THE RAINFOREST STANDARD™

Integrating social, environmental and economic well-being

RFS PROTECTED AREA CREDITS™

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RFS PROTECTED AREA CREDITS™

OBJECTIVES

Supporting *Governmental Authority* efforts to fund *Protected Areas* against the well-documented persistent threats to *Protected Areas* and in the face of limited budget capacity available to such *Governmental Authorities*.

Supporting *Protected Area Management Plans* in accordance with a system of performance-based carbon emission reduction credits that will enable *Governmental Authorities* to fund *Protected Area Management Plans*, including *RFS Best Practices PA Protocols* developed in cooperation with all local participants, to protect forests, *Biodiversity*, and the socio-economic and socio-cultural values of local communities.

RATIONALE

As an explicit exception to the Legal Additionality Test (see The Rainforest Standard™ ER-1D), reduced *Removals* in *Protected Areas* will be able to earn a special form of *RFS Credit*™ known as *RFS Protected Area Credits*™. Important features of *RFS Protected Area Credits*™ include: (a) proceeds from their sale must be used solely for the social, environmental, and economic well-being of the *Protected Area* and any *Rightsholders* in the *Protected Area*; (b) the credits cannot be resold or transferred by the initial purchaser, and therefore will not be subject to market price fluctuations or speculation; and (c) credit purchase agreements will be long-term and performance-based. *RFS Protected Area Credits*™ will be used to financially support the management of *Protected* Area forests to reduce their rates of tree removal consistent with the integrated social, environmental, and economic well-being practices required by *The Rainforest Standard*™.

RFS Protected Area Credits™ will provide performance-based supplemental funding for a *Protected Area*'s *Best Practices Management Budget* established in accordance with the Requirements of this section. Generally, the metric for scaling the funding of a *Protected Area Management Plan* is the proportional reduction in CO_2e emissions that result from the reduced rate of tree removal following implementation of the *Protected Area Management Plan* and its *RFS Best Practices Protocols*.

Removals in *Protected Areas.* *RFS Protected Area Credits*™ account for reducing two distinct types of *Removals* inside the *Protected Area*: (1) *PA Unauthorized Removals*; and (2) *PA Authorized Removals*. Reductions of either or both are eligible for *RFS Protected Area Credits™.*

PA Unauthorized Removals. *PA Unauthorized Removals* can be either (1) *PA Illegal Removals*, or (2) *PA Unintentional Removals*. *PA Illegal Removals* are human-induced *Removals* in a *Protected Area* the intended purpose of which is to remove *Tree Biomass*, whether for clearing land, harvesting *Tree Biomass, or* some other purpose, and which are in violation of laws or regulations of *Governmental Authorities*. *PA Unintentional Removals* are human-induced *Removals* in a *Protected Area* that have not been authorized by a *Governmental Authority* and are caused by (a) unintentional acts (e.g., fire caused accidentally or negligently; escaped livestock); or (b) intentional acts whose purpose is not *Tree Biomass* removal (e.g., driving cattle through forest to better grazing areas) but which have that effect.

To provide a conservative measure of the benchmark removal rate in a *Protected Area*, the *PA Unauthorized Removal Period* is designed to be long enough to moderate an extraordinarily high removal rate in a single atypical year, but not so long that high removal rates that occurred more than 12 years prior to the *Validation Date* affect the average rate.

PA Authorized Removals. *PA Authorized Removals* are *Removals* in the *Protected Area* that have been authorized by law or are pursuant to a lawfully adopted *Life Plan*, management plan, concession, or similar agreement, which a *Governmental Authority*

has duly executed. In general, *PA Authorized Removals* result from policies supporting local community livelihoods or economic development.

To ensure that the rates are based on real removals and not merely rights that have not been actually exercised, the benchmark removal rate is calculated using the average removal rate in the *PA Authorized Removal Area* during only the last 3 years prior to the initial submission of the project documents.

Activity-Shifting and Market Leakage. No *Leakage* calculations of any kind are required for the validation and verification of *RFS Protected Area Credit*s™. The RFS™ makes the following presumptions with respect to Leakage in *Protected Area*s: (1) With respect to *PA Unauthorized Removals*, leakage effects are felt immediately upon the establishment of the *Protected Area* and do not persist significantly thereafter. While it is technically correct that the cessation of *PA Unauthorized Removals* could produce leakage, The RFS™ takes the position that the quantity would be so small that it would be neither practicable nor cost-effective to attempt to make a validatable leakage assessment. (2) In the case of *PA Authorized Removals* that are related to local community subsistence or customary practices, significant leakage is unlikely since the parties are local residents that would not be expected to engage in *Removals* at a distance from their home bases to offset the *PA Authorized Removals* from which they refrain. (3) Non-resident *Concessionaires* with *Authorized Removal rights* would be expected to establish replacement Removals outside the *Protected Area* as part of their commercial activity, and therefore are not eligible for *RFS Protected Area Credit*s™ unless they have overcome the presumption of total leakage as set forth in PA1-1.

REQUIREMENTS:

PA1-1 Optional Preliminary Assessment

A. The *Project Proponent* may, at its option, complete the *RFS Protected Area Credit*s™ *Initial Requirements Checklist* (Annex PA1-A) to determine whether the proposed Project is likely to be eligible for *RFS Protected Area Credit*s™.

B. The *Project Proponent* may, at its option, complete the *RFS Protected Area Credit*s™ *Early Action Checklist* (Annex PA1-B) to determine which technical, fiscal, and administrative steps have yet to be taken to move the proposed Project rapidly through the *RFS Protected Area Credit*s™ validation process. *The Early Action Checklist* may also be useful in estimating validation costs.

PA1-2 Eligibility

A. The *Project* shall be within a *Protected Area.*

B. *Additionality* and the *Protected Area Exception*. Reduced *Removals* are *Additional* in *Protected Area*s if *Project Proponent* provides documentary evidence (as specified in PA1-2.D) that all three of the following conditions are met:

1**.** *Removals* (other than *PA Authorized Removals)* have occurred inside the *Protected Area* during the *PA Unauthorized Removal Period* defined as a period:

(a) starting after the date the *Protected Area* was lawfully established;

(b) not shorter than nine (9) consecutive years, measured from the year of the *Initial Project Submission Date* or the year immediately prior to the *Initial Project Submission Date, at the Project Proponent's* discretion[1]:

(i) unless the *Protected Area* was established less than 9 years prior to the *Initial Project Submission Date*, in which case the *PA Unauthorized Removal Period* can be as short as the number of years between the establishment of the *Protected Area* and the *Initial Project Submission Date*,

(ii) but in no case less than three (3) years); and

(c) not longer than twelve (12) consecutive years measured from the year of the *Initial Project Submission Date* or the year immediately prior to the *Initial Project Submission Date, in the Project Proponent's* discretion; and

2. *Removals* (other than *PA Authorized Removals)* have occurred within 3 years of the *Initial Project Submission Date* or the immediately preceding year; and

3**.** *Removals* (other than *PA Authorized Removals)* have occurred at least once in every consecutive 3-year period starting with the *Initial Project Submission Date*

[1] Project Proponent discretion to select either the year of its Initial Project Submission Date or the prior year reflects flexibility to account for the variable timing of available remote-sensing data. If the Initial Project Submission Date precedes the availability of remote-sensing for that year, Project Proponent may be forced to use data from the prior year. For practicability purposes, regardless of the actual availability of remote-sensing data, Project Proponent can opt to use remote-sensing data from either year.

or the immediately preceding year throughout the *PA Unauthorized Removal Period.* (For clarification, 3-year periods shall be identified starting with the year of or the year immediately prior to the year of *Initial Project Submission Date* and counting backwards. For example, if the *Initial Project Submission Date* occurs in 2014, and the eligible *PA Unauthorized Removal Period* starts January 2005, the 3-year periods would be either (a) 2014-2012; 2011-2009; 2008-2006; or (b): 2013-2011; 2010-2008; 2007-2005; and *Removals* would have to have occurred in each of those 3-year periods.)

Table PA1-2.B.1: Illustration of PA Unauthorized Removal Periods

Initial Project Submission Date	***Protected Area* creation date**	**Maximum Eligible *PA Unauthorized Removal Period***	**Minimum Eligible *PA Unauthorized Removal Period***
January 2014	January 1999	Jan 2003-Dec 2014, or Jan 2002-Dec 2013	Jan 2006-Dec 2014, or Jan 2005-Dec 2013
January 2014	January 2005	Jan 2006-Dec 2014, or Jan 2005-Dec 2013	Jan 2006-Dec 2014, or Jan 2005-Dec 2013
January 2014	January 2008	Jan 2008-Dec 2014, or Jan 2008-Dec 2013	Jan 2008-Dec 2014, or Jan 2008-Dec 2013
January 2014	January 2012	Jan 2012-Dec 2014	Jan 2012-Dec 2014
January 2014	January 2013	Ineligible	Ineligible

C. *Additionality* and *PA Authorized Removals* in the *Protected Areas*. *Removals* in the *PA Authorized Removal Area* shall be Additional when *Removals* have been authorized by law or are pursuant to a lawfully adopted *Life Plan*, management plan, concession, or similar agreement, which a *Governmental Authority* has duly executed, and the party with the right to remove *Tree Biomass* under such agreement does not do so.

D. Documentary evidence of *Removals*. *Removals* and the absence of *Removals* must be confirmed by:

1. Remote-sensing data, at any resolution; or
2. Official documents of a *Governmental Authority*; or
3. Verified aerial photographs; or
4. Other validated documentary evidence.

