

## **PFS-IB (information bulletin)-001: Standard Application form for PFS certification and issue of PFS Stored CO2 carbon credits**

PFS Standard for proof of longevity of forestry CO2 removals and assessing risk of green statements where such proof exists: Part II: Best practice for proof forestry CO2 captured remains stored until 2100).

This PFS-IB-001 is to be read as part of PFS Standard Part II.

Terms in this PFS-IB-001 bear the meaning in Chapter 4, PFS Standard, Parts I, II and III.

ISO 14064-1, PFS-IB-031 and ISO 14064-2, PFS-IB-032 followed.

The first thing you will do is open a preliminary account with PFS (PFS-IB-029 applies). This allows you to answer the following pre-engagement questions. You will only need to fill in your name and give PFS the legal description of the land interest on which your forest is growing to do this.

If you wish to apply for PFS certification leading to the issue of PFS Stored CO2 carbon credits you will need to provide PFS with the following information.

*Please note this will be at your own cost, however PFS will not charge you for its time and disbursements in considering your application. Costs need to be paid to PFS if your PFS Stored CO2 carbon credits are sold and this information will be in the Terms and Conditions you are required to sign (see step eleven below).*

To minimise that cost we ask you to first answer the questions under Part A below. These are pre-engagement questions and do not bind you but will allow PFS to determine at an early stage whether your forest can be certified. Please note that answering all these questions "YES" does not automatically qualify you for certification. There are still many other issues to be addressed.

If your forest is eligible to be issued PFS Stored carbon credits, please note these will be issued by MUFG Pension and Market Services Ltd, who are also responsible for documentation retention, settlements and maintaining the carbon credit registry. All sales of PFS Stored carbon credits are required to be through the MUFG registry.

An explanation of how PFS Stored carbon credits may be sold to maximise returns to holders and what fees will be paid can be found in the T&Cs or will be discussed with you at that time.

Please note that before you can be certified, and PFS Stored CO2 carbon credits issued you must sign Terms and Conditions binding you and PFS (you will be sent a copy when your application is received) and register a deed of encumbrance on

your title to the land interest on which your forest is growing. A form of deed of encumbrance is available which appears in PFS-IB-017.

PFS-IB-029 will explain how you can upload information.

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## Part A: Pre-engagement questions to be answered

### Step One: answer the following questions.

1 Applicants shall answer “YES” to the following questions before an application can be considered.

- a) You, the applicant, either own the freehold title to the land on which the forest is growing, or the forest is growing on a leasehold interest, profit a prendre or registered forestry right you own and will own until 2100; or if you own the reversion to the freehold title it will revert to you before 2100 with no-one in possession in the interim having the right to fell any part of the forest before 2100? YES/NO

*Commentary: this question must be answered “YES” as no other interests in land will qualify for certification.*

- b) The forest is growing in New Zealand? YES/NO

*Commentary: this question must be answered “YES” as New Zealand has been assessed by PFS as a high rule of law country, with robust enforcement of laws, low risk viz-a-viz other countries for climate change affecting forestry, fast sequestering forests, ability to grow or nurture juvenile or immature forests, multi-species growth records and models, and economic fundamentals encouraging new forest plantings.*

- c) You have or can comply with PFS Standard Part I? YES/NO

*Commentary: this question must be answered “YES” because compliance with Part 1 is necessary before certification under PFS Standard Part II. [Link to PFS Part I](#)*

- d) The expected CO<sub>2</sub> sequestration to be achieved by your forest over the next 9 years is not eligible for NZUs, or if it is your forest was planted before 2008? YES/NO

*Commentary: this question must be answered “YES” because to claim and use NZUs and then seek to have the same CO<sub>2</sub> sequestration support VCCs would amount to double counting. See table 1 below to check your forests eligibility.*

Table 1

YEAR PLANTED	ELIGIBLE/CLAIMING NZUS	ELIGIBLE FOR VCC
Pre-2008	YES	YES
2008 and beyond	YES	NO
2008 and beyond	NO	YES

