



Green Finance Institute
Identifying and Working with Buyers
18th April 2023

The role of Forest Carbon

Forest Carbon is the leading and longest standing developer of land based projects for the UK voluntary carbon market.

Since 2006 we have been planting forests and restoring peatlands:

- 225+ woodlands of all shapes, sizes and types
- 5 peatland restoration projects
- Funded by the sale of certified carbon credits, quality assured under the government's Woodland Carbon Code and Peatland Code
- Have a range of international projects available

We are pioneers:

- We were founding members of the Woodland Carbon Code and Peatland Code Advisory Boards, and still members
- Developed the first ever projects under both of those standards
- We are active in developing a other new land based carbon markets
- We developed Ireland's first ever forest carbon projects, on behalf of Microsoft

Nationwide:

- Offices in Edinburgh, the North-east and the South-west



What we have achieved so far

2006	founded	7.0%	of all UK woodland creation 2014 - 2021
350+	Projects completed or under development	3.0 million+	Trees planted outside the UK
28,000	Acres completed or under development	1.58 million+	tonnes CO2 capture outside the UK
19.5 million+	UK trees planted or under development	Restored	320+ Ha of degraded UK peatland
3.5 million+	tCO2 capture underway or in development	2.0 million+	UK carbon credits sold to UK businesses

How our projects are quality assured



Principles

- Independent audit by bodies accredited under the relevant standard
- In the UK context standards themselves accredited by UKAS to ISO 14064/5
- Conservative, scientifically sound and project specific carbon savings estimates
- Additionality
- Permanence
- Monitoring
- Buffering
- Meets social, environmental and legal requirements, including community involvement
- Leading examples: VCS (Verified Carbon Standard), Gold Standard, Plan Vivo, the UK Woodland Carbon Code, the UK Peatland Code, the Climate, Community and Biodiversity Alliance



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
- S&P Global, Verra, Gold Standard

How we sell carbon credits – 1



Some un-sequenced thoughts

Know your onions (and some others too)

Our team has a diverse range of expertise:

- Our projects themselves
- Farming and land management
- Surveying
- International carbon markets

Businesses are...businesses

You won't be surprised to learn:

- Carbon/NBS investments need to make business sense – businesses aren't primarily philanthropic, and they have competing demands (unless you hit the right SME with the right CEO/owner)
- Latest research shows ESG now third on list of business priorities, behind revenue growth and customer relations
- Price vs emissions vs profitability
- All members of our team have good and long experience working in the private sector – we feel we understand their needs

Education, education, education

We spend a great deal of time educating buyers:

- Often to the extent that we talk them out of working with us
- This goes on long after transaction – an ongoing relationship with buyers

Slow and steady

Not a standard product:

- Purchases are discretionary
- Process can be very slow – we've had transactions take 2 years to close
- We don't do outbound sales calls – create the reputation instead

How we sell carbon credits – 2



Some more un-sequenced thoughts

Know what you are selling

In a UK context you aren't selling 'carbon':

- Instead: a promise of future carbon reductions by a natural product
- And: over a very long period of time
- There is a place for these projects, but they generally fit into a portfolio approach where types, locations, delivery timeframes (and COST!) are blended

Carbon market built-in obsolescence

Over time the plan is that businesses buy fewer credits as internal abatement takes hold – example: a brewery we know

Flexibility, Liquidity

We work with buyers of all shapes and sizes, and projects similarly:

- No transaction too small
- Offer buyers projects all over the UK, and all over the world
- Mixed transactions – UK + international
- Flexible payment options
- We are not doctrinaire about excluding businesses – case by case basis and we trust people

Trust the private sector

- We often feel that NGO/public sector project developers don't see organisations like ours as 'honest brokers' (in fact that's the exact term often used).
- But.... (and there are others like us) we've been in the market a long time (17 years), helped to create it, have worked hard at building a good and enduring reputation.

Ducks lined up

Obvious, but: contracts, Ts and Cs, collateral, credit delivery, marketing advice

Unknowns

New markets (eg nature), future pricing uncertainty = lack of supply

Some of our partners



Contact details



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