

Paris, Le Bourget  
Climate Generation Village  
10<sup>th</sup> December 2015

Institute for Climate Economics  
Les enjeux de la certification carbone  
agricole et forestiere en Europe

## Italian Initiative: Italian Forest Carbon Code



**Lucio Brotto**

**Climate Change and Ecosystem  
Services Director**

**ETIFOR – Padova University *Spin-off***

# Who collect what data?



- Carbon Monitoring Group
- Since 2012
- Funded by Italian Ministry of Agriculture and Forestry

## 2 Outputs:

→ State of the Voluntary Forest Carbon Market in Italy

→ Forest Carbon Code = *best practice* guideline

Independent, harmonization, transparency and confidentiality

# Contents

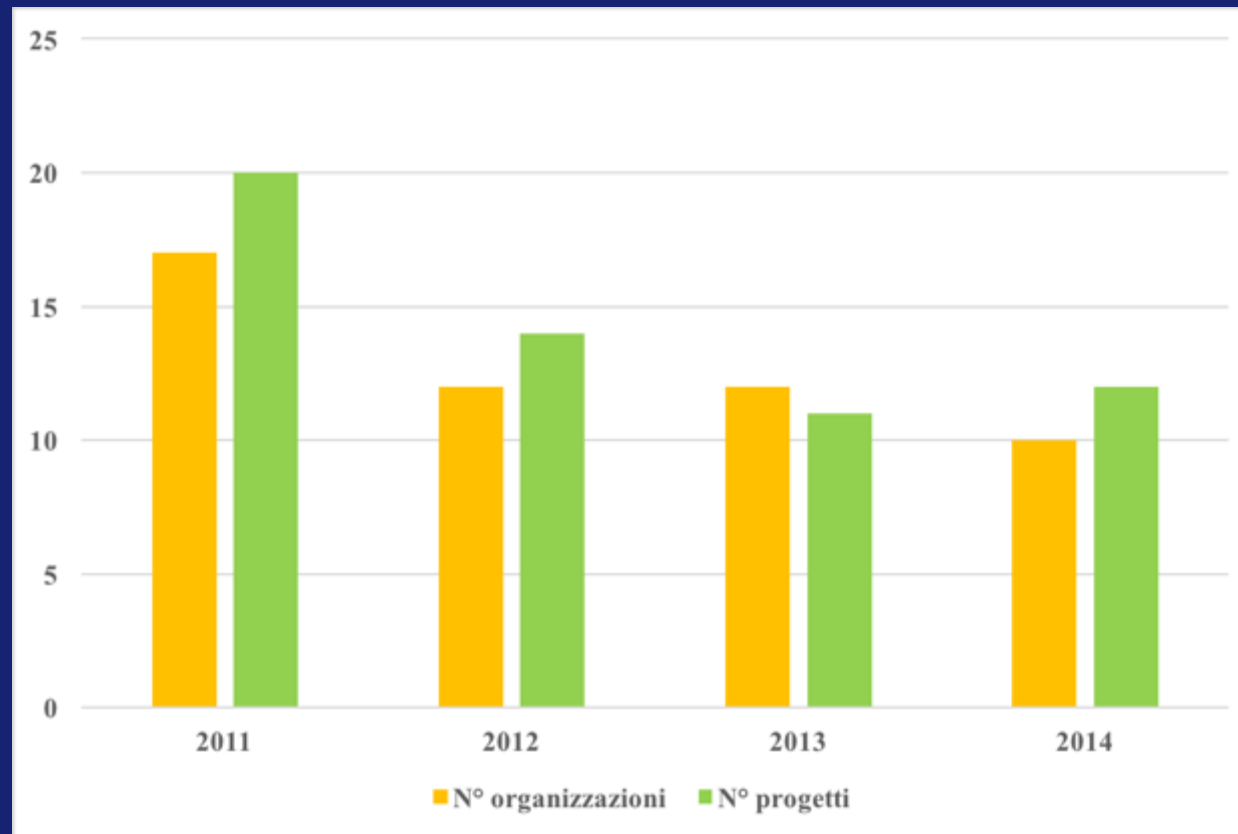
1. Voluntary Forest Carbon Market in Italy 2011-2015
2. The Forest Carbon Code for Italy

