

Forest Carbon Accounting: What You Need to Know

What is Forest Carbon Accounting (FCA)?

Forest Carbon Accounting (FCA) refers to the quantification of the amount of carbon both emitted and removed by forests. For corporate carbon accounting, it is important to determine which forest carbon emissions and removals are due to human actions (anthropogenic) and which are naturally occurring, unrelated to a company's intervention.

Forest Carbon Accounting was a key topic under discussion as a part of the [Land Sector and Removals \(LSR\) Standard](#) development process. Through these discussions, it was clear that there are different perspectives about the appropriate methodology for defining and accounting for anthropogenic emissions and removals from forests.

In advance of the release of the LSR Standard in January 2026, GHG Protocol's Independent Standards Board (ISB) determined that no FCA requirements should be included in the standard, as no quantification methodology was developed fully enough to be implemented by corporate reporters using the standard.

Who has been a part of GHG Protocol's decision-making process around FCA?

When GHG Protocol first began the standard development process for the Land Sector and Removals Standard, the process was led by an Advisory Committee (members listed in the LSR Standard publication). The Advisory Committee was unable to come to a conclusion on what methodology to use for Forest Carbon Accounting, so they passed the decision on to GHG Protocol's [Independent Standards Board \(ISB\)](#).

The ISB decided to convene a specific Technical Working Group on the topic of Forest Carbon Accounting to help find an appropriate quantification methodology. The membership of the [FCA Technical Working Group](#) is listed on the GHG Protocol governance webpage.

The Technical Working Group discussed two methodologies but could not reach consensus. A [summary](#) of the Technical Working Group's discussions was sent to the ISB, alongside details of the two quantification methodologies: [the Activity-based Accounting Method \(ABA\)](#) and the [Managed Land Proxy Plus Method \(MLP+\)](#). In addition, proponents of each approach developed the [ABA explanatory memo](#) and [MLP+ explanatory memo](#) detailing the rationale for their approach and concerns with the alternative approach. The ISB reviewed the materials shared by the Technical Working Group and after much discussion determined that neither methodology was sufficiently developed enough to be implemented by corporate reporters using the Land Sector and Removals Standard.

What are the ISB process steps that have led us to where we are today?

The ISB's process is detailed in the [Forest Carbon Accounting ISB Deliberation Summary](#).

At its 18 November 2024 meeting, the ISB discussed and later approved a [FCA Requirements Development Plan](#) and the composition of the FCA TWG. Pursuant to the approved work plan, the FCA TWG deliberated for several months and returned two proposals of methods for the ISB's consideration.

The ISB received its first briefing on the FCA TWG deliberations at its 21 May 2025 meeting. The ISB had additional discussions at its 17 June and 14 July meetings.

At the request of a FCA TWG proponent of the MLP+ proposal, the ISB chair invited four outside forest carbon experts for a review. Their reports were also reviewed by the ISB. Two of the four outside experts supported the MLP+ proposal, and two supported the ABA proposal.

In addition, the ISB reviewed public letters received following release of an earlier 2022 draft of the Land Sector and Removals Guidance, which was prior to the formation of the ISB. As explained further below, the 2022 draft contemplated the use of a "managed land proxy" (MLP) approach, which is included and expanded upon in the MLP+ approach developed by the FCA TWG in 2025.

Because the ISB was unable to reach sufficient agreement on the path forward at its regular meetings in May-July 2025, the ISB convened a subgroup (ISB FCA subgroup) at the 14 July 2025 ISB meeting to continue discussions among four ISB members, representatives of the GHG Protocol Secretariat, and the ISB Chair. Over the following months, the ISB FCA subgroup deliberated extensively across multiple meetings and via written communications, but was unable to reach consensus on a proposal to bring to the full ISB for a potential decision.

What has been decided?

GHG Protocol's Independent Standards Board determined that neither FCA quantification methodology that was proposed by the FCA Technical Working Group (neither ABA nor MPL+) was sufficiently developed and that neither method could be effectively implemented by corporate reporters using the Land Sector and Removals Standard. As such, FCA requirements are not included in the current Land Sector and Removals Standard.

What's next in the process?

GHG Protocol is currently holding a [Request for Information on Forest Carbon Accounting](#), which is open until February 1, 2027. The objective of the Request for Information is to collect feedback from preparers, users, academics and civil society on the Activity-based Accounting Method or Managed Land Proxy Plus method or any alternative proposals for Forest Carbon Accounting.

Once the FCA Request for Information closes, the Independent Standards Board will review the feedback and determine the appropriate next steps.