

# Leveraging Carbon Markets for Forest Health and Climate Impact

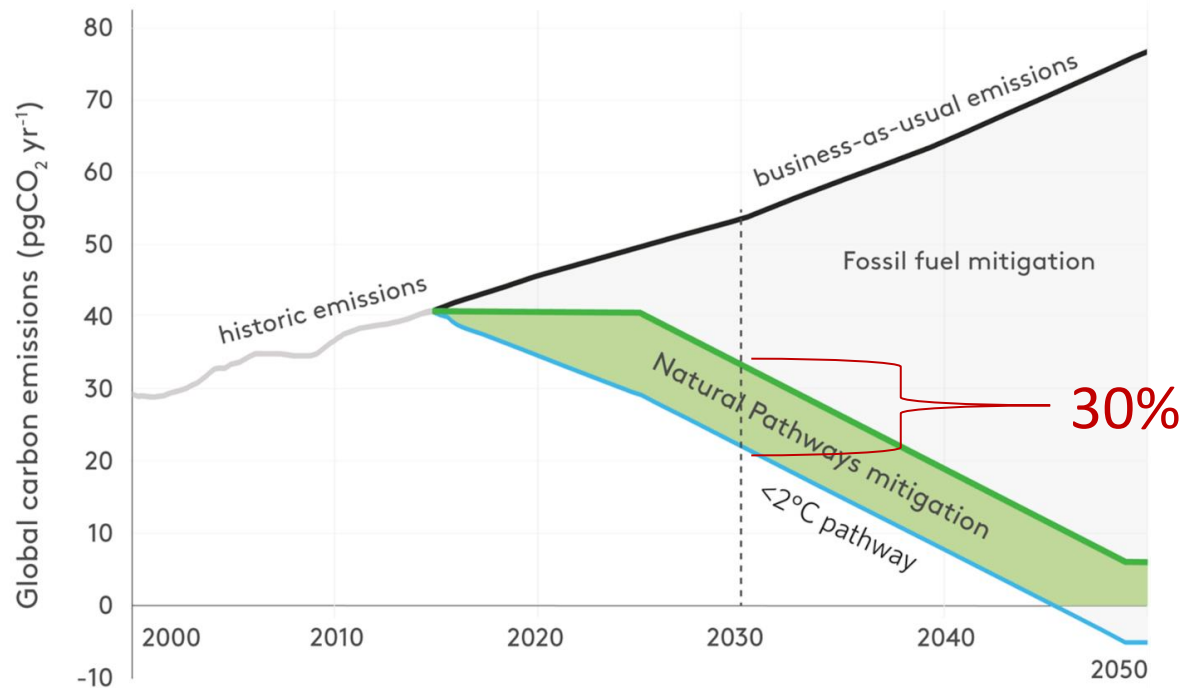


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