E. Non-resident *Concessionaires* with *Authorized Removal* rights. Since non-resident *Concessionaires* with *Authorized Removal* rights would be expected to establish replacement *Removals* outside the *Protected Area* as part of their commercial activity, they are not eligible for *RFS Protected Area Credits*™ unless they overcome the presumption of 100% *Activity-Shifting Leakage* by:

1. As part of its *Initial Project Submission Documents*, and thereafter as part of any *Verification Request*, providing a written statement (*Leakage Commitment*) signed by the *Project Proponent* that neither it nor any affiliate has entered into informal or formal discussions, understandings, or agreements about acquiring a right to remove *Tree Biomass* to replace the *Authorized Removal* right from which it claims to refrain; and
2. A *Personal Representation* by the *Project Proponent*'s and the *Project Developer*'s top executive officer (e.g., CEO, Principal Partner, Executive Director) in his or her personal capacity as well as a *Representation* by the *Project Proponent* and *Project Developer* entities that the information in the *Leakage Commitment* is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation.

PA1-3 Protected Area Map

A. *Project Proponent* shall submit a *Protected Area Map* with its *Initial Project Submission Documents*. The *Protected Area Map* shall show the course and distance of all the boundary lines of the *Protected Area* with their geographic coordinates. In the event that the *Protected Area Map* published by the *Governmental Authority* does not show course and distance of all boundary lines, *Project Proponent* shall retain a *Forestry Mapping Expert* to provide a boundary map showing course and distance or otherwise documenting the boundary line such that *Eligible Forested Lands* inside the *Protected Area* can be distinguished from *Eligible Forested Lands* outside the *Protected Area*. GIS-informed mapping (e.g., shapefiles) is preferred for establishing geographic coordinates.

B. The *Protected Area Map* shall show current official governmental zoning map designations.

C. Using remote-sensing satellite data or aerial photos with a minimum resolution of 30m[2], the *Protected Area Map* shall display the following:

1. Spatially referenced demarcation of *Eligible Forested Lands* and *Ineligible Forested Lands* and all legally identified use zones with a *Minimum Mapping Unit* of .09 ha, with cells in a square configuration;
2. A calculation of the total hectares of *Eligible Forested Lands* in each use zone;
3. A calculation of the total hectares of *Ineligible Forested Lands* in each use zone;
4. *Forest Types* in the *Eligible Forested Lands* (i.e., riparian, moist, dry, and other categories as specified in Annex IC1-4_A);
5. *Forest Conditions* in the *Eligible Forested Lands* (i.e., logged, mature, re-growing, and other categories as specified in Annex IC1-4_B); and

[2] 30m resolution is used for the Protected Area Map and historical data collection required for determining PA Carbons Stock Change Benchmarks. Finer resolution (5-6.5m) is required for calculating changes during a Crediting Period. At present, remote-sensing data at finer resolutions than 30m are not consistently available for the past 12 years.

6. A *Forest Type*Condition Stratification Matrix*[3] showing the percentage of *Eligible Forested Land* in each cell.

D. The *Protected Areas Map* shall show areas within the *Protected Area* that are:

1. Owned, directly or indirectly by a *Governmental Authority*;
2. Assigned by law to *Indigenous Peoples* or other communities;
3. Subject to any *Authorized Removal*;
4. Owned, leased, occupied, or used by private persons or entities (including *Indigenous Peoples,* local communities*, Forest Dwellers* and *Forest Users* with legal title);
5. Areas in which families or communities customarily reside (*Forest Dwellers*) or which they customarily use although residing elsewhere (*Forest Users*).

E. A *Tenure Table* shall be affixed to the *Protected Areas Map* and shall provide the following information:

1. Name and/or identity of all *Project Participants*;
2. Number of hectares in the areas in which each *Project Participant* has its interest;
3. Nature of the property rights held by each *Project Participant* (e.g. legal title, lease, Authorized Removal right, easement, traditional or customary, other); and
4. Subject of the property rights held by each *Project Participant* (e.g. use, control, and/or transfer rights with respect to land use, development, natural resources, carbon emission reduction activities, etc.).

[3] *The RFS™* recognizes that the *Forest Type*Condition Stratification Matrix* may not describe every *Forest Type* or *Forest Condition*.

PA1-4 Protected Area Management Plans (PAMP), RFS Best Practices PA Protocols, and PAMP-Plus

A proposed *Project* in a *Protected Area* can receive *RFS Protected Area Credits™* by following the procedures under PA1-5, PA1-6, and PA1-7 when either: (1) a *Protected Area Management Plan* is in effect and a coordinated *RFS Best Practices PA Supplemental Protocols* is thereafter included in accordance with the Requirements of this section (the integrated *Protected Area Management Plan* and *RFS Best Practices PA Supplemental Protocols* are collectively referred to hereafter as a "PAMP-Plus"); or (2) there is no *Protected Area Management Plan*, but *RFS Best Practices PA Protocols* are prepared and submitted in accordance with the Requirements of this section. *RFS Best Practices PA Protocol RFS Best Practices PA Protocol*

Protected Area Management Plans (*PAMPs*) commonly describe objectives that have been established by one or more *Governmental Authorities* with responsibility for the management *of Protected Areas*, often after extensive consultation with many diverse stakeholders in and around the *Protected Area*. *PAMPs* may or may not specify detailed activities regarded as necessary to achieve the stated objectives; however, *PAMPs* rarely detail such activities so specifically that they can be budgeted on a line-item basis. The *RFS Best Practices PA Supplemental Protocols* are intended to elicit a detailed list of all the activities that would achieve the *PAMP* objectives, as well a level of detail for each activity that would allow it to be budgeted on a line-item basis. The *PAMP-Plus* is a document which includes both the *PAMP* and the detailed *RFS Best Practices PA Supplemental Protocols* so that both the objectives and the detailed activities judged by the *Project Proponent* to achieve those objectives (including the budget for these activities) are made explicit and transparent. Thus, the *PAMP-Plus* allows a budget to be developed that reflects both the *PAMP* objectives and the activities the *Project Proponent* determines are necessary to achieve those objectives.

RFS Best Practices PA Protocols require the *Project Proponent* to propose best practice activities in the *Protected Area* in each of five domains that would lead to maximize (i) reduction in *Tree Biomass Removals*, (ii) protection of B*iodiversity*, and (iii) socio-economic and socio-cultural well-being, under the assumption that there were no budgetary constraints on the

implementation of such best practices. The *RFS Best Practices PA Protocols* require detailed descriptions of the activities designed to implement these best practices, a justification for their implementation, and the line-item costs thereof. It is unusual for a *Protected Area Management Plan* to provide the details of how best practices might be achieved and their cost, so it is likely that *Project Proponent* will have to prepare a *RFS Best Practices PA Supplemental Protocol*, described in section PA1-4.E., *RFS Best Practices PA Protocol.*

A. If a *Protected Area Management Plan* is in effect that has been developed and published in accordance with applicable law, the *Project Proponent* shall submit:
    1. the *Protected Area Management Plan* with its *Initial Project Submission Documents,* , and
    2. with its *Final Project Submission Documents*:
        a. *RFS Best Practices PA Supplemental Report* provided by the *Project Proponent* that explicitly identifies how the activities proposed or authorized by the *Protected Area Management Plan* do or do not respond to each *Domain Activity* listed in PA1-4.E. (currently a total of 31 are listed in five domains); and
        b. *RFS Best Practices PA Supplemental Protocol* that satisfies the requirements of *RFS Best Practices PA Protocols* described in PA1-4.E for each and every *Domain Activity* that according to the *RFS Best Practices PA Supplemental Report* was omitted or not fully described by the *Protected Area Management Plan* submitted under PA1-4.A.1; and
        c. *PAMP-Plus*, a *Protected Area Management Plan* that has included the *RFS Best Practices PA Supplemental Protocols*.

B. If a *Protected Area Management Plan* has not been developed and published in accordance with applicable law, with its *Initial Project Submission Documents* the *Project Proponent* shall submit a *RFS Best Practices PA Protocol* in accordance with the requirements of subsection PA1-4.E. The *RFS Best Practices PA Protocol* shall identify the activities that the *Project Proponent* proposes for each *Domain Activity* described in PA1-4.E. in accordance with that sections specificity requirements.

C. The *RFS Best Practices PA Protocols* shall provide best practices recommendations in a minimum of the following five domains:

1. Reduction of *PA Unauthorized Removals*.
2. Reduction of *PA Authorized Removals*.
3. *Biodiversity* protection and enhancement.
4. Sustainable livelihood development and enhancement of *De Facto Rightsholders*.
5. Maintenance of socio-cultural values of *De Facto Rightsholders*.

D. Domain Benchmarks.

1. For the *PA Unauthorized* and *PA Authorized Removal* domains, the *Project Proponent* shall establish *Carbon Stock Change Benchmarks* in accordance with PA1-6.B. and submit them with its *Final Project Submission Documents*.
2. For the *Biodiversity* protection and enhancement domain, the *Project Proponent* shall provide a *Project Biodiversity Benchmarks Assessment* in accordance with sections B1-1 through B1-3 of the most recent version of *The Rainforest Standard*™.
3. For the sustainable livelihood development domain, the *Project Proponent* shall provide a *PA Sustainable Livelihood QOL Document* that fulfills all the Requirements of sections S3-1.A. through S3-1.F. of the most recent version of *The Rainforest Standard*™, including a *QOL Benchmark* for each *QOL Domain* selected, except that no selection shall be made from Group B under section S3-1.A.
4. For the socio-cultural value domain, the *Project Proponent* shall provide a *PA Socio-cultural Values QOL Document* that fulfills all the Requirements of sections S3-1.A. through S3-1.F. of the most recent version of *The Rainforest Standard*™, including a *QOL Benchmark* for the *QOL Domain* selected, except that no selection shall be made from Group A under section S3-1.A.

