

Forest Carbon Accounting TWG Final Plenary Session

Meeting 13

Date: May 14, 2025

Location: Virtual

Attendees

Technical Working Group Members

1. Antti Marjokorpi, Stora Enso Oyj
2. Chandra Deshmusk, APRIL
3. Charles Canham, Cary Institute
4. Christoph Leibing, IKEA
5. Jiaxin Chen, Ontario Forest Research Institute
6. Jennifer Skene, NRDC
7. Lucine Courthaudon, SBTi
8. Melissa Gallant, TNC
9. Miguel Brandao, KTH – Royal Institute of Technology
10. Nathan Truitt, American Forest Foundation
11. Nicolas Gordon, CMPC
12. Tim Searchinger, WRI/Princeton University
13. Vaughan Andrews, Weyerhaeuser

Guests

- N/A

Secretariat team (GHG Protocol, EY)

- | | |
|--------------------------------------|--------------------------|
| 1. Amir Safaei, WBCSD – GHG Protocol | 6. Ishita Chelliah, EY |
| 2. Matt Ramlow, WRI – GHG Protocol | 7. Johannes Tinter, EY |
| 3. Alejandra Bosch, GHG Protocol | 8. Francois Binard, EY |
| 4. Oliver James, GHG Protocol | 9. Weza Bombo Joao, EY |
| 5. Gregory Simonnin, EY | 10. Adrien Portofaix, EY |

Summary

| Item | Topic and Summary | Outcomes |
|------|---|---|
| 1. | Housekeeping and introduction The meeting began with acknowledging the progress since January and outlining the meeting agenda. | <ul style="list-style-type: none"> N/A |
| 2. | Presentation of survey results The Secretariat team provided a summary of the initial results of the FCA TWG survey that was conducted virtually May 12-14. The TWG did not reach a consensus recommendation. TWG feedback on the ABA and MLP+ proposals and their assessment according to the GHG Protocol decision making criteria was largely split. | <ul style="list-style-type: none"> TWG members were informed of the result of the FCA TWG survey as reflected in the meeting slides.¹ |
| 3. | Updates on ISB process The Secretariat presented what materials will be shared with ISB members for discussion within their upcoming meetings. | <ul style="list-style-type: none"> The Secretariat shared slide 11 outlining the materials to be shared with ISB members in the May, June and July meetings. |
| 4. | Closing remarks and reflection TWG members each had 2 mins to share their feedback on the survey results and the FCA TWG process. The Secretariat team thanked TWG members for their support for this work and feedback throughout the process. | <ul style="list-style-type: none"> TWG member shared their reflections on the survey results and provided constructive inputs for improving TWG processes to address challenging topics in the future. |

Discussion and outcomes

1. Housekeeping and introduction

- The Secretariat presented the agenda for the plenary session and outlined the type of feedback being requested from TWG members in this final meeting.

Outcomes

- N/A

2. Presentation of survey results

- The first main agenda item was to present the results of the survey to TWG members on the FCA proposals. The Secretariat began by providing a summary of the objectives of the survey. The objectives were to solicit an evaluation of both forest carbon accounting quantification proposals against the GHG Protocol's decision-making criteria, to identify areas of alignment or divergence, to quantify consensus or lack thereof, but not to make any final decision on the proposals.

¹ Note the final slide deck has been updated from the materials presented on May 14 to reflect two additional responses received from FCA TWG members.

