

Position Statement Forest Carbon Offset Credits

It is the position of the Forest Stewards Guild that sound forest stewardship includes maintaining or enhancing the capacity of forests to mitigate and adapt to a changing climate. Today, forests occupy approximately one-third of the global land area, but contain nearly 70 percent of carbon present in the world's living organisms. The Guild's [Climate Change Policy Statement](#) highlights the importance of keeping forests as forests. Avoiding deforestation and the diminishment of the forest land base is critical to mitigating the effects of climate change. Conversion of forests to other land uses releases stored carbon and damages their long-term ability to sequester and store carbon. Forest conservation consistent with these purposes also protects genetic diversity, provides refugia for threatened species, and facilitates species migration. The Climate Change Policy Statement also calls for forest stewards to use forestry practices that mitigate increasing CO₂ levels by sequestering and storing greater quantities of carbon whenever ecologically, economically, and socially appropriate.

Forests have tremendous potential to mitigate climate change. Improved forest management is estimated to have the potential to sequester up to 1,470 TgCO_{2e} per year worldwide (Griscom et al 2017). The development of markets for carbon offset credits provides an incentive for the sequestration and storage of carbon. However, recent research and discussion have brought into question the positive contribution of some forest carbon offset credits (e.g. Badgley et al 2022). Because carbon credits can be used to allow other greenhouse gas emissions, if the offset projects are not actually sequestering or storing additional carbon, the net result is increased warming (Ruseva et al 2017).

Carbon offset credits should:

1. Constitute a real and substantial addition to the carbon sequestered or stored relative to the continuation of existing practices (additionality);
2. Ensure that forests in which the offset credits are generated are not converted to other land uses and the carbon represented by the offset credits remains stored for the long term (permanence); and
3. Be rigorously verified by a third party against a public, science-based standards backed by an independent registry (verifiability);

Additionality. Additionality is essential for carbon offset credits to genuinely reduce greenhouse gas emissions and help mitigate the effects of climate change. Carbon credits should only be available for activities or protections that would not have happened without the incentives provided by carbon markets. Additionality is often defined as greater sequestration than would have occurred under a business-as-usual baseline scenario (BAU) and the definition of BAU must be carefully developed to truly reflect emissions that would occur without a carbon offset program. Forest projects should be based on realistic and credible baselines. Program standards should also address the potential for leakage and avoid pushing harvests to other lands which would not have been cut otherwise. Similarly, programs need to address the environmental justice issues of allowing emissions that have disproportionately impacted underserved communities.

Permanence. Reputable carbon offset credit programs are required to be permanent. The spirit of this requirement is appropriate, but since nothing is truly permanent a more nuanced definition is appropriate. Carbon offset credits should be long term, in part to ensure additionality. Renewable contract periods of a century or more are standard, recognizing that forest ownership may change during that period, but that any diminishment in land value due to carbon management restrictions are offset by payments made for the carbon credits. In limited circumstances, shorter time commitments may be more suitable for some family forest owners, as long as requirements for substantial additionality and independent verification are still met. Mechanisms such as buffer pools are important elements of carbon offset programs to mitigate the risk of an unplanned release of carbon from a wildfire or other disturbance affecting an offset project.

Verifiability. Validation and verification of carbon offset credits is crucial to ensure legitimacy. Verification must be undertaken in a transparent manner and employ rigorous criteria to build and maintain public trust. The Guild’s Policy Statement on [Forest Certification](#) highlights some elements relevant to carbon markets including that standards must be clear and auditable and must expressly focus on social, economic, and ecological outcomes. Third-party verification must be conducted pursuant to an effective governance system (e.g., an independent registry) and protocol for carbon credits that provides transparency, oversight and reporting to avoid double counting.

The Guild recognizes both the complexity and value of carbon offset programs. Only carbon offset credits that assure additionality and permanence, and can be independently verified as doing so, can facilitate achieving the full climate mitigation potential of well-managed forests.

References

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