

## Forest Project Protocol Summary of Proposed Revisions

June 2019

In response to comments received during the first round of public comments (November 1, 2018 – December 14, 2018), the draft U.S. Forest Project Protocol (FPP) Version 5.0 (June 2019) incorporates the following significant changes from the initial public comment draft of the same document (November 2018). Please refer to the initial public comment draft Summary of Proposed Revisions for a complete list of the changes made since FPP Version 4.0.

- Provided clarification around the additionality of forest projects (Sections 3.3, 6.1) These sections have been supplemented with a narrative describing the additionality of forest project baselines, as they relate to the 100-year minimum time commitment of projects. The purpose of this discussion is to provide additional context for the description of leakage in later sections of the protocol.
- Updated IFM leakage risk deduction (Section 6.1.6) The Reserve has revised the leakage risk factor for IFM projects. In the original public comment draft of FPP V5.0, a variable sliding scale was proposed, starting at 40%, FPP V4.0 did away with a separate accounting for market response to changes in wood products, instead combining it into the accounting for activity-shifting leakage. Starting the sliding scale for leakage under FPP V5.0 at 40% reflected the combination of these leakage risks. In order to provide better clarity to leakage accounting, the Reserve is returning to accounting for activityshifting leakage risk and market response risks separately. The new public comment draft of the protocol implements a 20% standard leakage risk rate for activity-shifting leakage, the rate implemented in past versions of the Reserve's FPP for improved forest management projects. The new public comment draft also adds a separate market response accounting back into Equation 6.1. Furthermore, while no crediting is allowed for positive leakage when project harvests exceed baseline harvests on a cumulative basis, such positive leakage may now be carried forward to reduce combined leakage deductions (activity-shifting and market response) if actual harvested carbon amounts fall below baseline again.
- Clarified Avoidable Reversal compensation requirements (Section 7.3.2) The Reserve has included new language clarifying different situations that are classified as Avoidable Reversals, as well as confirming when site visits are required for each. The Reserve has also clarified that credits used to compensate for Avoidable Reversals will be cancelled, not retired.
- Addition of Computational Reversal category (Section 7.3.3) The Reserve has included a new category of reversal resulting from protocol-required calculations, like secondary effects and confidence deductions.

- Clarified Site Visit and Desk Review Verification Schedule (Section 8.3.2.1) The original public comment draft of FPP V5.0 proposed a new option to reduce the required verification frequency for projects reporting under 4,000 CRTs/year. An additional reduced verification frequency is also proposed for projects seeking zero CRTs at the time of a normally required verification (i.e., projects entering a "monitoring" phase). The new public comment draft of the protocol has added some clarifying language to both of these options, based on stakeholder feedback.
- Clarified Sequential Sampling Stopping Rules (Section 9.3.5.1) FPP V4.0 included a number of updates to the sequential sampling stopping rules. In response to comments received during the public comment period of FPP V5.0, the Reserve has provided clarifying language to better explain how the different stopping rules work, and when they are applicable. Based on stakeholder feedback, the Reserve has also reintroduced variable passing plot requirements as a function of project size, similar to what was included in FPP V3.3.
- Clarified Reversal Risk Rating for Tribal Land (Appendix A) Text has been added throughout Appendix A to clarify that tribal land (including land owned by Alaska Native Corporations and Hawaiian home lands) are treated the same as public lands in relation to the Buffer Pool contribution.