

An aerial photograph of a rural landscape. The image shows a network of roads and paths cutting through various agricultural fields. Some fields are green, while others are brown or tan, suggesting different stages of crop growth or harvest. There are clusters of trees and some buildings scattered throughout the scene. A large yellow rectangular overlay is positioned on the left side of the image, containing text.

Forest Carbon Accounting First Plenary

6 February 2025

The EY logo, consisting of the letters 'EY' in a bold, white, sans-serif font. A yellow triangle is positioned above the 'Y', pointing downwards and to the right.

EY

Building a better
working world

Framework for the first Plenary session

Stage	Agenda	Time	Involved parties
1	Housekeeping & Forest carbon accounting resolution process	8 min	▶ EY - Ishita & Adrien
2	Objectives of the FCA process to the LSR Standard & GHG Protocol Decision Making Criteria and Hierarchy	7 min	▶ GHG Protocol - Matt & Amir
3	Objectives of the plenary session & Presentation of the key themes for discussion	100 min	▶ EY & TWG members
4	Wrap-up and timeline for next stages	5 min	▶ EY

1a. Housekeeping Information



- ▶ Please turn on your video and include your full name and company/organization in your Zoom display name.
- ▶ All participants to stay muted unless speaking (use the Raise Hand function and speak if given the floor).



- ▶ This meeting will be recorded and will be made available to all TWG members on the SharePoint.



- ▶ We want to make **TWG meetings a safe space** - our discussions should be open, honest, challenging status quo, and 'think out of the box' to get to the best possible results for GHG Protocol. Always **be respectful**, despite controversial discussions on content.
- ▶ TWG members should **not disclose any confidential information** of their employers, related to products, contracts, strategy, financials, compliance, etc.

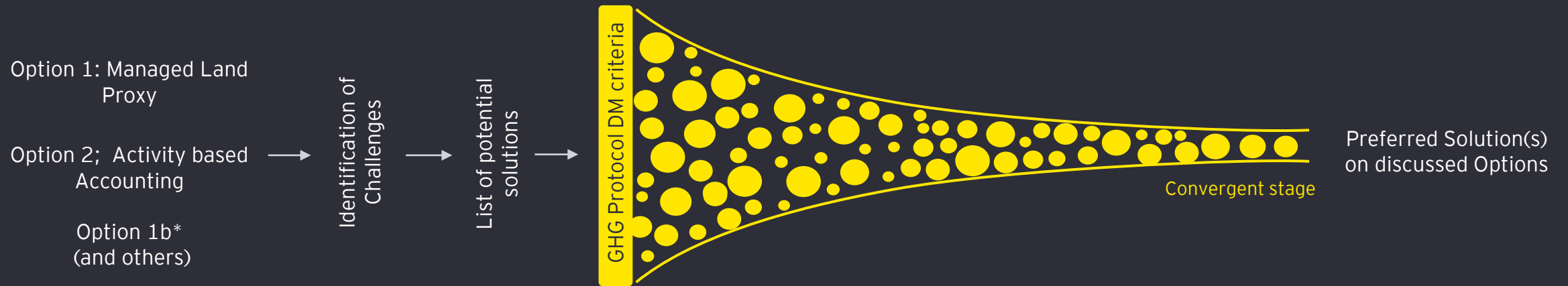


- ▶ Aurélie Shapiro (FAO) has withdrawn her participation and is no longer a member of the TWG due to other engagements and wishes us a successful continuation!

