THE WOODLAND CARBONCODE A QUICK GUIDE

Woodland Carbon CO2de

Scottish Woodlands is registered with the **Woodland Carbon Code**, allowing it to develop schemes on behalf of clients

WHAT COUNTS AS SEQUESTERED CARBON?

TONNESMETRESCO2 EQUIVALENTFC YIELD MODELSCUBIC (TCO2E)

The carbon calculations are based on the FC Yield Models but instead of being expressed in cubic metres of timber they are expressed as tonnes of CO2 Equivalent. (tCO2e).

 The carbon calculations are based on long-term (usually 100 years) sequestration. Where a woodland is felled and restocked the long-term (100year) average sequestration is used to produce the sequestered tCO2e available for sale.

Conifers-Including Clearfelling

- It is necessary to show that the trees would not have been planted had it not been for the additional carbon money.
- This is done by calculating the **Net Present Value (NPV)** of the cashflow required to establish the woodland over the chosen scheme period.









WHAT IS THE PROCESS?

To be eligible any new woodland creation project must be registered with the Woodland Carbon Code within six months of planting.



- Registration: The first stage of the process is registration. This flags the site up on the Woodland Carbon Code and identifies the location, areas and species mix. As part of this process we produce an estimate of costs and income to assess in basic terms the benefit of any scheme before taking to the next step.
- Validation: Validation involves the preparation of a project design document, additionality and carbon calculations by Scottish Woodlands.

This produces a set of case documents which are then validated by a third party. An amount of carbon sequestration for the project is agreed end of the validation process.





• **Verification:** Verification begins at year 5 and is repeated every 10 years thereafter.

Using conventional mensuration techniques, the growth of the trees is measured, and the quantity of carbon sequestered calculated from the results.

There will be a cost associated with verification.

HOW MUCH IS IT WORTH?

There are two types of carbon sold, 'validated' and 'verified'.

• Validated The purchaser cannot use the carbon in off-set calculations until it has been sequestered by the trees five or ten years later. The owner must maintain the plantation and verify the carbon at 5 years and every 10 years thereafter.

As the off-set does not exist at time of sale the price for validated carbon is low.





 Verified carbon is carbon that has been sequestered into trees and has been measured in the field using conventional mensuration techniques. However, it is at least five years after planting before any carbon can be verified and quantities to begin with are small.

However, verified carbon is much more useful to purchasers as it can be used in off-set calculations by businesses requiring toreduce their carbon footprint. The price is likely to be considerably higher.

WHAT ARE THE RISKS?



As the carbon contract with the purchaser could last between 35 and 80 years it will be necessary to have robust legal agreement to protect the seller.

We would recommend legal advice is taken in this regard and most legal firms can now advise on this process to ensure that the best outcome is achieved.

THIRD PARTY RIGHTS

The rights to the carbon remain with the third party so if the property is sold it passes to the new owner with what is in effect a burden in title. The new owner will have to take on the carbon

contract together with any restrictions.

TYPICAL CARBON YIELD

Planting	Typical Carbon Yield tCO2/ha*	Typical Scheme Duration (Years)
Predominantly Conifer	125	35
Native Woodland	350	65

*Figures shown are for typical schemes and actual figures may vary significantly depending on soil type, predicted yield class amongst other factors.

