

Présentation Association Aquitaine Carbone – Fonds carbone pour la réunion du nrg4SD

I. From forests to carbon credits: the Aquitaine Carbon Association

Managing the consequences of a windstorm

With the forest Landes of Gascony, the region Aquitaine hosts the largest West-European forest. This forest is a central point to the economic activity in the Region, especially as far as paper and furniture are concerned. On top of those economic impacts and of the “natural” value, in terms of landscape, tourism, respect of natural areas, the Landes forest has a great value in terms of carbon storage; the forest is the biggest carbon sink for the region.

It thus goes without saying that the storm Klaus, in January 2009, which had more than 200,000 ha damaged at more than 40%, has terrible consequences. The Region decided to launch innovative schemes to help further reforestation, beside national subsidies. The idea has been to focus on the “carbon” aspect of the forest, which had not really been addressed so far.

The objective of the Aquitaine Carbon Association is to include forest owners in carbon finance processes. If an improved methodology is developed that enables an extra carbon capture and storage in grown trees, forest owners should be “rewarded” in the shape of carbon credits.

The Association as a facilitator

Voluntary carbon offset schemes in forestry in developed countries is quite a new topic and requires therefore an explanation and definition process. This is why the region decided to create the Aquitaine Carbon Association, whose role is to do the groundwork. It will gather a pool of specialists in order to give an update on the situation and to propose both a methodology to improve and measure carbon storage in trees, and recommendations to forest owners to implement this methodology.

On the basis of these recommendations, the association will buy carbon credits from forest owners. The association will have the methodology approved by an international standard (Voluntary Carbon Standard) and carbon credits certified. This being done, credits will be sold to actors (companies, local authorities, even individuals) interested in compensating their greenhouse gases emissions.

The region decided to gather in the project a number of partner organisations:

- the National Forestry Commission (Office National des Forêts), a public organisation managing French public forests
- the Regional Centre of Forest Owners (Centre Régional de la Propriété Forestière), a knowledge and resource centre for private forest owners
- the Deposit and Consignment Office (Caisse des Dépôts et Consignations), a public financial institution.

These partnerships ensure that relevant stakeholders are taken into account and strengthen the ability of the association to promote effective solutions.

First steps towards achievement

The association has officially been launched on May, 16th. It aims at defining a draft for a new methodology and recommendations to forest owners as early as 2011 and will finance carbon credits for € 500,000 for the first year. Once the carbon credits are approved and certified, the association will be able to sell them on the voluntary market (possibly *via* a Carbon Fund) to organisations willing to offset their emissions. The methodology itself should take one to two years to be approved by the VCS, so that first delivery of certified carbon credits should not occur before 3 to 4 years (after a verifier has checked the project on the field). Still, even without any certification, credits can be sold on the “over the counter” market.

A scientific and technical committee will support the association to define the methodology for certification. It aims at gathering together specialists to measure and validate the quantity of carbon that can be stored thanks to improved technical itineraries.

II. A carbon outlook on the territory: the Carbon Fund

With the Carbon Fund, the region Aquitaine develops a broader outlook on carbon issues, i.e. not only focused on carbon credits and forestry projects, but a wider bunch of carbon assets: carbon credits, both on mandatory (EU ETS) and voluntary markets (for companies that are not submitted to a legal carbon constraint, but also for local authorities or individuals who want to offset their emissions). It will also include energy efficiency certificates: they are certificates that testify that energy efficiency measures have been implemented; only “obliged companies” (electricity and energy sellers) have to abide by this requirement.

Content of the feasibility study

The Carbon Fund is an ambitious and innovative process for a local authority like the Aquitaine region. We thus want to make sure of the feasibility of this fund. First the region is working together with the CDC-Climat, a public investor active in structuring carbon markets (exchanges, registers), and investing in innovative carbon funds. Together with the CDC Climat, the region launched a feasibility study to consider both the demand and supply that could be addressed by the fund:

- on the supply side, the objective is to benchmark the projects being launched or planned in the region in order to estimate the future quantity of carbon credits or other carbon assets that could be managed ; all sectors and project initiators will be considered (companies, local authorities, associations, individuals) ;
- on the demand side, the study aims at defining the interest for companies with or without a legal constraint to meet their requirements with “local” carbon finance.

This will give a more accurate vision of local opportunities: the study shall enable the region Aquitaine to estimate if there is enough material and financing for a viable fund. The results of the study will be available this autumn.

The Aquitaine Carbon Association and the Carbon Fund are quite new projects; the processes and types of financing remain innovative tools, especially for local authorities. Yet, actors like the Aquitaine region have to find new ways to act on their territories, all challenging they may be. Acting as a pioneer is necessary to set up forms of action that meet demand from the field.