

Woodland Carbon Code executive board minutes

Friday 25 September 2024 via Microsoft Teams

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

Apologies: Ben Searle (Northern Ireland Forest Service)

Outstanding actions

Pat provided updates on outstanding actions from the previous executive board meeting:

Action 1: 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: Ongoing. Vicky is continuing to discuss this with S&P Global.

Action 2: Pat to check how public sector schemes are managed under the Integrity Council for the Voluntary Carbon Market's assessment framework.

Update: Ongoing. Pat has contacted the Integrity Council for the Voluntary Carbon Market and is awaiting a reply.

Action 3: Members to let Pat know of anyone who might want to be involved in the EY consultation on the code's additionality test.

Update: Board members can still feed into this.

Action 4: Vicky to contact the Department for Energy Security and Net Zero for guidance on allowing Woodland Carbon Code units to be used to compensate for international flights.

Update: Vicky has emailed but has not heard back yet. She will follow up with the department.

Updates

Staffing

Pat explained that the code's managers have submitted contract extension requests for several members of staff. The team hopes to hear from Scottish Forestry's staffing committee shortly.

UK Emissions Trading Scheme

Pat informed the group that there are a series of joint working group meetings to discuss responses to the recent consultation on integrating greenhouse gas removals in the UK Emissions Trading Scheme.

He plans to attend some of the sessions and contribute to discussions about the permanency of woodland creation projects.

The decision whether to include the code in the scheme is due towards the end of this year.

Public sector additionality

Andy updated the board on work to assess financial additionality for public sector organisations that cannot apply for grant support.

He outlined options for a grant-scheme 'proxy'. Members agreed a project-specific grant rate proxy would be most suitable.

Mark asked if the code's advisory board would be consulted on the decision too.

Andy highlighted plans to discuss the issue with the advisory board and to submit a paper to the nature markets strategy board.

The group also started to discuss whether the change could be implemented as a clarification or as part of the next version of the code. Andy and Vicky will be doing more work on this.

Action 5: Andy to check that Ben Searle and Jamie Smith agree with a project-specific grant rate proxy.

Carbon prices

Vicky discussed work with Ecosystem Marketplace to gather and analyse carbon pricing data for Woodland Carbon Code and Peatland Code projects.

The group agreed to publish information about the overall price and the difference in price for units from projects of different tree species. This will be shared through various communication channels in October.

The team are also looking at how to encourage more reporting of sale prices.

CivTech Challenge

Vicky provided an update on the code's involvement with the CivTech Challenge, the Scottish Government programme which helps to drive innovation in the public sector.

There was a good response to the Woodland Carbon Code and Peatland Code's challenge call.

The project team are now working to select three bids to explore further. The successful bid will be developed early next year and the Vicky will keep the board informed.

Biodiversity and additionality consultations

Vicky updated members on the project to develop a voluntary biodiversity crediting framework which could be 'bundled' with the Woodland Carbon Code and Peatland Code frameworks.

The project team has developed a consultation paper about the proposed framework and the metrics which could be used to measure biodiversity uplift of woodland creation or peatland restoration projects. Feedback is invited until Sunday 6 October.

Vicky also provided an update on work to review the code's additionality test. The secretariat is working with EY to evaluate options to enhance the financial additionality test.

They are developing a consultation paper which will be launched at a webinar in October. The consultation will be open for a month and will be communicated to a range of contacts through the Woodland Carbon Code's newsletter, website and email lists.

Action 6: Susan to share the email about the biodiversity consultation with executive board members.

Sustainable Farming Scheme Wales

Fiona gave an update on the development of Wales's Sustainable Farming Scheme. Welsh Government consulted on a proposed range of universal actions which farmers would need to take to participate in the scheme and other individual and collaborative actions which would be optional for additional payments. One proposed element is a requirement of 10% tree cover on farms by 2030 (which would include all existing tree cover and exclude unplanted areas). Exceptions would also be made for tenanted land.

Following analysis of the consultation responses, Welsh Government has established a ministerial roundtable group to continue engagement with stakeholders. A carbon sequestration review panel has also been established to explore alternative and additional ways that farmers could sequester carbon on their land. Welsh Government is considering options, but no decisions have yet been made on the final scheme design.

Woodland Water Code

Rosie Brook, Tom Nisbet and Gregory Valatin from Forest Research gave an update on work to develop a Woodland Water Code. They introduced the project team, the aims of the project and the development process.

The team will conduct market research to understand the barriers and opportunities for buyers and sellers and plans to publish a draft methodology by March 2025.

The group discussed some of the decisions which will need to be made, including how the Woodland Water Code would integrate with the Woodland Carbon Code and who will help to review and approve the proposed methodology in line with the code's new methodology development framework. It was agreed the project team should provide an update to the Nature Markets Strategy Board to ensure they are content with development of the project.

Vicky asked if the team would be speaking to validators and if they had explored the practicalities of showing woodland water credits in the UK Land Carbon Registry. Rosie explained they will be meeting validators further in the development process and that she would speak to the project lead for the biodiversity crediting project to explore registry developments for biodiversity and water.

Rosie highlighted that the team will be submitting a funding bid to Defra for the second phase of the project.

Action 7: The Woodland Water Code team to provide an update for the Nature Markets Strategy Board in December.

Action 8: Rosie to share the Defra funding bid with Vicky for review.

UK Land Carbon Registry re-tender

Vicky provided an update on the project to retender for a registry provider. She outlined the timescales and options for moving to a new provider.

She highlighted that the current registry provider will be moving to a new platform with improved functionality before the end of the year. The code will also be joining a meta-registry later this year which will help to check for double counting of credits across standards.

Risk register

Due to time constraints, it was agreed that Vicky would share the risk register by email after the meeting.

Action 9: Vicky to email the risk register to board members for comment.