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# REDD+ CREDITS

REDD+ credit type, which are readily and commonly sold and generated under the voluntary carbon market (VCM) segment, can represent a particular case. On the one hand, there is potential to include REDD+ credits under Article 6.2, an option which may be of relevance, in the context of Article 6, especially for nations with abundant forest cover. This presents one of the avenues available for financing projects when countries decide upon which activities should be part of cooperative approaches. On the other hand, given the contentious nature regarding the types of projects and activities and their unique status concerning Article 6, the subsequent section provides deeper insights and special considerations. It sheds light on ongoing international debates and negotiations status, the eligibility of these REDD+ activities, the connections with Article 6.2 and relevant challenges of interest.

## REDD+ activities under Article 6.2

Article 6.2 units are called “ITMOs”. There are no limitations on the types of units that can be traded (including sectors, greenhouse gases, and methodologies), and ITMOs include emissions reductions and removals, regardless of the sector that they come from. As a result, all five REDD+ activities that lead to either emission reductions and/or removals can be eligible, if the requirements under Article 6 guidance are met.

### *Current developments*

A few countries have issued [unilateral authorisations](#) for airlines to support CORSIA compliance. For example, Guyana has allowed the trading of REDD+ results under the ART TREES standard and has secured [the issuance of over 9 million jurisdictional REDD+](#) (J-REDD) carbon credits.

- Similarly, the government of Suriname has authorised ITMOs originating from REDD+ activities, as showcased in their [initial report](#) dating from 2024.
- Honduras is [targeting the sale of 13 Mt of emission reductions](#) by 2035 through Article 6-compliant REDD+ credits and is seeking a price of USD 25 per tonne for its forestry credits.



# PACM (Article 6.4) and REDD+

As per the Article 6.4 [Decision 3/ CMA.3](#), the Paris Agreement Crediting Mechanism (PACM) is set to issue credits for emission reduction and removals.

Under Article 6.4, there are no limitations on the sectors or activities for which methodologies can be submitted or approved. Therefore, activities that generate emission reductions and removals from all sectors (including REDD+) could generate Article 6.4 units (A6.4ERs) as long as the Supervisory Body approves specific methodologies.

## *Conditions for REDD+ activities*

At the Supervisory Body meeting, negotiators introduced additional conditions for REDD+ under Article 6.4. Eligibility is now limited to countries that already have key [REDD+ requirements in place](#), including a national REDD+ Strategy, a Forest Reference Level, REDD+ Safeguards, and a National Forest Monitoring System. These measures aim to strengthen coordination, maintain environmental integrity, and prevent double counting, while still allowing REDD+ to access much-needed finance under Article 6.4.

In practice, meeting these conditions may require countries to establish systems that align private REDD+ projects with national REDD+ frameworks—a process commonly referred to as **nesting**<sup>1</sup>.

## *Article 6.4 and REDD+: Key Developments on Removals*

### **Removals Guidance (October 2024):**

- Removals activities involve actions like afforestation, reforestation, carbon capture, and nature-based solutions (e.g., REDD+).
- The guidance on removals applies to both removal and emission reduction activities with reversal risks. This includes both nature-based and technological removals.
- However, concerns are raised that the guidance may create barriers for nature-based removals under Article 6.4, potentially limiting REDD+ project integration into carbon markets.

### **Permanence Standard**

- In carbon markets, permanence refers to how long emissions reductions or removals remain stored and how risks of reversal (e.g., trees burning or decaying) are addressed. Under Article 6.4 of the Paris Agreement (the Paris Agreement Crediting Mechanism – PACM), permanence is fundamental

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<sup>1</sup> See the Supervisory Body guidance on [Methodologies](#), paragraph, 85 and 87. For REDD+ requirements, see also Decision 1/CP.16, paragraph 71



because credits issued must correspond to durable mitigation outcomes relevant to global climate goals, including REDD+ activities.

- The Methodology Expert Panel (MEP) — a technical advisory body to the Article 6.4 Supervisory Body — [initially proposed a strict permanence and reversal standard](#). This approach was largely built on the Removals Standard adopted earlier, which requires post-crediting monitoring until stored carbon is at negligible risk of reversal or adequately remediated (e.g., via buffer pools).
- When the Supervisory Body met in [October 2025, it modified the MEP's draft permanence rules](#) in a couple of key ways that sparked debate:

#### 1) Defined Monitoring Timeframes Are Weaker

- The Supervisory Body's version introduced limited and variable monitoring durations instead of requiring monitoring until carbon is at negligible risk of reversal.
- The monitoring period will be set in each methodology, rather than being tied directly to a scientifically grounded risk outcome.
- There is no agreed definition of "negligible risk" in the standard.
- Critics say this weakens guarantees of long term storage, making the rules less scientifically rigorous. Proponents argue that indefinite liability could exclude nature based solutions like REDD+ by making project development financially and operationally impossible.

