

**WCC Advisory Board – Extraordinary meeting – WCC Update incl. Additionality
Minutes
01 April 2022, via MS Teams**

Present: Pat Snowdon, Vicky West, Andy Baker, Jamie Smith, Heather Conejo (Scottish Forestry), Mark Broadmeadow, Chris Waterfield (Forestry Commission), Fiona Hay (Welsh Government), George Hepburne Scott (Forest Carbon), Ewan Mackie (FR), Andy Grundy, Anne Mari Cobb (Soil Association), Steve Clarkson (OF&G), Peter Wilson (Wilson Applied/UKWAS), Peter Coleman (BEIS), Nick Blyth (IEMA), Charlotte Araya Moreland (Defra), Matthew Brander (Edinburgh Uni), Andy Leitch (Confor), Graham Clark (CLA), Lee Dudley (Woodland Trust)

Apologies: Renée Kirkvliet-Hermans (IUCN – Peatland Code), Bruce Auchterlonie (Scottish Forestry), Ben Searle (NI Forest Service), Robert South (ICF)

1. Minutes of the last meeting

1 action carried over, on governance of the WCC:

AP1: WCC Secretariat to take on board comments regarding membership of the WCC Advisory Board, and invite new members upon agreement with the WCC Exec Board.

2. WCC Update V2.2 including additionality

This was an 'extraordinary' meeting of the WCC Advisory Board to discuss the proposed changes in Woodland Carbon Code V2.2 and in particular the way additionality is assessed. During the meeting the Board discussed items under a number of headings which are summarised below. Slides presented at the meeting are circulated with the minutes.

2.1 Background to the requirement for additionality and need to update the additionality test

Pat summarised the reasons for changing the way additionality is assessed, and the importance of maintaining integrity in the marketplace (Slides 1-5). Using the principles of simplicity, consistency, transparency and effectiveness, the WCC Secretariat propose the following changes:

- Remove the current Carbon Finance Test (Test 2) and Barrier Test (Test 4)
- Standardise some costs/income in the Investment Test, using 'income forgone' for all projects
- Investigate the feasibility for a different Investment Test for projects where there is direct institutional investment over the next 6 months

In terms of timing, the WCC Secretariat will publish the update by 30 April 2022, and anyone wanting to validate under the current rules must have planted their woodland and submitted all their documents for validation by 30 September 2022. After this date, anyone submitting documents for validation would use the new version of the WCC/additionality rules. Any landowners planting from next planting year 22/23 has the flexibility to amend their planting plans to ensure they meet the new rules – either by looking at what they plant or the other sources of income they plan to combine with carbon.

The Board discussed concerns around removing the Barrier Test, but could not propose any likely UK scenario where a project is already financially viable without carbon finance and so fails the Investment Test, but has other barriers to the project going ahead that would be overcome by accessing the WCC.

2.2 Main changes to the Investment Test and the WCC Cashflow sheet.

Vicky summarised the main changes to the Investment Test (See slide 6) and demonstrated how the updated WCC Cashflow would function. The WCC Secretariat still have a couple of details to finalise and sensitivity analysis to complete.

The following points made will be considered by the WCC Secretariat:

- Fencing costs are sometimes higher/m for smaller areas. Projects should only claim for any 'extra' fencing they carry out before planting.
- The Yield Classes used in standardised volume calculations would be a little optimistic. Consider the Yield Classes used in the National Forest Inventory or justification why higher Yield Classes than these would be appropriate.
- Grown in Britain Broadleaved timber prices are quite variable – check the price selected is 'average' and not extreme
- CDM and other carbon standards have an automated sensitivity built in – any cost/income which is at least 20% of the overall cost/income is varied by +/-10% - if any scenario fails then the project does not pass additionality.

AP: WCC Secretariat to consider the sensitivity that is built into the CDM, Gold Standard and Verra cashflow analysis, whilst conducting our internal sensitivity analysis.

2.4 Wider changes to the WCC in Version 2.2

Vicky presented the wider changes to the WCC (See slide 7).

On income as donations, the Board questioned whether a charity could pass on a 'claim' about the carbon benefit to the donor upon receipt of charitable donations. The WCC Secretariat propose updating the standard such that donations, e.g. for tree planting, would be acceptable provided there is no 'double-claim' of the carbon benefit (Providing the donor does not believe they are receiving any carbon benefit as a result of their donation).

Members of the board highlighted the importance of visibility of the wider benefits of Woodland Carbon Code projects. The WCC Secretariat confirmed that changes proposed should make the wider benefits (biodiversity, water, community and economy) more visible than at present.

The board discussed that it would be important to consider Harvested Wood Products, although noted that this is a complicated area, and [Forest Research have already done some work in this area](#).

BEIS are looking at the relative 'quality' and 'longevity' of different types of carbon credit, and this work would 'rank' credits from woodland creation against, for example, credits for carbon capture and storage if they exist in future.

2.5 UK Land Carbon Registry Fees

Vicky reminded the Advisory Board of the proposed fee changes to the registry (See slide 8).

On the Fee changes, Vicky confirmed that the changes do not adversely affect small projects, as unit issuance fees are directly proportional to the number of units generated. The WCC Secretariat also confirmed that a number of other mechanisms help smaller projects participate (for example grouping projects for validation/verification, a simpler carbon sequestration prediction tool for small woods, and a greatly simplified monitoring procedure).

Overall the Board were content with the changes being proposed, both to the way additionality is assessed and the wider changes to the WCC standard.

7. Date of Next Meeting Next meetings by Teams: 11th May 2022, 15th Sept 2022.