FOREST CARBON

IN CALIFORNIA'S CAP AND TRADE PROGRAM

Trees, soils, and understory plants in forests naturally absorb carbon dioxide (CO₂) from the atmosphere and store the gas as carbon. Through sustainable management and protection, avoided conversion of forests to other uses, and reforestation, forests can increase their carbon storage compared to a business-as-usual scenario. The California Air Resources Board (ARB) adopted the U.S. Forests Compliance Offset Protocol for use in its cap-and-trade program to support the increased sequestration of carbon in forests. The protocol provides offset project eligibility rules, methods to calculate net effects on GHG emissions and removals, procedures to assess the risk that carbon sequestered by a project may be reversed, and approaches for long-term project monitoring and reporting. Offsets earned under this protocol may be used as compliance instruments.

PROJECT ACTIVITIES



Restore tree cover on land that is not at optimal stocking levels through tree planting or removal of impediments to natural reforestation. Forest must have had less than 10 percent canopy cover for at least 10 years or experienced a significant natural disturbance that removed at least 20 percent of the trees.

IMPROVED FOREST MANAGEMENT

Increase carbon stocks on forested land relative to baseline levels of carbon stocks through activities such as increasing rotation ages to increase the overall age of the forest, increasing the stocking of trees on understocked areas, and increasing forest productivity by thinning diseased and suppressed trees.



Prevent the conversion of forestland under significant threat of conversion to non-forest land use by dedicating the land to continuous forest cover through a conservation easement or transfer to public ownership.

CARBON QUANTIFICATION

WHAT GETS MEASURED

Standing live and dead carbon

(in Reforestation projects only)

Soil carbon



(carbon in all portions of living and dead standing trees)

Shrubs and herbaceous understory carbon

Carbon in harvested wood products

Biological and mobile combustion emissions from site preparation activities



SOURCES

Biological emissions from clearing of forestland or changes in harvesting outside the project area

Biological emissions from decomposition of forest products

KEY FACTORS FOR QUANTIFICATION

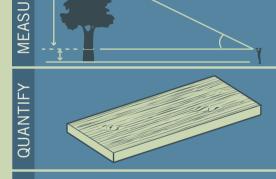


wood products by modeling what would have occurred in the absence of a forest project over 100 years

Estimate baseline onsite carbon stocks and carbon in harvested

Use volume estimation and biomass equations developed by the U.S. Forest Service Forest Inventory and Analysis (FIA) National Program for the appropriate U.S. state and tree species to calculate total biomass and convert biomass to tons of carbon dioxide The main inputs into the tree species equations include diameter

at breast height (DBH) and height of the tree



Estimate carbon stored in wood products using wood density factors, wood product classes (e.g. paper, hardwood lumber, plywood), and regional mill efficiency data (default factors conveying the percentage of wood that is turned into product in a region)

Quantify the actual change in carbon stocks to determine the net carbon reduction associated with the forest project

IMPORTANT SAFEGUARDS

100 YEARS OF MONITORING

QUANTIFY





ARB requires forest

owners to replace any previously issued ARBOCs if a forest project is terminated due to an intentional reversal (e.g. due to harvesting). All intentional reversals of GHG reductions must be compensated for through the retirement of compliance instruments.



Avoided conversion projects on private land must record a qualified

conservation easement that is perpetual in duration in order to be eligible. IFM and Reforestation projects that record a qualified conservation easement may reduce its risk rating and required contribution to the Forest Buffer Account.



All forest projects

contribute a percentage of ARBOCs to the Forest Buffer Account. The contribution percentage is determined by a project-specific risk rating. If a project experiences an unintentional reversal (e.g. fire or disease), ARBOCs from the Forest Buffer Account are retired in an amount equal to the total amount of carbon that was reversed.



ENVIRONMENTAL SAFEGUARDS

CHECKS AND BALANCES

national requirements that apply. If a verifier finds that an offset project is in a state of non-compliance with any environmental law or regulation, then ARBOCs or ROCs will not be issued for GHG reductions that occurred during the reporting period of non-compliance.



harvesting. The forest owner may

comply by being certified under the Forest Stewardship Council or other sustainable harvest certification program; adhering to a renewable long-term management plan that is sanctioned and monitored by a state or federal agency; or employing uneven-aged silvicultural practices and maintaining canopy cover averaging at least 40 percent across the forestland owned by the forest owner in the same assessment areas.



comprised of a diversity of native species, multiple ages, and at multiple landscape scales. Native forests are defined as those forests

occurring naturally in an area, as

neither a direct nor indirect

consequence of human activity post-dating European settlement.



All reports that reference carbon stocks must be submitted with the oversight of a Professional

Forester. A Professional Forester is an individual engaged in the science and profession of forestry with credentials under professional forester licensing laws and regulations. Where a jurisdiction does not have a professional forester law or regulation, the individual must have Certified Forester credentials managed by the Society of American Foresters or other valid credential approved by a government agency.



ARB requires the third-party verification of all GHG emission reductions or removal

enhancements before any ARB

offset credits are issued. Only ARB-accredited offset verification bodies and offset verifiers may provide verification services under the Compliance Offset Program. Each verification team must include at least one Professional Forester, one individual with demonstrated competence in forest biometrics, and one individual with demonstrated competence with forest growth and yield models.



transparency for all Forest Projects, including data that displays current carbon stocks, reversals, and

verified GHG reductions and removals. All non-confidential project data is publicly available on the Offset Project Registry website, such as the Climate Action Reserve's website.

BENEFITS



REVENUE Generate a new income



harvesting and encroaching



seasonal haven for

in carbon storage than would have been gained in a business-as-usual scenario

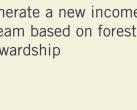


forest structure, and increase natural diversity

development, improve













AIR QUALITY Improve air quality for neighboring communities

RECREATION Provide enhanced recreational opportunities including hiking, wildlife

Support efforts of businesses and organizations to meet

viewing, and camping

emissions reduction goals

LEARN MORE

California Air Resources Board Compliance Offset Protocol U.S. Forest Projects http://www.arb.ca.gov/cc/capandtrade/protocols/usforestprojects.htm

http://www.climateactionreserve.org/how/protocols/forest/

Climate Action Reserve Forest Project Protocol

ARB U.S. Forest Offset Protocol Frequently Asked Questions http://www.arb.ca.gov/cc/capandtrade/protocols/usforest/resources/faq_102913_post.pdf

Climate Action Reserve on the California Compliance Offset Program http://www.climateactionreserve.org/how/california-compliance-projects/