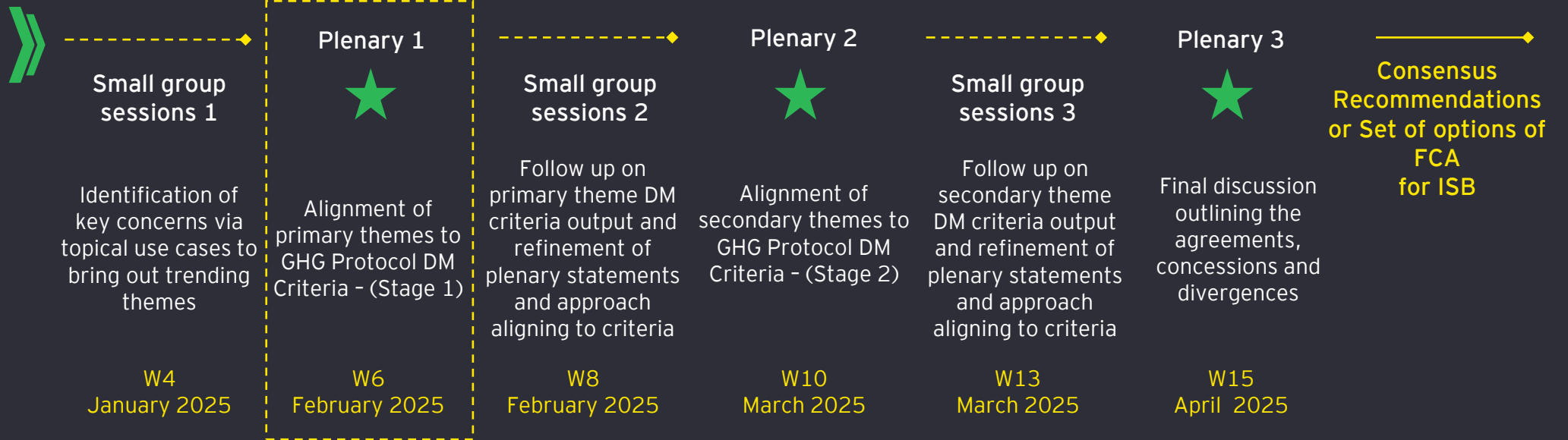


- ▶ Members who are unable to attend the session, will be able to access the recording post the session and record a statement aligned to the plenary rules. This will then be shared with all members and processed like all other members' feedback.

1b. Forest carbon accounting resolution process (1 of 2)



Facilitation process



*. Inventory accounting within scopes, intervention accounting outside scopes

1c. Forest carbon accounting resolution process (2 of 2)

Chosen method	Issues	Suggested approach	Decision-Making Criteria and Hierarchy Lens					Suggested mitigations
			1A	1B	2A	2B	3	
Method X	Anthropogenic vs. Natural CO ₂ Emissions / Removals	<ul style="list-style-type: none"> ▶ XXX ▶ XXX 						<ul style="list-style-type: none"> ▶ XXX ▶ XXX
	Baselining	<ul style="list-style-type: none"> ▶ XXX ▶ XXX 						<ul style="list-style-type: none"> ▶ XXX ▶ XXX
	Applicability to the Broader Accounting Framework	<ul style="list-style-type: none"> ▶ XXX ▶ XXX 						<ul style="list-style-type: none"> ▶ XXX ▶ XXX

2. Recap - Objectives of the FCA process to the LSR Standard

Objectives of the Revision

- ▶ Define problem statements with examples to illustrate the need for accurate and complete reporting of forest management emissions and removals.
- ▶ Refine current options or propose new solutions for accounting forest management emissions and removals, following GHG Protocol criteria.
- ▶ Address primary concerns raised by advocates of other options when refining or proposing alternatives.

Objectives of the LSR-Standard

- ▶ Enhance reporting of land emissions and CO₂ removals for relevance, completeness, consistency, transparency, accuracy, permanence, and conservativeness.
- ▶ Provide information to help businesses:
 - Identify risks and opportunities related to land emissions and CO₂ removals.
 - Set GHG targets and track performance.
 - Develop strategies to reduce emissions and increase removals.
 - Enhance transparency and stakeholder information.

Scope and Applicability

- ▶ Requirements and guidance for companies and organizations of all sizes to calculate and report scope 1 and scope 3 emissions and removals in a GHG inventory.
- ▶ Applicable to the forestry and forest product sectors globally.
- ▶ Intended for businesses developing GHG inventories, but also relevant for NGOs, government agencies, universities, policymakers, assurance providers, and GHG programs for climate-related disclosure and target-setting.

