



IEMA

SECR Compliance update, Carbon Footprinting and  
Climate Action

10<sup>th</sup> March 2020

# Who we are

Forest Carbon is the leading developer of woodland creation projects for the UK voluntary carbon market.

## Since 2006 we have been planting forests:

- In the UK
- Of all shapes and sizes
- On behalf of companies and individuals wanting to capture the unavoidable carbon dioxide emissions that arise from their activities, and make a wider contribution to society
- Funded via voluntary carbon offsetting certified under the government's Woodland Carbon Code
- Because trees sequester carbon & provide wide ranging co-benefits

## We also:

- Developed the UK's first peatland restoration carbon project
- Are active in developing a new peatland carbon market and quality assurance standard
- Developed Ireland's first ever forest carbon projects, on behalf of Microsoft



## Climate change and the UK

- The UK Government Climate Change Risk Assessment predicts:
  - 3.6m people in the UK at risk of flooding by 2050
  - Flood damage to be £12bn per year by 2080 – impacts will accelerate in 2020s
  - Greater summer heat mortality
  - Coastal erosion
  - Water shortages in 5 major catchment areas
  - Invasive pests and diseases affecting people, plants and animals
  - Threats to infrastructure and business operations
- We are already on a trajectory for unavoidable climate change over the next three decades

## Solutions

- We can still prevent the worst effects after 30 years through reducing GHG emissions and investing in credible offset projects
- We can also adapt to a new climate here in the UK – for example through building design, or better land use
- UK woodland creation and peatland restoration offer action in both of these areas