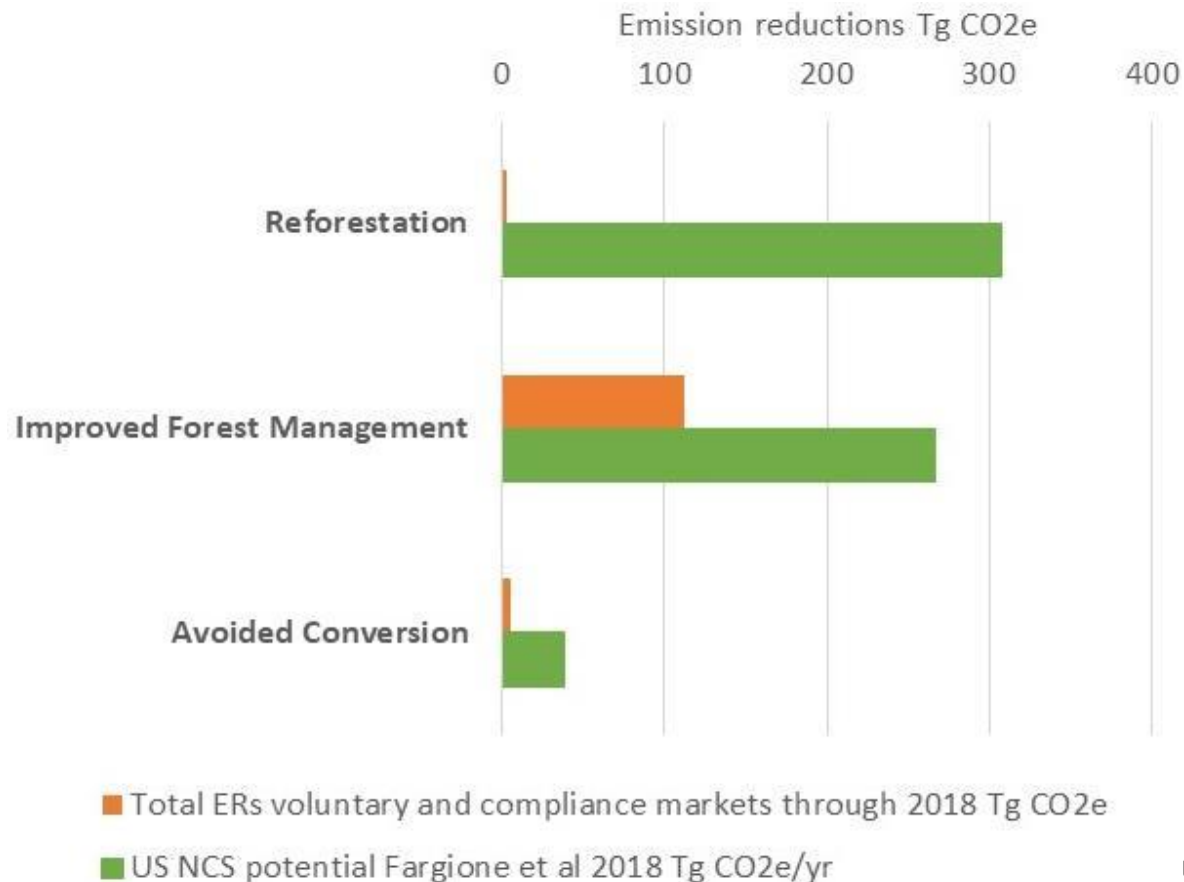
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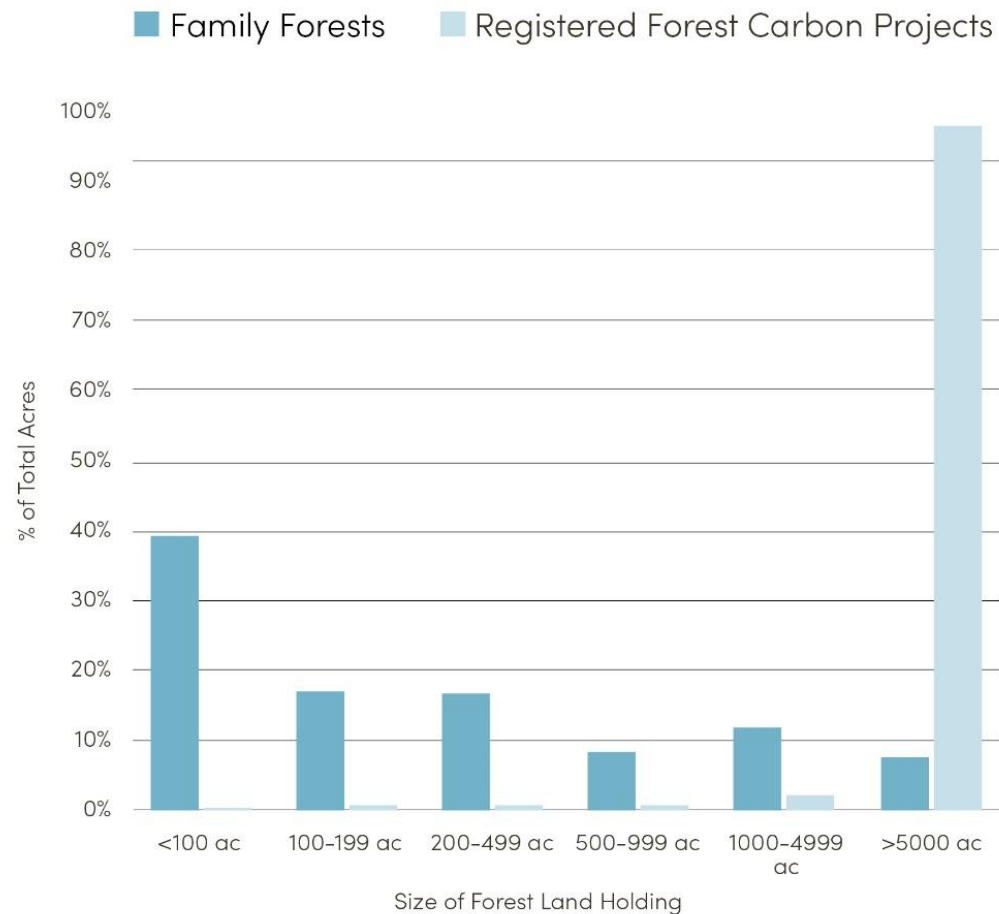
# Natural Climate Solutions Pathway



