<u>Third Woodland Carbon Guarantee</u> <u>auction now open for applications</u>

- £10m available from the scheme's £50m pot for farmers and land managers to create new woodlands to help tackle the effects of climate change.
- Scheme gives land managers the option to sell Woodland Carbon Units to the government at a guaranteed price protected against inflation.
- Previous auction helped stimulate 1,517 hectares of tree planting.

Farmers and land managers across England are encouraged to <u>apply for the Woodland Carbon Guarantee scheme</u> by 11 October, ahead of the next auction which will take place online between 26 October to 1 November.

The Woodland Carbon Guarantee is a Forestry Commission administered £50 million scheme that aims to help accelerate woodland planting rates and permanently remove carbon dioxide from the atmosphere.

New tree planting projects are eligible for long-term payments for the amount of carbon a new woodland will store, providing new income for farmers and land managers.

Following an online auction process, successful bidders will be offered the option to sell woodland carbon in the form of Woodland Carbon Units — a financial value given to each tonne of carbon stored — to the government over 35 years at a guaranteed price protected against inflation. The scheme reflects the government's confidence in the continued growth of markets for woodland carbon, as landowners will have a revenue stream in future from selling carbon on the domestic market.

This announcement follows the success of the second auction which closed in June 2020 and saw 27 contracts offered by the Forestry Commission to help stimulate the creation of 1,517 hectares of new woodland specifically to help combat climate change.

Sir William Worsley, Chair of the Forestry Commission, said:

This pioneering scheme could be the perfect fit for many farmers and land managers looking to help tackle the climate and nature crises now upon us.

Results from the second auction show the scheme is growing in its success, providing more land managers with long-term income support for creating new woodland.

I strongly encourage anyone thinking about planting to sign up ahead of the next auction in October.

Encouraging diverse woodland types and tree species is a key factor in the

Forestry Commission's efforts to increase tree planting rates in England. This scheme aims to achieve a varied range of projects across different locations and scales.

The outcome of the second auction, along with the first, showed positive signs of encouraging projects in parts of the country such as South West and East England where tree planting has been lower in recent years. The average price of bids accepted in the second auction was £19.71 per woodland carbon unit.

Speaking of the benefits of the Guarantee, Forestry Minister Lord Goldsmith said:

This scheme provides landowners with the long-term certainty of a guaranteed payment rate for carbon, which their trees lock up and store.

From helping to reduce carbon emissions, encouraging biodiversity and nature recovery, and improving people's health and wellbeing, the benefits of trees are undeniable.

I urge all land managers to consider planting roots and to sign up to the Woodland Carbon Guarantee as we rebuild our country to ensure a greener and more resilient future.

Before applying for the Guarantee, land managers will need to have registered with the <u>Woodland Carbon Code</u>, which provides the tools and information required to verify and record the carbon they are capturing and can sell in future.

The government manifesto commits to increase planting across the UK to 30,000 hectares per year by 2025. The government is currently consulting on a new England Tree Strategy which concludes on 11 September. Farmers and land managers are encouraged to engage with this to help shape policies to increase tree planting and woodland management, including how we can build on the Woodland Carbon Guarantee to encourage private investment in trees and woodlands.

Apply for the Guarantee here.

Notes to editors:

- The prices accepted in previous auctions should not be taken as a firm indicator of acceptable bids in any future auction. Applicants should also be aware that the auction is a competitive process and lower bids are more likely to be successful.
- Before you apply for the Guarantee, you will need to have registered with the <u>Woodland Carbon Code</u>, which provides the tools and information required to plan your woodland and calculate the amount of carbon that it will remove from the atmosphere. The woodland will also need to comply with the requirements of the UK Forestry Standard.

• <u>More inform</u> frequently	asked	questions	please	see	this	<u>Q&A</u> .	<u>can b</u>	e Tound	<u>nere</u> .	ror