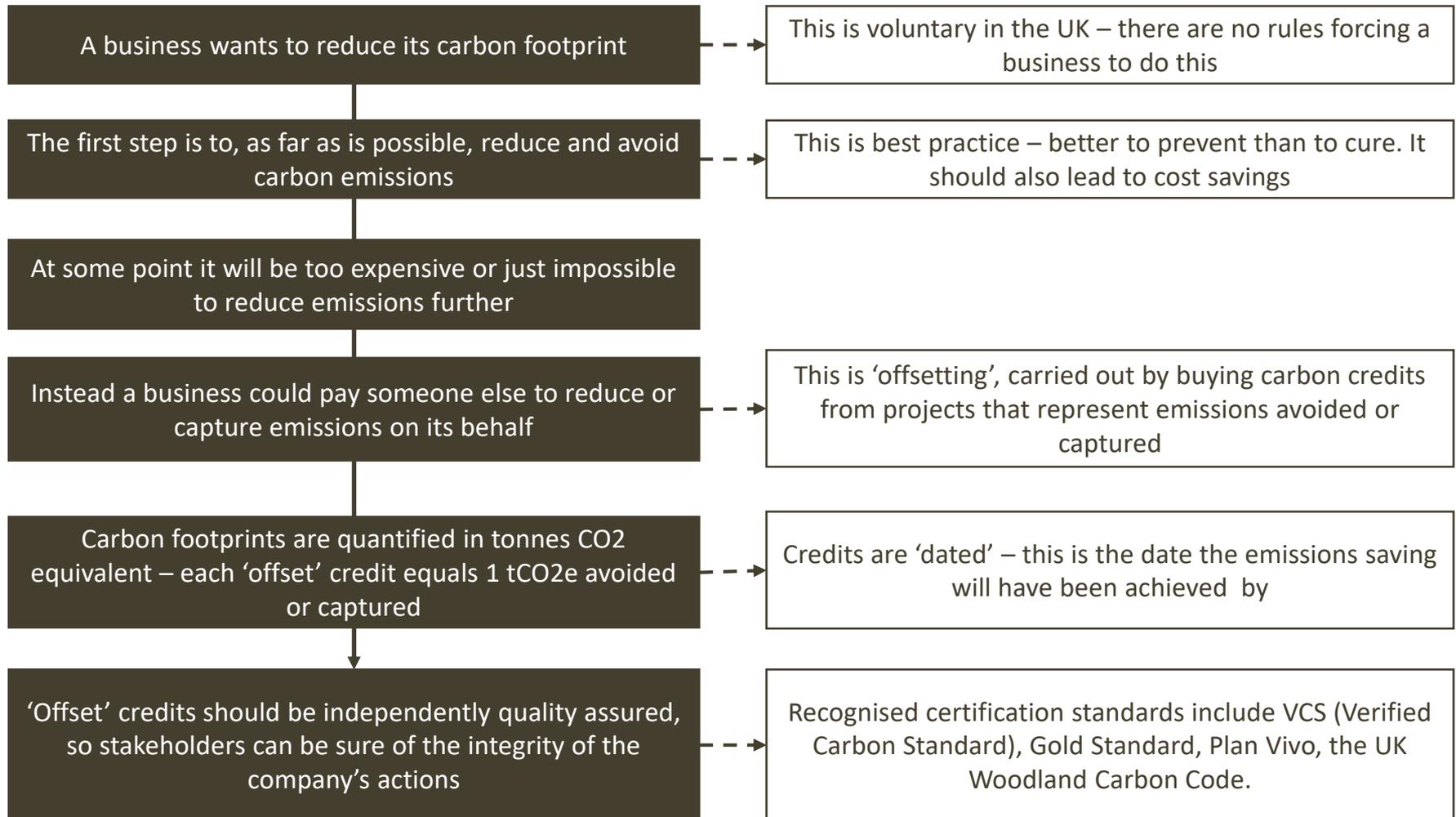
## Compliance markets

- Participation is mandatory
- Examples include:
  - Country to country International Emissions Trading under Kyoto Protocol (as was)
  - Business to business EU Emissions Trading Scheme (for selected industries)
- Characteristics:
  - Cap and trade – focussed on in-house emissions reductions
  - Carbon prices based on normal supply and demand as credits have expiry dates and participants have deadlines
- These markets are likely to source of quoted carbon prices you may have come across

## Voluntary markets

- As the name would suggest, participation is voluntary
- Carbon buyers (usually businesses) are paying someone else to implement greenhouse gas reduction projects on their behalf
- Characteristics:
  - To date cost-based project pricing as supply outstripped demand – starting to change
  - Project types include emissions avoidance (eg renewables) and emissions capture (eg forests)

# How voluntary carbon markets work



# How projects are quality assured



## Principles

- Independent audit by bodies accredited under the relevant standard
- Conservative, scientifically sound and project specific carbon savings estimates
- Additionality
- Permanence
- Monitoring
- Buffering
- Meets social, environmental and legal requirements
- Leading examples: VCS (Verified Carbon Standard), Gold Standard, Plan Vivo, the UK Woodland Carbon Code.

## Registries

- Once project certification is complete, carbon credits will be issued on a registry
- Online and public listing of credits: origin, ownership, certification status, carbon credit status (ie used or unused – can only be used once)
- Allows transparent demonstration of fulfilment of environmental commitments
- IHS Markit, APX, American Carbon Registry

## Carbon Neutral

- High degree of confidence on carbon footprint
- Purchase of carbon credits with delivery dates in the past
- Retirement of carbon credits (ie they are 'used')

## Net Zero

- “A net zero company will set and pursue an ambitious 1.5°C aligned science-based target for its full value-chain emissions. Any remaining hard-to-decarbonise emissions can be compensated using certified greenhouse gas removal.” (The Carbon Trust)
- Science Based Targets – there is a finite remaining carbon budget
- Note greenhouse gas removals, excludes emissions avoidance offsets

## Mitigation, balancing, recognition

- Softer statements
- Must be clear on what you are not doing or including
- Enables action instead of inaction (not making perfect the enemy of good)

# Why forests are important to the UK

<b>Flood mitigation</b>	Flooding is a significant climate change risk for the UK. Riparian woodlands are a cost effective way of reducing peak flow and mitigating flooding.	<b>Balance of trade</b>	The UK is the world's second largest importer of timber. More sustainable timber grown here could lead to import substitution of £1bn per year
<b>Water quality</b>	Riparian woodlands also reduce run-off pollution, protect river banks, and improve water habitat by lowering temperatures.	<b>Forest protection</b>	Globally only 33% of timber consumption is from sustainable sources. UK forests reduce pressure on old growth forests elsewhere.
<b>Job creation</b>	There are around 40k forestry related jobs, another 10k could be created by carbon market	<b>Climate change</b>	A doubling of UK planting rates could mitigate 10% of our footprint by 2050
<b>Sustainable construction</b>	45% of global emissions from buildings – materials and use. Timber can turn a building into a carbon store.	<b>Green spaces</b>	Public access to woodlands is good for health and wellbeing. Even the act of fencing a new woodland improves biodiversity by removing livestock