2. GHG Protocol Decision-Making Criteria and Hierarchy (1/3)

Purpose: Support the GHG Protocol Secretariat, Technical Working Groups, and Independent Standards Board in evaluating GHG Protocol accounting and reporting approaches to determine which option among a defined set of options best adheres to the criteria and should be pursued.

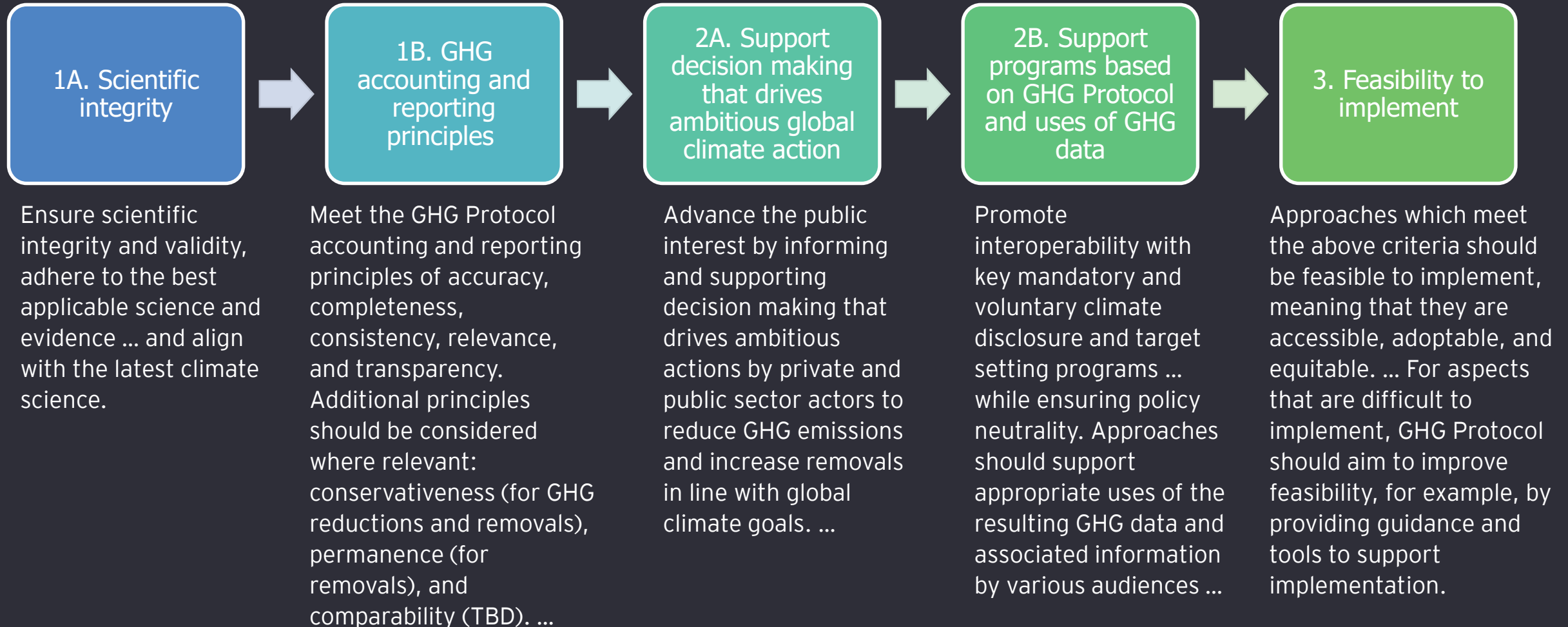
If the TWG cannot reach consensus on a recommendation, the Secretariat will summarize the issues and propose solutions in collaboration with TWG members. This summary will be presented to the ISB for evaluation and final decision.