- e) Your forest is currently able to be felled before 2100 and you are prepared to legally covenant against felling before 2100? YES/NO

*Commentary: this question must be answered "YES" to allow a deed of encumbrance to be registered on the relevant forest owner's title and to assist in proving additionality.*

- f) Confirm your title to the land or interest on which the forest is growing is not mortgaged or if it is, the mortgagee will agree to be bound by a permanent covenant or similar? YES/NO

*Commentary: this question must be answered "YES" otherwise a covenant against felling before 2100 will not have priority over a mortgagee's right to sell and ignore the covenant*

- g) Your forest is managed by one of the following? YES/NO

- NZ Forest Management
- PF Olsen Ltd
- Roger Dickie New Zealand
- Southern Forest Management
- Forestry 360
- Logic Forest Solutions

*Commentary: this question must be answered "YES" as forestry management by an approved forestry management company allows access to management reports and other forestry information from a reputable third party. Other forestry management companies may be added to this list and existing ones deleted, as appropriate.*

- h) Are you prepared for the forest to remain unpruned and un-thinned until 2100? YES/NO?

- i) Are you prepared for the forest to remain unpruned and un-thinned until 2100? YES/NO?

- Each species you have planted is YES/NO:
  - a) Covers more than 1 ha, whenever planted. YES/NO
  - b) Contains species that will reach 5 metres in height when mature, whenever planted. YES/NO
  - c) Are expected to reach crown cover when mature of at least 30%/ha, whenever planted. YES/NO
  - d) Are expected to reach 30 metres across on average when mature, whenever planted. YES/NO
  - e) Are a species not grown for fruit and managed as food crops. YES/NO
  - f) If they are shelter belts (are more than 30 metres wide on average, unless they join onto other forest land). YES/NO
  - g) Are more than 15 metres from adjacent forests. YES/NO

*Commentary: this will not be allowed when the deed of encumbrance is registered on the title but left as part of the pre-engagement assessment in case applicants did not know this was a requirement.*

- 2 Where the Panel has material from a reputable and industry accepted source, such as SCION, which answers one of the above questions “YES”, it need not require an Applicant to answer it and we will advise you if this is the case.

### **Step Two: contact PFS about any issues.**

If any of the pre-engagement questions are answered “NO” you may not be able to proceed further. If this is the case, and you wish to review your answers, or seek an explanation, please contact PFS at [info@pfs-carbonstandard.com](mailto:info@pfs-carbonstandard.com) explaining the nature of your inquiry and give sufficient details to allow a meaningful response.

### **Step Three: upload legal titles.**

If you have answered all the above questions YES, please upload a copy of the legal title to the land interest on which your forest is growing, such as a freehold title, leasehold, registered forestry right or profit a prendre. If you are not the freehold owner, please also upload a copy of the freehold title on which your land interest is registered. You can contact [info@pfs-carbonstandard.com](mailto:info@pfs-carbonstandard.com) to obtain instructions on how to do this and how to upload other required documents.

PFS will check the above for consistency with its rules and if this is positive it will then ask to you proceed under Part B below.

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## **Part B: provide information on your forest**

### **Step Four: upload some more information about your forests.**

In answering the questions below you must treat each species you have planted as a separate forest.