**Presentation available at the web-site:**

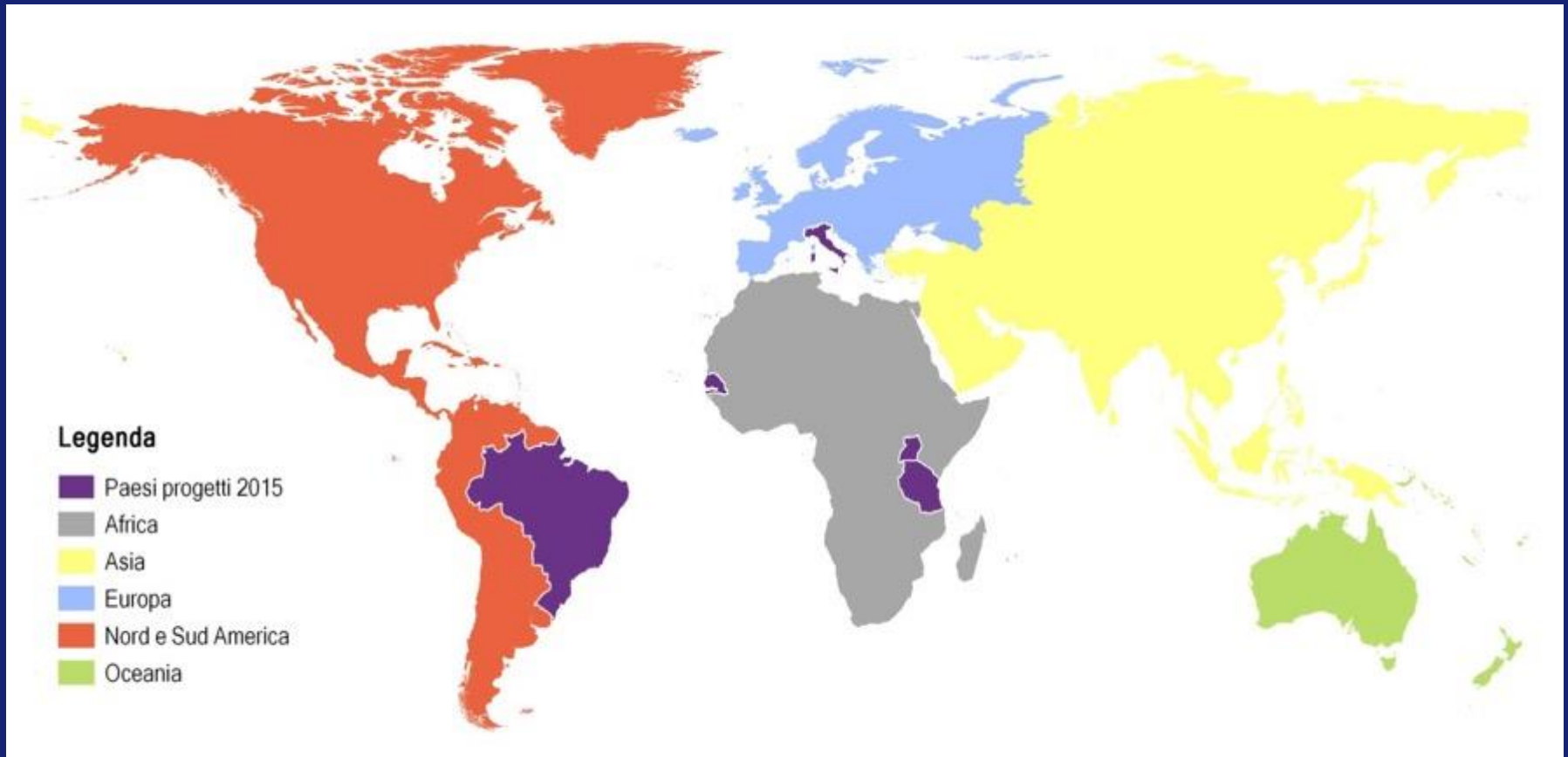
[www.etifor.com/en/Company-Profile/Staff/Lucio-Brotto.htm](http://www.etifor.com/en/Company-Profile/Staff/Lucio-Brotto.htm)