E. The *RFS Best Practices PA Protocol*: For each of the five domains listed in PA1-4.B., the *RFS Best Practices PA Protocol* shall describe proposed activities in each domain (*Domain Activities*) that would be used to implement best practices in that domain, including specific justifications for the activity. In the event no activities are proposed for a *Domain Activity*, the *RFS Best Practices PA Protocol* shall provide a justification for not proposing any. In each justification, the *RFS Best Practices PA Protocol* shall apply evidence-based validated data to the extent they are available, and otherwise adhere to the general data standards and requirements of *The RFS™.* For each *Domain Activity*, the *RFS Best Practices PA Protocol* shall provide details including specifications for technical and mechanical equipment; staffing, including numbers, job descriptions, and salary ranges of all proposed personnel; and any other necessary elements of each *Domain Activity.* The following *Domain Activities* shall be specified:

1. For reduction of *PA Unauthorized Removals*:

    (a) Enhanced monitoring;

    (b) Enhanced enforcement;

    (c) Educational initiatives;

    (d) Economic incentives;

    (e) Activities recommended by *Protected Area* managers;

    (f) Activities required or recommended by law or regulation of *Governmental Authorities*; and

    (g) Activities proposed by the *Project Proponent*.

2. For reduction of *PA Authorized Removals*:

    (a) Economic Incentives;

    (b) Educational initiatives;

    (c) Activities recommended by *Protected Area* managers;

    (d) Activities required or recommended by law or regulation of *Governmental Authorities*; and

    (e) Activities proposed by the *Project Proponent*.

3. For *Biodiversity* protection and enhancement:

    (a) Enhanced monitoring;

(b) Enhanced enforcement;

(c) Educational initiatives;

(d) Economic incentives;

(e) Activities recommended by *Protected Area* managers;

(f) Activities required or recommended by law or regulation of *Governmental Authorities*; and

(g) Activities proposed by the *Project Proponent*.

4. For sustainable livelihood development and enhancement of *De Facto Rightsholders*:

(a) Educational initiatives;

(b) Economic incentives;

(c) Activities recommended by *Protected Area* managers;

(d) Activities recommended by *De Facto Rightsholders*;

(e) Activities required or recommended by law or regulation of *Governmental Authorities*; and

(f) Activities proposed by the *Project Proponent*.

5. For maintenance of socio-cultural values of *De Facto Rightsholders*:

(a) Educational initiatives;

(b) Economic incentives;

(c) Activities recommended by *Protected Area* managers;

(d) Activities recommended by *De Facto Rightsholders*;

(e) Activities required or recommended by law or regulation of *Governmental Authorities*; and

(f) Activities proposed by the *Project Proponent*.

F. *PAMP-Plus* and *RFS Best Practices PA Protocol* - Supporting Documentation. In addition to the *PAMP-Plus or RFS Best Practices PA Protocol* , the *Project Proponent* shall submit the following documentary support with its Final Project Submission Documents, all of which are required for the validation of the *RFS Best Practices PA Protocol* .

1. Authority. The authorization for the *PAMP-Plus or RFS Best Practices PA Protocol* shall be established by the *Project Proponent* in its submission and shall at a minimum include the following:

(a) Signed authorization from the *Protected Area* manager, or any entity authorized by a *Governmental Authority* with jurisdiction over the *Protected Area* to the effect that the activities detailed in the *PAMP-Plus* or *RFS Best Practices PA Protocol* is lawful and authorized;

(b) A *Legal Opinion* confirming:

(i) the *Project Proponent* has the authority to enter into any agreements it has signed with any *Governmental Authority*;

(ii) the *Governmental Authority* has the authority to enter into any agreement it has signed with *Project Proponent* or any other party for which the agreement is submitted as evidence of compliance with this section; and

(iii) the signed authorization referenced in PA1-4.D.1 is valid and lawful.

2. A signed statement from a *Proponent Land Use Expert* that the *PAMP-Plus or RFS Best Practices PA Protocol* meets the requirements of PA1-4.C.1 and PA1-4.C.2 and that the information provided is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation;

3. A signed statement from a *Proponent Forest Ecologist* that the *PAMP-Plus or RFS Best Practices PA Protocol* meets the requirements of PA1-4.C.3 and that the information provided is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation; and

4. A signed statement from a *Proponent QOL Expert* that the *PAMP-Plus or RFS Best Practices PA Protocol* meets the requirements of PA1-4.C.4 and PA1-4.C.5 and that the information provided is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation.

G. Rightsholder Outreach Documentation. With its *Final Project Submission Documents*, *Project Proponent* shall provide documentary evidence (*Rightsholder Outreach Documentation*) to demonstrate that *Rightsholders* have had sufficiently accurate and complete information in a timely and culturally appropriate manner to allow a reasonable person to make an informed decision in connection with any consent, acknowledgment, or acceptance required of the *Rightsholder*. *Rightsholder Outreach Documentation* shall include, at a minimum, the following:

1. A *De Facto Rightsholder List* prepared in accordance with S1-1 of the most recent version of *The Rainforest Standard*™ and submitted with the *Initial Project Submission Documents*.
2. Written or traditional communication to all known *De Facto Rightsholders*;
3. Written notification to *Governmental Authorities* with any jurisdiction over the *Project Area*;
4. Written notification to *Representative Organizations* with an interest in the *Project Area*; and
5. Posting on the internet in a manner required by Section A2 of of the most current version of *The Rainforest Standard*™.

PA1-5 Protected Area Best Practices Budget Deficit

In order to apply verified *RFS Protected Area Credits™* in accordance with PA1-7, the *Protected Area Best Practices Budget Deficit* (*PABP Deficit*) must be established. The *PABP Deficit* is the difference between the *PA Annual Expenditure Benchmark* (as established in PA1-5.A.) and the *Protected Area Best Practices Budget* (*PABP Budget*) developed in accordance with the Requirements of PA1-5. The *PABP Budget* estimates the annual cost of either the *PAMP-Plus* (or the *RFS Best Practices PA Protocols* if there is not a *PAMP*), under the assumption that there are no budgetary constraints on the implementation of such best practices. In this way, the *PABP Deficit* reflects the difference between the annual expenditures actually made by the *Protected Area*'s managers as constrained by the funding made available by the *Governmental Authority* responsible for disbursing funds for use by the *Protected Area*, and the *PABP Budget* that would be sufficient to support either the *PAMP-Plus* or the *RFS Best Practices PA Protocol* and thereby to maximize reductions in *Tree Biomass Removals* in the *Protected Area*.

The following procedure calculates the *PABP Deficit*.

A. *PA Annual Expenditure Benchmark.* The *Project Proponent* shall submit a *PA Annual Expenditure Benchmark* calculation with its *Final Project Submission Documents* in accordance with the following procedure:

1. The *Project Proponent* shall estimate the annual expenditures (*PA Annual Expenditures*) actually made by the *Protected Area's* managers:

   a. For each of the last three years of the *Protected Area Unauthorized Removal Period* when *RFS Protected Area Credits™* are being validated for *PA Unauthorized Removals* (even if *PA Authorized Removals* are also being validated), or,

   b. For each of the 3 years immediately preceding the *Initial Project Submission Date* in the event that only credits for *PA Authorized Removals* are being validated (and none for *PA Unauthorized Removals*).

2. The estimate of the annual expenditures actually made by the *Protected Area*'s managers shall be made in accordance with the following:

a. The following annual expenditures shall be included:

(1) Staff salaries plus standard fringe benefits;

(2) Direct operating expense related to staff equipment, uniforms, education, travel;

(3) Contracts with independent contractors providing services directly and solely to the *Protected Area* that are direct expenses of the *Protected Area* management;

(4) Amounts paid to local communities as incentives not to remove *Tree Biomass*;

(5) Costs of educational workshops or programs.

b. The following annual expenditures shall be excluded:

(1) Expenditures directly or indirectly paid for central administration functions not physically located inside the *Protected Area*;

(2) Expenditures not paid in accordance with applicable laws and regulations.

3. *PA Annual Expenditure Benchmark* - Calculation.

a. Sum the *PA Annual Expenditures* for each year during the eligible period described in PA1-5.A.1., in which the *Protected Area* manager has confirmed the estimated *PA Annual Expenditures* as required in P1-5.B.3., below, (*Confirmed Expense Year*); and divide by the number of *Confirmed Expense Years* to arrive at the *PA Annual Expenditure Benchmark*.

b. In the event that there are no *Confirmed Expense Years*, the *PA Annual Expenditure Benchmark* shall be calculated by:

(1) In the calendar year immediately preceding the *Final Project Submission Date*, taking the officially reported annual budget of the *Governmental Authority* responsible for operating the *Protected Area*;

(2) Dividing the annual budget by the total number of *Protected Area* hectares which the *Governmental Authority* is responsible for operating; and

(3) Multiplying the resulting budget per hectare times the number of hectares in the Project's *Protected Area*.