- The results of the survey will be anonymized and provided to the Independent Standards Board (ISB) for their review. The Secretariat noted that 3 TWG members did not respond to the survey by the deadline, so these members are not reflected in the survey results presented on May 14th.² These members can still provide their responses for inclusion in the package that will be sent to the ISB.
- The Secretariat then proceeded to summarize the survey results:
 - On the question of whether the two proposals align with the best available science, 7 members responded there was limited alignment of the managed land proxy (MLP+) approach with science, and 8 members responded that there was strong alignment. 5 members responded that there was limited alignment of the activity-based approach (ABA) and 8 members who responded that there was strong alignment with science, and 2 members responded that there was moderate alignment.
 - On the question of whether the two proposals align with the GHG Protocol accounting principles, 7 members responded that there was limited alignment of the MLP+ approach, 1 member responded that there was moderate alignment, and 7 members responded that there was strong alignment. 7 members responded that there was limited alignment of the ABA approach, 1 member responded that there was moderate alignment, and 7 members responded that there was strong alignment.
 - On the question of whether the two proposals align with science-based targets to stabilize the climate under the Paris Agreement, 7 members responded there was limited alignment of the managed land proxy (MLP+) approach with science, 3 members responded there was moderate alignment, and 5 members responded that there was strong alignment. 4 members responded that there was limited alignment of the activity-based approach (ABA), 4 members responded there was moderate alignment, and 7 members responded that there was strong alignment.
 - On the question of whether the two proposals support GHG programs and ensure proper use of data, 7 members responded there was limited alignment of the managed land proxy (MLP+) approach, 1 member responded that there was moderate alignment, and 7 members responded that there was strong alignment. 6 members responded that there was limited alignment of the activity-based approach (ABA) and 6 members who responded that there was strong alignment with science, and 3 members responded that there was moderate alignment.
 - On the question of to what extent the two proposals pose challenges for implementation across industries, 4 members responded that there was limited challenge of implementing the MLP+ approach, 8 members responded that there was moderate challenge, and 3 members responded that there was significant challenge. 2 members responded that there was limited challenge of implementing the ABA approach, 7 members responded that there was moderate challenge, and 6 members responded that there was significant challenge.
 - On the question of whether the two proposals are accessible, adoptable, and equitable across industries, 6 members responded that there the MLP+ approach had limited alignment with these criteria, 5 members responded that there was moderate alignment, and 4 members responded that there was strong alignment. 4 members responded that there was limited alignment of the ABA approach with these criteria, 4 members responded that there was moderate alignment, and 7 members responded that there was strong alignment.

² The final slide deck has been updated from the materials presented on May 14 to reflect two additional responses received from FCA TWG members. The summary here has also been updated to reflect the final results.

- In summary, The Secretariat noted that the survey results revealed a lack of consensus. When considering all the evaluative criteria together, 8 members preferred the MLP+ approach and 7 members preferred the ABA approach.

Outcomes

- A TWG member raised a concern that the summary of qualitative feedback from the comments field on the survey questions highlighted in the slides was not representative of the comments that have been provided on the two proposals throughout the process and seemed positively biased toward the MLP+ approach. The TWG member recommended that these comments be struck from the slides when they are delivered to the ISB so they are not misrepresentative. The Secretariat noted this request and removed the comments from the final materials shared.

3. Update on ISB process

- The Secretariat presented the plan for delivering the recommendations from the FCA TWG to the ISB and how the FCA issue will be discussed within the ISB across three meetings in May, June, and July.
- The Secretariat presented the required and recommended reading materials and noted that the survey results will not be shared with the ISB until the June 17 ISB meeting. The required reading for that meeting also includes the technical proposal documents.
- The perspectives memos of the two author teams and that of a group of external scientists solicited by the ISB will also be shared as recommended reading materials for the June 17 ISB meeting.
- The ISB will decide on a final approach in the July 14th meeting and the FCA TWG members will be informed of the decision.

Outcomes

- The TWG members had the following questions:
 - Multiple TWG members asked if the names of the external review scientists could be shared. The Secretariat responded that they were not able to share the names until consulting with the ISB Chair.
 - A TWG member asked about whether a summary of the discussion of the forest carbon accounting topic in previous stakeholder bodies in the LSRG development process will be shared with the ISB. The Secretariat responded that only the results of the current TWG will be shared as the detailed ABA quantification approach developed from this TWG process was not available for discussion in the previous LSRG development process.

4. Closing remarks and reflections

The Secretariat team opened the floor for TWG members to reflect on the survey results and 6 months of the FCA TWG discussions. TWG members raised the following feedback.