# Projects

- 57 active projects
- 12 projects detected in 2014
- forest area impacted in 2014: 16.000 ha
- mostly micro = less than 5.000 tCO<sub>2</sub>e/y
- NGO lead sector
- Private UP
- Public DOWN

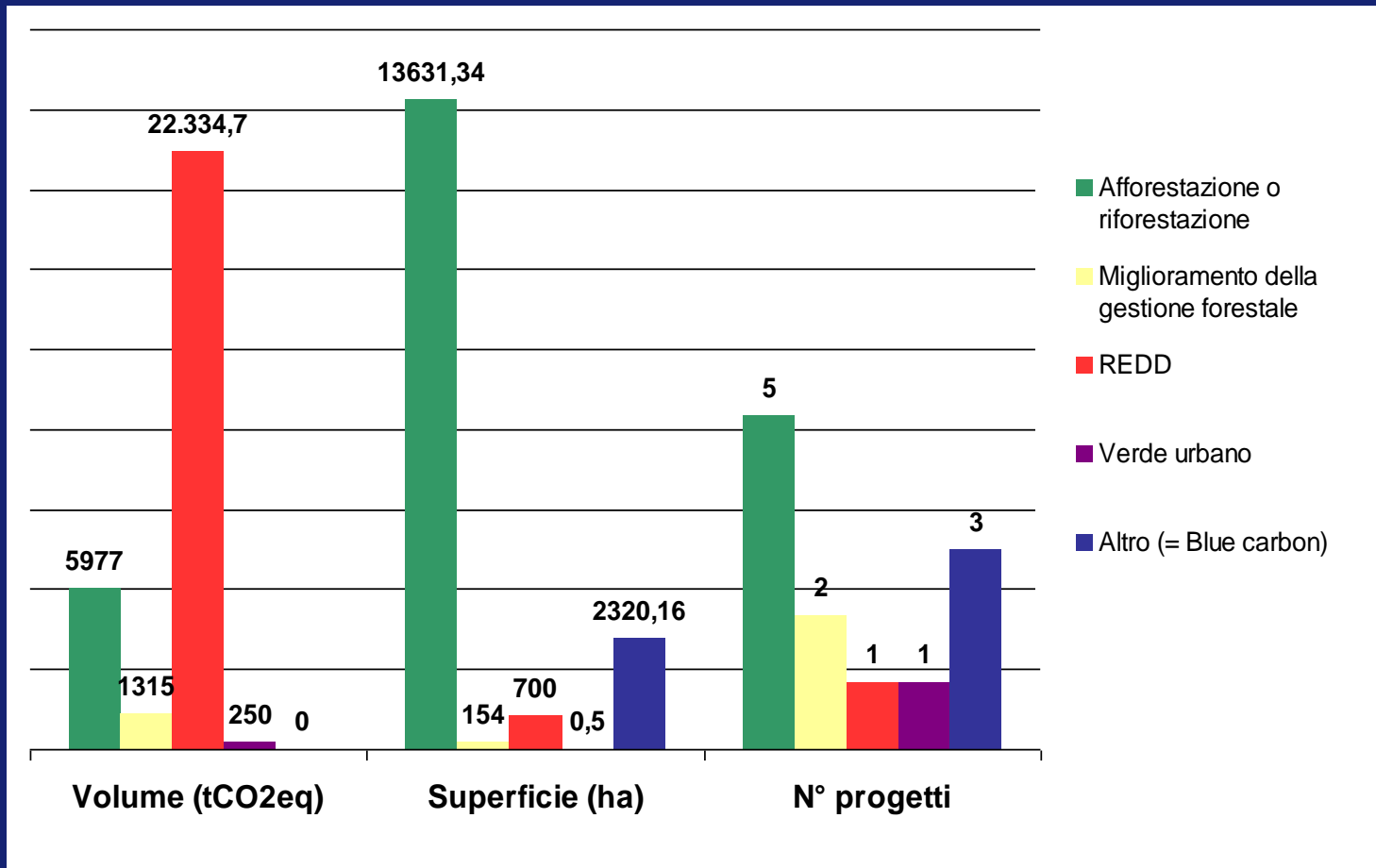


