

Adoption of Forest Protocols by the California Air Resources Board

– Questions and Answers –

What did the California Air Resources Board approve at their meeting on October 25, 2007?

The California Air Resources Board, (CARB) adopted the set of Forest Protocols developed by the California Climate Action Registry (CCAR) as standards for quantifying forest-generated carbon dioxide emissions reductions (ERs) from voluntary initiatives. The protocols or rules are for emissions reporting by forest entities (ownerships), for forest-based ER projects and for third party certification of forest projects.

What is the significance of this action by CARB?

CARB is California's lead agency for implementation of the state's Global Warming Solutions Act (AB 32) and undertook this action pursuant to several directives in AB 32 (see below). In order to generate early actions toward meeting the state's ambitious greenhouse gas reduction goals for 2020, CARB is encouraging emissions reductions from voluntary forest projects certified under the adopted accounting rules. The Forest Protocols are the first set of government-recognized standards in the world for quantifying the three main climate benefits of forests, including gains from avoided deforestation, reforestation and forest management activities.

What are the standards set by the Forest Protocols?

How do they compare to others in the US and internationally?

The Forest Protocols ensure that certified ERs meet the key international requirements to generate a valid credit. They measure against a clear and consistent baseline of "business-as-usual" activity. They provide the basis for calculating the emissions reductions generated under climate project activities that are additional to what the forest would normally provide under operations consistent with the state's forest practices regulations and other laws. They require reporting of leakage or shifting of emissions resulting from project activity. They provide assurances that the emissions reductions will be permanent through the guarantee provided by a conservation easement. And they require achievement of environmental co-benefits for watersheds and wildlife, as well as climate.

As the CARB staff report notes, "[The Forest Protocols] provide a methodology for complete, consistent, transparent, accurate and conservative accounting of carbon emissions and reductions." Establishment of these standards allows for rigorous, standardized and more efficient development and approval of robust forest ER projects. The CCAR Forest Protocols were the first in the U.S. designed specifically for forest entities and tie in to international voluntary protocols such as the International Voluntary Carbon Standard, IETA, WBCSD-WRI, as well as ISO 14064. The requirement for a long-term conservation easement is also an element in the forest project rules of climate programs in the Northeast (RGGI), Australia and New Zealand.



How were these Forest Protocols developed?

Scientists, foresters, climate experts and other stakeholders developed these rules or “protocols” for CCAR over the course of four years in an open, public process directed by legislation (SB 812). The draft protocols were circulated for review to more than 50 external experts, representing the forest industry, government agencies and academia. The Forest Protocols were supported by the California Board of Forestry in 2004 and adopted by the CCAR Board in 2005.

How does CARB’s adoption of the Forest Protocols fit into AB 32’s requirements?

AB 32 sets out guidelines and a process to create a comprehensive greenhouse gas (GHG) reductions program for the state to reduce emissions to 1990 levels by 2020. AB 32 directs CARB to:

- Identify opportunities for verifiable and enforceable voluntary emission reduction actions
- Ensure entities that have previously made voluntary emissions reductions receive appropriate credit
- Adopt methodologies for quantification of voluntary GHG emissions reductions
- Incorporate the standards and protocols developed by CCAR where appropriate and to the maximum extent feasible
- Ensure that GHG ERs that are achieved are real, permanent, quantifiable, verifiable and enforceable

The “early action” by CARB to adopt the Forest Protocols helps fulfill these directives, and is the first step necessary toward ensuring that voluntary ERs meet the high standards considered to be “compliance quality” under AB 32. The next step will be to formulate and adopt actual regulations to verify and enforce any voluntary GHG reductions that would be used to meet the AB 32 emissions limits. Under AB 32, this needs to occur by 2010.

What are the next steps being undertaken by CARB for the forest sector?

CARB is currently engaged in developing a comprehensive Scoping Plan for adoption by the end of 2008. This plan will outline all the ways the state intends to meet the 2020 emissions reductions target of AB 32 across all economic sectors and including regulatory and non-regulatory measures, as well as the role of market mechanisms, such as cap-and-trade. Together with the Resources Agency, CARB staff has formed a Forest Sector Workgroup to inform the Scoping Plan. CARB will be working with forest sector stakeholders to consider development of additional voluntary protocols to bring to the Board, including ones that address additional forest management and public lands issues. Currently, project protocols are already in development for urban forestry and for fuels management and biomass.

Has anyone undertaken a forest emissions reduction project yet?

There are currently three forest projects registered with CCAR. The first was the *Van Eck Forest Project*, developed on a 2,200-acre working redwood forest in Humboldt County by the Pacific Forest Trust on behalf of the landowner, the Fred M. van Eck Forest Foundation, and registered in 2006. Third party certification of the project and its forest carbon measurements is underway.

How is the carbon market responding to emissions reductions (ERs) available from the CCAR registered *Van Eck Forest Project*?