- 1 Upload information confirming each species of tree comprising a forest. Proof of such species shall be provided as follows:
  - a) Confirmation by a NZIF Registered Member who has visited the Forest or
  - b) Such other evidence as PFS may from time to time allow.
- 2 Upload information confirming each age class of each species comprising a forest. Proof this can be one of the following:
  - a) An invoice for planting.
  - b) An approved forestry manager's report contemporaneous with planting.
  - c) A code of compliance issued by a local authority for planting.
  - d) Such other evidence as PFS may from time to time allow.
- 3 If PFS advises you the legal titles to your forest that you have uploaded do not provide sufficient proof of location of the forest, please upload one of the following.
  - a) Co-ordinates for the forest matched against either a satellite photo of the Forest corresponding to those co-ordinates, or
  - b) A NZ Topo50 Map published by Land Information New Zealand showing the forest on a map with corresponding co-ordinates, or
  - c) Confirmation from a Lawyer (holding a current practicing certificate issued by the NZLS and practising on own account or as a partner in a legal partnership) that from the Titles, and Deposited Plans to the land on which the forest is growing the exact location of the forest can be confirmed.
  - d) Such other evidence as PFS may from time to time allow.
- 4 Upload information confirming proof of the stems per ha per species when planted being one of the following:
  - a) Confirmation by an approved forestry manager or a NZIF registered member (with their registration number) from a either site inspection at the time of planting; or other independent and verifiable sources, or
  - b) A contemporaneous with planting forestry management report produced by an approved forest manager, or
  - c) If this is recorded from invoices for planting.
  - d) Such other evidence as PFS may from time to time allow.

**Step Five: Advise names of two NZIF registered members you would like appointed to the Panel along with their registration number.**

PFS will determine in its absolute discretion, which NZIF registered members will be approved to assess your forest, but will usually follow your choices. Check that your NZIF registered members are prepared to confirm the following questions (the following two relate to your GHG Inventory for the year preceding your application):

- a) Any anthropogenic CO<sub>2</sub> emissions from your forest as they occur are separately reported from any other emissions in a GHG Inventory and Report
- b) No other source of GHG emissions exists for the Project and the Project Reporting Period other than those listed in Chapter 6 PFS Standard Part I (see [www.pfs-carbonstandard.com/resources](http://www.pfs-carbonstandard.com/resources)).
- c) Where the forest is not measured under the ETS please confirm it has been measured according to the random plot selection provided by PFS otherwise in accordance with ETSFMAIS.7 (MPI) and ETSFMAIS.8 (MPI).
- d) The site index of the forest.
- e) Determine if any contra-indications of future expected sequestration to those given in a SCION derived multi species growth model exist.
- f) Comment on any atypical risks in determining non-anthropogenic mortality due to of poor site selection.
- g) If the forest is pinus radiata the North Island assess the risk to the forest from Red Needle Cast for risks of mortality.

*Please note the first two questions may alternatively be addressed by your forest manager.*

**Step Six: Upload a signed copy of the current forestry management agreement.**

**Step Seven: NZ ETS and other forest measurement information.**

- 1 Please confirm if your forest, or part of it, is still:
  - a) Registered with the NZ ETS and
  - b) Subject to mandatory emission returns still being measured under the NZ ETS.
- 2 If applicable, please upload:
  - a) The last applicable forest participant look-up tables and
  - b) The last two filed emissions returns filed, in the latter case together with evidence from MPI that those returns have been accepted as correct.

- 3 Please upload any private plot growth data maintained by forest owner.
- 4 If your forest is not measured under the NZ ETS, please confirm your CO2 Removals by the forest is measured using a method approved in PFS Standard Part I, Chapter Seven clause 7.3(c).
- 5 If you wish to use another method not listed at PFS Standard Part I Chapter Seven, clause 7.3(c) please contact PFS at [info@pfs-carbonstandard.com](mailto:info@pfs-carbonstandard.com) to discuss.

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## Part C: Complying with PFS Standard Part I

### Step Eight: Measuring your forest

You will have to comply with PFS Standard Part I to be granted a PFS certification under PFS Standard Part II. This will require you to measure the CO2 removals in your forest to establish a baseline. If your application is for Certification coinciding with a mandatory ETS measurement you may rely on that measurement. Otherwise, you will need to undertake a field measurement of your forest CO2 removals. PFS will explain how to do this.

In particular we draw your attention to the requirements in PFS Standard Part I Chapter Eight and PFS-IB-024 and PFS-IB-019.

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## Part D: Further Steps

If the above information is satisfactory PFS will require the following steps to be taken.

**Step Nine: Signing T&Cs.**

**Step Ten: Please upload a copy of your current policy of insurance over the forest.**

**Step Eleven: Executing and registering deed of encumbrance.**