



Nature Markets Strategy Board minutes

Wednesday 4 December 2024 on Microsoft Teams

Present:

Paul Lowe (Scottish Forestry) - chair
Richard Stanford (Forestry Commission)
John Joe O'Boyle (Northern Ireland Forest Service)
Pat Snowden (Scottish Forestry) - technical support
Susan Szymborski-Welsh (Scottish Forestry) - minute taker

Apologies:

Naomi Matthiessen (Welsh Government)

Minutes of previous meeting

Members approved the [minutes](#) from the last meeting. They are available on the Woodland Carbon Code website.

Actions

| Action | Status |
|---|---|
| 1. Pat to update the terms of reference and develop a list of standing agenda items for the board, and then circulate to members for approval. | Completed |
| 2. Pat to email board members with information on the average size of a Woodland Carbon Code project. | Completed |
| 3. The Board to provide any further feedback on the Woodland Carbon Code work programme to Pat by Wednesday 10 July. | Completed |
| 4. Pat to share the risk register outlined in recent consultancy work by EY with Board members. | Completed |
| 5. Pat to share the additionality consultation design meeting details with board members, including any draft plans for consultation questions. | Discussed at meeting – results to be shared |
| 6. Pat to email John Joe about work to reduce validation and verification costs. | Completed |
| 7. Pat to email Board members about Forestry and Land Scotland and Forestry England taking part in the code. | Completed |



Standing items

Pat suggested the following list of standing items for future meetings:

- Updates/significant news
- Resources and financial planning
- Risk register
- Forward look

The group agreed to this and proposed setting out a schedule to discuss key topics as well.

Action 1: Pat to email board members with a schedule for discussing key topics and to invite other suggestions.

Woodland Carbon Code updates

Pat updated members as follows.

Statistics

Between 1 April and 30 September 2024 there were:

- 117 new projects registered with the code
- 169 other projects were removed from the registry
- 84 projects validated to the code
- 6 projects verified to the code

Projects which were removed from the registry tended to be projects less than 1 hectare which had mainly been combined into larger projects, although some were permanently removed.

Members indicated that data on land area of projects and numbers of credits would provide a more comprehensive and meaningful overview. Paul suggested discussing what data would be helpful for future meetings and how we can use it. He gave an example that having a graph of validation dates would help with workload planning.

Action 2: Pat to invite views by email on what data members would find useful for future meetings.

Registry retender

The Woodland Carbon Code and Peatland Code teams are working with the Scottish Government and Defra on a public procurement process to retender for a new registry. The current contract expires in 2025, although an extension will be applied if further time is required to prepare for the new contract.



Members agreed they should have a role in examining options and requested more information on the project, including detail about the project plan, strategic options, stakeholder engagement and bi-monthly progress updates.

Action 3: Pat to provide members with more information about the retender project as well as monthly project updates.

Integrity Council for the Voluntary Carbon Market

The team is working on updates to ensure alignment with the criteria set out by the Integrity Council for the Voluntary Carbon Market (ICVCM). New applications to the ICVCM are closed until April 2025.

Additionality

The team is working with EY to consult on the future of the code's financial additionality test. The results will be communicated in 2025.

Members expressed a desire to be updated about the outcomes of the consultation and to be involved in discussions on next steps.

Action 4: Pat to explore the need for an extra meeting of the board in the new year to discuss the outcomes of the additionality consultation and any other pressing topics.

The team has also developed a new proposal for handling financial additionality for public sector organisations. Members acknowledged the importance of providing clarity on this.

Action 5: Pat to resend the proposal for assessing additionality for public sector organisations to members for comment.

Governance

The Nature Markets Strategy Board received a letter from the Confederation of Forest Industries about the governance of the code earlier this year. The board provided a response which itemised current work to improve efficiency and offered to hold a meeting to discuss the issues raised.

Price data

Data reported by Ecosystem Marketplace shows the price of Woodland Carbon Code units rose from an average of £11 in 2020 to £23.30 in 2023. Units from broadleaf projects attracted an average price of £29.31 in 2023, while units from mixed conifer projects were sold for an average of £20.62.

Action 6: Pat to share full pricing data with members by email.



New frameworks and principles

The UK Government recently published [voluntary carbon and nature market integrity principles](#) and the Scottish Government launched [Scotland's Natural Capital Market Framework](#).

The Welsh Government is also running a consultation on [sustainable investment principles](#).

UK Emissions Trading Scheme

The UK ETS Authority is considering whether to integrate greenhouse gas removals in the UK Emissions Trading Scheme, including a proposal to include credits under the Woodland Carbon Code. A public consultation took place in summer 2024. A government response to the consultation is expected in summer 2025.

Woodland Carbon Code work programme

Pat provided an outline of the team's work programme over the next year. This includes the development of a more standardised approach to buyer-seller contacts, a consultation on biodiversity measurement and crediting and future resourcing of the code's operations and development.

Risk register

Pat shared an overview of the Woodland Carbon Code risk register.

The group felt this was a useful document and requested that the full risk register be shared. It identified opportunities to enhance the register, including the addition of risks associated with Pending Issuance Units and poor land management, as well as tracking risks over time and recording mitigation activities.

Action 7: Pat to update the risk register as requested.

Any other business

The group discussed future charring arrangements. It was noted that Paul has chaired the initial two meetings as planned so a new chair is needed for 2025.

Action 8: Pat to invite proposals from members for a new chair by email.