

Summary notes US Forest Technical Working Group #7

January 7, 2025



Topic 1 – Approaches to support development of projects by small forest landowners

Corrections, context, and clarifications related leakage

- CAR Aggregation approach has not been widely adopted under 5.1 protocol, significant costs still remain for small landowners. Other barriers to use of the 5.1 protocol likely play a larger role than the specifics of the aggregation approach
- CAR Aggregation approach has been used under CAR MX Forest Protocol, still early on to determine the scale of efficiencies created with this approach
- UW led research is close to conceptualizing a dynamic baseline at a state level based on remote sensed data, which would dramatically reduce costs for small landowners
- Remote sensed species quantification remains a significant challenge which impedes accurate carbon quantification with remote sensed data
- Simplifying baseline quantification would support all forest landowners, including small forest landowners
- ACR supports aggregation of projects; across all aggregated protocols project lifespan is typically shorter (30-40 years) rather than 100+ years

How should Ecology consider the trade offs between quantification accuracy and market access for smaller landowners?

- Reserve's reduced sampling intensity requirements are a start to improve accessibility for small landowners
- Small projects that have been successful in the voluntary market have done so through protocols have a very streamlined baselined approach
- Focus on specific activities that lead to increased carbon storage, rather than heavy reliance on inventory could reduce development costs

In your view, are special provisions warranted regarding inventory and verification for smaller landowners?

- Special provisions should take into consideration the quality of the offsets, special accommodations should not come at the cost of offset quality
- Offset quality can be attained by considering confidence targets at the aggregate level rather than holding small landowners to the same statistical confidence requirements as large levels
- Overall goal is climate mitigation, market access supports climate mitigation actions
- There may be more efficient ways to improve carbon sequestration on small landowner land than enrolling in the carbon market
- Credit quality concerns do exist, particularly when different types of projects are bundled into a single aggregate

In addition to less intensive verification and reduced sampling intensity across aggregated forest offset projects, what other approaches should Ecology consider to reduce barriers for small forest landowner project development?

- Revised baseline approach
- A more activity-based protocol would improve market access for small landowners
- Focus on activities doesn't need to be lower quality, it could be higher quality
- Genetics plays a significant role in carbon sequestration; small landowners often are not able to invest in seedlings with highest production capacity

Topic 2 – Project Boundary Changes

Are there circumstances where Ecology should allow a proponent to terminate a portion of a project? In what circumstances should partial early termination of a project not be allowed?

- Eminent domain related partial terminations should be allowed as they are fully outside the landowner's control
- Forest fires could also be considered acceptable grounds to terminate a portion of the project while allowing the remaining part of the project to remain in place
- Conversion of forest land to a different use should not be permitted
- Some flexibility is necessary as long as carbon accounting makes the market whole
- Projects may include multiple landowners, individual landowners should be able to divest if they wish with appropriate carbon accounting
- If carbon prices increase in the future, Ecology needs to consider how to adequately compensate for reversals of carbon that will be more valuable in the future

Are there circumstances where Ecology should allow a proponent to expand the boundary of an existing project to include additional land area? In what circumstances should project boundary expansion not be allowed?

- Projects should be allowed to merge together to reduce costs
- ACR allows for project lands to be added to project boundary until final verification at year 5, which allows carbon project funding to be used to acquire additional lands
- Ecology needs to consider how additions that are below common practice baseline are accounted for

Topic 3 – Inventory Sampling Design Standard

Corrections, context, and clarifications related to forest practice requirements in the protocol

- If sampling error requirements are not met, the project would experience a complete reversal

- Process to get inventory updates approved (by ARB/Ecology) can be quite cumbersome and slow. The existing process requires upfront approval of revised inventory sampling design methods

Is the confidence deduction sufficient to compensate for inventory methods that do not achieve equal or greater accurate relative to the original sampling method?

- Ecology needs to ensure that minimum standards are met for the life of the project

Does this change allow for greater flexibility in inventory sampling design over time? Are there other requirements in the protocol that restrict proponents' ability to revise inventory sampling methods?

- Yes, but additional revisions may be warranted to create additional flexibility