# Location in 2014



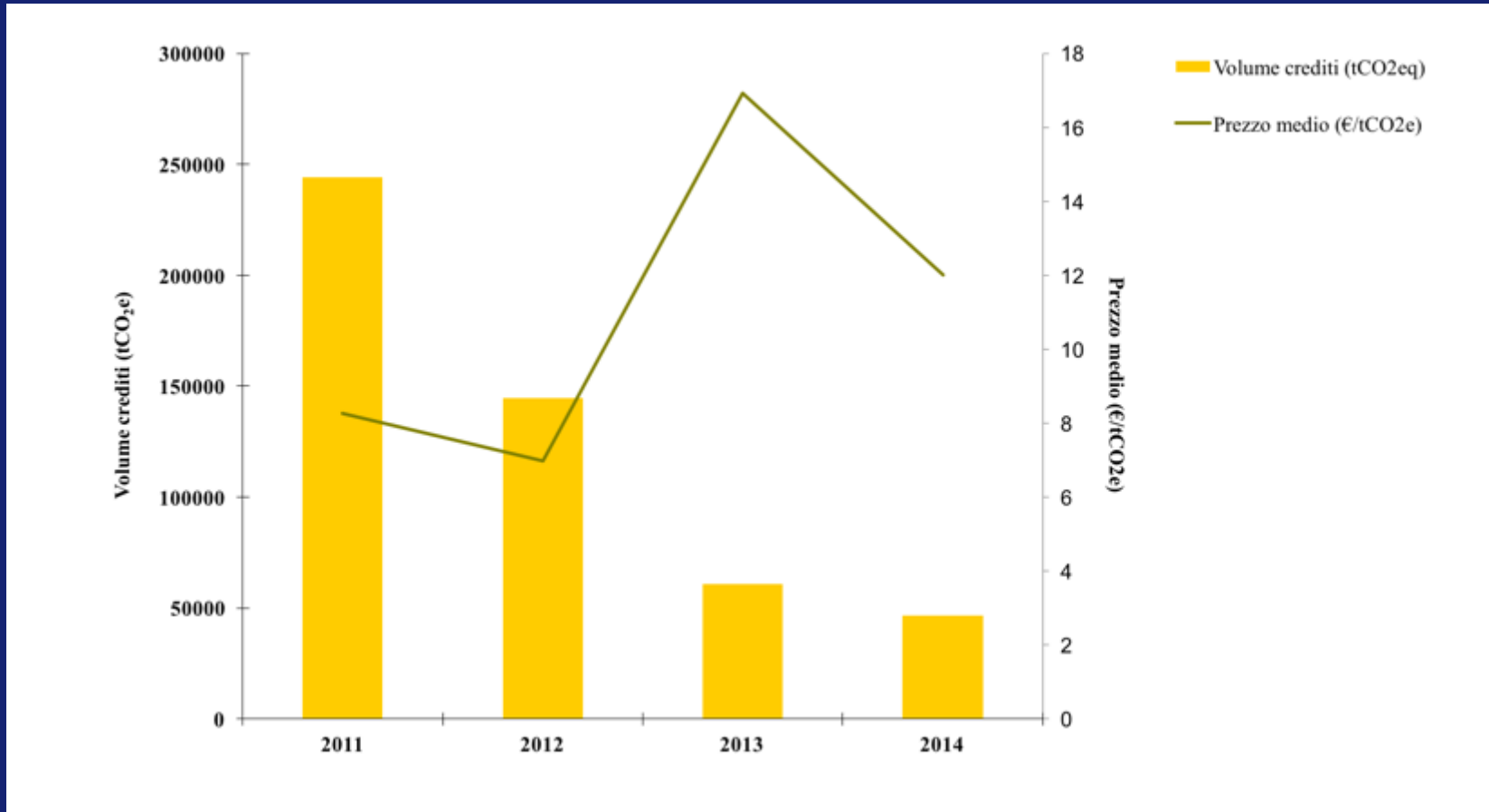
- Projects in: Italy, Senegal, Uganda, Tanzania and Brazil
- Mostly in Italy BUT small size
- Africa and South America: few project but larger size

