



Forest Carbon Credits

An Brief Introduction to the Opportunities and Challenges

October, 2022

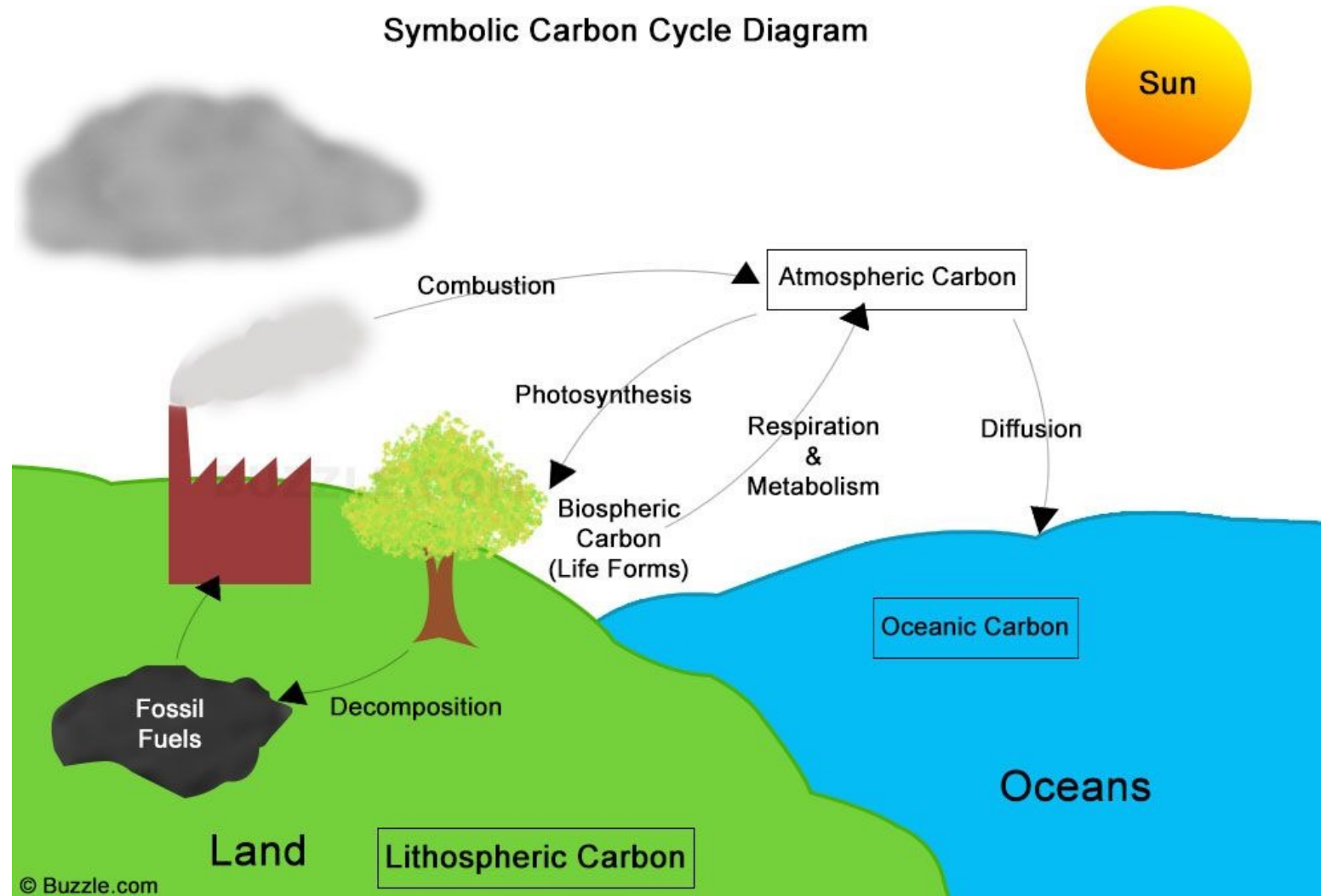


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The Too Simple Version



The Even Simpler (and Possibly Truer) Version



Fossil Carbon –
“The Loan”*



Land/Ocean/Air
Cycles – “The
Household Budget”



Climate Change –
“The Interest”

*The Fine Print: No interest or payments for the first 100 years... then watch out

The Upshot

Annual income 20 pounds, annual expenditure 19 [pounds] 19 [shillings] and six [pence], result happiness. Annual income 20 pounds, annual expenditure 20 pounds ought and six, result misery.

