

# Carbon Credits Yield New Opportunities for Woodland Owners

By David Jackson

Photo courtesy: Jeff Stringer

On June 18, 2007, the Mountain Association for Community Economic Development (MACED) launched a new forest management effort that combines innovative ways of earning revenue and promoting forest health with proven management strategies. Focusing on sustainable forestry as its foundation, MACED's forestry program emphasizes the carbon trading market and ways landowners in eastern Kentucky can participate.

Through a series of steps, MACED will help landowners tap these emerging markets for the storage of carbon through sustainable forest management. Sustainable forestry practices have the potential to increase the rate by which trees pull carbon from the air and store it in their trunks, roots, and other parts. Over the last several years, multiple markets have emerged that pay landowners to promote practices that store more carbon.

Benefits available to participating landowners are practical, straightforward, and diverse. Some landowners will participate in MACED's program due to its ability to help rehabilitate degraded forests. Some will participate as a way to further develop their property's wildlife habitat or recreational value. Others will incorporate MACED's program into their existing management plans as a new tool for producing revenue.

Landowners interested in enrolling in the program must meet four basic requirements. Satisfactory completion of these requirements will require the services of a third-party, professionally trained forester. Enrollment can occur before all the requirements have been completed, but a landowner will not receive payment from the sale of carbon credits until they have been met. The requirements include:

- an acceptable forest stewardship plan,
- a current forest inventory,
- forest certification by the American Tree Farm System, and
- a signed contract with MACED agreeing to participate through December 31, 2010.

Many landowners understand that forests are very resilient, which means they have the capability to withstand both harsh site conditions and poor treatment. These same landowners also understand that even forests have basic needs that must

be met if negative consequences are to be avoided. Forest rehabilitation, improved productivity, and good stewardship that helps create a lasting contribution for present and future generations are objectives considered desirable by most landowners. With those objectives in mind, MACED's forestry program emphasizes:

- knowledge and utilization of sustainable forest management practices,
- operational methods suitable for helping improve ecosystem restoration and health, and
- diversified sources of revenue that combine the sale of selectively harvested wood products and carbon credits.

To help launch its new forestry program, MACED hosted an initial educational meeting in Berea on February 5, 2007, for landowners, representatives of state government, and faculty members from the University of Kentucky. A second meeting was held on June 11, 2007, to educate attendees in greater detail on enrollment procedures, landowner responsibilities, and the mechanism MACED will use to pay participants. Based on attendance and participation, many believed the meetings were successful.

Numerous participants said they had learned about subjects and opportunities they never knew existed. For example, landowners learned about what a carbon credit is and how it is produced, the emergence of carbon trading as an innovative market, and the significance of MACED's role as the only organization in the entire Appalachian region certified officially to sell carbon credits produced by their forests.

Based on the June 2007 market price, landowners who enroll in MACED's program could expect to earn \$4 to \$5 per acre per year depending on the average age and condition of their forest. However, future prices may go up or down as the market dictates. MACED will deduct a management fee from each landowner's gross carbon credit payment in exchange for providing its services. Financial assistance, forestry consultation, and educational outreach will be provided by MACED to all landowners enrolled in its program. Eastern Kentuckians interested in learning more about enrollment in MACED's program are invited to contact MACED toll free at 888.677.2373 or visit [www.maced.org](http://www.maced.org).

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