# What projects in 2014?



- IFM: aging cuts from coppice to high stands
- Blu carbon: fixation by algae

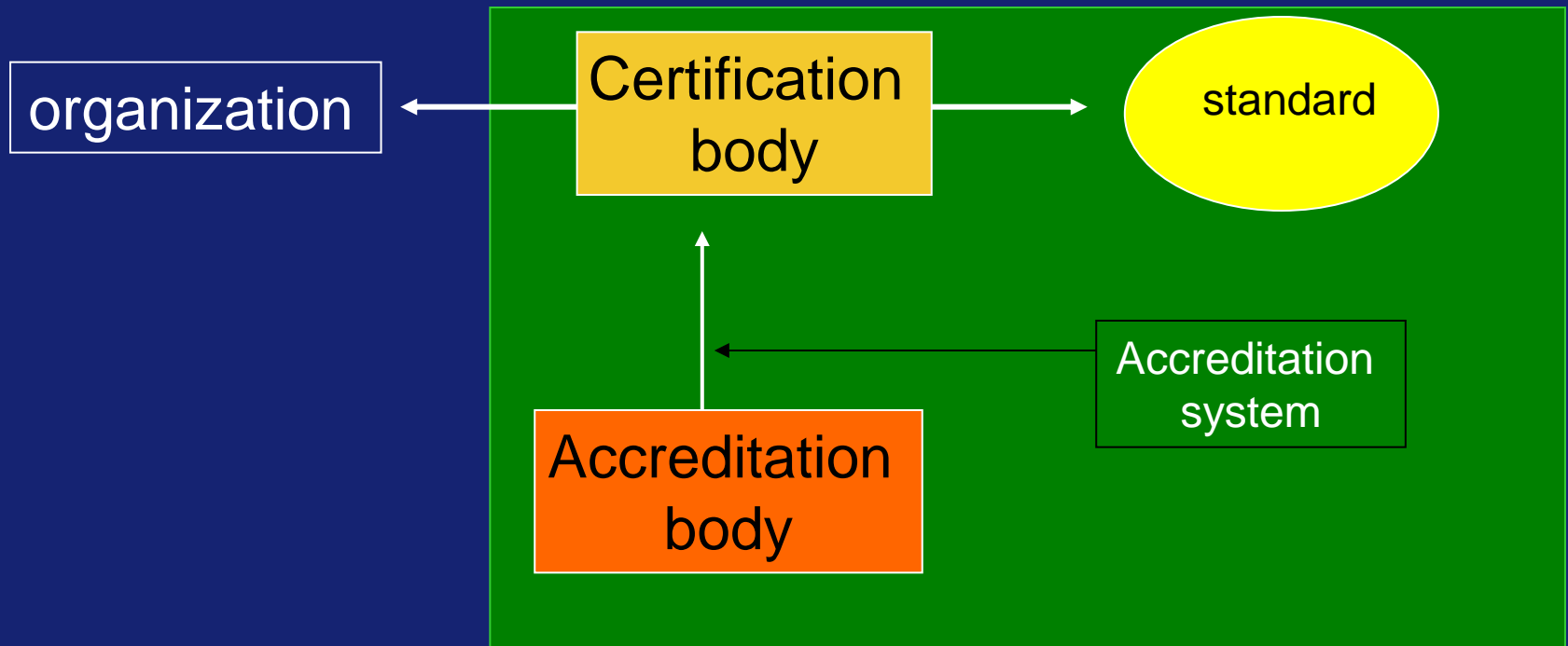
# Volumes, values and prices



- volume sold in 2014: 46.720 tCO<sub>2</sub>e
- value sold: 560.643 €
- average price: 12 €/tCO<sub>2</sub>e (2.6 - 67 €/tCO<sub>2</sub>e)
- 2% of the value of European Voluntary Forest Carbon Market

# First, Second or Third-claim certification

The certification process





# A sample of projects

T A S T



carbon SI

Project Status

operational

Location

Kaffrine, Fatick and Kaolack Regions in Senegal

## Canjombe Community Ecosystem Services



VCUs

cultivated lands, by deve

are foreseen to cover a total area of 1411 hectares of degraded soils mainly in the surroundings of the cities of Ourour and Kaffrine. The plantations will be located near villages around these cities to limit the transport and facilitate the access of inhabitants hired for the project implementation. Local workers will be trained also for sustainable agricultural and forestry practices during the project.

aziende a un progetto di gestione forestale di alcune aree piemontesi. Lo scopo è quello di avviare una gestione attiva delle aree boschive e accrescere gli assorbimenti di carbonio, consentendo al contempo un flusso di reddito aggiuntivo attraverso la vendita dei crediti di CO<sub>2</sub>.

satellite images.

operation

(standard)

carbon

si  
ip  
tc

# Standards and guidelines

- In 2014 only 2 projects use third party certification
- 17 guidelines/standards used so far (only 9 third party)

## Due to:

- **Short value chain:** 92% of credits are “retired”
