

SILVA CONSULT AG

**Forest
inventories**

Economics

Forest Carbon

Forestry School Winterthur

-Timberland investment

-Forest carbon investment

www.forestry-school-winterthur.ch

Neustadtgasse 9, P.B. 113, CH-8402 Winterthur

T +41 – (0)52 - 214 02 65, F +41 – (0)52 - 214 02 66

info@silvaconsult.ch, www.silvaconsult.ch



SILVA CONSULT AG

Forests are an important factor in Climate Change

20% of all anthropogenic GHG emissions are from deforestation and degradation of tropical forests

Forest are huge stores of carbon

50% of dry biomass is pure carbon

1 t C = 3.667 t CO₂e



Forests and Carbon Project Types

R.E.D.D.

Reduced Emissions from deforestation and forest degradation

Project activities outside forest

Only voluntary market, new, very few projects

Only carbon



Afforestation

Sequestration of carbon from the atmosphere

Project activities: Plantation of trees

Compliance and voluntary market

Timber and Carbon



Timberland and carbon investment From degraded grassland to forest



Specifics of forest carbon projects

Positive emotions related to forests

- Plant a tree
- Preserve natural forest



Huge additional benefits of forestry projects

- Environmental benefits (erosion, biodiversity)
- Social benefits (economic improvement of rural areas)
- Long term effects (6-35 years rotation)
- Sustainability



Forest carbon projects: Employment for rural areas



Investments in forests and carbon

Specifics of timberland investments

- Long term investment (5-35 years)
- Low interest rates (3-8%)

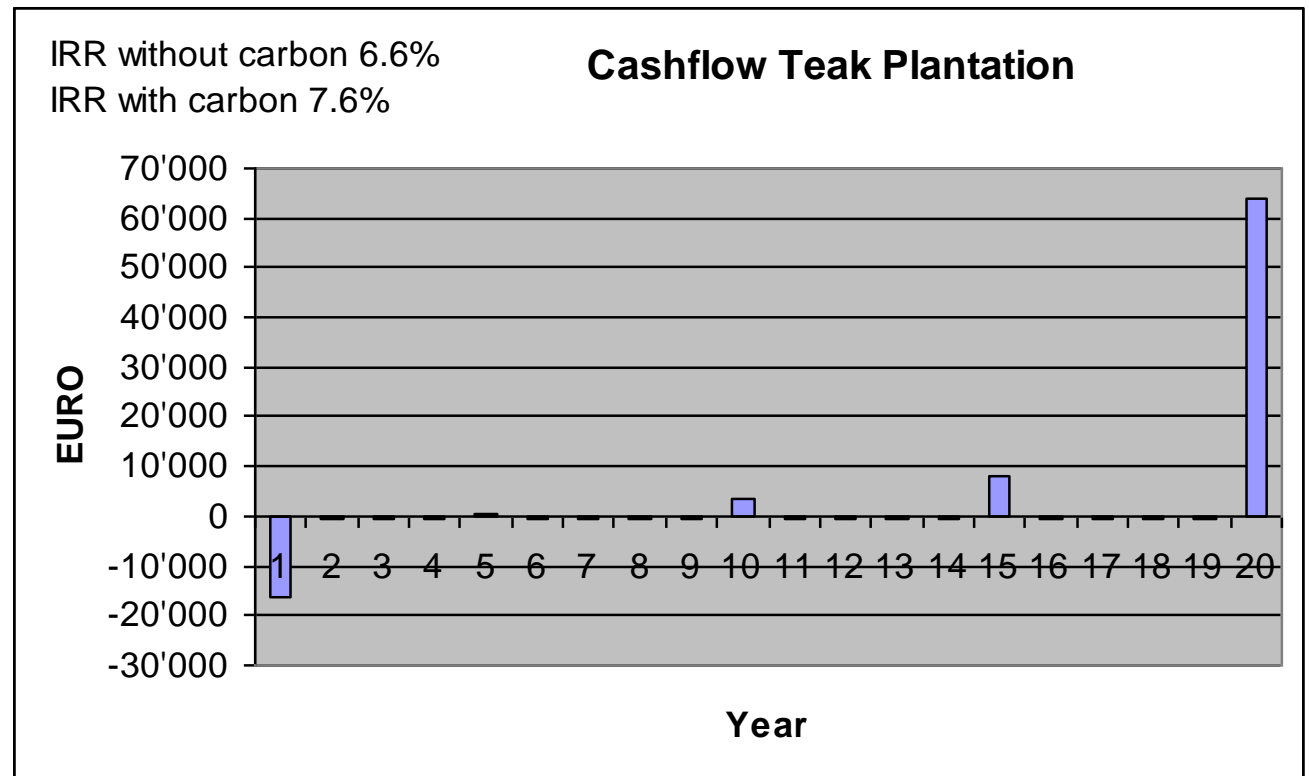
- Trees grow independently from economic development (crises)
- Real asset

- Main costs at the beginning (project development and planting)
- Main revenues at the end of a rotation period (5-35 years)
- Negative cashflow until final harvest.

Investments in forests and carbon

Carbon can improve the IRR significantly because of early cashflow during each plantation rotation period.

Monitoring and verification every five years.



Do forest timberland and carbon projects work? Credibility is guaranteed through external certification

Forest carbon projects Certification

- Standards (Principles, Preconditions)
- Methodologies (Baseline, Monitoring)

Environmental impact assessment EIA,
Socio-economic assessments,
Stakeholder consultations.

Certification:

- Validation
- Verification

It is hard to get certified!



Forest carbon project standards

➤ A/R CDM

Basic principles are the same

➤ Verified Carbon Standard VCS

➤ Carbonfix Standard

➤ American Carbon Registry

➤ SILVACONSULT Forest Carbon Standard (draft)

Additional certification schemes on sustainability criteria:

- FSC Forest Stewardship Council

- CCBA Climate Community and Biodiversity Alliance





Timberland and forest carbon investment projects are tangible