Summary of TWG member reflections

- One member voiced that the virtual format did not support discussion and consensus, and that an in-person venue could have been useful. The member noted that the task ahead for the Independent Standards Board (ISB) will be challenging to interpret and understand what has been discussed in the FCA TWG. The member noted that the co-authors of the Managed Land Proxy (MLP+) proposal they developed tried to listen to opposing viewpoints and make the concessions that were possible.
- One member voiced that they felt that there was not a lot of flexibility by opposing co-authors to see the arguments raised by their side. The member voiced that if model-based approaches are to be

used for forest carbon accounting they need to be pilot-tested and that the opinion of the scientists in this FCA TWG, as well as the scientists that have developed the models themselves, cannot be trusted at face-value. The member voiced that scientists who work on national greenhouse gas inventories have different opinions about the validity of these models. The member voiced that that the composition of the FCA TWG was biased and does not reflect many other scientists and academics who see these models as wrong.

- One member appreciated the opportunity to be involved in this critical task. The member noted that scientists may have different opinions and that scientists make arguments based on data, facts, and logic, and this is how the member has tried to make contributions to this FCA TWG. The member acknowledged that there were feasibility issues inherent to both forest carbon accounting proposals, but that models are needed for a science-based approach. The member noted that there is not enough time to get this proposal wrong and correct the mistake later, given that we must be taking actions now to mitigate climate change. They hoped that ultimately a decision will be reached that is based on the best available science.
- One member noted that they have similar reflections to previous commenters. The member noted that the development of the draft Land Sector and Removals Guidance (LSRG) has been a difficult task and that the forest carbon accounting issue was one of the most difficult issues. The member voiced that it could have been useful to build in more time for level-setting to build trust, understand assumptions, and understand the evolution of the discussion in the LSRG development process, and to be more transparent about the lens and familiarity that members were bringing to the issue.
- One member voiced that the issue that has been discussed in the FCA TWG is a complex one, making it hard to reach a scientific consensus, but that is the objective of this FCA TWG—to reach a scientific consensus, not a stakeholder consensus. The member noted that on the scientific issues, most of the TWG agree, but that the participants are not all representing science. The member voiced that the Secretariat could have administered the format of the TWG differently by limiting the exchange of emails, noting that it was difficult to read everything and feeling that there were important scientific papers that shed light on the issues that were missed or misunderstood. The member noted that this issue is important and that there had been meaningful progress made.
- One member voiced that the email exchanges were the most useful and helpful for learning and exchanging ideas. The member voiced that they would summarize the situation overall as there first being an incumbent approach for forest carbon accounting that stakeholders are familiar with and that is easy. However, the member voiced that they can't accept that this MLP approach successfully measures what it is intended to do, i.e., the GHG fluxes associated with a company's activities. On the other hand, the activity-based approach (ABA) proposal considered by the FCA TWG is undeniably more laborious, but it measures accurately what it is intended to measure and contains scientific rigor. The member noted that there is a large scientific body of evidence to support the ABA approach, but admitted that will require more work to implement it. The member noted that moving forward there needs to be discussion of what resources corporates need to accurately assess their emissions, but that the approach will necessarily involve models and an activity-based type of approach.
- One member voiced that they learned a lot and appreciated the need for both companies and scientists to work together. The member noted that there was limited representation of stakeholders from the Global South and that the process could have benefited from more representation from developing countries. The member noted that they felt confused much of the time about the implications of what was being discussed and what would be expected in the real world if either proposal were advanced. The member voiced that the ultimate proposal needs to be feasible but that

they felt that both proposals were not feasible in their current form. The member noted that the process would have been improved if the Secretariat could have guided the process to address these feasibility issues.

