

New mechanisms for investing in woodlands

**A sustainable and low carbon
Scottish economy, ECCI, Edinburgh**

28 November 2016

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Forestry Commission**

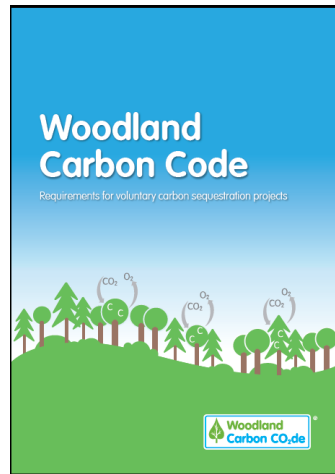
Incentives



Govt. grants



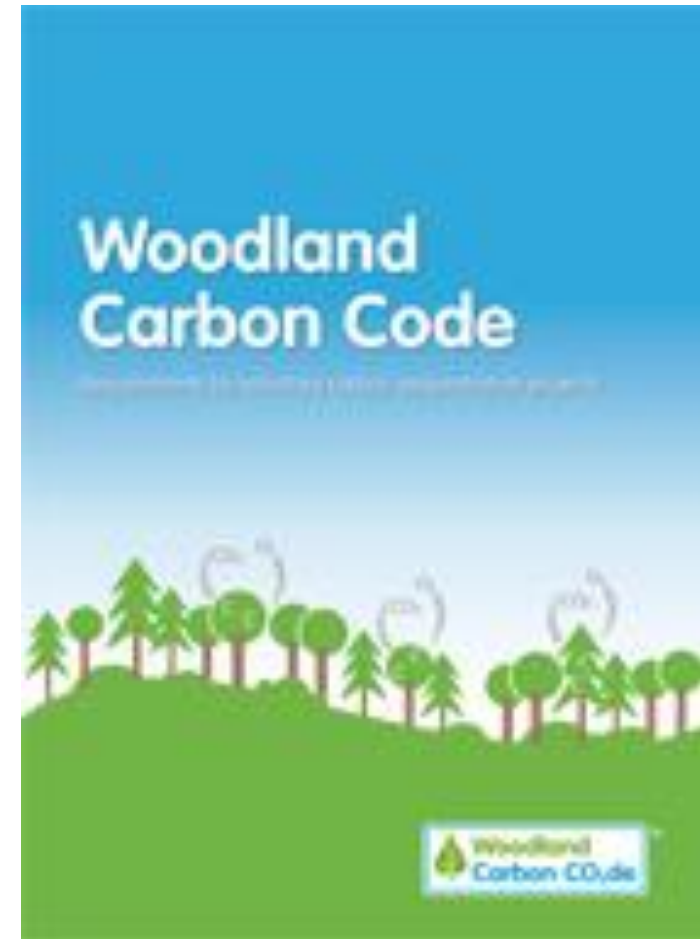
Standards



Information



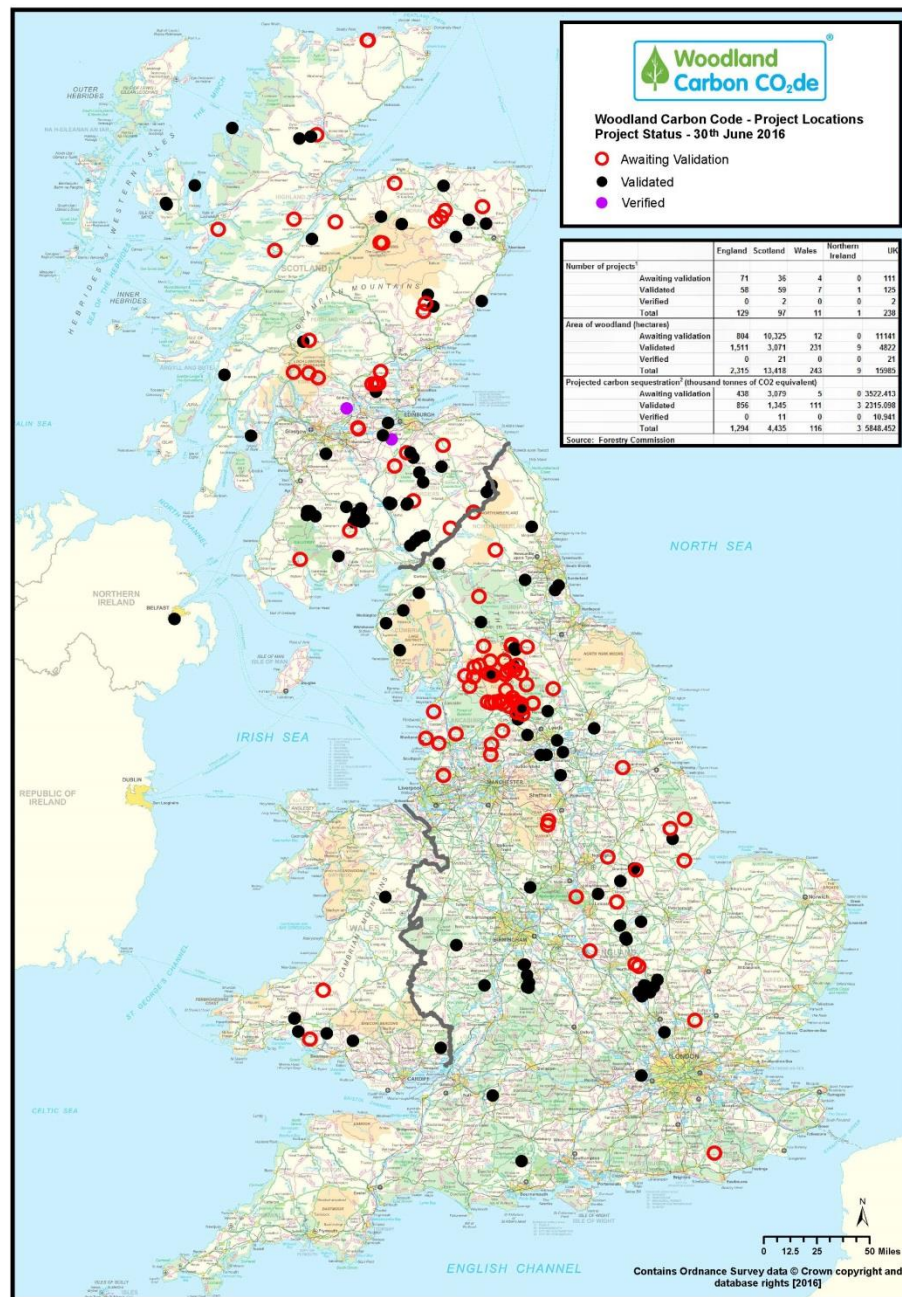
- Launched in 2011 – Woodland Creation only
- Clarity and transparency to bolster market confidence
- High standard with rigorous scientific basis
- Increase private investment into woodland creation
- Voluntary standard, similar principles to Gold Standard, VCS
- Set framework that could support mandatory market in future



- Sustainable forest management: UK Forestry Standard
- Additionality - Legal : Financial : Barrier
- Transparency – Markit carbon registry
- Permanence
 - Forestry Act, EIA regs, risk assessment, carbon buffer
- Prediction and monitoring
 - Baseline : Leakage : Project benefit
 - Forest Research carbon models and assessment protocols
- Independent certification (accredited by UKAS)
 - Validation and periodic verification

UK as of 30 June 2016:

- **238 Projects registered**
- 15,985 ha woodland
- 5.8 MtCO₂ over lifetime
- **125 projects validated**
- 4,822 ha woodland
- 2.3 MtCO₂ over lifetime
- **2 projects verified (yr 5)**
- 21 ha woodland
- 11,000 tCO₂ over lifetime
- **40 Project Developer accounts**