Because of the uncertainty and monitoring burden, there were strong calls from industry and some country groups to *weaken* permanence requirements so that nature-based carbon projects remain viable.

- Groups such as IETA [supported easing permanence rules](#), warning that indefinite obligations would effectively ban nature-based projects from Article 6.4 due to excessive cost and liability.
- Others argued that overly lenient rules could undermine environmental integrity by allowing credits whose carbon benefit might not actually last, especially in land-based sectors vulnerable to fire, drought, or land use change.

The permanence discussion has prompted recognition that:

- Nature-based removals and storage operate on ecological time scales and cannot be treated identically to engineered storage (e.g., CCS).
- A portfolio or flexible approach to permanence — accepting that not all storage will be permanent in the strictest sense — may allow REDD+ and other nature-based approaches to be included while still maintaining integrity at the system level (e.g., buffer, portfolio risk-pool mechanisms).

Going into 2026 and CMA negotiations, the focus is on how to finalise rules that:



- ✓ Ensure environmental integrity for removals and reductions,
- ✓ Keep nature-based removals viable, and
- ✓ Provide feasible permanence obligations for project developers and host countries.

The Supervisory Body and stakeholders continue to consult on developing a Reversal Risk Assessment Tool and permanence parameters that can differentiate between project types and balance scientific rigor with practical feasibility

### **Risk Assessment Tool<sup>2</sup>:**

- A risk assessment tool will be developed by the Supervisory Body to evaluate conditions for removals activities. The tool was discussed during the [MEP11](#) which took place in January 2026.
- New concepts, such as "upper limits of risks", are being explored, but some are considered unscientific and may disproportionately impact REDD+ projects. The final tool will be decided by the Supervisory Body.

### **Post-Crediting Monitoring<sup>3</sup>:**

- Ongoing monitoring of projects is required even after carbon credits are issued, ensuring integrity and addressing reversals. The monitoring period will last until the reversal risk is negligible or covered by a Buffer Pool.
- There are suggestions for shared responsibility and clearer rules for reversal management. Nature-based removals provide co-benefits like biodiversity preservation, water security, and livelihood support.

### **Methodologies for REDD+ Projects:**

- The [guidance on methodologies](#) ensures standardised, transparent procedures for leakage, permanence, and baselines in REDD+ and other Article 6.4 projects.
- A downward adjustment rule applies to baseline calculations, which could lead to dynamic baseline settings. However, removals have distinct baseline-setting rules compared to emissions reductions.

### **Safeguards and Grievance Mechanisms:**

- The [Sustainable Development Tool](#) under Article 6.4 is the first mandatory safeguard assessment, aimed at ensuring social and environmental integrity for all projects, including REDD+.

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<sup>2</sup> See the guidance on removals, paragraph 42.

<sup>3</sup> See the guidance on removals, paragraphs 28-28 and 53-62.



- [Grievance mechanisms](#) have been implemented to address stakeholder concerns, with no fees for filing complaints.
- These safeguards ensure that REDD+ projects adhere to robust environmental and social standards, with equitable benefit-sharing for local communities and Indigenous peoples.

## Unpacking REDD+

With a few exceptions – such as Japan’s Joint Crediting Mechanism (JCM) – REDD+ activities have traditionally not been incorporated into international carbon markets. It must be noted, however, that except from the Clean Development Mechanism (CDM), they have not been fully excluded either. The Warsaw Framework for REDD+, Article 5, and the recent Article 6 decisions have not explicitly endorsed it as a carbon markets mechanism, but they have also not provided detailed provisions for its promotion either. Despite this, REDD+ has been one of the most popular project categories in the Voluntary Carbon Market (VCM) until recently. Against this background, it is worth examining the circumstances under which REDD+ could be promoted in future international carbon markets, particularly under Article 6.

The evolution of REDD+ at the UNFCCC level, as part of multilateral programmes, and in the VCM has primarily classified REDD+ as a result-based payment mechanism or as a transfer-based mechanism<sup>4</sup>. The former category does not imply a transfer of verified emission reductions/removals and has been mainly supported by donor agencies to finance REDD+ readiness activities (e.g., design of a REDD+ strategy, development of forest monitoring mechanisms). In these instances, the emission reduction achieved could be used towards the NDC targets of the host country. On the other hand, transfer-based mechanisms typically involve a transfer of verified emission reductions/removals to a buyer and have the potential to be used towards another NDC, CORSIA or any other voluntary uses. The crediting of transfer-based mechanisms can take place at national/jurisdictional level, at project scale or be part of a nested system<sup>5</sup>. In principle, what holds relevance for Article 6 are the transfer-based mechanisms.

