

Woodland Carbon Code executive board minutes

Wednesday 22 May 2024 via Microsoft Teams

Present: Pat Snowdon, Vicky West, Andy Baker, Susan Szymborski-Welsh (Scottish Forestry), Fiona Hay (Welsh Government), Mark Broadmeadow (Forestry Commission)

Apologies: Ben Searle (Northern Ireland Forest Service), Jamie Smith (Scottish Forestry)

Actions from last meeting

Vicky West provided updates on the actions from the previous executive board meeting:

Action 1: Vicky/Andy to discuss permanence/felling licences further with the regulations teams and UK Forestry Standard update team. (To revisit now the UK Forestry Standard is updated)

Update: Work on this is ongoing.

Action 2: Vicky to produce a paper on changes to the way the Woodland Carbon Code represents sales of pending issuance units, setting out the proposal and rationale in more detail (by correspondence or next meeting).

Update: This will be looked at as part of the re-tender of the registry.

Action 3: Andy to review options for a shared space for executive board papers and minutes.

Update: Work on this is ongoing. The code's communications officer is setting up a SharePoint site which should be ready for use shortly.

Action 4: Pat to ask the head of the Scottish Forestry Executive Office whether the proposal should be considered under the public sector equality duty.

Update: Vicky has set up a meeting to take this forward.

Updates

Statistics

Vicky West shared annual statistics about the Woodland Carbon Code. Between 1 April 2023 and 31 March 2024:

- 314 new projects were registered to the code, although 80 other projects were removed from the registry, leaving a net figure of 234 new projects registered.
- 169 projects were validated to the code
- 3 projects were verified to the code

Vicky also shared insights into the reasons for some projects being removed from the registry, which include projects being too small to be viable, landowners choosing not to go ahead with projects, projects being combined and projects not passing the additionality test.

She also provided estimates of the proportion of total woodland creation area that has been registered or validated to the code.

Introduction of higher levies

Vicky West updated the group on the proposals to increase the levy charged by Scottish Forestry to cover staffing costs.

She reported that Woodland Carbon Code advisory board members were happy for the changes to be made and that she has scheduled meetings to discuss the proposal with the Peatland Code team and the registry provider.

She is also meeting with the Head of Scottish Forestry's Executive Office to check whether the proposal should be considered under the public sector equality duty and liaising with the code's communications officer to plan communications.

Additionality test

Additionality for public sector projects

Andrew Baker led a discussion on assessing additionally for public sector projects.

He explained that it is difficult to assess additionality for public sector schemes because some public bodies are unable to apply for woodland creation grants. He outlined a range of options and highlighted work to discuss the proposal with key people and organisations.

The group agreed in principle that public sector organisations should be eligible to participate in the code and that the topic should be discussed at the first Nature Markets Strategy Board meeting. It was suggested that the final decision on whether public sector organisations could be included should be made by the Nature Markets Strategy Board.

Mark suggested checking whether including public sector projects would be acceptable if credits from the code were to become eligible in the UK Emissions Trading Scheme. He also suggested finding out how public bodies are treated in the Biodiversity Net Gains programme in England.

Pat suggested checking the options with the validators and exploring whether the topic is included in the Integrity Council for the Voluntary Carbon Market's assessment framework.

Action 5: Andy to speak to the validators.

Action 6: Andy to set up a call with Mark and Julia about the UK Emissions Trading Scheme.

Action 7: Andy to prepare a paper for the Nature Market Strategy Board meeting in June.

Action 8: Pat to check how public sector schemes are managed under the Biodiversity Net Gains programme and the Integrity Council for the Voluntary Carbon Market's assessment framework.

Timing of test

Andy updated the group about a proposal on the timing and version of the cashflow spreadsheet which is applied for financial additionality assessments. The proposal is that the cashflow spreadsheet that is 'live' at the time of registration will be used for validation purposes.

He highlighted work to discuss the proposal with key groups, including grant teams and industry representatives.

He explained that there has been a generally positive response and recognition that the proposal will reduce financial uncertainty prior to validation and provide investors, buyers and landowners with greater confidence.

The board agreed to the proposal and that it can be included in the next update to the Woodland Carbon Code later this year.

Additionality – further work

Pat outlined the latest work on reviewing the code's additionality test. The secretariat is working with EY to evaluate the current test and future options. The project will include stakeholder consultation and should be completed later in the summer, subject to procurement processes.

Mark asked whether the project will consider income forgone. Pat conformed that it will.

Preparations for re-tender of the registry

Pat outlined the work the Woodland Carbon Code team is undertaking to prepare for re-tendering for a registry service provider. He explained that the new registry period will start from September 2025 and that, due to the importance, scale and complexity of the project, the team will set up a project steering group and are exploring whether it may be possible to receive support from Scottish Forestry's project management team.



Preparations for ICVCM application

Pat outlined plans to apply for the code to be accredited by Integrity Council for the Voluntary Carbon Market this summer. He also detailed the criteria which are included in the assessment framework.

Vicky highlighted that she is speaking with contacts at other codes who have gone or are going through the accreditation process for help and guidance.

Any other business and date of next meeting

Fiona asked if orchards and short rotation forestry plantations could be verified under the code. Andy clarified that short rotation forestry is eligible, but orchards are not eligible. Vicky explained that the Woodland Carbon Code aligns with the definition of woodland in the UK Forestry Standard.

Next meeting: 9am to 11am on Wednesday 26 June 2024 via Microsoft Teams.