- **Diversified** project types: 8 types of project
  1. REDD
  2. Afforestation/Reforestation
  3. Biochar
  4. Urban Forestry
  5. Green Infrastructures
  6. Improved Forest Management
  7. Carbon in Harvested Wood Products
  8. Blu carbon
- **Lack of grouping and aggregation**
- **Micro scale** of projects



REDD, 300-500 credits/ha 900-1500€ VERs → 5000+ ha



GI, 200-300 credits/ha 2000-3000€ VERs → 500+ ha



A/R, 200-300 credits/ha 2000-3000€ VERs → 500+ ha



IFM, 10-80 credits/ha 150-1200€ VERs → 10000+ ha



BC, 600-900 credits/ha ???? € VERs → ???? ha

ALM, 1-20 credits/ha ???? € VERs → ???? ha



# Market Innovations

The screenshot displays the 'FAIR CARBON PLATFORM DEMO' interface. At the top left is the 'eCO2care' logo. The main navigation menu includes 'Home', 'PROJECTS', 'ACCOUNT', 'PROJECTS', 'FAVOURITES', 'CART', 'ORDERS', and 'SUPPORT'. A sidebar on the left features a 'VALLE LAGUNARE Rosolina' project image and a 'Milano Comune di Milano' logo with the text 'Riqualificazione energetica edifici pubblici'. The main content area shows a list of projects:

- MAPUTO - Mozambique**: Efficient charcoal cooking stoves. Credits: 4000 / Unit Cost: 0,00 Euro.
- ECOMAPUA - Brazil**: Reforestation and sustainable development. Credits: 10000 / Unit Cost: 0,00 Euro.
- CEARA - Brazil**: Renewable energy and water depuration. Credits: 10000 / Unit Cost: 0,00 Euro.
- MERU - Kenya**: Improved firewood cookstoves distribution. Credits: 10000 / Unit Cost: 0,00 Euro.
- ELDORET - Kenya**: Distribution of efficient firewood cookstoves. Credits: 10000 / Unit Cost: 0,00 Euro.
- DORI - Brazil**: Renewable Energies and Water Reuse. Credits: 10000 / Unit Cost: 0,00 Euro.