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# Translating to Potential Marketplace





Traditionally,  
lots of  
inequitable  
market access.

# Barriers to Entry



High cost of inventory and MRV necessitate **economies of scale**.



Lack of **technical assistance**.



**Risk of market volatility**, especially within high quality carbon context.



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# FFCP Program Goals

- Sequester and store 1 billion tons of additional CO<sub>2</sub>e by 2050
- Improve wildlife habitat, overall forest health, water quality and recreational spaces, all while increasing sustainable wood supplies



# For Landowners



Funding



Support




Sustainability



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# Results

- 45,000 acres enrolled; 300 landowners
- \$11 million committed
- 125,000 acres received technical assistance
- 800,000 acres in the pipeline



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# What are landowners saying about the program?

"I'm finding the expertise and support I have needed."



"We would have had to cut more trees to pay our taxes and keep the land without this program."



"I wanted to be a good steward of the land, and this program is helping me do so."



"Our farm is our business, and we are finding our trees are a valuable asset."



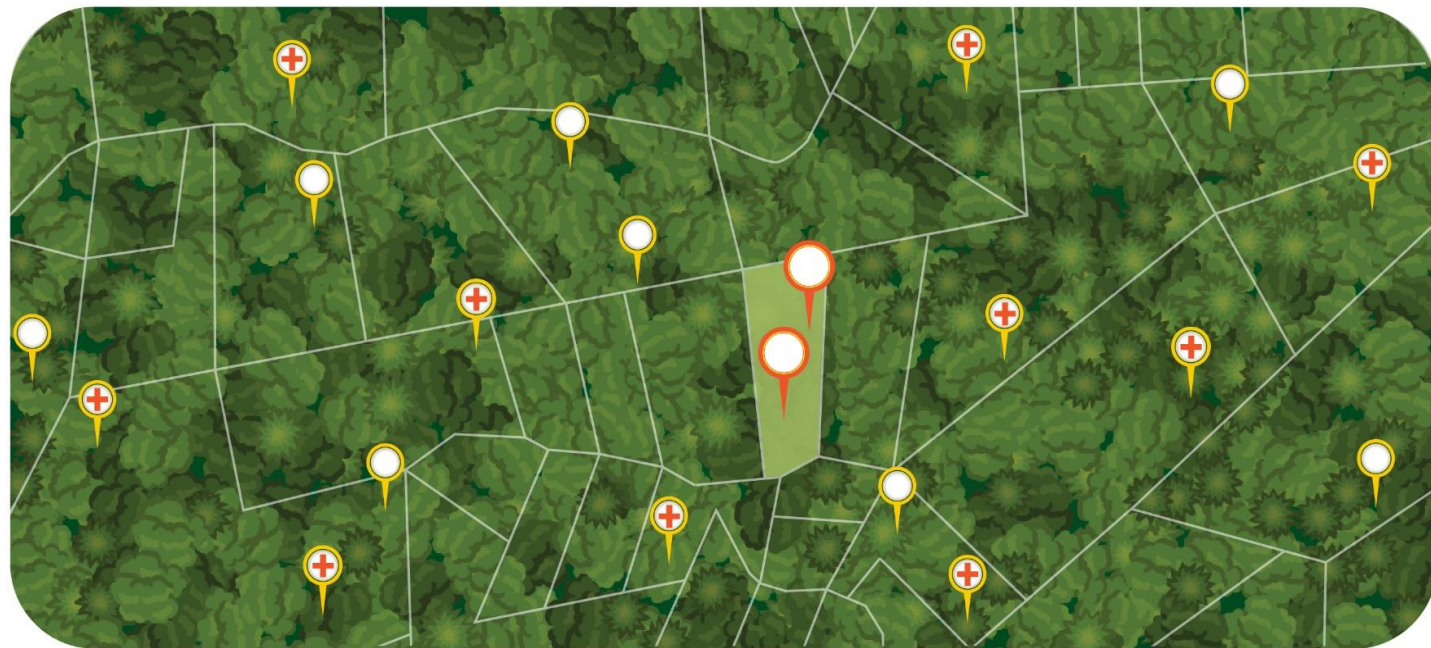
# Focus on High Quality

*Carbon markets do their intended job (reducing concentrations of atmospheric CO<sub>2</sub>) only where **high-quality supply** meets **high-quality demand**. If the quality of the supply **or** the demand is low, functioning carbon markets may not result in reduced concentrations of CO<sub>2</sub>E. Critiques of carbon markets are therefore about the **quality of supply and demand**.*



# Establish Baseline

Baseline established by matching enrolled plots to highly similar plots outside of program.



= enrolled property



= enrolled property plots



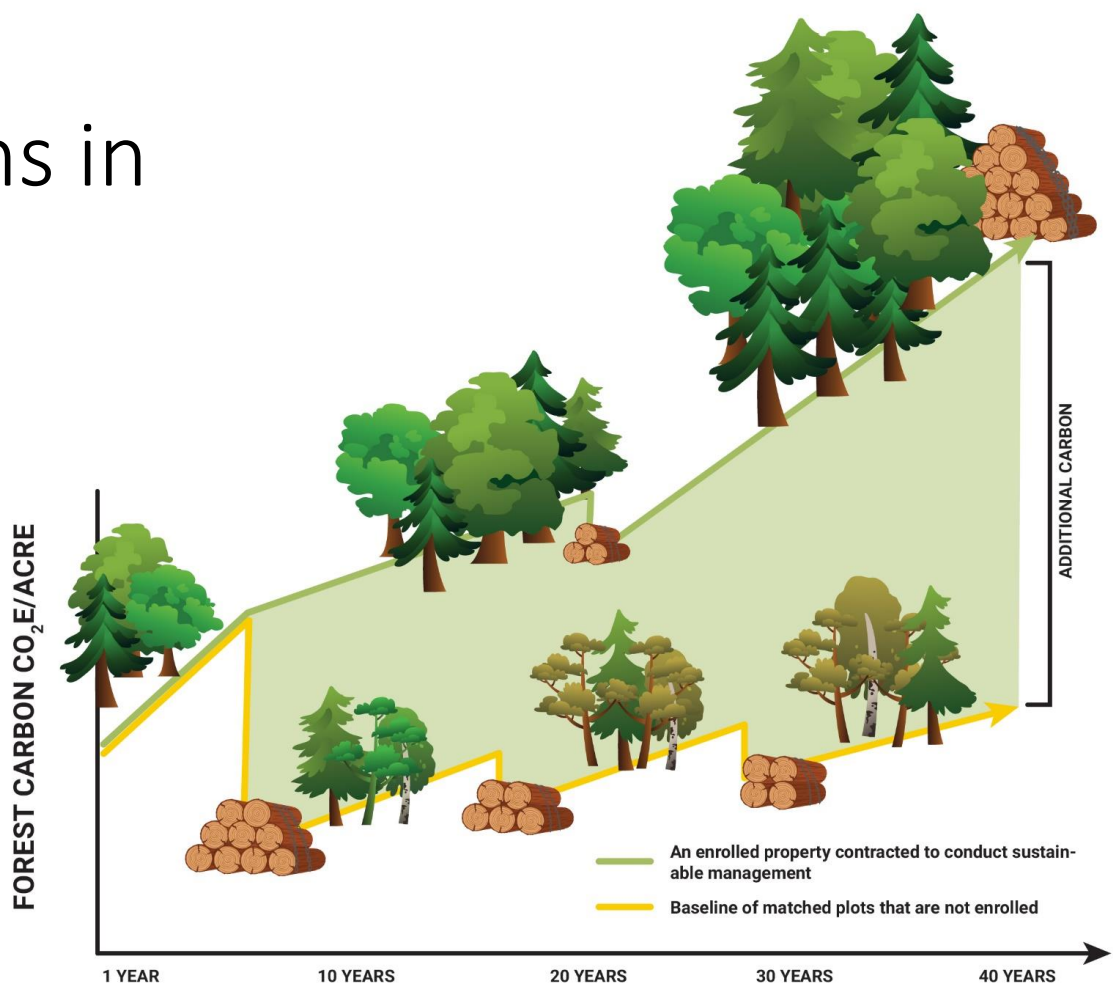
= available plots



= matched plots used to form the baseline

# Compare Actions in Real Time

Carbon benefit calculated by comparing enrolled properties that are employing improved forest management to properties outside the program.

