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# **False friends: Why UN REDD+ and Article 6 carbon markets are incompatible**

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## The main UN framework for financing the protection of forests, UN REDD+, is not a carbon market. Some are trying to make it compatible with Article 6 of the Paris Agreement, but this is a futile and risky endeavour.

*This briefing was prepared by Carbon Market Watch, with valuable input from members of the Climate Land Ambition and Rights Alliance (CLARA).*

The UN REDD+ (Reducing emissions from deforestation and forest degradation) framework is a [collection of UN decisions](#) taken over many years which regulate, measure and incentivise forest conservation activities. The term 'REDD+' has, in tandem, been used increasingly to describe similar activities that take place within voluntary carbon markets.

The UN's carbon market framework, Article 6 of the Paris Agreement, is starting to issue its first carbon credits, even though the guidance covering these trades has not yet been finalised. Some countries aim to transform the results-based actions that are generating UN REDD+ results into internationally transferred mitigation outcomes (ITMOs), a form of carbon credit, issued under the Article 6.2 framework. However, the REDD+ framework was never explicitly set up or developed to be a market mechanism, nor is it compatible with one. This makes it problematic to use projects financed under the UN REDD+ framework to offset emissions elsewhere.

In order for a project outcome to qualify as an ITMO, all criteria set out in the guidance<sup>1</sup> on Article 6.2 must be met. These criteria are not the same as those for the REDD+ framework.

Moreover, forest-related activities – whether within the UN REDD+ framework or not – have been repeatedly proven to not always lead to real, additional, and permanent emissions reductions, which make them ill-suited for carbon credits. Many projects do not result in the level of emissions reductions they claim, and sometimes even lead to no additional emissions reductions at all,<sup>2</sup> as the baselines used are often inflated and inaccurate.<sup>3</sup> This is why some voluntary carbon market standards, such as [Gold Standard](#), exclude REDD+ activities entirely.

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<sup>1</sup> Set out in two UN decisions: [2/CMA.3](#) and [6/CMA.4](#)

<sup>2</sup> Such as some [HFLD credits](#)

<sup>3</sup> See this [CMW-commissioned study by Haya et al](#), [this 2017 study by Mertz et al](#) and a [2019 study by Nomura et al](#). See also this [Mongabay article](#) on a case example.

## Credit where it's due

Due to problems related to quantification, additionality, disincentivisation and fairness, carbon credits should never be used to offset emissions. This does not mean that carbon credits should not be purchased, but when they are, they should only be claimed as a financial contribution to climate or environmental action alongside real and substantial emissions reductions.

In addition, credits must always meet stringent quality requirements. These requirements vary somewhat<sup>4</sup> but the basic elements are: reporting and transparency, environmental integrity (through additionality, permanence, preventing double counting, and quantification), and social and environmental safeguarding. The table below outlines how the key elements of REDD+ results and ITMOs perform in this regard. For each element, we describe what the schemes entail and how they compare.

As the table illustrates, the 6.2 requirements are far from sufficient to guarantee environmental integrity but they are stronger than the weak guidance that apply to REDD+ results.<sup>5</sup> The latter do not have the basic provisions in place to even encourage, let alone guarantee, permanence and additionality. As such, they are not translatable to ITMOs. Moreover, REDD+ projects have inherent risks that make them ill-suited for offsetting.

We urge policymakers to be cognisant of these differences, and to prioritise alternative non-market based approaches to finance REDD+ projects. For more information on this topic, please consult the sources listed under 'Further reading' on page 6.

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<sup>4</sup> See, for example, an [Oko-Institut paper](#) on quality of carbon credits, or University of California [Offset Quality Assessment Guidelines](#)

<sup>5</sup> In decisions from the United Nations, the use of the word 'should' versus the word 'shall' has implications. Only 'shall' is legally binding.

