

Overview of the LEAF Coalition Proposal Review Process

Introduction

The LEAF Coalition was launched on April 22nd 2021 by an initial group of governments (US, UK and Norway) and leading companies (Airbnb, Amazon, Bayer, BCG, GSK, McKinsey, Nestle, Salesforce and Unilever) with the aim to mobilize at least \$1 billion in finance to support eligible forest countries and states (“jurisdictions”) in making substantial reductions in their emissions from deforestation.

To achieve this ambitious aim, the LEAF Coalition put out a global call for tropical and subtropical jurisdictions to submit proposals. All national and subnational jurisdictions with tropical and subtropical forests eligible for crediting under the Architecture for REDD+ Transactions – The REDD+ Environmental Excellence Standard¹ ([ART-TREES](#)) – were invited to submit proposals².

In support of this global call, Emergent (the non-profit administrative coordinator of the LEAF Coalition) conducted jurisdictional outreach with over 40 jurisdictions across a 3-month period through to July 2021. The aim of this outreach was to contact relevant jurisdictional authorities (e.g., Ministries of Environment) to raise awareness of the LEAF Coalition and highlight the opportunity to submit a proposal. The first Call for Proposals ended on July 30th, 2021. The second [Call for Proposals](#) window opened on May 13th, 2022, and ended on September 15th, 2022. From the eligible jurisdictions that submitted proposals, LEAF Coalition buyers then go on to express an interest in which jurisdictions they wish to purchase future Emissions Reduction carbon credits (ERs). These expressions of interest are made on an ongoing basis from the list of eligible jurisdictions. As new buyers join the LEAF Coalition, they can make expressions of interest. As co-ordinator of the LEAF Coalition, Emergent ‘allocates’ these expressions of interest to jurisdictions, which are then formalized in non-binding Letters of Intent (LOIs). Negotiations towards an Emissions Reduction Purchase Agreement (ERPA) can then begin with the relevant jurisdictions.

Each LEAF buyer is responsible for making an independent decision on which jurisdiction(s) they express interest in, based on considerations such as available volumes, vintages and transaction pathways.

To help Coalition buyers make these decisions, Emergent co-ordinates a proposal review process. The aim of the review process is to establish which proposals meet the criteria of the CFP and help LEAF buyers understand the programs and systems that jurisdictions have in place to permanently reduce deforestation.

Step-by-step guide to the proposal review process

The proposal review process consists of 3 steps:

Step 1: Initial screening of proposals, validated by an expert Technical Assessment Panel

¹ ART is an independent, voluntary international initiative that seeks to incentivize countries to enhance carbon stocks through forest restoration and forest protection- a process known as REDD+ - by providing access to carbon market financing. ART’s standard for the measurement, monitoring, reporting and verification of reductions and removals from the forest sector, known as TREES, is robust and high integrity. In addition, it designed to be consistent with the Paris Agreement and other UNFCCC COP decisions including the Warsaw Framework for REDD+ and the Cancún Safeguards, enabling transparency, accuracy, completeness, comparability and consistency.

² Requirements include: Subnational jurisdictions must be no more than one level down from national level; Subnational jurisdictions must have a forest accounting area of 2.5 million hectares or more; Subnational jurisdictions must indicate that the national government will provide the participant with a letter from the relevant national entity authorizing the Participant’s application to and participation in ART

To demonstrate a basic level of readiness to meet ART TREES requirements, jurisdictions submitting proposals to the LEAF Coalition should at minimum have in place the following:

- An overall NDC target that includes forests.
- A National Forest Monitoring system that is closely aligned with TREES carbon accounting requirements.
- An existing REDD+ Strategy or Action Plan in place at the national level that can be used to develop the TREES Implementation Plan.
- A Safeguards Information System (SIS) or an analogous system for providing information on addressing and respecting safeguards.
- A Summary of Information (Sol) (for national governments) or report on safeguards at the appropriate scale that is consistent with national reporting to the UNFCCC (for subnational governments).

Where the elements listed above are not currently in place, jurisdictions need to identify any existing gaps and provide a plan for addressing those gaps including a timeline and a description of the financial and technical support that has been secured or is in the process of being secured to address the gaps. Jurisdictions that demonstrate significant gaps in readiness and that do not provide plans for addressing such gaps are not considered as eligible.

In addition, jurisdictions wishing to demonstrate higher levels of readiness are encouraged to prepare a high-level gap assessment of conformance against TREES requirements to complement their proposal submission.

Based on these requirements, the LEAF Coalition developed an initial screening tool to establish which proposals meet the terms of the CFP. All jurisdictions that submit a proposal are screened using this tool and deemed either 'eligible' for a LEAF Coalition transaction, or as having elements of their proposal that require further attention before becoming 'eligible'. The proposals that successfully complete the screening process are posted on the LEAF website and proceed to steps two and three below.

For proposals with elements that require further attention before completing the screening process, Emergent provides feedback on the specific elements at risk of not meeting the ART-TREES standard. For example: *"The expert panel identified non-delivery risks related to the time needed to develop the monitoring systems, crediting level and safeguard systems that would be required to deliver ART-TREES certified emissions reductions in the crediting years 2022-26"*. If issues identified are addressed by a jurisdiction, Emergent would welcome re-engagement.

To independently validate the outcome of this screening, Emergent assembles a Technical Assessment Panel (TAP), consisting of experts with experience in three areas. Each minimum requirement assessment was conducted by at least one TAP expert per subject area. These experts include³:

- **Carbon accounting:** [Juan Chang](#), [Jason Funk](#), [Thelma Krug](#), [Marco van der Linden](#), [Tim Pearson](#), [Marcelo Rocha](#), [Danae Maniantis](#)
- **REDD+ Policy:** [Ken Andrasko](#), [Thomas Legrand](#), [Jaime Severino](#), [Charlotte Streck](#)

³ TAP members are able to opt out of having their name published. All TAP members are indemnified from responsibility of any error or oversight that may have arisen during the review process.

- **Safeguards:** [Daniela Rey Christen](#), [Maria Garcia Espinosa](#), [Sebastien Korwin](#), [Alicia Lopez](#), [Ugo Ribet](#), [Saraswati Rodriguez](#)

Step 2: Detailed qualitative review of proposals, led by the TAP

A detailed qualitative review tool is applied to all 'eligible' jurisdictions to help LEAF buyers understand the programs and systems that jurisdictions have in place to permanently reduce deforestation. The tool was designed by Emergent and the TAP to allow deeper understanding of proposals, the tool is structured into three sections:

- Carbon Accounting
- REDD+ Policy
- Safeguards

The review tool for each jurisdiction is completed by TAP members, in order to independently assess the proposals. The qualitative review of proposals is non-evaluative, so as not to influence LEAF Coalition buyers who each make their own independent decision on which jurisdiction(s) to express interest in purchasing ERs from. An overall 'score' for each proposal is therefore not given. Instead, experts make detailed comments against each indicator, and for each indicator make a judgement on whether it is 'Met', 'Partially met', or 'Not met'.

Step 3: Q&A between buyers and jurisdictions

Emergent co-ordinates a Q&A between LEAF buyers (corporates and sovereigns) and jurisdictions to give buyers the opportunity to ask jurisdictions tailored questions. The Q&A process is conducted both via email and in live calls.