B. *PA Annual Expenditure Benchmark* - Supporting Documentation. *Project Proponent* shall submit the following documentary support required for the validation of the *PA Annual Expenditure Benchmark*.

1. A *Representation* by the *Project Proponent*:

a. confirming the *PA Annual Expenditures* estimated by the *Project Proponent* are accurate to the best of its knowledge and belief; or

b. stating that reliable information is not available for all the years required, stating the years for which reliable information is not available, and confirming the *PA Annual Expenditures* for the years where reliable information is available;

2. A *Personal Representation* by the *Project Proponent*'s top executive officer (e.g., CEO, Principal Partner, Executive Director) in his or her personal capacity that the information provided in PA1-5.A is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation; and

3. A signed statement from the *Protected Area* manager, in office at the *Final Submission Document Date*, either:

a. confirming, to the best of his or her knowledge and belief, that the *PA Annual Expenditures* estimated by the *Project Proponent* are reasonably accurate; or

b. stating that reliable information is not available for all required years, stating the years for which reliable information is not available, and confirming that the estimated *PA Annual Expenditures* for the years where reliable information is available is reasonably accurate.

C. *Protected Area Best Practices Budget.* With its *Final Project Submission Documents, t*he *Project Proponent* shall submit an annual *Protected Area Best Practice Budget* (*PABP Budget*) prepared by *Proponent PABP Budget Expert* that covers the *Project Proponent's* expected *Crediting Period.* Within 90 days of the expiration of each *Crediting Period* (i.e. within 90 days after each *Verification Date*), *Project Proponent* shall provide an updated annual *PABP Budget* that will be applicable to the immediately following *Crediting Period*. For each *Domain Activity* described by the *PAMP-Plus* or the *RFS Best Practices PA Protocol* in accordance with PA1-5.C., the submitted *PABP Budget* shall provide:

1. A specific line item budget for annual technological and mechanical equipment; staffing, including numbers, job descriptions, and salary ranges of all proposed personnel; independent contracting expenses; incentive payments; and the costs and expenses of all other elements necessary for the effective performance of the *Domain Activity*; and
2. A *PABP Budget* narrative prepared by the *Project Proponent's PABP Budget Expert* that relates the line-item budget to each of the *Domain Activities required under PA1-4.E*.

D. *PABP Budget* - Supporting Documentation. *Project Proponent* shall submit the following documentary support required for the validation of the annual *PABP Budget*.

1. A statement by the *Proponent PABP Budget Expert* that the annual *PABP Budget* has been prepared in good faith, is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation;
2. A *Representation* by the *Proponent PABP Budget Expert* that the annual *PABP Budget* narrative it has prepared is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation;
3. A *Representation* by the *Project Proponent* confirming the annual *PABP Budget* estimated by the *Project Proponent* has been made in good faith, is accurate and

complete in all material respects to the best of its knowledge and belief after a full, good faith investigation;

4. A *Personal Representation* by the *Project Proponent*'s top executive officer (e.g., CEO, Principal Partner, Executive Director) in his or her personal capacity that the annual *PABP Budget* has been made in good faith, is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation;

5. A signed statement from the *Protected Area* manager, or any entity authorized by a *Governmental Authority* with jurisdiction over the *RFS Best Practices PA Protocol ,* to the effect that the *PABP Budget* is reasonable and the budgeted expenditures would be in accordance with any applicable laws, regulations, contracts, licenses, or agreements.

E. The *PABP Deficit* is that amount calculated by subtracting the *PA Annual Expenditure Benchmark* from the annual *PABP Budget*.

PA1-6 Project Emission Change and PA Removal Rate Change

The paragraphs below detail the procedure for calculating *Project Emission Change* and *PA Removal Rate Change*. These changes are calculated separately for *PA Unauthorized Removals*, and *PA Authorized Removals*.

Project Emission Change is the number of tons of CO_2e observed to have been emitted during a *Crediting Period* in excess of or less than what was expected if the average annual carbon stock change had occurred (*Carbon Stock Change Benchmark*) during either the *PA Unauthorized Removal Period* or the *PA Authorized Removal Period*.

PA Removal Rate Change is the percentage by which observed changes in emissions during a *Crediting Period* were above or below their benchmarks.

As described in PA1-7, the *Project Emission Change* is used to calculate the number of *RFS Protected Area Credits* that are earned, while the *PA Removal Rate Change* is used to calculate the amount to be paid for those credits (the *RFS Protected Area Credit Payment Amount*).

Generally, the procedure starts with a description of the *PA Unauthorized* and *Authorized Removal Areas*, establishes benchmark average annual carbon stock change in those areas, and then compares the benchmarks to observed changes in carbon stock during a *Crediting Period*. The percentage by which carbon stock change in the *Crediting Period* has increased or decreased over the benchmark change is then calculated[4]. If there are changes in both the *PA Unauthorized Removal Area* and the *PA Authorized Removal Area*, a *Combined PA Removal Rate Change* is calculated.

Validation Certificate Requirement: Only Step 1 and Step 2 are required for the issuance of a *Validation Certificate*.

[4] Only decreases in carbon stock removal rates result in RFS Protected Area Credits™

Verification Request: Steps 2 through 5 (or 6, if applicable) are required to be submitted and approved prior to Proponent submitting a *Verification Request*.

A. Step 1: The Protected Area Unauthorized Removal Period (*PA Unauthorized Removal Period*) is designated by the *Project Proponent* in its *Initial Project Submission Documents* in accordance with the Requirements of PA1-2B.[5]

N.B. *See Illustration PA1-6_A for a step-by-step illustration of the calculations from Step 2 through Step 4 in the PA Unauthorized Removal Area. See Illustration PA1-6_B for a step-by-step illustration of the calculations from Step 2 through Step 4 in the PA Authorized Removal Area. See Illustration PA1-6_C for a step-by-step illustration of the calculations for Step 5 – Combined PA Removal Rate Change.*

B. Step 2: Establish *PA Carbon Stock Change Benchmarks*: The benchmarks describe the average annual rate of *Carbon Stock Change* in tons of CO_2e calculated by the *Proponent Carbon Stock Expert* following the procedures required by section ER3-1.A.2. of the most recent version of *The Rainforest Standard™* and submitted by the *Project Proponent* with its *Initial Project Submission Documents*.

1. The *PA Carbon Stock Unauthorized Removals Benchmark* is equal to: the *Carbon Stock* in the *PA Unauthorized Removal Area* in the most recent year of the *PA Unauthorized Removal Period* minus the *Carbon Stock* in the *PA Unauthorized Removal Area* in the year immediately preceding the earliest year of the *PA Unauthorized Removal Period*, divided by the number of years in the *PA Unauthorized Removal Period*.

2. The *PA Carbon Stock Authorized Removals Benchmark* is equal to: the *Carbon Stock* in the *PA Authorized Removal Area* in the last year of the *PA Authorized Removal Period* minus the *Carbon Stock* in the *PA Authorized Removal Area* in the year that immediately precedes the *PA Authorized Removal Period*, divided by three (the number of years in the *PA Authorized Removal Period*).

C. Step 3: Calculate annual *Project Emission Change*.

[5] The PA Unauthorized Removal Period must comply with the Requirements of PA1-2.B.

1. *Annual Unauthorized Area Project Emission Change*. To arrive at the *Annual Unauthorized Area Project Emission Change, Project Proponent* shall subtract the *Annual Unauthorized Removal Area Carbon Stock Change* from the *PA Carbon Stock Unauthorized Removals Benchmark.* The *Annual Unauthorized Removal Area Carbon Stock Change* (the annual *Observed Carbon Stock Change* in the *PA Unauthorized Removal Area*) during the *Crediting Period* is calculated as follows:

a. Within 6 months before or after the *Validation Date*, the *Project Proponent* shall prepare a *Carbon Verification Benchmark Map* showing the *Eligible Forested Areas* inside the *PA Unauthorized Removal Area* using remote-sensing data with resolution not to exceed 6.5m and Minimum Mapping Units of .004 ha. *Eligible Forested Areas* shall be ground-truthed in accordance with validated protocols published in *Peer-reviewed Literature*.

b. use procedures of ER3-1.C. to estimate *Observed Aboveground Carbon Stock* (*Carbon Stock* at the end of the *Crediting Period)*;

c. get a total *Observed Carbon Stock* for *Tree Biomass* by adjusting *Aboveground Tree Biomass* CO_2e using standard additions for *Belowground* and *Deadwood Biomass* to arrive at *Observed Carbon Stock* (no *Leakage Deduction* is calculated);

d. subtract the *Carbon Stock* at the end of the most recent year of the *PA Unauthorized Removal Period* from the *Observed Carbon Stock* at the end of the most recent year of the *Crediting Period* to arrive at the *Unauthorized Removal Area Carbon Stock Change.* Divide the *Unauthorized Removal Area Carbon Stock Change* by the number of years in the *Crediting Period* (which may be 1) to arrive at the *Annual Unauthorized Removal Area Carbon Stock Change*.

D. <u>Step 4</u>: Calculate *PA Removal Rate Change*.

1. The *PA Unauthorized Removal Rate Change* is equal to: the *Annual Unauthorized Area Project Emission Change* divided by the PA *Carbon Stock Unauthorized Removal Benchmark*

2. *PA Authorized Removal Rate Change* is equal to: the *Annual Authorized Area Project Emission Change* in the *PA Authorized Removal Area* divided by the *PA Carbon Stock Authorized Removal Benchmark*.