Summary version:



2. GHG Protocol Decision-Making Criteria and Hierarchy (2/3)

Full Version:



2. GHG Protocol Decision-Making Criteria and Hierarchy (3/3)

<i>Illustrative example</i>	Option A: Name	Option B: Name	Option C: Name
1A. Scientific integrity	<ul style="list-style-type: none"> Pros Cons 	<ul style="list-style-type: none"> Pros Cons 	<ul style="list-style-type: none"> Pros Cons
1B. GHG accounting and reporting principles	<ul style="list-style-type: none"> Pros Cons 	<ul style="list-style-type: none"> Pros Cons 	<ul style="list-style-type: none"> Pros Cons
2A. Support decision making that drives ambitious global climate action	<ul style="list-style-type: none"> Pros Cons 	<ul style="list-style-type: none"> Pros Cons 	<ul style="list-style-type: none"> Pros Cons
2B. Support programs based on GHG Protocol and uses of GHG data	<ul style="list-style-type: none"> Pros Cons 	<ul style="list-style-type: none"> Pros Cons 	<ul style="list-style-type: none"> Pros Cons
3. Feasibility to implement	<ul style="list-style-type: none"> Pros Cons 	<ul style="list-style-type: none"> Pros Cons 	<ul style="list-style-type: none"> Pros Cons

Evaluating options: Describe pros and cons of each option relative to each criterion. Qualitatively assess the degree to which an option is aligned with each criterion through a green (most aligned), yellow (mixed alignment), red (least aligned) ranking system. Some criteria may be not applicable for a given topic; if so, mark N/A.

Comparing options: The aim is to advance approaches that ideally meet all decision criteria (i.e. maximize pros and minimize cons against all criteria). If options present tradeoffs between criteria, the hierarchy should be generally followed, such that, for example, scientific integrity is not compromised at the expense of other criteria, while aiming to find solutions that meet all criteria.

3a. Objectives for the plenary sessions

- ▶ **Clarify Views:** TWG members should articulate or restate their views, including the rationale and evidence supporting their view.
- ▶ **Identify Common Ground:** Find areas of agreement that can serve as a foundation for compromise or collaboration.
- ▶ **Open Dialogue:** Allow for respectful and constructive communication to understand each TWG members concerns and priorities.
- ▶ **Evaluate Feasibility:** Assess the practicality and potential impacts of different options, considering factors such as resources, time, and stakeholder support.
- ▶ **Eventually Develop Solutions:** Work towards creating mutually acceptable solutions or compromises that address the core issues of approaches discussed.

3b. TWG members to share their view on selected themes

- ▶ Three selected themes will be brought up with a short summary of TWG remarks from the small group session
- ▶ One to two questions per theme are provided to seed thought to your response
- ▶ Up to 5 minutes will be provided to each TWG member to speak on the three themes collectively. You will be given a time check at 4 minutes 30 seconds. Additional feedback or responses to other members comments can be provided via the chat function addressed to all members during the plenary session.
- ▶ Views should be structured considering the GHG Protocol decision-making criteria and hierarchy as depicted in the previous slide with a clear opening on the approach being addressed.
- ▶ Members can choose to have no comment on a theme and related questions.
- ▶ The views expressed should clearly state the approach being discussed and identify how an approach (or version of an approach) relates to the decision-making criteria for the selected theme and related questions
- ▶ Themes that cannot be addressed in this session will be discussed in the second phase late February and March.
- ▶ Members who are unable to attend the session, will be able to access the recording post the session and record a statement aligned to the plenary rules. This will then be shared with all members and processed like all other member feedback.
- ▶ Members attending the session will be called on to speak in alphabetical order per their first name.

