



Policy Memorandum

To: **ALL PROJECT DEVELOPERS AND VERIFICATION BODIES**
Date: **OCTOBER 20, 2015**
Re: **PIA AND PIA AMENDMENT AGREEMENT AND PIA RECORDATION POLICY**

1 Background

Section 3.5 of the Climate Action Reserve's (Reserve) Forest Project Protocol Versions 3.0, 3.1, and 3.2 requires that all Forest Projects are required to enter into a Project Implementation Agreement (PIA) with the Reserve prior to registration. Per the protocol, the PIA is an agreement between the Reserve and a Forest Owner which defines the Forest Owner's obligations as well as the rights and remedies of the Reserve to enforce such obligations.

The initial PIA entered into between the Forest Owner and the Reserve includes a 100 year term, associated with the 100 year permanence requirement from the date of credit issuance. Previously, when credits are issued to the project in subsequent reporting periods, the Reserve required a PIA Amendment to be entered into and recorded in order to extend the term of the PIA for an additional year in accordance with the permanence requirements of the protocol.

To date, the Reserve has required recordation of an initial PIA for an initial reporting period, and PIA Amendments for any subsequent reporting periods. However, the protocols are silent on the recordation requirements for the PIA and any subsequent PIA Amendments. Therefore, moving forward, the Reserve is establishing the following policy for recordation of the PIA and PIA Amendments.

2 PIA Agreement and Recordation Policy

Effective as of the release of this memo, all Forest Projects reporting under Versions 3.0, 3.1, 3.2, and 3.3 are required to enter into a PIA or PIA Amendment with the Reserve after their initial Verification Period and prior to registration of the Reporting Periods covered by the verification. The Initial PIA is required to be recorded in each county that the Project is located in. All subsequent PIA Amendments are required to be recorded at least every six years, with the six year cycle resetting upon each recordation event.