# How our woodlands are quality assured

## Woodland Carbon Code

- Developed by UK government, launched 2011
- Offers independent audit and ISO certified carbon credits
- Credits accepted under UK government guidance on environmental mitigation
- Ensures: the right trees are planted, in the right place, and that they will be managed properly and protected in the long term
- Conservative, scientifically sound and project specific carbon capture estimates
- Projects meet all international carbon project rules:
  - Additionality
  - Quality assurance
  - Conservatism
  - Permanence
  - Monitoring
- One of the world's leading domestic carbon standards



## IHS Markit Registry

- Leading environmental credit registry – home to Gold Standard, VCS and others
- Provides publicly available data on project certification status and credit ownership
- Allows transparent demonstration of fulfilment of environmental commitments
- Admission to the Registry indicates recognition of the quality of the WCC



# What we have achieved so far

2006	founded	7,000+	acres of biodiversity priority habitat type
170+	new UK woodlands	2.5 million+	Trees planted outside the UK
12,500	total acres	1.0 million+	tonnes CO2 capture outside the UK
8.5 million+	UK trees planted	1st	WCC certification, & Markit Registry delivery
1.85 million+	tonnes CO2 capture	1st	UK peat carbon project
5.5%	of all UK woodland creation since 2013	Developed	Ireland's first carbon forests, for Microsoft

## We offer businesses:

- A pipeline of woodland or peatland projects that can deliver carbon more quickly
- A portfolio of projects that allows carbon purchases of any size and in many locations
- Assistance with the development of marketing & PR copy – to ensure compliance with government Green Claims guidance
- Management of Markit registry accounts
- Arrangement and hosting of site visits
- Dedicated web pages and presence on project map – offers credibility via showing the number and range of other partners involved
- Maintenance of project certification for buyers

## Tweed Catchment Flood Mitigation

- 16 new woodlands planted 2012 – 2020
- Covered 233 ha with 450,000 trees
- 82,000 tonnes CO2 capture
- Riparian planting – specifically designed to reduce downstream flooding
- Other benefits will include improved water quality and enhanced river biodiversity
- Projects planted on private land
- Worked in partnership with Tweed Forum – charitable trust leading integrated land and water management in the Tweed catchment
- Project funded by sale of carbon credits to seven UK businesses and our Carbon Club



sofa.com

BWOC

  
allstar  
business solutions

clearabee 

 ICAP

redhills



Ecology  
Building Society



TWEED  
FORUM

# Some Forest Carbon Partners



NOMINET

SIEMENS

BWOC

Foster + Partners



nationalgrid



redhills



Ecology

the fuelstore



TOYOTA



MAX FORDHAM

Boiler Juice.com



YOUR M&S

# How businesses are working with us



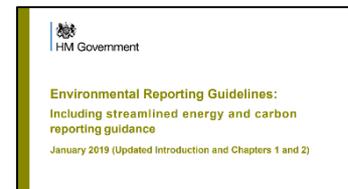
## Businesses have done one or more of the following:

- Vehicle livery – logos, statements
- Web pages, dashboard, photos (all of these are on our site also)
- Site visits – staff and customers
- Logos/statements on branded materials – flyers, letterheads
- Certificates in company premises – e.g. reception where visitors will see it, staff common areas
- Internal communications – intranet, staff newsletter – supports retention activities
- Animations – tell the story simply

All of this works best with an ongoing commitment.

# Domestic and global carbon policies

- Climate Change Act and Net Zero
- UK Government 25 year Environment Plan & Clean Growth Strategy
- Woodland Carbon Guarantee (2018 budget announcement)
- SECR
- 2015 Paris Agreement
- International Civil Aviation Organisation (ICAO) wants carbon neutral growth from 2020 (192 member states)
- UK second only to the US in terms of total voluntary carbon market spend by businesses
- Home to Europe's largest Sustainable and Responsible Investment Market, second only to US globally



## Contact details

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