



Forest Carbon Offset Projects on Federal Lands

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CLIMATE
ACTION
RESERVE

Forest Offset Projects on Federal Lands

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Current Requirements for Federal Lands Projects

- “Forest Projects on federal lands may be eligible if and when their eligibility is approved through a federal legislative or regulatory/rulemaking process.”
- Projects on private lands may be transferred to federal ownership on the condition that the federal government takes on PIA (permanence) commitments
 - Such projects would use a private land baseline

Questions Addressed in White Paper

- ✓ What is the potential for generating offsets on federal lands?
- ✓ Can baselines be credibly and reliably estimated for offset projects on federal lands?
- ✓ Can the Reserve effectively enforce offset ownership and permanence requirements on federal lands?

Potential for Offsets

- Federal lands are 29% of total U.S. land area
- 249 million acres of federal forest land (2007)
- Administered by:
 - Forest Service (147 million acres)
 - BLM (48 million acres)
 - Fish & Wildlife Service, National Park Service, Others (54 million acres)
- Compare to:
 - Other public forest land (state, local) (80 million acres)
 - Private forest land (423 million acres)

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Potential for Offsets

- Potential Activities:
 - Convert non-forest land to forest (afforestation/reforestation)
 - Plant trees in areas burned by wildfire (afforestation/reforestation)
 - Reduce emissions from wildfires (improved forest management)*
 - Grow trees larger in existing forests by extending rotations (improved forest management)
 - Switch from logging to protected forest (improved forest management)
 - Increase growth by fertilizing (improved forest management)*

*not eligible under current protocol

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Potential for Offsets

- Different agencies have different legal mandates & objectives for managing land...

Agency	Primary Land Management Purposes
Bureau of Land Management	Multiple Use: livestock grazing, minerals, energy
Forest Service	Multiple Use: timber, watershed, wildlife, recreation, wilderness
Fish and Wildlife Service	Primary Use: biological integrity, environmental health of refuges
National Park Service	Park Specific: varies by site but primary use is protection of natural and cultural heritage values

Potential for Offsets

- Main findings for currently eligible activities:
 - Potential for reforestation/afforestation limited or uncertain
 - Potential for IFM limited due to existing agency mandates which have led to already high (near maximum) stocking levels
- Administrative challenges might also affect potential for offset generation

Baselines & Quantification

- “...in general the existing Reserve forest project protocol can be applied to federal lands.”
- However:
 - For reforestation, more attention may need to be paid to natural regeneration potential
 - For IFM:
 - Limited potential to deviate from baseline based on existing practice and legal mandates
 - Inherent uncertainty in determining policy & budget baseline in the absence of carbon offsets (can't simply use NPV calculations)
 - Limited/no potential to avoid legally permissible conversion

Ownership & Permanence Enforcement

- Unclear whether the federal government would be willing or able to grant property (offset) claims to third parties
 - “the federal government is extremely limited as to the reasons and mechanisms for transferring property rights to private parties”
- Not clear that the federal government could enter into an agreement like the PIA, or provide sufficient assurances to project developers or the Reserve with respect to possible intentional reversals

Seeking Further Input

- ✓ Are there any findings or conclusions in the paper with which stakeholders disagree?
- ✓ Although there appears to be limited potential, are there specific opportunities we should focus on, e.g., BLM land reforestation, FW&S wildlife refuge land?
- ✓ How tractable are baseline issues on federal lands? Are there possible approaches that would be credible & effective?
- ✓ Can ownership and permanence concerns be reliably addressed in some way?