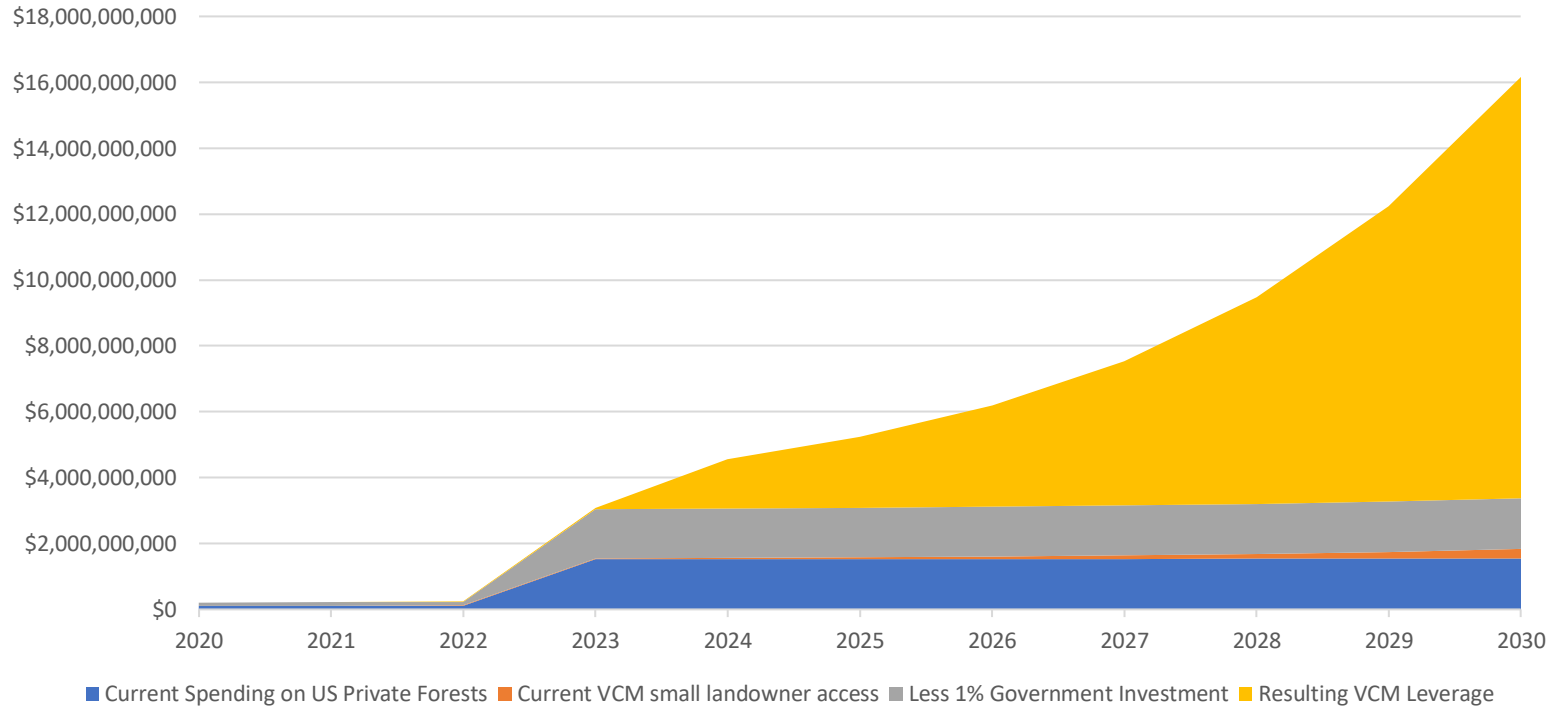




# How can USDA help?

- Continued and increased investment in **reliable data** (FIA, Climate Hubs, MRV)
- **Catalytic investor** to leverage and unlock carbon market opportunities for landowners to improve the health and productivity of more US forest land
  - Helps US projects compete in a global marketplace
  - Climate Smart Commodities Program
  - Financing tools, like the Rural Forest Markets Act

## Potential Leveraged Impact of Government Investment





Questions?



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