- One member voiced that this has been an interesting process that would not have been possible without external facilitation. The member voiced that the process could have been improved if there had been more rigidity around deadlines and meeting schedules. The member voiced that there seems to be a fundamental question that underlies the FCA TWG discussion which relates to what is the role of the GHG Protocol, either as an accounting standard or a target-setting standard, or both. The member sees this as a fundamental question of unclear identity that has influenced the work of the FCA TWG. The member voiced that they think that the pursuit of perfection has become the enemy of the good. The member voiced that the scientific discussion on a theoretical level has been important to set the scientific basis, but that there needs to be more work on the implementation. The member raised a concern that the activity-based approach won't be usable by many corporates in the land sector and also acknowledged there were some feasibility issues with the MLP+ proposal as well.
- One member voiced that they learned a lot about an issue that they did not know much about before they joined the TWG, which is the discrepancy between physical inventories and models that are the basis of global pathways to reach 1.5-degree futures according to the IPCC. The member encouraged the Secretariat to be more conscious of TWG composition in the future. The member noted that seven of the members on the TWG are scientists with a background in consequential carbon accounting, and that it was not a surprise that these members disagree with attributional accounting approaches. The member noted that this composition has led to a divide in the TWG between "industry" and "science," but that the scientists who publish the most on the discrepancy between physical inventories and global climate models were not represented on this TWG. The member voiced that they believe that the co-authors of the ABA proposal in fact know that the actual science is controversial but that these members are misrepresenting that science, while other of the co-authors simply don't know the full science, and that they don't which is more concerning. The member thanked the Secretariat for doing a good job administering this process despite being very difficult.
- One member also voiced thanks for the professionalism of the Secretariat in a difficult task. The member was struck by the amount of learning and unearthing of assumptions, biases, mischaracterizations or genuine misunderstandings that emerged via email exchanges in the 11th hour of this TWG that revealed some of the origins of the inflexibility in the TWG members. The member voiced that it could have been useful to have more time for slower, more carefully considered written exchanges. The member also noticed that one thing that was missing that could have been useful was an acknowledgement of history that these issues have been debated for years prior to the beginning of this LSRG development process. The member voiced that the framing of these TWG conversations as sui generis may not have been useful, and that the debate of this topic in other contexts historically has been perceived as a "David vs goliath"-type of struggle, where science has been shunted aside and suppressed, but acknowledged that science also has its own strong norms and traditions. The member acknowledged that many stakeholders likely came into this process already frustrated by the drawn-out development process of the Land Sector and Removals Guidance and that it could have been useful to surface some of those simmering frustrations at the outset of this TWG.
- One member voiced that the companies on this TWG are in the business of making more efficient growth and use of wood. In these efforts to produce wood products more efficiently, less carbon is

stored, which is penalized by the MLP proposal, but these efforts reduce the amount of natural forests that need to be harvested and save carbon in those forests. However, if the activity of harvesting natural forests is carbon neutral or negative, as it is typically treated under the MLP approach, there are no carbon savings that can be attributed to producing wood efficiently compared to harvesting more wood out of natural forests. The member noted that because of this situation, the efficient production and use of wood is penalized under the MLP proposal, and noted that companies on the TWG members have inquired why this incumbent accounting system treats reused/recycled wood as more carbon intensive than virgin wood products. The member voiced that the co-authors of the ABA approach believe that the efficient production and consumption of wood products is important to reaching global climate targets, and that the ABA proposal rewards this. The member noted that if an activity-based-type approach is ultimately selected by the Independent Standards Board, the member hopes that there is willingness to work together to help and promote companies that produce wood efficiently.

- One member voiced thanks to the Secretariat for administering a very challenging task. The member noted the complexity of the issues and was glad to be a part of the discussions, which helped both proposals better shape and develop their proposals. The member voiced disappointment that after many years, the two sides of this argument have not been able to find a middle ground, given that all members of this TWG consider themselves stewards and promoter of forests. The member voiced that they did not appreciate a characterization that companies are greenwashing. The member voiced that accurate science is relevant, but that knowledge of how the accounting is implemented and the practical aspects is just as important as the science. The member voiced a concern that this process will lead to something that is not what the GHG Protocol's mission is, which is to develop an accounting standard for companies. The member voiced that the GHG Protocol does not have to play other roles besides this one and that the accurate science should be used accordingly for the role that each different framework plays in the accounting ecosystem.
- One observer thanked the Secretariat team for the skillful onboarding to allow them to come on board and get up to speed on the issues having not joined at the beginning of the TWG.

The Secretariat team concluded the meeting by thanking the TWG members for their time and contributions to this TWG process.

Summary of written submissions received after the meeting

- Members of the ABA accounting proposal requested that the Secretariat share their perspectives document with external scientific advisors before they provide their feedback to ISB members.