The carbon market is responding very positively by buying these ERs because of the rigorous accounting standards of the Forest Protocols and the adoption of these by CARB.

Is the Van Eck Forest Project accounting independently verified?

The accuracy of PFT's measurements for actual carbon stored so far and for the 100-year *Van Eck Forest Project* lifetime is being reviewed and verified by a state-licensed, independent third-party. Two certification teams are involved in this process: SGS, a global leader in verification, and Scientific Certification Systems, the leading U.S. independent forestry certifier. The forest is monitored every year for compliance, and annual reports to CCAR are similarly independently verified. Certification for the project and actual emissions reductions from 2004-2006 is expected to be complete in December 2007.

How does the Van Eck Forest remove more CO₂ from the atmosphere than other forests?

The Van Eck Forest is managed under standards more strict than even California's tough regulations. Under the project's activities, trees are being grown older and therefore larger, not only absorbing more CO₂ sooner than young forests or tree planting, but also more CO₂ than would occur if the forest were managed at the "business-as-usual" baseline. The amount of timber harvested from the property will always be less than the new volume of carbon accumulated. While final calculations are subject to adjustment through the certification process, preliminary projections from the *Van Eck Forest Project* show that about 500,000 more tons of CO₂ will be removed from the atmosphere over the next 100 years than would have without the project.

How do we know this CO₂ won't be released again?

The Van Eck Forest is subject to a permanent conservation easement that prevents the forest from ever being developed and also guides forest management to assure permanent gains in CO₂ stores or "sequestration." Through thinning, selective harvesting, restoration and other sustainable forest management activities, PFT expects to enhance the forest's resilience to the impact of fire, pests and other natural disturbances, helping prevent future losses. In addition, the ERs being marketed from this property are less than those being produced, providing a significant reserve of ERs to insure against the risk of future unintended loss.

Is the Van Eck Forest ever logged? Will its management as a climate project displace the demand for wood products and just increase logging elsewhere?

The Van Eck Forest is an actively managed forest, where a variety of sustainable forestry practices both enhance carbon storage and produce wood products and jobs. In fact, over the lifetime of the project, about the same volume of wood will be harvested from this forest under climate management as under conventional management, thereby helping assure that displaced demand for wood products won't increase emissions elsewhere by displacing harvest activity.

Are there other environmental benefits of the Van Eck Forest Project?

In addition to being managed to store more carbon, the Van Eck Forest is also managed to restore biodiversity, improve old growth characteristics, and provide habitat for threatened and endangered species including the Northern Spotted Owl and Coho Salmon.

Why include forests in the fight against global warming?

Forests are both part of the problem and part of the solution. Forest loss is the second largest contributor to climate change, second only to fossil fuels. Globally, forest loss and poor management account for an estimated 25% of global CO₂ emissions today and close to 50% historically. Conversely,

today's forests are one of the largest atmospheric carbon sinks on the globe and their climate benefits are readily expandable. As such, they can and should play a significant role in the strategy to stabilize our climate. As CARB notes, California's forests are growing at about 30% below their capacity and therefore provide the opportunity to be managed to expand their carbon sequestration.

Isn't forest loss a problem mostly in the tropics?

In the U.S., forest loss to conversion is happening at a rate not seen for 100 years – approximately 1.5 million acres lost to development each year, or 4000 acres a day – twice that of farmland loss.

Can forest carbon projects really make a difference for global warming?

Conserving existing forests and managing them to increase carbon sequestration can create significant carbon gains now, when they are urgently needed. By preventing forest loss through permanent conservation agreements and managing forests to enhance forest carbon stores, considerable gains in carbon sequestration can be achieved relative to business-as-usual practices. Matched by reductions in the use of fossil fuels, emissions reductions projects like that on the Van Eck Forest could enable the U.S. to become carbon-neutral and begin reducing atmospheric concentrations of CO₂ back to a safe level.

What is the role of the Pacific Forest Trust in developing the Forest Protocols and the Van Eck Forest Project?

PFT is the only organization in the US solely dedicated to conserving the public benefits of private forests and the leading national advocate for the climate benefits of forests. The unanimous vote by CARB to adopt the Forest Protocols is the culmination of work begun by the Pacific Forest Trust with its successful campaign to pass SB 812 in 2002, which directed CCAR to create the Forest Protocols. PFT then lead the multi-stakeholder protocol drafting process on behalf of CCAR and the California Energy Commission. The Pacific Forest Trust manages the Van Eck Forest on behalf of the Van Eck Foundation and also holds the conservation easement on the property. PFT is promoting the *Van Eck Forest Project* to illustrate the significant contributions working forests can make toward healing our climate and to encourage other forest owners to develop forest climate projects. Proceeds of sales of ERs from the *Van Eck Forest Project* go to the landowner, not PFT.

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