### *Does REDD+ fit under emission avoidance, emission reduction or removals?*

Under the UNFCCC, Paris Agreement and Kyoto Protocol, the only recognised emission-related categories are emission reductions and removals. The category

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<sup>4</sup> Streck, Charlotte; Howard, Andrew; Rajao Raoni (2017): Options for enhancing REDD+ collaboration in the context of Article 6 of the Paris Agreement, <https://climatefocus.com/wp-content/uploads/2022/06/REDDOptionsfinalreport.pdf>

<sup>5</sup> Böttcher, Hannes; Fallasch, Felix; Scheneider, Lambert; Siemons, Anne; Urritia, Cristina; Wolff, Franziska; Atmandja, Stibniati; Martius, Christopher; Thu Thuy, Pham (2023): Potentials for “results-based payments” in the forest sector under the Paris Agreement, [https://www.umweltbundesamt.de/sites/default/files/medien/479/publikationen/cc\\_12-2023\\_potentials\\_for\\_results-based\\_payments\\_in\\_the\\_forest\\_sector\\_under\\_the\\_paris\\_agreement.pdf](https://www.umweltbundesamt.de/sites/default/files/medien/479/publikationen/cc_12-2023_potentials_for_results-based_payments_in_the_forest_sector_under_the_paris_agreement.pdf)



emissions “avoidance” is not explicitly identified. One of the first references to avoidance in the context of the UNFCCC occurred with the Ecuadorian proposal in 2007, aiming to keep 846 million barrels of crude oil in the Yasuní National Park underground. Some authors note that the term “avoidance” was frequently used by REDD+ scholars, who incorporated the terminology into the UNFCCC REDD+ negotiations<sup>6</sup>. However, during COP11, Papua New Guinea and Costa Rica requested replacing “emission avoidance” with the concept of “emissions reductions from deforestation”. This consequently led to the removal of the term “emissions avoidance” from the REDD+ negotiations. Nevertheless, in the course of the Article 6.4 negotiations, the term emission avoidance was brought up again, and its definition and inclusion are still under debate (see below). On a different end, in the VCM, emission avoidance has sometimes been treated as equivalent to emissions reductions, as the latter has typically been defined as the difference between the activity emissions compared to that of the baseline. In some VCM cases, avoidance has been used specifically to refer to REDD+. Furthermore, while most REDD+ VCM methodologies fall under emission reductions, The REDD+ Environmental Excellence Standard (TREES) provided by the Architecture for REDD+ Transactions (ART) also encompasses removals. Along the same line, it is crucial to consider that the “+” of REDD as outlined in the UNFCCC decisions, covers removals as well.

### *Article 6.2 and REDD+*

The COP26 Article 6 Decisions do not contain any explicit reference to REDD+. However, there is a prevailing consensus in the international community that REDD+ can be accommodated under Article 6.2, as parties involved can ultimately decide which activities should be part of cooperative approaches. The most relevant aspects to keep in mind regarding Article 6.2 and REDD+ are as follows:

#### *Eligibility of REDD+ activities:*

The definition of ITMOs under Article 6.2 includes emissions reductions and removals, without explicitly specifying sectors to include or exclude. A commonly held perspective in this context suggests that REDD+, as long as they strictly adhere to all requirements set out in the guidance on cooperative approaches under Article 6.2 or the rules, modalities and procedures for the Article 6.4 mechanism, could be promoted through cooperative approaches<sup>7</sup>. This adherence includes meeting the requirements of, inter alia, additionality, baselines, leakage, permanence, robust accounting, transparency and environmental and social safeguards. It is important to note that the potential for REDD+ crediting is limited to REDD+ as a transfer-based mechanism.

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<sup>6</sup> Kreibich, Nicolás; Arens, Christopher (2022): REDD+ and the Article 6 Rulebook: Will there be crediting of forestry activities under Article 6? [https://www.carbon-mechanisms.de/fileadmin/media/dokumente/Publikationen/Policy\\_Paper/REDDplus\\_Art6.pdf](https://www.carbon-mechanisms.de/fileadmin/media/dokumente/Publikationen/Policy_Paper/REDDplus_Art6.pdf)

<sup>7</sup> The Nature Conservancy (2021): ARTICLE 6 Q&A on what was decided and next steps after COP26, [https://www.nature.org/content/dam/tnc/nature/en/documents/Article\\_6\\_Common\\_Questions\\_V2.pdf](https://www.nature.org/content/dam/tnc/nature/en/documents/Article_6_Common_Questions_V2.pdf) (accessed September 10, 2023)



Some countries have already included REDD+ in their Article 6.2 activities. For example, the first JCM REDD+ project was registered in June 2023 under an agreement between Japan and Cambodia<sup>8</sup>. The Australian Indo-Pacific Carbon Offsets Scheme (IPCOS) focuses on REDD+ in Papua New Guinea (PNG), while Korea and Laos are expected to sign an MoU by the end of the year 2023 on REDD+ credits. Additionally, Korea is targeting Vietnam, Gabon, and Peru for similar MoUs<sup>9</sup>.