- **14 Project Developers with validated projects**
- **70 Corporate Buyers**



- UK-based corporates for CSR or to compensate for their UK-based emissions
 - Retail: Waitrose, M&S, Sofa.com
 - Paper/Printers: Premier Paper
 - Transport: Stagecoach(Bus), Taxi, Chauffeur
 - Travel: Eurocamp
 - Fuel Distribution/Cards: BWOC, All Star Cards
 - Financial: Green Investment Bank
 - Venues: Edinburgh Int. Conference Centre
- Around **60% of units** sold 'up-front' already (equates to c£10M for the validated units)
- Price: £7-15/tCO₂

- Local and tangible – Customers and staff can visit and touch
- Employee engagement – Staff can visit and engage with the project
- Customer engagement – Customers can relate to your chosen CSR or carbon project
- PR opportunities – get your CEO or Head of Sustainability out to plant trees
- Product differentiation – demonstrate the social, environmental and carbon benefits of your company or product



Unlocking value from land assets

- **Firm evidence**
 - science and value
 - revenues or savings
- **Leadership**
- **Clear and measurable product**
- **Accounting**
- **Infrastructure**
- **Demand (price)**
- **Marketing**
- **Adaptability**

Finance



Natural capital



**MODERN,
EFFICIENT
ECONOMY**

healthy
environment
underpinning
socio-
economic
well-being

“bottom line” - ecosystems have real values



www.forestry.gov.uk/carboncode

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