Charles Dickens

Why Carbon Credits?

To promote ACTIONS that CHANGE the status quo by:

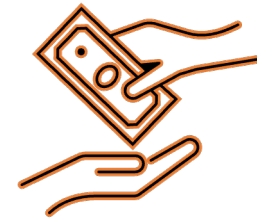


Reducing the reliance on “Debt” – efficiency and substitution



Making “Installment Payments” – Sequestration and Storage

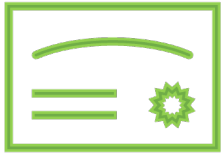
Growing the “Budget” – More short-term capture through Conservation and Management



A lot of climate change is already baked in, but we can influence how bad it will be:

Do we tighten our collective belts and make the payments, go to collections or does the guy with the baseball bat show up?

What are Carbon Credits?



Certificates representing an amount of carbon removed from, or not emitted to the atmosphere as a result of a verified project



Can be purchased by another organization and “retired” against carbon produced by that organization.

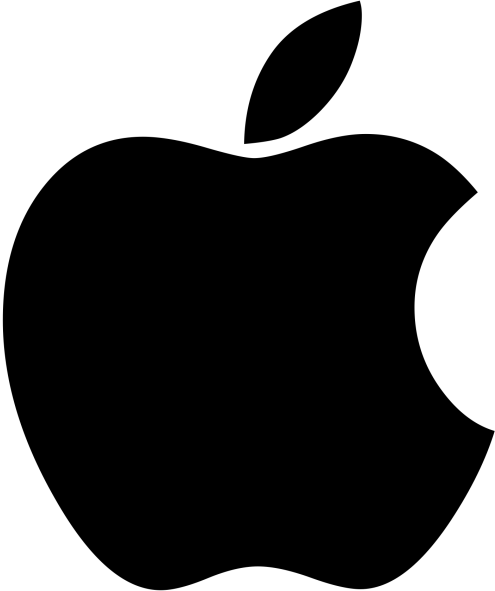


Allows the organization to say that it has reduced its carbon impact by incenting others to take action

Who wants Carbon Credits?



Alphabet



The *WALT DISNEY* Company



AIR CANADA

To Generate Credits



- You must OWN the source of the credits.
- Your project must have REAL carbon impacts.
- The actions you take must be ADDITIONAL to the status quo.
- The impacts must be VERIFIABLE.
- And someone must want to buy them!



BC and Community Forest Challenges

- Ownership
- Additionality
- Changing climate

BC and Community Forest Strengths

- Local and Indigenous Partnerships
- Narrative
- Ingenuity

Other things we can talk about

If we had three more days...



Financing Opportunities

Some groups willing to pay upfront costs of credit development



Ethics

Can you make money and do good? Should you make money if you aren't doing good?



Types of Markets

Two major categories are compliance (government backed) and voluntary (private sector backed). New market for "Carbon Removal Credits".



Protocols

"Recipes" for carbon projects



Atmospheric Benefit Sharing Agreements

Between governments and First Nations to allow for sale of land-based credits on "Crown" land.



Uncertainty and "Leakage"

"Nature is beautiful, but she is not always pretty". Conservation is preferred over management in an age of climate change.



Smith School of Enterprise and the Environment, Oxford University

Well thought-out carbon offsetting can contribute to net-zero strategies, particularly in hard-to-decarbonise sectors such as aviation and agriculture. However, if not done well, offsetting can result in 'greenwashing' and create unintended negative impacts for both people and the environment.

[The] four main elements for credible net-zero aligned-offsetting:

- Prioritise reduction of your own emissions first, ensure the environmental integrity of offsets you use and disclose how those offsets operate
- Shift offsetting towards options that directly remove carbon from the atmosphere
- Shift offsetting towards long-lived storage, which removes carbon from the atmosphere permanently or almost permanently
- Support development of a market for net-zero-aligned offsets.

Thank You!



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