Countries engaging in these bilateral agreements will need to carefully identify which REDD+ activities are considered low-hanging fruits that could be used towards the achievement of their NDC compared to the middle-hanging fruits REDD+ activities to be potentially used as ITMOs.

### *Links between Article 5 and Article 6.2 of the Paris Agreement:*

The Warsaw Framework (WF) for REDD+ indicates that results-based actions are eligible for market-based approaches if they are subject to further verification. In this regard, the framework does not preclude the possibility of securing carbon market finance for REDD+ activities. However, the WF acknowledges the need for supplementary provisions to be developed to ensure more rigorous verification of the REDD+ credits.

During COP26, Parties rejected the position from PNG and the Coalition for Rainforest Nations (CfRN) advocating for a direct link between Article 5 and Article 6.2. If accepted, this linkage would have permitted the creation of ITMOs under the WF REDD+, bypassing the need to comply with Article 6.2 Guidance standards. Additionally, it would have facilitated the inclusion of a substantial volume of REDD+ credits generated before 2020 due to the reference to “2015 onward”. The decision to reject this linkage implies that Article 5 REDD+ credits will not automatically be transferred and classified as ITMOs under Article 6.2.

Article 5 REDD+ credits or REDD+ Results Units (RRUs) denote credits generated based on the results reported to the UNFCCC REDD+ Info hub as proposed and put forward by the CfRN. According to CfRN, RRUs are deemed high-quality forest credits due, among other aspects, to adherence to the WFR offering methodologies for measuring, reporting and verifying emission reductions. Additionally, the verification process is conducted independently by third-party experts. Nevertheless, organisations such as [IETA](#) have asserted that “RRUs are not verified carbon credits that meet foundational thresholds that assure integrity and fungibility in markets (e.g., independent validation and verification for conformance with a standard, measures to avoid double counting and issuance, use of social safeguards, etc.) as set out by globally-recognised carbon crediting standards, and therefore should not be used to make offsetting claims”. Moreover, International Civil Aviation Organisation (ICAO) has rejected twice the eligibility of RRUs for use under CORSIA. Consequently, buyers in the international

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<sup>8</sup> Carbon Pulse (2023): UN completes technical check on REDD emission data for vast areas in two nations. <https://carbon-pulse.com/219763/>

<sup>9</sup> Carbon Pulse (2023): South Korea to sign REDD+ MOU with Laos by year-end. <https://carbon-pulse.com/218997/>



market generally regard these credits as low-quality<sup>10</sup> Despite this, the situation has not hindered Suriname in planning be the first country to sell ITMOs derived from Article 5 credits<sup>11</sup>, although the demand for these credits remains uncertain.

## Challenges for REDD+ under Article 6 Decisions

REDD+ activities in the VCM have faced significant problems related to their environmental integrity. As a result, meeting the stringent requirements set by the Article 6 decisions, particularly the Article 6.4 ones, poses a challenging task for REDD+ activities. Parties have established strict rules covering accounting, baseline methodologies and additionality, and ongoing efforts are directed toward further rule development.

Recently, REDD+ VCM projects have come under severe scrutiny for issues such as inflated baselines leading to over-crediting, lack of additionality - particularly in projects conducted in national protected areas - and concerns about non-permanence, leakage, and unequal benefit sharing distribution. Although While Verra has undertaken efforts to improve its REDD+ methodologies to tackle these drawbacks, their effectiveness remains to be observed. Likewise, jurisdictional methodological approaches to REDD+ (Verra JNR and ART TREES) aimed at addressing some of these problems, are still in the early stage of implementation, making it difficult to assess their overall impact. Moreover, concerns have been raised by experts about the potential lack of additionality in certain jurisdictional approaches, particularly those targeting nations with high forest cover and low deforestation rates<sup>12</sup>.

### Conclusion

REDD+ has the potential to be fully integrated into the global carbon market under Article 6, particularly with the increasing focus on carbon removals under PACM. As voluntary carbon markets mature, REDD+ will likely undergo transformation, with new methodologies and frameworks emerging to meet the higher quality standards set by international agreements.

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<sup>10</sup> These Article 5 REDD+ credits, also known as REDD+ Results Units are also available for sale on the CfRN REDD plus trading platform for the VCM.

<sup>11</sup> Carbon Pulse (2023): Suriname to offer first sovereign forestry credits for sale under Paris' Article 6. <https://carbon-pulse.com/221952/>

<sup>12</sup> Streck, Charlotte et al (2022): We must protect intact forests, but CORSIA got it wrong, <https://carbon-pulse.com/156727/>.