

Policy Element	Chicago Climate Exchange	California Climate Action Registry
Eligibility	Eligible projects in the U.S. include Afforestation, Reforestation, Forest Management (with credit for harvested wood products), and Forest Conservation (rules in development)	Eligible projects limited to California. Include Reforestation, Natural Forest Management, and Forest Conservation.
Sustainability	All forests claiming credit through projects must be certified with PEFC (SFI, AFTS, CSA) or FSC and commit to maintain certification for 15 years after initiation.	Forest entities (owners of more than 100 acres of forest) that report are required to be part of an approved certification system. FSC and SFI are approved in early drafts. In addition, carbon amounts must be certified by a CCAR-approved certifier annually.
Forest Pools	Measure above-ground live trees and soil carbon for afforestation. Above ground trees for forest management.	Required pools include tree biomass, standing dead biomass, and lying dead wood. Optional pools include understory, soil, litter and duff, and harvested wood products.
Harvested Wood Products	Follow the 1605(b) guidelines for calculating HWP credits. Credit for carbon remaining in use or in landfills at 100 years, by type of timber or wood product.	Optional for forest reporters. Will not be certified.
Measuring and Monitoring	Inventories should be at 90% +/- 10%. More accuracy is rewarded. Future growth from models is discounted 20%. Annual inventories eliminate the 20% discount.	Estimates of biological carbon should exhibit a standard error of less than 20% of the estimated mean with 90% confidence. Deductions apply to mean estimates of the carbon pools if the sampling error at the 90% confidence interval is 5% of the mean estimate or greater. Long-term baselines are estimated by models, seven of which are pre-approved by CCAR, and others may qualify later.
Reporting	Annual reporting, with reported amounts verified by qualified verifiers. Claims of carbon credits from managed forests need to cover the entire forest ownership.	Forest entities are required to report all biological and non-biological emissions annually. Once reporting is begun, it must be continued permanently. Projects can be reported separately or as part of entity reporting. Reporters are required to report CH <sub>4</sub> and N <sub>2</sub> O emissions

		by the fourth reporting year. Biological emissions and carbon stocks must be verified by a CCAR-approved verifier every six years.
Baselines and Additionality	The base year approach, as defined by 1605(b).	CCAR encourages development of a biological baseline that is a long-term projection of forest carbon stocks over 100 years based on the entities forecasted management practices and goals. Baselines must be adjusted if there are changes that affect a baseline by 10% or more. For forest management projects, baselines are required, and only carbon stocks in excess of what are estimated to be realized under California's Forest Practices Act are defined as additional. Forest conservation projects can be compared against regional estimated deforestation rates.
Leakage	In forestry projects within the United States, internal leakage is minimized by certified sustainability.	Activity shifting leakage that may have been created in the entity due to the project must be assessed. Reporting market leakage is optional.
Permanence	Forest carbon projects (afforestation, management, conservation) need to put 20% in reserve fund for use in case of loss. If no loss, they are returned to project owner at the end of the market period. HWP needs no reserve. Owner commits to maintain forest carbon stocks beyond the market period and certification for 15 years.	At the project level a forest entity is required to secure their project with a perpetual conservation easement and permanently dedicate the land to forest use. All forest projects are required to promote and maintain forest types that are native to the project area. In addition, forest management projects must use natural forest management practices.
Equivalence		At the project level, deductions based on the level of confidence of measurement samples are taken from estimates of tree bole volume, standing dead biomass volume, lying dead wood volume, shrub and herbaceous understory volume and soil carbon volume. Project reporting demands more accuracy in its measurements sections because carbon storage

		reported will be certified as GHG emissions reductions or emissions.
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