3c. First plenary session discussion themes understanding

Anthropogenic vs. Natural Emissions/Removals

1

- ▶ *Anthropogenic effects are defined as changes in the environment resulting from human activities, while natural emissions/removals occur without human intervention*
- ▶ *The theme arises in both approaches. In activity-based accounting the question focuses on how to define "non-anthropogenic nature", in managed land proxy it is about proving the causality of management actions and effect on carbon stocks*

Baselining

2

- ▶ *Baselining is a critical component in both the managed land proxy and activity-based accounting approaches. It involves establishing a reference point against which changes in carbon emissions or removals can be measured*
- ▶ *The managed land proxy approach utilizes the previous year carbon stock as the baseline to measure net changes in forest carbon stocks annually, making it relatively straightforward to implement. In contrast, the activity-based accounting approach requires a more complex baselining process, involving historical context, defining baseline scenarios, and accounting for growth due to management practices*

3

Coherence with the Broader Accounting Framework

- ▶ *GHG inventory accounting framework already implements accounting principles. Taking into consideration that the forest sector is a special one, deviations must be openly discussed and justified*

3d. First plenary session discussion themes and related questions from the first small group sessions

1

Anthropogenic vs. Natural Emissions/Removals

- ▶ *Given the historical context of human influence, how should we approach the definition of "natural" in the accounting frameworks, particularly in relation to the chosen accounting approach?*
- ▶ *What implications does this have for our defining methodologies, and how do we differentiate between natural and anthropogenic emissions and removals within the context of the chosen accounting approach?*

2

Baselining

- ▶ *How does the approach treat baselines and evaluate forest carbon emissions and/or removals over time (e.g. based on a base year/period or a baseline scenario)?*
- ▶ *What methodologies can we adopt to ensure that baselines are scientifically robust and reflect the realities of forest management relative to the reporting year for the reporting company?*

3

Coherence with the Broader Accounting Framework

- ▶ *How does the proposed approach fit within the broader GHG inventory accounting framework, or justify any deviations?*
- ▶ *Is there an attributional accounting approach that isolates the anthropogenic impacts on forest carbon?*

3d. Futures discussion themes and related questions from the first small group sessions

4

Climate and other Disturbances

- ▶ *How can we effectively incorporate current or future climate-related disturbances into the accounting frameworks?*
- ▶ *What strategies can we develop to ensure that management actions aimed at addressing disturbances are accurately reflected in carbon accounting?*

5

Leakage and Substitution

6

Other potential thematic topics from the 2nd plenary

3e. Themes to be viewed from the Decision-Making Criteria and Hierarchy Lens

GHG Protocol's Decision-Making Criteria and Hierarchy	Anthropogenic vs. Natural CO ₂ Emissions / Removals	Baselining	Applicability to the Broader Accounting Framework
1A. Scientific integrity	<ul style="list-style-type: none"> ▶ I speak for the Managed Land Proxy option and consider it to align scientifically for this theme based on..... 	<ul style="list-style-type: none"> ▶ I speak for the Activity Based Accounting option and consider it to have a scientific approach towards Baselining based on 	
1B. GHG accounting and reporting principles	<ul style="list-style-type: none"> ▶ I speak against the Managed Land Proxy option and do not consider it aligns with GHG accounting and reporting principles for this theme because ... ▶ I also speak against the Activity based accounting option and do not consider it aligns with GHG accounting and reporting principles for this theme because... 		
2A. Support decision making that drives ambitious global climate action			
2B. Support programs based on GHG Protocol and uses of GHG data			
3. Feasibility to implement			<ul style="list-style-type: none"> ▶ I speak for Option 1b and consider it to far more feasible to implement considering its applicability to the broader accounting framework based on

3f. Members attending the Plenary (arranged alphabetically)

Alessandro Baccini

Antti Marjokorpi

Chandra Shekhar Deshmukh

Charles Canham

Jennifer Skene

Jiaxin Chen

Melissa Gallant

Miguel Brandao

Natasha Ribeiro

Nicolas Gordon

Pippa Notten

Tim Searchinger

Torbjorn Skytt

Vaughan Andrews

Note: Feedback aligned with the plenary rules will be considered as input for future sessions from TWG members absent from this session

4. Wrap-up and Timeline for next stages

