Scenario 2b, the jurisdictional proponent can established the basic elements for REDD+ implementation under the UNFCCC,¹ but cannot or does not intend to generate or claim carbon credits at the jurisdictional level. Carbon accounting is conducted at the nested project and/or lower-level jurisdictional level and credits may be issued to projects and/or lower-level jurisdictional programs. |
| | | Under Scenario 2b, the requirements set out in the following sections are optional: demonstrating rights to GHG emission reductions generated by the jurisdictional program, implementing a jurisdictional benefit-sharing system, reconciliation of accounting discrepancies between higher and lower levels, non-permanence risk report for the higher-level and contribution to the jurisdictional buffer pool account, and quantification of GHG emission reductions. Monitoring data shall, at minimum, be verified along with the subsequent FREL update, for the purpose of updating the FREL |
| 2 | General Requirements | New. VCS projects and jurisdictional programs may nest into higher-level jurisdictional programs that have not been registered under the JNR framework. In order to be considered as nested, such projects and jurisdictional programs shall comply with all the applicable requirements contained in the JNR Requirements, including those on transitions to nested systems. |
| 2, 3 | Start Date | Updated. The program (under Scenarios 2 or 3) or FREL (under Scenario 1) start date shall not be prior to January $1^{\rm st}$, 2016. |

 $^{^{\}scriptsize 1}$ Paragraph 71 of decisión 1/CP16



| | | In accordance with the adoption of the Paris Agreement under the UNFCCC, Decision 1/CP.21. |
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| 1 | | New. The start date of allocated project baselines and jurisdictional programs shall not be prior to January 1^{st} , 2016 |
| 2, 3 | , 3 Crediting Period | Updated. The program crediting period shall be 10 years twice renewable or 20 years, renewable for a period of 10 years, for a maximum of 30 years of crediting. |
| | | New. Where VCS projects and lower-level jurisdictional programs were registered prior to the registration of the jurisdictional program they are nesting into, the first nested crediting period shall begin on the date when their first allocated baseline (or FREL, respectively) is applied. |
| | | New. Requirements with respect to the renewal of the program crediting period. |
| 1, 2, 3 | Program Area, Location, and Nesting Levels | Removed. Requirements for cases where jurisdiction's geographic areas may contain gaps. The geographic area to be monitored must include the entire forested area of the jurisdiction, although some areas can be excuded where 1) they are determined not to have been impacted by the jurisdictional program's activities (including leakage from those activities) following coarse-scale analysis and 2) Where they have been excluded due to a significant natural disturbance or large-scale infrastructure project. |
| 1, 2 | | Removed. Requirements for projects crossing jurisdictional boundaries. |
| | | Where a nested project straddles a jurisdictional program boundary, the jurisdictional program shall decide how to encompass such projects for nesting. |
| 2, 3 | Authority and Rights to Emission Reductions | New. New language on program authority. Jurisdictional programs can only be registered by jurisdictional proponents that have the legal authority to adopt REDD+ policies and measures at the jurisdictional level. |
| | | Updated. Updated language to the Authority and Rights to Emission Reductions section (previously <i>Program Ownership</i>) to reflect that jurisdictional proponents must demonstrate how jurisdictional rights relate to the rights of non-state stakeholders including indigenous peoples, local communities, private entities and individuals, and how the rights of existing and any future nested projects or programs will be respected. |



| 2, 3 | Participation under other GHG Programs and Other Forms of REDD+ Incentives | Updated. Modified language on participation under other GHG programs and other forms of REDD+ Incentives to reflect Verra´s latest requirements on double counting (see the VCS Standard v4.1 for more information). Jurisdictional programs with the same program boundaries and scope may participate under the VCS Program, another GHG program, or a results-based payment mechanism such as the GCF. In order to maintain environmental integrity, GHG emission reductions that are issued as VCUs cannot be issued as other types of GHG credits or allowances under other GHG programs or emissions trading programs, or as other environmental credits. Adherence to specific criteria (including those related to double counting) set out under Paris Agreement Article 6 rules and procedures, and international Paris-related programs such as CORSIA will be handled via VCU labels, as set out in the VCS Standard v4.1. |
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| 2, 3 | Social and Environmental Safeguards | Updated. Updated language on how jurisdictional programs shall meet updated safeguard requirements. New. Jurisdictional proponents shall put in place an equitable, transparent, and legally binding benefit-sharing system. |
| 1 | | New. Jurisdictional FRELs for nesting shall be developed and documented in a transparent manner and in consultation with relevant stakeholders. Jurisdictional proponents shall develop a mechanism for receiving, screening and addressing concerns submitted by stakeholders. |
| 1, 2, 3 | Eligible Activities | Updated. Modified language on how jurisdictions determine which activities are accounted for within the jurisdictional program. GHG emissions from deforestation shall always be accounted for. It is required to include GHG emissions from forest degradation, where they are above de minimis. Removed. Requirements to quantify carbon stock enhancements and activities carried out on |
| | | wetlands. Leakage to peatland areas still needs to be accounted for. Requirements for carbon stock enhancements (e.g., afforestation/reforestation assisted natural regeneration, and IFM Low-productive to High-productive Forest set out in the VCS Program |
| | | document VCS Methodology Requirements) will be included in a future update to the JNR Requirements. |
| 1, 2, 3 | Scope | <i>Updated</i> . Above-ground biomass and below-ground biomass shall always be included. HWP are always considered <i>de minimis</i> . Soil organic carbon is not included. |