## Quality differences and similarities between REDD+ results and ITMOs

Assessment factors	REDD+ result	ITMO	Differences and similarities
<p><b>Robust quantification</b></p> <p><i>The emission reductions or removals are robustly quantified, based on conservative approaches, completeness and scientific methods.</i></p>	<ul style="list-style-type: none"> <li>• There are no set methodologies.</li> <li>• The Forest Reference (Emission) Level, or FR(E)L, is used to quantify results.<sup>A</sup> This is nationally determined, so not specific to any project.</li> </ul>	<ul style="list-style-type: none"> <li>• There are no set methodologies, but quantification has to be in accordance with IPCC guidance.<sup>B</sup></li> <li>• Countries are required to report on how they ensure conservative approaches and address uncertainties in quantification.<sup>C</sup></li> <li>• Chosen methodologies are checked by the UNFCCC, but the review is non-binding and only checks consistency across reporting elements.</li> </ul>	<p><b>While REDD+ results rely on a nationally determined baseline, which is not necessarily conservative or robust for individual activities, ITMOs have to have demonstrated robustness in reporting.</b></p>
<p><b>Additionality</b></p> <p><i>The emission reductions or removals would not have occurred in the absence of the incentive created by carbon credit revenues.</i></p>	<ul style="list-style-type: none"> <li>• No evidence of additionality is required.</li> </ul>	<ul style="list-style-type: none"> <li>• The three defining elements of an ITMO include additionality.</li> <li>• There are no set methods or reporting requirements to assess additionality.</li> </ul>	<p><b>ITMOs have to be additional. REDD+ results do not have additionality requirements.</b></p>
<p><b>Permanence</b></p> <p><i>The GHG emission reductions or removals achieved by the REDD+ activity are stored in a durable way on a climate-relevant timescale.</i></p>	<ul style="list-style-type: none"> <li>• No monitoring of the activity is required after the activity takes place, so there is no permanence guarantee after the REDD+ result is achieved.</li> <li>• Countries 'should' promote and support actions to address risks of reversals.<sup>E</sup></li> </ul>	<ul style="list-style-type: none"> <li>• There are no explicit requirements for monitoring after the issuance of the ITMO.</li> <li>• Countries are required ('shall') to report on provisions to minimise risk of non-permanence in the initial report,<sup>F</sup> as well as in subsequent biennial transparency reports.<sup>G</sup></li> <li>• In the initial report and biennial transparency report, countries also have to include information on how they ensure reversals are addressed in full.<sup>FG</sup></li> </ul>	<p><b>Neither ITMOs nor REDD+ results need to be monitored after the activity is concluded, but ITMOs have stronger requirements to minimise the risk of non-permanence.</b></p>



<p><b>Safeguards</b>  <i>Clear guidance, tools and compliance procedures to ensure activities deliver positive sustainable development outcomes, and do not cause negative social and environmental impact.</i></p>	<ul style="list-style-type: none"> <li>• The Cancun safeguards apply.<sup>H</sup> Countries 'should' promote, among other things, respect for Indigenous Peoples rights, participation of relevant stakeholders, and the sustainable development of forests.</li> <li>• The safeguards do not contain guidance to prevent negative social and environmental impact.</li> </ul>	<ul style="list-style-type: none"> <li>• There are mandatory ('shall') reporting requirements on safeguards to minimise, and where possible, avoid negative environmental, economic and social impacts.<sup>I</sup></li> <li>• There are mandatory ('shall') reporting requirements on consistency with countries' national sustainable development objectives.<sup>J</sup></li> </ul>	<p><b>REDD+ results have more specific safeguards, but these are not legally binding. ITMOs have more generic, but required, safeguards.</b></p>
<p><b>Checking, tracking and transparency</b>  <i>The credits have comprehensive and transparent publicly available information in electronic format. The information is verified by a third party.</i></p>	<ul style="list-style-type: none"> <li>• A technical assessment of the Forest Reference (Emission) Level (FR(E)L) is conducted. A technical analysis of REDD+ results compared to FR(E)L is submitted in the biennial transparency report.<sup>K</sup></li> <li>• A technical expert review is conducted.<sup>L</sup> There are no consequences to findings of inaccuracies or inconsistencies.</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting is mandatory ('shall') across several steps: an initial report, annual information (in AEF on CARP) and regular information (in biennial transparency report).</li> <li>• Some of this reporting is reviewed for consistency. Countries will be notified in case inconsistencies are found.</li> <li>• Consequences for repeated inconsistencies are not determined yet.</li> </ul>	<p><b>Neither REDD+ results nor ITMOs have a strong process in place for third party verification. ITMOs have relatively more comprehensive reporting requirements.</b></p>
<p><b>No double counting</b>  <i>The emission reductions or removals are only issued, registered and claimed once towards an outcome.</i></p>	<ul style="list-style-type: none"> <li>• There are no measures to prevent any form of double counting.</li> <li>• REDD+ results are not claimed towards an outcome, so double claiming is not applicable.</li> </ul>	<ul style="list-style-type: none"> <li>• It is a mandatory requirement in the Paris Agreement to apply robust accounting to ensure the avoidance of double counting for ITMOs.<sup>M</sup></li> <li>• A corresponding adjustment in the GHG inventory of the host country is mandatory ('shall').<sup>N</sup> This prevents double claiming.</li> <li>• However, there are no measures to prevent the emissions reductions or removals from overlapping with other crediting schemes (double issuance/registration).</li> </ul>	<p><b>Only ITMOs have rules against double counting, but neither REDD+ results nor ITMOs have specific measures to prevent double registration or issuance. Double claiming is either not relevant (REDD+ results) or sufficiently addressed (ITMOs).</b></p>