E. Step 5: *Combined PA Removal Rate Change.* When there are both *PA Unauthorized Removals* and *PA Authorized Removals* during a *Crediting Period*, calculate the *Combined PA Removal Rate Change* during a *Crediting Period* as follows:

1. Add the *PA Carbon Stock Unauthorized Removal Benchmark* to the *PA Carbon Stock Authorized Removal Benchmark* to arrive at the *Combined PA Carbon Stock Removal Benchmark.*

2. Add the *Annual Unauthorized Removal Area Carbon Stock Change* to the *Annual Authorized Removal Area Carbon Stock Change* to arrive at the *Combined Annual Removal Area Carbon Stock Change*.

3. Subtract the *Combined Annual Removal Area Carbon Stock Change* from the *Combined PA Carbon Stock Removal Benchmark* and divide by the *Combined PA Carbon Stock Removal Benchmark*, to arrive at the *Combined PA Removal Rate Change* during a *Crediting Period*.

F. Step 6: *PA Removal Rate Change Adjustment* – Years 1 through 5.

1. In recognition of the time required for the effects of a *Best Practices Management Plan* to become fully effective, during the first 5 years following the *Project Start Date*, there shall be a *PA Removal Rate Change Adjustment* calculated in accordance with Table PA-3.I.A. For example, if in Year 3 there is a verified *PA Removal Rate Change* of 30%, the *Project Proponent* would be entitled to crediting as if the *PA Removal Rate Change* were 60%.

2. The *PA Removal Rate Change Adjustment* shall apply to *PA Unauthorized Removal Rate Changes*, *PA Authorized Removal Rate Changes*, and *Combined Removal Rate Changes*.

Table PA1-6.F:

Sliding scale of imputed *PA Removal Rate Change* for first five years of *Project*

Actual Removal Rate Change	*10%-25%*	*25+%-50%*	*50+%-75%*	*75+%-100%*
Year 1 - Imputed	65%	70%	95%	100%
Year 2 - Imputed	55%	65%	90%	100%
Year 3 - Imputed	45%	60%	85%	100%
Year 4 - Imputed	35%	55%	80%	100%
Year 5 - Imputed	25%	50%	75%	100%

3. After the fifth anniversary of the *Project Start Date*, *RFS Protected Area Credits* shall be calculated in accordance with PA1-7.A.

G. Step 3 through Step 6 shall be calculated by a *Proponent Carbon Stock Expert* and submitted by the *Project Proponent* with its *Initial Project Submission Documents*.

PA1-7 Verification, Issuance, Sale, Transfer, and Retirement of *RFS Protected Area Credits*™

A. In each *Crediting Period* one *RFS Protected Area Credit*™ shall be issued to *Project Proponent* for each ton of CO_2e estimated to have not been emitted as measured by the *Project Emission Change* in that *Crediting Period*.

B. *PA Verification Request*.

1. *Project Proponent* shall file a *PA Verification Request* that includes all documents required under subsection PA1-7.C. below. The *Verification Request* shall not be considered filed until all necessary documents have been provided; partial submissions are not permitted.

2. The *Verification Request* shall state the *Verification Date*, which is the date identified by the *Project Proponent* as the date on which the *Credit Verification* shall be deemed to have occurred for purposes of calculating *RFS Protected Area Credits™*.

C. *Project Proponent*'s *PA Verification Request* shall consist of:

1. A statement of the number of *RFS Protected Area Credits*™ the *Project Proponent* believes it has verified in accordance with the Requirements of A4-2;

2. The *RFS Protected Area Credit Payment Amount* it has calculated under PA1-7.C;

3. A *Biodiversity Progress Report* prepared by a *Proponent Forest Ecologist* that: (a)updates the progress during the *Crediting Period* in each *Domain Activity* in the *Biodiversity* domain (see PA1-4.C.4) as described by the *RFS Best Practices PA Protocol*, and (b) explicitly describes changes in the Biodiversity Benchmarks described in the *Project Biodiversity Benchmarks Assessment* to a date that is within 180 days prior to the end of the *Crediting Period* in the case of the first *Crediting Period*, and thereafter changes in the Biodiversity Benchmarks from each *Crediting Period* to 180 days prior to the end of the immediately subsequent *Crediting Period*;

4. A signed statement from a *Proponent Forest Ecologist* that the information provided in the *Biodiversity Progress Report* is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation;

5. A *Sustainable Livelihood Progress Report* prepared by a *Proponent QOL Expert* that: (a) updates the progress during the *Crediting Period* in each *Domain Activity* in the Sustainable Livelihood domain (see PA1-4.E.4) as described by the *PAMP-Plus* or the *RFS Best Practices PA Protocol*, and (b) explicitly describes changes in the *QOL Benchmarks* described in the *PA Sustainable Livelihood QOL Document* to a date that is within 180 days prior to the end of the *Crediting Period* in the case of the first *Crediting Period*, and thereafter changes in the *QOL Benchmarks* from each *Crediting Period* to 180 days prior to the end of the immediately subsequent *Crediting Period*;

6. A *Socio-cultural Progress Report* prepared by a *Proponent QOL Expert* that: (a) updates the progress during the *Crediting Period* in each *Domain Activity* in the Socio-cultural domain (see PA1-4.E.5) as described by the *PAMP-Plus* or *RFS Best Practices PA Protocol* and (b) explicitly describes changes in the *QOL Benchmarks* described in the *PA Socio-cultural Values QOL Document* to a date that is within 180 days prior to the end of the *Crediting Period* in the case of the first *Crediting Period*, and thereafter changes in the *QOL Benchmarks* from each *Crediting Period* to 180 days prior to the end of the immediately subsequent *Crediting Period*;

7. A signed statement from a *Proponent QOL Expert* that the information provided in the *Sustainable Livelihood Progress Report* and the *Socio-cultural Progress Report* is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation; and

8. A *PABP Financial Statement* prepared by the *Project Proponent* signed by the Protected Area manager or *Governmental Authority* stating the *Protected Area's* expenditures in each year of the *Crediting Period* and relating those expenditures to the *Domain Activities* of the *PAMP-Plus* or the *RFS Best Practices PA Protocol*.

9. A *Personal Representation* by the *Project Proponent*'s top executive officer (e.g., CEO, Principal Partner, Executive Director) in his or her personal capacity as well as a *Representation* by the *Project Proponent* entity that the information in the *Biodiversity Progress Report*, the *Sustainable Livelihood Progress Report,* the *Socio-cultural Progress Report, and the PABP Financial Statement* is accurate and complete in all material respects to the best of his/her/its knowledge and belief after a full, good faith investigation.

10. If the *Biodiversity Progress Report* indicates that there has been a decrease in the Biodiversity Benchmark levels described in PA1-4.D., a *Biodiversity Recovery Plan* shall be prepared by a *Proponent Forest Ecologist* and submitted with the *Verification Request* which describes a plan to mitigate: (a) with respect to Habitat-Types, the increase or decrease in a *Habitat-Type's* total area relative to its *Habitat-Type Benchmark* and/or an increase in fragmentation as measured by its increase in the ratio of edge to area relative to its *Habitat-Type Benchmark*, and/or (b) with respect to *Ecological Indicator Group Species*, an explanation for the absence of the species, an explanation for the decline or change in relative abundance, an assessment as to whether the change is reversible, and a set of proposed remedies for reversing the change.

11. If either the *Sustainable Livelihood Progress Report* or the *Socio-cultural Progress Report* indicates that there has been a decrease in the *QOL Benchmark* levels for any *QOL Domain* selected in accordance with PA1-4.D., a *QOL Enhancement Report* shall be prepared by a *Proponent QOL Expert* and submitted with the *Verification Request* which provides (a) a detailed explanation for the failure to achieve improvements in the particular QOL Benchmark, and (b) a set of activities that can remedy the failure to improve the QOL Benchmark, along with an assessment of the likelihood of the success of such activities and their cost.

D. Verification

1. The *RFSMU* shall post the *PA Verification Request* within 15 business days of its receipt.

2. A 30-day *Public Comment Period* shall commence on the date the *PA Verification Request* is posted.

3. In the event of a *Commentary Dispute*, the provisions of A2-2 (*Commentary Dispute Resolution*) of the most recent version of *The Rainforest Standard™* shall apply.

4. Within 10 business days of filing of the *PA Verification Request*, the *RFSMU* shall appoint the relevant *Assigned Experts* from the Expert List to authenticate the *PA Verification Request*.

5. Within 15 business days of her/his appointment, the *Assigned Expert* shall issue her/his *Verification Finding* which shall be posted within 10 business days of the issuance of the *Verification Finding*.

6. *Project Proponent* shall have 15 business days to accept or dispute the *Verification Finding* in writing in whole or in part.

a. If the *Project Proponent* accepts the *Verification Finding* in whole, the number of *RFS Protected Area Credits™* described in the *Verification Request* shall be issued in accordance with the provisions of Section A6 of the most recent version of *The Rainforest Standard™*.

b. If the *Project Proponent* disputes the *Verification Finding* in whole or in part, it shall specify its differences with the *Verification Finding* in a *Verification Finding Dispute Notice* filed within 10 business days of the posting of the *Verification Finding*.

c. Within 10 business days of the filing of a *Verification Finding Dispute Notice*, a *Referee* shall be appointed from the *Expert* List.

d. Within 15 business days of her/his appointment, the *Referee* shall review the *Verification Request* documents and the *Verification Finding* and render its decision in a *Verification Final Report* that shall choose

between the *Verification Finding* or the amounts or positions in the *Verification Finding Dispute Notice*.