| | | Removed. Requirements to quantify soil carbon in peatlands. Peatlands will be included in a future update. |
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| | | Verra is exploring methodologically robust and credible options to account for GHG emissions from changes in soil-organic carbon. Updates on the inclusion of SOC and other activities and pools are forthcoming. |
| 1, 2, 3 | Forest Reference Emissions Level | <i>Updated</i> . The jurisdictional FREL shall be fixed for a period of 4 to 6 years as defined by the jurisdictional proponent in the jurisdictional program description and shall be updated according to such frequency. |
| | | Removed. Jurisdictional proponents shall, at a minimum, develop two alternative jurisdictional baselines for the current jurisdictional baseline period. |
| | | Updated. The jurisdictional FREL shall be calculated as the historical annual average GHG emissions over a period of 4 to 6 years (ending within two years of the start of the jurisdictional FREL validity period) for GHG emissions from unplanned deforestation and forest degradation (referred to as the "historical reference period"). Longer historical reference periods may be used if the resulting FREL is more conservative than the one that would be obtained by using a 4-, 5-or 6-year period. |
| | | Verra is exploring methodologically robust and credible options to establish jurisdictional FRELs that include increasing GHG emissions where they can be justified by national circumstances (e.g., high forest low deforestation countries and countries with legacy GHG emissions, e.g., from peatland decomposition). |
| | | Verra is exploring methodologically robust and credible options to establish jurisdictional FRELs that include GHG removals (e.g., through afforestation/reforestation and improved forest management). |
| | | New. A FREL shall be equal or lower than the previous jurisdictional FREL. |
| | | New. It is considered good practice to identify planned and unplanned deforestation. |
| | | New. Where GHG emissions from planned deforestation and planned forest degradation are estimated separately from unplanned activities, the jurisdictional FREL shall be calculated based on the observed historical average rate of change per permit type that allows for the |
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| | | deforestation or forest degradation (i.e., not only based on the rate allowed by the type of permit). |
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| | | Updated. Modified requirements to estimate the activity data and emission factors to reflect best practices. |
| | | Removed. Requirement to include carbon decay in the calculation of the FREL GHG emissions. Where GHG emissions occur from above-ground biomass, below-ground biomass, deadwood and litter following the land-use transition, it shall be assumed that all GHG emissions from these carbon pools occur instantaneously. |
| | | Verra will revisit this requirement for cases where wetlands (including peatlands) and soil organic carbon are included in a future update. |
| | | <i>Updated.</i> Modified text on how the jurisdictional FREL shall be consistent, to the extent possible, with the data and methods used to account for forest related GHG emission reductions in the country's existing or emerging UNFCCC GHG inventory. |
| 1, 2 | Allocation Tool and Risk Mapping Tool | New. Nested project baselines and lower-level jurisdictional FRELs shall be estimated by applying the JNR Allocation Tool. |
| | | New. Jurisdictional proponents may use the <u>JNR Risk Mapping Tool</u> as an input to the JNR Allocation Tool or may use a different methodology as long as it complies with the JNR Requirements, and it can be demonstrated that the resulting risk map to be used for allocation is more accurate than the risk map created with the benchmark JNR Risk Mapping Tool. |
| 1, 2 | Transition to a Nested System (previously Grandparenting) | Updated. Modified language from "grandparenting" to "transition to a nested system". |
| | | Updated. Jurisdictional proponents may establish their own transition period requirements, as long as such period is the same length or shorter than the one set out in the JNR Requirements. |
| | | New. Where a project or jurisdictional program is registered after the registration of a jurisdictional FREL (e.g., where a jurisdictional FREL has been registered and a nested project or jurisdictional program is subsequently registered), the project or lower-level jurisdictional program may maintain their allocated baseline or lower-level FREL for the remaining of the |



| | | current FREL validity period and the subsequent FREL validity period, after which they shall adopt a reassessed allocated baseline or lower-level FREL |
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| 2, 3 | Leakage | Removed. Requirements for overlapping leakage belts |
| | | Updated. Modified language and order of requirements. |
| 1, 2, 3 | Uncertainty | Updated. Uncertainty requirements were updated to reflect best practice. Jurisdictional programs shall undertake an analysis of uncertainty in estimating GHG emissions and GHG emission reductions. Before allocating project baselines and lower-level jurisdictional FRELs, the higher-level jurisdictional FREL is required to be conservatively discounted, in order to reduce the risk of overestimation. Nested projects and lower-level jurisdictional programs shall undertake an analysis of uncertainty in estimating GHG emissions. |
| 1 | Monitoring | New. Jurisdictional FREL proponents are encouraged to monitor the activities and carbon pools that were selected in the jurisdictional FREL using the same methods used to set the FREL. |
| 2, 3 | Non-permanence Risk and Natural Disturbances | Updated. Where an event occurs that is likely to qualify as a loss event and VCUs have been previously issued, the jurisdictional proponent that has experienced the potential loss should notify Verra of the loss within 6 months of discovery of the event, and prepare and submit a loss event report to the Verra registry, within 2 years of the date of discovery of the loss event. |

JNR Validation and Verification Process

| Section | Requirement |
|-------------|--|
| Section 4.2 | Updated. Replaced the requirements for a JNR expert panel assessment with requirements for the technical expertise that must be included on the validation/verification body team. |
| Appendix I | New. Added requirements for joint validation and verification under both the VCS JNR Program and REDD+ Social and Environmental Standards (REDD+SES). |



JNR Registration and Issuance Process

| Section | Requirement |
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| Complete document | Updated. Text in the document has been updated to better reflect current requirements. Some sections were moved to the JNR Validation and Verification Process for clarity. |

Representations

| Section | Requirement |
|---------------------|---|
| All representations | Updated. Text in representations has been updated to better reflect current requirements. |