## Table references

- A. [1/CP.16](#), paragraph 71 (b)
- B. [2/CMA.3](#), Annex, paragraph 1(c)
- C. [2/CMA.3](#), Annex, paragraph 18(h)(ii)
- D. [2/CMA.3](#), paragraph 1(a)
- E. [1/CP.16](#), Appendix I, paragraph 2(f)
- F. [2.CMA/3](#), Annex IV, paragraph 18(h)(iii)
- G. [2.CMA/3](#), Annex IV, paragraph 22(b)(iii)
- H. [1/CP.16](#), Appendix I, paragraph 2(a-g)
- I. [6/CMA.4](#), Annex V, paragraph 1 and 4
- J. [2/CMA.3](#), Annex, paragraph 18(i)(iii)
- K. [14/CP.19](#), paragraph 7
- L. [14/CP.19](#), paragraph 14
- M. [Paris Agreement](#), Article 6, paragraph 2
- N. [2/CMA.3](#), Annex, paragraph 6

## Further reading

1. Atmadja, S. S., Duchelle, A. E., De Sy, V., Selviana, V., Komalasari, M., Sills, E. O., & Angelsen, A. [How do REDD+ projects contribute to the goals of the Paris Agreement?](#) Environmental Research Letters, 17(4), 044038, 2022
2. Blanchard, L., Anderegg, B., Haya, B. [Instead of Carbon Offsets, We Need 'Contributions' to Forests.](#) Stanford Social Innovation Review, 2024
3. Carbon Market Watch. [FAQ: Credible climate claims in a post-offsetting world.](#) 2024
4. Fearnehough, H., Skribbe, R., de Grandpré, J., Day, T. & Warnecke, C. [A guide to climate contributions: Taking responsibility for emissions without offsetting.](#) NewClimate Institute, 2023
5. Haya, B. K., Alford-Jones, K., Anderegg, W. R. L., Beymer-Farris, B., Blanchard, L., Bomfim, B., Chin, D., Evans, S., Hogan, M., Holm, J. A., McAfee, K., So, I. S., West, T. A. P., & Withey, L. [Quality assessment of REDD+ carbon credit projects.](#) Berkeley Carbon Trading Project, 2023
6. Streck, C. [Who owns REDD+? Carbon markets, carbon rights and entitlements to REDD+ finance.](#) Forests, 11(9), 959, 2020
7. Young, D. [Beyond Offsets: People and Planet-Centred Responses to the Climate and Biodiversity Crisis,](#) Rainforest Foundation UK, 2024





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