E. The *PA Verification Certificate* shall be issued within 10 business days of:

1. the *Verification Finding* if it is accepted in whole by the *Project Proponent*; or
2. *Verification Final Report* if a *Verification Finding Dispute Notice* had been filed.

F. The *RFS Protected Area Credit Payment Amount* is calculated by:

1. Multiplying the *PABP Deficit* for each year of the *Crediting Period* by the *PA Removal Rate Change* for the corresponding year of the *Crediting Period*; and
2. If there is more than one year in the *Crediting Period*, summing the annual amounts computed in PA1-6.C.1 above.

Illustration: Calculating *RFS Protected Area Credit Payment Amount* for a 3-year Crediting Period

Crediting Period Year	PABP Deficit	PA Removal Rate Change*	Annual Payment Amount *RFS Protected Area Credit* Payment Amount	Total Crediting Period *RFS Protected Area Credit* Payment Amount
2015	$100,000	40%	$40,000	
2016	$200,000	60%	$120,000	
2017	$250,000	80%	$200,000	
Total				$360,000

* Percentages refer to imputed PA Removal Rate Change derived from Sliding Scale during first five years of Project; the same principal holds after the first five years.

G. Registration of *RFS Protected Area Credits™*. The number of *RFS Protected Area Credits™* issued in accordance with the *Verification Certificate* shall be registered in accordance with A6 on *The Rainforest Standard™* designated registry (currently, Markit Group Limited).

H. Purchase and Transfer of *RFS Protected Area Credits™*. The provisions of the most recent version of The Rainforest Standard ™ with respect to Credit Transfer (A6-2) shall apply to *RFS Protected Area Credits™* except that in addition, the following conditions shall apply, which shall be incorporated in any *PA Purchase Agreement Commitment* between *Project Proponent* or its designated representative and the initial purchaser (Initial Purchaser), and between the Initial Purchaser and any permitted transferee (Permitted Transferee):

1. Purchase Price. The minimum price to be paid for the purchase of each *RFS Protected Area Credit™* shall be calculated by dividing the *RFS Protected Area Credit Payment Amount* by the number of *RFS Protected Area Credits™* set forth in the *Verification Certificate*.

2. Full Funding Condition. The transfer from *Project Proponent* to Initial Purchaser of any *RFS Protected Area Credits™* is subject to the condition that all *RFS Protected Area Credits™* available for sale must be sold in their entirety, unless this condition is waived in writing by *Project Proponent (Full Funding Waiver)*.[6] *Project Proponent* may waive the Full Funding condition by filing a waiver stating it has determined that the purchase of only a portion of the available *RFS Protected Area Credits™* will be sufficient to incentivize continued implementation of the *Best Practices Management Plan* that is expected to lead to reduced CO_2e emissions.

I. Permitted transfers by Initial Purchaser of *RFS Protected Area Credits™*. *RFS Protected Area Credits™* may not be transferred by the Initial Purchaser to any third party, except subject to the following conditions:

[6] In general the *RFS Best Practices PA Protocol Deficit* should be funded in its entirety to assure full participation of all *RFS Best Practices PA Protocol* stakeholders. This goal of full participation of all stakeholders may not be effectively achieved if only a small portion of the available credits are purchased. For this reason, partial purchases are not permitted unless the *Project Proponent* waives the requirement for full funding because it has determined that the purchase of only a portion of the available *RFS Protected Area Credits™* will be sufficient to incentivize continued implementation of the *PAMP-PLUS* or the *RFS Best Practices Management Plan* that is expected to lead to reduced CO_2e emissions

1. Prior written approval by *Project Proponent*, which approval may be withheld for any reason whatsoever, in the *Project Proponent*'s sole discretion.

2. The price per tCO_2e shall be the price paid by initial purchaser, plus 10% as reimbursement for Initial Purchaser's administrative expenses associated with the designation.

3. An acknowledgment signed by the Permitted Transferee that it is not entitled to and will not make any further transfers of the RFS Protected Area Credits™ received from the Initial Purchaser.4. Within 30 days of the transfer, Initial Purchaser reports to the *RFSMU* in writing the following information which shall be posted on the *Project Webpage* and noted on the *Project Website* and registry within 10 business days of its receipt by the *RFSMU*:

a. the identity of the Permitted Transferee;

b. the amount of credits allocated; and

c. the full consideration paid by the Permitted Transferee.

J. Retirement of *RFS Protected Area Credits™*. *RFS Protected Area Credits™* shall be retired by their purchaser within 120 days of their purchase in accordance with PA1-7-3.A. If the purchaser has not retired its *RFS Protected Area Credits™* within that 120-day period, all such credits shall be deemed automatically retired and the *RFSMU* is hereby authorized to retire them and report that retirement to the registry. This information shall be published within 10 business days on the registry and *RFS Website*.

ANNEX PA1-A: INITIAL REQUIREMENTS CHECKLIST

TOPIC	YES/ NO	NOTES
1) Is the potential site an official government Protected Area (PA) within the statutory definition of the national jurisdiction in which it is located?		
2) Is the PA boundary described by identifiable and lawfully established coordinates?		
3) Has the PA experienced Removals during the *Protected Area Unauthorized Removal Period* that have occurred within 3 years prior to the *Initial Document Submission Date*; and at least once in every consecutive 3 year period preceding the *Initial Project Submission Date* during the *Protected Area Unauthorized Removal Period*?		
4) Have the Removals been validated by any widely accepted methodology including remote sensing data??		
5) Has there been any ground-truthing of any remote-sensing data related to Removals, Eligible Forested Areas, or Forest-Types and Forest-Conditions by any widely accepted methodology?		
6) Does the PA have an existing management plan approved by all *Governmental Authorities* with jurisdiction over the PA and all *Rightsholders* (*De Jure* and *De Facto*, including local communities and concessionaires, among others)?		

7) Does the PA have an existing management plan prepared in accordance with The RFS™ *Principle of Participatory Consultation?*		
8) Have all government agencies with jurisdiction over the PA approved the use of *RFS Protected Area Credit*s™ as an alternative Activity to fund the management of the PA?		
9) Has a legal mechanism been identified that allows funding generated by *RFS Protected Area Credit*s™ to be used solely and directly for the PA's direct operating expenses rather than going in whole or in part to the federal, state, or local government or to an agency that oversees the PA?		

ANNEX PA1-B: EARLY ACTION CHECKLIST

TOPIC	YES/NO	NOTES
1) Have the *Forest Type* and *Forest Condition* of the *Removals* been established?		
2) Has there been any confirmation by ground-truthing of *Forest Type* and *Forest Condition*?		
3) Has the carbon content estimate of the *Removals* been made?		
4) Has a baseline *Biodiversity* assessment been done?		
5) Are the actual *Protected Area Qualified Expenditures* documented for the latest fiscal year?		
6) Are the actual *Protected Area* qualified expenditures documented for prior fiscal years?		
7) Has the "*Protected Area Best Practices Budget*" for the current fiscal year been prepared and made available?		

PA1 GLOSSARY

Words, phrases, and acronyms in the text in *ITALICS* that are not referenced in this PA1 Glossary can be found in the Glossary of the most recent version of The Rainforest Standard™.	
Annual Authorized Area Project Emission Change	PA1-6.C.2.
Annual Authorized Removal Area Carbon Stock Change	PA1-6.C.2. Annual Carbon Stock Change in Authorized Removal Area.
Annual Unauthorized Area Project Emission Change	PA1-6.C.2.
Annual Unauthorized Removal Area Carbon Stock Change	PA1-6.C.1. Annual Carbon Stock Change in Unauthorized Removal Area.
Biodiversity Progress Report	PA1-7.B.3. A report required to be submitted with each *PA Verification Request* updating the *Domain Activities* required by the *PAMP-Plus* or *RFS Best Practices PA Protocol* in the *Biodiversity* domain during the *Crediting Period*.
Carbon Stock	tCO_2e in the *Tree Biomass* of the relevant area.
Carbon Stock Change	The average annual change in tons of CO_2e in the *Tree Biomass* of the relevant area.
Carbon Verification Benchmark Map	PA-1.6.C. A map prepared within 180 days before or after the *Validation Date* showing the *Eligible Forested Land*s used to calculate the *Observed Carbon Stock Change* between the *Validation Date* and the first *Verification Date.*
Carbon Verification Map	PA-1.6.C. A map showing the *Eligible Forested Land*s used to calculate the *Observed Carbon Stock Change* between the *Validation Date* and the first *Verification* Date or between *Verification Date*.
Combined PA Carbon Stock Removal Benchmark	*PA1-6.E. and Illustration PA1-6_C.*
Combined Annual Removal Area Carbon Stock Change	PA1-6.E. and Illustration PA1-6_C.
Combined PA Removal Rate Change	PA1-6.E. and Illustration PA1-6_C.
Confirmed Expense Year	PA1-5.A.3. Any year for which the Protected Area manager has confirmed that the PA Annual Expenditure estimated by the *Project Proponent* is reasonably accurate.
Domain Activity	PA1-4. An activity used to implement best practices in any of the five required domains or any additional domain proposed by *Project Proponent*.
Early Action Checklist	Annex PA1-B
Full Funding Waiver	A waiver by *Project Proponent* of the Full Funding condition described in PA1-7.E.2.
Initial Requirements Checklist	Annex PA1-A
PA Annual Expenditure	PA1-5.A.1. Expenditures actually made by the *Protected Area's* managers