The detailed view for the 'MAPUTO - Mozambique' project shows a description: 'Reduced charcoal use through the distribution of efficient cooking stoves in Mozambique'. It lists attributes: Total Credits: 4000 ton CO2-eq, Price not available in DEMO version, Register: Markit Environmental, Standard: Gold Standard, and Sector: Efficiency. A summary bar displays: AVAILABLE CREDITS: 4000, SELECTED QUANTITY: 0, GRAND TOTAL EURO: 0, and ADD DISCOUNT 0%. A note states: 'TO PURCHASE AN AMOUNT OF CREDITS GREATER THAN 4000 TONS PLEASE CONTACT SUPPORT'. Below this, CO-BENEFITS are listed: ENVIRONMENTAL BENEFITS (5 stars), BIODIVERSITY (4 stars), SOCIAL BENEFITS (4 stars), ECONOMIC BENEFITS (5 stars), and HEALTH BENEFITS (4 stars). An image at the bottom shows a woman in a red sweater working with a water bottle.

- Integration with Common Agriculture Policy funds for 2014-2020
- Integration with voluntary forest certification standards (FSC & PEFC)

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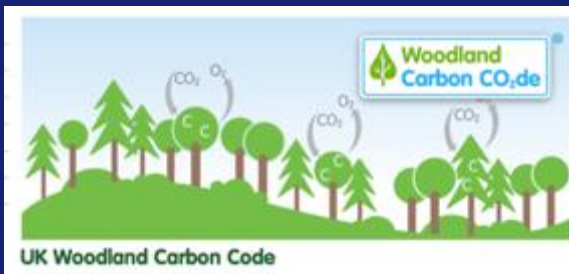
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# Italian Forest Carbon Code

- Good Practices guideline, NO standard. Only for Italy
- 3 years consultation with 400 participants
- **CURRENTLY:** waiting for Italian Ministry of Environment



## Codice Forestale del Carbonio

Requisiti per progetti volontari di sequestro del carbonio

BOZZA IN CONSULTAZIONE  
Versione 1.0



# Solutions

- Structure: Principles, Criteria, Verifiers, Guidelines
- Validation by accredited certification body (e.g. VCS, FCS)
- NO limits: IFM, biochar, Arboriculture, A/R after 2008, URB, GI, etc.
- Additionality: 3 test, beyond CAP requirements
- Use of a register
- Management plan (e.g. FSC and/or PEFC)
- Buffer: min 15%
- Grouped projects for  $< 1.000$  tCO<sub>2</sub>/year
- Ex-ante (like Gold Standard)
- Buyers need LCA & carbon footprint requirements
- Double counting, OK no problem, just communication

# An European approach?

- **Austria:** 2013 monitoring project VCM-AT, biomass projects since 2007 with Climate Austria and *Ökoregion Kaindorf*
- **Belgium:** only explorative studies, differences among regions
- **France:** projects since 2006 then into ETS, now issues with small scale and methodologies for agriculture
- **Germany:** in 2012 3.3 M tCO<sub>2</sub>e retired of which 10% generated in Germany. *Moor Futures* for peat lands
- **Netherlands:** in 2012 the Green Deal purposed by Gov, ok IFM and A/R, no certification because of small scale
- **UK:** WCC since 2011, certification, so far 199 projects, Markit



# An European approach?

- **Spain:** Spanish Carbon Initiative, 5 A/R for non ETS companies. Since 2011 also *Fondo de Carbono para una Economía Sostenible* with Gov buying spanish projects
- **Switzerland:** domestic market with Swiss Attestations payed by fossil fuel importers, projects with CDM methodologies (e.g. biofuels)

## **ECOSTAR Project**

UK, Italy, USA, Spain, Romania

2016-2019

- Analysis of European initiatives for market of CO<sub>2</sub>, water and biodiversity
- Market studies in collaboration with Ecosystem Marketplace

**Thanks, questions?**

**Lucio Brotto**

**lucio.brotto@etifor.com**