



## Forest Carbon Options for Small Forest Owners

Currently, many challenges exist for owners of small forest parcels to sell forest carbon. Upfront project development costs can be large and therefore challenging when not spread over many acres of ownership, and the process is complex. Under current protocols and market prices for carbon offsets, projects need to encompass more than 2000+/- acres to be financially viable, although this is not a technical or legal requirement. As carbon markets evolve, the cost of development may decrease and the sale price of a carbon offset may increase such that the size threshold for financial feasibility declines.

While current markets favor large forest parcels, the voluntary market is rapidly developing, and new options are becoming available for small landowners. One option for smaller landowners is to aggregate smaller forest parcels into a single carbon offset project. Because there are more landowners involved in an aggregation project, it can introduce additional complexities and risks. While some carbon registries have guidelines for aggregating forest carbon projects, successful aggregated projects are not yet common. There is one example of project aggregation in the region in Vermont: The Cold Hollow to Canada carbon Project, a forest carbon offset aggregation project of 10 landowners. Other aggregation projects are being developed under The Nature Conservancy's Family Forest Co-op program.

As there is growing interest in enrolling land in a carbon offset project, coordinated efforts to provide financial and technical assistance to small forest owners will likely increase. Today there are newly developed pathways for smaller private forests to enter carbon markets that seek to lower project development and inventory costs:

### - The Family Forest Carbon Program

A joint program between The Nature Conservancy and American Forest Foundation that reduces development costs by using national forest inventory data and a payment-for-practice incentive. The minimum parcel size is 40 acres. Currently, this program is being piloted in Pennsylvania and Maryland, and will expand to western Massachusetts, Vermont, and eastern New York in 2022.

## **- CORE Carbon**

A new program by carbon developer Finite Carbon is designed for forest parcels greater than 40 acres. CORE uses a free digital platform through which landowners will be able to receive payments management practices that improve carbon stocks.

## **- Forest Carbon Works**

Forest Carbon Works distills the complex processes required for developing a carbon project into a simple membership service, creating easy access for all landowners. The Forest Carbon Works staff works with the landowner to explore whether a carbon project and payment will work on their land.

## **- Natural Capital Exchange (NCX)**

The NCX program is generally different from the other small landowner forest carbon programs in that it pays landowners to delay timber harvests for one year. While originally tested and administered in the southeastern plantation forestry region of the US, NCX is now available for other regions of the country for forest landowners.