	in (a) each year of the *Protected Area Unauthorized Removal Period* and/or (b) each of the 3 years immediately preceding the *Initial Project Submission Date.* Excluded are expenditures directly or indirectly paid for central administration functions not physically located inside the *Protected Area*; or expenditures not paid in accordance with applicable laws and regulations.
PA Annual Expenditure Benchmark	PA1-5.A. The average annual expenditures actually made by the Protected Area's managers as constrained by the funding made available by the Governmental Authority responsible for disbursing funds for use by the Protected Area.
PA Authorized Removals	PA1-6.E. *Removals* in the *Protected Area* that have been authorized by law or are pursuant to a lawfully adopted *Life Plan*, management plan, concession, or similar agreement which a *Governmental Authority* has duly executed.
PA Authorized Removal Area	PA1-3.C. Calculated by summing the maximum number of hectares from which Tree Biomass may be removed in a given year in accordance with a permit or agreement from a Governmental Authority, including removals by concessionaires, local communities, Governmental Authorities, licensees, and permitees of any kind. [Illustration. (1) A concessionaire is allowed to remove Tree biomass from 1000 ha, but only removes Tree Biomass from 500 ha; 1000 ha are included as PA Authorized Removal Area. (2) A local community is permitted to remove 1 ha per year per family and there are 200 families in the PA, but only 100 ha of Tree Biomass is removed; 200 ha are included as PA Authorized Removal Area. (3) A utility Right of Way allows the removal of Tree Biomass from 2000 ha, but removals occur in only 1000 ha; 2000 ha are included as PA Authorized Removal Area. If all three removals are permitted in the same year, the PA Authorized Removal Area would be 3200 ha.]
PA Authorized Removal Area Carbon Stock Change	PA1-6.C.2.c. The *Observed Carbon Stock Change* in the *PA Authorized Removal Area* during a *Crediting Period*.
PA Authorized Removal Period	PA1-6.B. A period of the three years that precedes the *Initial Project Document Submission Date*
PA Authorized Removal Rate Change	PA1-6.D.2.
PA Carbon Stock Change Benchmarks	The average annual change in tons of CO_2e in the *Tree Biomass* of the relevant area during either the PA Unauthorized Removal Period, the PA Authorized Removal Period, or the Combined Removal Period.
PA Carbon Stock Authorized Removals Benchmark	PA1-6.B.2. The average annual change in tons of CO_2e in the *Tree Biomass* of the relevant area during the PA Authorized Removal Period
PA Carbon Stock Unauthorized Removals Benchmark	PA1-6.B.1. The average annual change in tons of CO_2e in the *Tree Biomass* of the relevant area during the PA Unauthorized Removal Period
PA Illegal Removals	Human-induced *Removals* in a *Protected Area* the intended purpose of which is to remove *Tree Biomass*, whether for clearing land, harvesting *Tree Biomass*, or some other purpose, and which are in violation of laws or regulations of *Governmental Authorities*.
PA Purchase Agreement Commitment	PA1-6.E.1.
PA Removal Rate Change	PA1-6.
PA Removal Rate Change Adjustment	PA1-6.F.

PA Removal Reduction Activities	PA1-4. Activities identified by either a *Protected Area Management Plan* or its *RFS Best Practices PA Protocols* intended to reduce *Unauthorized* or *Authorized Removals* in the *Protected Area*.
PA Socio-cultural Values QOL Document	PA-1-4.C.
PA Sustainable Livelihood QOL Document	PA-1-4.C.
PA Unauthorized Removals	Human-induced *Removals* in a *Protected Area* that are either (1) *PA Illegal Removals*, or (2) *PA Unintentional Removals*.
PA Unauthorized Removal Area	Calculated by subtracting the *PA Authorized Removal Area* from the area of *Eligible Forested Lands* inside the *Protected Area*.
PA Unauthorized Removal Area Carbon Stock Change	PA1-6.C.1.c. The *Observed Carbon Stock Change* in the *PA Unauthorized Removal Area* during a *Crediting Period*.
PA Unauthorized Removal Period	A period designated by the *Project Proponent*: (a) starting after the date the *Protected Area* was lawfully established; (b) not shorter than nine (9) consecutive years immediately prior to the *Initial Project Submission Date*: (i) unless the Protected Area was established less than 9 years prior to the *Initial Project Submission Date*, in which case the *PA Unauthorized Removal Period* can be as short as the number of years between the establishment of the Protected Area and the *Initial Project Submission Date*, (ii) but in no case less than three (3) years); and (c) not longer than twelve (12) consecutive years immediately prior to the *Initial Project Submission Date*.
PA Unauthorized Removal Rate Change	PA1-6.D.
PA Unintentional Removals	Human-induced *Removals* in a *Protected Area* that have not been authorized by a *Governmental Authority* and are caused by (a) unintentional acts (e.g., fire caused accidentally or negligently; escaped livestock); or (b) intentional acts whose purpose is not *Tree Biomass* removal (e.g., driving cattle through forest to better grazing areas) but which have that effect.
PA Verification Request	PA1-7.B-C.
PA Verification Certificate	PA1-7.E. A certificate issued upon compliance with PA1-7.D that certifies the number of tons of CO2e reduction has been verified during the *Crediting Period* for which a *PA Verification Request* has been submitted.
PABP Budget	Acronym: Protected Area Best Practices Budget, a budget that estimates the annual cost and expense of either the *PAMP-Plus* or the *RFS Best Practices PA Protocols*.
PABP Budget Referee	An expert designated to referee *Commentary Disputes* regarding the PABP Budget who has the following minimum qualifications: Education – M.S. or MBA . in finance, economics, business, or accounting; Experience – 10 continuous years with business plans or budgets; and Position - a licensed practicing professional for the previous 10 years, or an executive or administrator in a private firm (for-profit or not-for-profit) or public entity with direct and supervisory responsibility for the firm's budget for 5 years.
PABP Deficit	Acronym: Protected Area Management Plan Budget Deficit. Calculated by subtracting the *PA Annual Expenditure Benchmark* from the *PABP Budget*

PABP Financial Statement	PA1-7.B.8.
PAMP-Plus	PA1-4. The incorporation of coordinated *RFS Best Practices PA Supplemental Protocols* into a *Protected Area Management Plan*.
Project Emission Change	PA1-6; PA1-7. The number of tons of CO_2e observed to have been emitted during a *Crediting Period* in excess of or less than what was expected if the average annual carbon stock change had occurred (*Carbon Stock Change Benchmark*) during either the *PA Unauthorized Removal Period* or the *PA Authorized Removal Period*.
Proponent PABP Budget Expert	An expert retained by *Project Proponent* with the following minimum qualifications: Education – B.S. in finance, economics, business, or accounting; Experience – 5 continuous years with business plans or budgets; and Position - a licensed practicing professional for the previous 5 years, or an executive or administrator in a private firm (for-profit or not-for-profit) or public entity with direct and supervisory responsibility for the firm's budget.
Protected Area	Any area designated by a *Governmental Authority*, (including so-called *protected area*s, national parks, national forests or equivalent designations such as extractive reserves, or sustainable use or managed forests) for the purpose of the long-term conservation of nature in the area with associated ecosystem services, and socio-cultural and socio-economic values.
Protected Area Best Practices Budget	PA1-5. A budget that estimates the annual cost and expense of either the *PAMP-Plus* or the *RFS Best Practices PA Protocols*, under the assumption that there are no budgetary constraints on the implementation of such best practices.
Protected Area Management Plan	PA1-4. A management plan for a *Protected Area* that a *Governmental Authority* has developed and published in accordance with applicable laws, rules, and regulations.
QOL Enhancement Report	PA1-7.B.11.
Rightsholder Outreach Documentation.	PA1-4.F. Documentary evidence that *Rightsholders* have had sufficiently accurate and complete information in a timely and culturally appropriate manner to allow a reasonable person to make an informed decision in connection with any consent, acknowledgment, or acceptance required of the *Rightsholder*.
RFS Best Practices PA Protocols	PA1-4
RFS Best Practices PA Protocol Report	PA1-4.A.
RFS Best Practices PA Supplemental Protocols	PA1-4.
RFS Protected Area Credit Payment Amount	PA1-6.D. Calculated by multiplying the *PABP Deficit* for each year of the Crediting Period by the *PA Removal Rate Change* for the corresponding year of the *Crediting Period*.
RFS Protected Area Credits™	A special form of *RFS Credit*™ used to financially support the reduction of *Authorized* and *Unauthorized Removals* in *Protected Areas* consistent with the integrated social, environmental, and economic well-being practices required by *The Rainforest Standard*™. Calculated in terms of *Project Emission Change* in accordance with PA1-6.
Socio-cultural Progress Report	PA1-7.B.6. A report required to be submitted with each PA Verification Request updating the *Domain Activities* required by the *PAMP-Plus* or *RFS Best Practices PA Protocol* in the Socio-cultural domain during the

	Crediting Period.
Sustainable Livelihood Progress Report	PA1-7.B.5. A report required to be submitted with each PA Verification Request updating the *Domain Activities* required by the *PAMP-Plus* or *RFS Best Practices PA Protocol* in Sustainable Livelihood domain during the Crediting Period.

