



LAND LIFE
COMPANY

Regarding

Comments by Land Life Company to the Climate Action Reserve regarding the 'Reforestation Project Forecast Methodology' under Climate Forward

Date

20-12-2019

To whom it may concern,

Land Life Company, an international reforestation company, hereby submits its comments to the *Climate Action Reserve* regarding '*Reforestation Project Forecast Methodology*' under the *Climate Forward* standard.

We appreciate the development of this methodology and the opportunity to submit our comments. Detailed feedback on point 1 and 2 are attached for your reference.

Land Life Company has reforestation experience in over 20 countries and planted over 1 million trees in 2019. The submitted comments are prepared by James Liu, who leads Land Life's certification agenda and Dr. Koen Kramer, who brings 28 years of forestry research experience from Wageningen University & Research (WUR) and leads among others Land Life's carbon sequestration modeling.

Overall, we find the methodology very thorough and comprehensive. Our most material comments concerns two topics, such that:

1. The Legal Requirement Test for additionality based on current as well as future legally binding requirements could potentially alienate substantial areas needing but unable to finance the reforestation.
2. Much of the carbon sequestration that can be reasonably expected by a reforestation project is heavily discounted. This risks making many projects unnecessarily economically unattractive.

Thank you for your time and consideration for our comments.

With kind regards,

James Liu
Business Development Manager

Koen Kramer
Head of Resilience Engineering

Land Life Company

M +31 020 261 4875
E info@landlifecompany.com

Land Life Company B.V. is a private with limited liability, established in Amsterdam, registered in the Commercial Register of the Chamber of Commerce in Amsterdam with nr: 59182385

Annex 1 - Detail feedback to the methodology

1. Subject: Legal Requirement Test to guarantee additionality.

a. Summary of feedback:

Much of the areas potentially suitable for replanting will be ineligible due to current or future legally binding requirements, whilst these areas will not be restored due to lack of funding by the forest owner. In particular the Regular Compliance may be a considerable risk for externally funded carbon sequestration projects.

b. Land Life's Understanding & detailed feedback:

The Legal Requirement Test indicates that project crediting is eligible only if there are no legally binding reforestation requirements. However,

- i. in many countries forest owners are obliged to replant after a natural disturbance. So much of the forests affected by natural disturbance is ineligible because it fails the legal requirement test. This includes many areas that would be suitable for externally funded forest restoration projects. Many forest owners will not have the funding to replant after a disturbance: if the disturbance is fire, then the potential revenues are lost, whereas if the disturbance is a storm or pest, large amounts of wood flood the market so that the price plummets (3.3.1 and 3.3.2).
- ii. Currently there is forest policy and legislation in preparation to reforest large tracts of land. E.g. the Bonn Challenge indicates to plant 150 million hectares by 2020, and 300 million by 2050. Such sites would fall under the future regulatory violation risk, as these sites fail the additionality test as soon as that legislation is installed (3.5).

2. Subject: discounting of FMU

a. Summary of feedback:

Much of the carbon sequestration that can be reasonably expected by a reforestation project is heavily discounted. This risks making many projects unnecessarily economically unattractive.

b. Land Life's Understanding & detailed feedback:

Forecasted Mitigation Unit: 1tCO₂e that is taken out of the atmosphere for the duration of 100 years. What is discounted for includes (3.8.2):

Land Life Company

M +31 020 261 4875
E info@landlifecompany.com

Land Life Company B.V. is a private with limited liability,
established in Amsterdam, registered in the Commercial Register
of the Chamber of Commerce in Amsterdam with nr: 59182385

Mauritskade 63 - 1092AD Amsterdam - the Netherlands – www.landlifecompany.com



LAND LIFE
COMPANY

- i. as an example - if a project lasts 40 years, 40/100 FMU is eligible for the first year after project start (1 year after planting), 39/100FMU for the second year. etc. This results in a decline in accounted carbon with increasing productivity. Planted forests will have little carbon stored in the first decade. Whereas when a forest is productive, the accounting system indicates that a large part of the CO₂ captured is discounted.
- ii. if the forest reaches a commercial harvest age, the entire forest is assumed to be harvested ('regeneration harvest risk') so that all CO₂ sequestration after that age is discounted. The commercial harvest age is determined when MAI reaches its maximum. There are preset ages for the regeneration harvest risk depending on forest type. Fast growing trees reach the regeneration harvest risk age quickly, so that there is a penalty on planting relatively fast growing trees that sequester carbon early after planting. Moreover, MAI typically has a broad plateau. The determination of CMAI seem rather arbitrary set in table Summary Tabulations of the ReforestationCommunities datafile (e.g. set at 55 years for Alder-maple PWW in this sheet, whereas MAI attains the same value from age 49 to 61 in sheet Alder-maple PWW). The rule of thumb in forestry to harvest is when CAI is less than MAI. Those ages can be assessed from growth & yield tables. Our suggestion would be to use that approach, and then for species that are of commercial interest only.
- iii. Carbon in dead trees and in the soil is not counted. That is potentially a large discount of carbon that is actually sequestered. An option would be to use standard soil carbon sequestration rates depending on forest type and latitude. Such information is available in scientific literature.
- iv. There is an additional resiliency discount of 20% for management operations (tending & thinning, removal of fuel). If the accepted growth projections are based on growth & yield tables and forest inventories obtained from commercially harvested forests, then those management operations are already included in the tables. The resiliency discount thus may result in a double discount of the actual growth.

Land Life Company

M +31 020 261 4875
E info@landlifecompany.com

Land Life Company B.V. is a private with limited liability,
established in Amsterdam, registered in the Commercial Register
of the Chamber of Commerce in Amsterdam with nr: 59182385