



GUIDING PRINCIPLES FOR A PRACTICAL AND SUSTAINABLE APPROACH TO FOREST CARBON SEQUESTRATION PROJECTS IN THE SOUTHERN UNITED STATES

Executive Summary

Introduction

This paper examines the key issues surrounding the development and application of forest-based offset projects in the southern region of the United States and provides the Southern Group of State Foresters' (SGSF) recommendations for how these issues should be addressed in federal climate policy, should legislation be enacted.

SGSF is committed to participating in any process for formulating national rules for developing, measuring and reporting forest-based offset projects. The policy issues involved will be complex and will certainly be debated among stakeholders as policy is developed. These key policy issues are identified in this paper.

Approach

The SGSF Services, Utilization and Marketing Task Force convened the Forest Carbon Work Group in order to identify the key policy issues for forestry offsets in the U.S. Each key issue is explained and alternative approaches are discussed. Recommendations are provided for addressing each issue, along with a rationale. The policy recommendations represent the consensus of the work group.

Key Recommendations

Eligible Activities: Eligible activities should include, at a minimum, the following: afforestation/ reforestation, forest management, avoided forest conversion, urban forestry and harvested wood products

Eligible Carbon Pools: At a minimum, aboveground live biomass, belowground live biomass and harvested wood products should be included in any forest-based offset project.

Measurement and Monitoring: Reference tables and growth/yield models should be utilized as options for calculating carbon stocks in afforestation/reforestation projects, as long as direct measurements are used to "true up"



Carbon Storage



GUIDING PRINCIPLES FOR A PRACTICAL AND SUSTAINABLE APPROACH TO FOREST CARBON SEQUESTRATION PROJECTS IN THE SOUTHERN UNITED STATES

estimates. Harvested wood products should use national estimates. Statistically-designed, re-measurable forest inventories should be conducted periodically for forest management projects. Offset rules should employ a sliding scale in lieu of a required level of statistical precision, with discounts applied to credible carbon based on the lower bound of measurement error.

Verification: Verification should be conducted by an independent, third party organization. State and/or federal agencies should play a role in providing oversight to improve market transparency. A national GIS database should be developed to track offset projects, preventing double counting. Verification methods and results should be made public to provide even greater market transparency.

Baselines and Additionality: The base-year approach to baseline establishment should be employed for forest-based projects in the southern U.S. Carbon sequestration achieved above the base-year should be considered additional and credible.

Leakage: Internal sources of leakage should be addressed through entity-wide carbon stock reporting. Pending further data, external sources of leakage should be ignored as having a significant impact on the efficacy of a forest project.

Permanence: Forestry projects should employ one of several methods available to mitigate the risk of decreases in carbon stocks that may result from a natural disturbance. Short-term, renewable contracts should be employed to ensure that credible carbon is maintained.

Forest Sustainability: Forest projects should demonstrate a commitment to sustainable forest management by obtaining a State Forest

Stewardship plan. If appropriate, SFI, ATFS or FSC forest certification should be utilized.

Contracts: Contracts should specify project length, monitoring requirements, verification requirements, carbon maintenance/replacement requirements and should have dispute resolution mechanisms in place.

In addition, four general forest carbon policy recommendations are provided:

Protocol development authority: The USDA Forest Service under the direction of the Office of Ecosystem Services and Markets National should develop protocols for forest-offset projects.

Non-offset incentives: Programs that do not rely on offsets should be developed and implemented that reward landowners for maintaining and enhancing forest carbon stocks on private land.

“Stacking” environmental attributes or credits: The sale of carbon offsets should not preclude forest owners from participating in other ecosystem services markets.

Co-benefits of forest offsets: Offsets from forestry activities provide a myriad of co-benefits (clean water, wildlife, aesthetics, recreation, etc.) and should therefore be given priority in climate policy.

Developed by the Services, Utilization and Marketing Task Force

Approved by SGSF on June 16, 2009

To view the full report, visit:

www.southernforests.org

For more information, contact Mike Zupko:
sgsfexec@mindspring.com; 770/267-9630