RFS PROTECTED AREA CREDITS™

DOCUMENTS LIST

Location	Document	Req'd	Contin-gent	Initial	Final	Verifi-cation		
PA1-1	Optional Preliminary Assessment: Initial Requirements Checklist							
PA1-1	Optional Preliminary Assessment: Early Action Checklist							
PA1-2.D	Documentary evidence of Removals.	X		X				
PA1-2	Leakage Commitment		X	X				
PA1-3	Protected Area Map	X		X				
PA1-3.E.	Tenure Table	X		X				
IC3-1	Documentary Evidence for Project land Tenure Map and Table	X		X				
PA1-4	Protected Area Management Plan		X	X				
PA1-4	RFS Best Practices PA Protocols		X	X				
PA1-4	PAMP-Plus		X		X			
PA1-4	RFS Best Practices PA Supplemental Report		X		X			
PA1-4	RFS Best Practices PA Supplemental Protocol		X		X			
PA1-4	Best Practices Management Plan – Supporting Documentation	X						
PA1-4	PA Rightsholder Outreach Documentation	X			X			
PA1-4	De Facto Rightsholder List	X		X				
PA1-5.A.	PA Annual Expenditure Benchmark	X			X			
PA1-5.B.	PA Annual Expenditure Benchmark-Supporting Documentation	X			X			
PA1-5.C.	PABP Budget	X			X			
PA1-5.D.	PABP Budget – Supporting Documentation	X			X			
PA1-5.	PABP Deficit	X			X			
PA1-6.A.	PA Unauthorized Removal Period established.	X		X				
PA1-6.B.	PA Carbon Stock Change Benchmark	X		X				
PA1-6.C.	Carbon Verification Benchmark Map	X	Within 180 days of Validation Date			X		
PA1-6.C.	Carbon Verification Map	X				X		
PA1-6.C.	Project Emission Change	X				X		
PA1-6.D.	PA Removal Rate Change	X				X		
PA1-6.E.	Combined PA Removal Rate Change		X		X			
PA1-6.F.	PA Removal Rate Adjustment	X				X		
PA1-7.B.	PA Verification Request	X				X		

Location	Document	Req'd	Contin-gent	Initial	Final	Verifi-cation		
PA1-7.B.	Number of Verified Credits	X				X		
PA1-7.B.	RFS Protected Area Credit Payment Amount	X				X		
PA1-7.B.	Biodiversity Progress Report	X				X		
PA1-7.B.	Proponent Forest Ecologist Statement	X				X		
PA1-7.B.	Sustainable Livelihood Progress Report	X				X		
PA1-7.B.	Socio-cultural Progress Report	X				X		
PA1-7.B.	Proponent QOL Expert Statement	X				X		
PA1-7.B.	PABP Financial Statement	X				X		
PA1-7.B.	Proponent Personal Representation	X				X		
PA1-7.B.	Biodiversity Recovery Plan		X			X		
PA1-7.B.	QOL Enhancement Report		X			X		
PA1-7.E.	PA Purchase Agreement Commitment		X			X		
PA1-7.E.	Full Funding Waiver		X			X		
B1-1	Project Biodiversity Benchmark	X			X			
B1-3	Project Biodiversity Monitoring Protocol	X			X			
B1-3B; B1-4	Project Biodiversity Report	X				X		
ER5-10	Natural Fire Report		X			X		
A2-2	Project Response		X	X	X	X		
A4-2	Verification Request	X				X		
A5-B2	Project Termination Date Notice	X			X			
A5-B2	Revised Project Termination Date		X		X	X		
A6-2	Credit Transfer Report		X					
A6-3A	Credit Retirement Report	X						
A6-3B	Credit Retirement Form	X						

Illustration PA1-6_A

PA Unauthorized Removal Period	Yr #	Carbon Stock (1000s tCO2e)	Annual Carbon Stock Change	Methods Notes
2014 = Year of Initial Project Submission Date	0			If there are data for the year in which the Initial Project Submission Date occurs, that year can be treated as the Most Recent Year.
2013 = Most Recent Year	1	75		30m resolution OK
2012	2	90		30m resolution OK
2011	3	90		30m resolution OK
2010	4	120		30m resolution OK
2009	5	150		30m resolution OK
2008	6	155		30m resolution OK
2007	7	170		30m resolution OK
2006	8	175		30m resolution OK
2005 Earliest Year of 9-year period	9	200		30m resolution OK. If the PA Unauthorized Removal Period were 12 years long, the Earliest Year of the 12-year period would be 2002.
2004 Year Preceding Earliest Year	10	205		If the PA Unauthorized Removal Period were 12 years long, the Year Preceding Earliest Year of the 12-year period would be 2001
Carbon Stock Change during PA Unauthorized Removal Period		-130		Carbon Stock in the PA Unauthorized Removal Area in the most recent year of the PA Unauthorized Removal Period (i.e. the total Carbon Stock change during the PA Unauthorized Removal Period) minus the Carbon Stock in the PA Unauthorized Removal Area in the
PA Carbon Stock Unauthorized Removals Benchmark			**-14.44**	Carbon Stock Change during PA Unauthorized Removal Period divided by # of years of PA Unauthorized Removal Period
3 year Crediting Period		Observed Carbon Stock	*Observed Carbon Stock Change*	5-6.5 meter resolution required
2014		70	-5	Total Tree Biomass Carbon Stock.
2015		69	-1	Total Tree Biomass Carbon Stock.
2016		64	-5	Total Tree Biomass Carbon Stock.
PA Unauthorized Removal Area Carbon Stock Change			**-11.0**	Method A: 64(2016) minus 75 (2013) = -11; or, Method B: sum all Observed Carbon Stock Changes in Unauthorized Area during Crediting Period
Annual PA Unauthorized Removal Area Carbon Stock Change			**-3.67**	Divide the *PA Unauthorized Removal Area Carbon Stock Change* by the number of years in the *Crediting Period.*
Annual Unauthorized Area Project Emission Change			**-10.78**	Subtract the Annual *PA Unauthorized Removal Area Carbon Stock Change* from the *PA Carbon Stock Unauthorized Removals Benchmark*
PA Unauthorized Removal Rate Change			**74.62%**	Annual PA Unauthorized Area Project Emission Change / PA Carbon Stock Unauthorized Removals Benchmark [Positive number indicates Reduction.]
Total RFS Protected Area Credits for 3-year Crediting Period of Illustration			**32,333**	Annual Unauthorized Area Project Emission Change times the number of years of the Crediting Period times 1000 tCO2e.

Illustration PA1-6_B

PA Authorized Removal Period	Removal Period Yr #	Carbon Stock (tCO2e) in 1000s	Annual Carbon Stock Change	Methods Notes
2014 (Year of Initial Project Document Submission Date)		10	-2	
2013	1	12	-3	
2012	2	15	-2	
2011	3	17	-3	
2010 (Year preceding PA Authorized Removal Period)		20		
PA Carbon Stock Authorized Removals Benchmark			**-2.7**	Carbon Stock in the PA Authorized Removal Area in the last year of the PA Authorized Removal Period minus the Carbon Stock in the PA Authorized Removal Area in the year that immediately precedes the PA Authorized Removal Period, divided by three (the numb
3 year Creditng Period		Observed Carbon Stock	Observed Carbon Stock Change	
2014		10	-2	Total Tree Biomass Carbon Stock.
2015		8	-2	Total Tree Biomass Carbon Stock.
2016		7	-1	Total Tree Biomass Carbon Stock.
PA Authorized Removal Area Carbon Stock Change			**-5**	Method A: 10 (2016) minus 16 (2013) = -6; or, Method B: sum all Observed Carbon Stock Changes in Authorized Area during Crediting Period
Annual Authorized Removal Area Carbon Stock Change			**-1.7**	Divide the *PA Authorized Removal Area Carbon Stock Change* by the number of years in the *Crediting Period.*
Annual Authorized Area Project Emission Change			**-1.0**	Subtract the Annual *PA Authorized Removal Area Carbon Stock Change from the PA Carbon Stock Authorized Removal Benchmark*
PA Authorized Removal Rate Change			**37.5%**	Annual Authorized Area Project Emission Change divided by PA Carbon Stock Authorized Removals Benchmark [Positive number indicates Reduction.]
Total RFS Protected Area Credits for 3-year Crediting Period of Illustration			**3,000**	Annual Authorized Area Project Emission Change times the number of years of the Crediting Period times 1000 tCO2e.

Illustration PA1-6_C

Assumptions	
PA Carbon Stock Unauthorized Removals Benchmark	-14.4
PA Carbon Stock Authorized Removals Benchmark	-2.7
Annual *Unauthorized Removal Area Carbon Stock Change*	-3.7
Annual Authorized Removal Area Carbon Stock Change	-1.7
PA1-6.E. Step 5	
1. Add the *PA Carbon Stock Unauthorized Removals Benchmark* to the *PA Carbon Stock Authorized Removals Benchmark* to arrive at the *Combined PA Carbon Stock Removal Benchmark*	-17.1
2. Add the *Annual Unauthorized Removal Area Carbon Stock Change* to the *Annual Authorized Removal Area Carbon Stock Change* to arrive at the *Combined Annual Removal Area Carbon Stock Change*.	-5.4
3. Subtract the *Combined Annual Removal Area Carbon Stock Change* from the *Combined PA Carbon Stock Removal Benchmark* and divide by the *Combined PA Carbon Stock Removal Benchmark*, to arrive at the *Combined PA Removal Rate Change* during a *Crediting Period*.	68.4%