

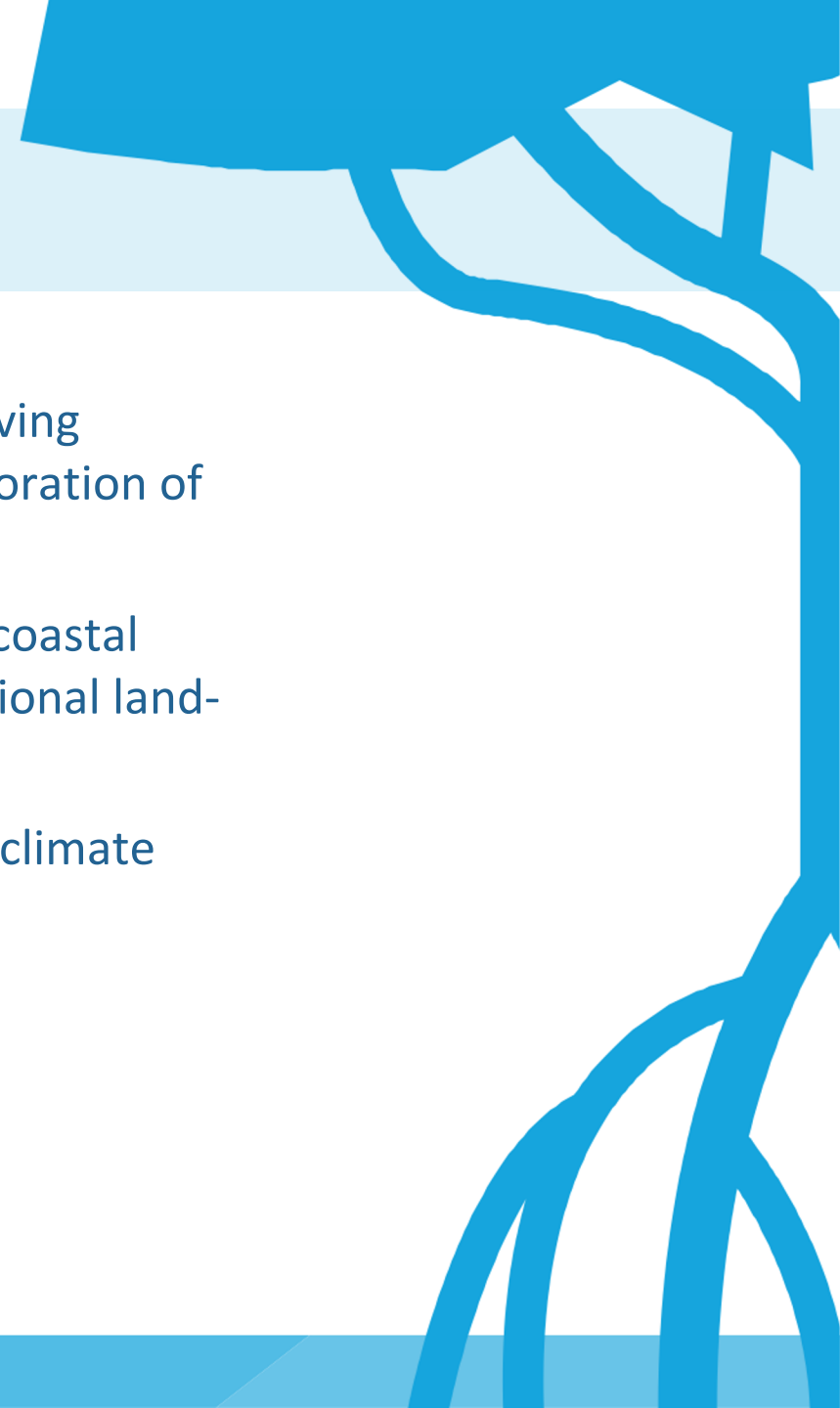
HIGH-QUALITY BLUE CARBON PRINCIPLES AND GUIDANCE

A TRIPLE-BENEFIT INVESTMENT FOR
PEOPLE, NATURE, AND CLIMATE



THE POWER OF BLUE CARBON

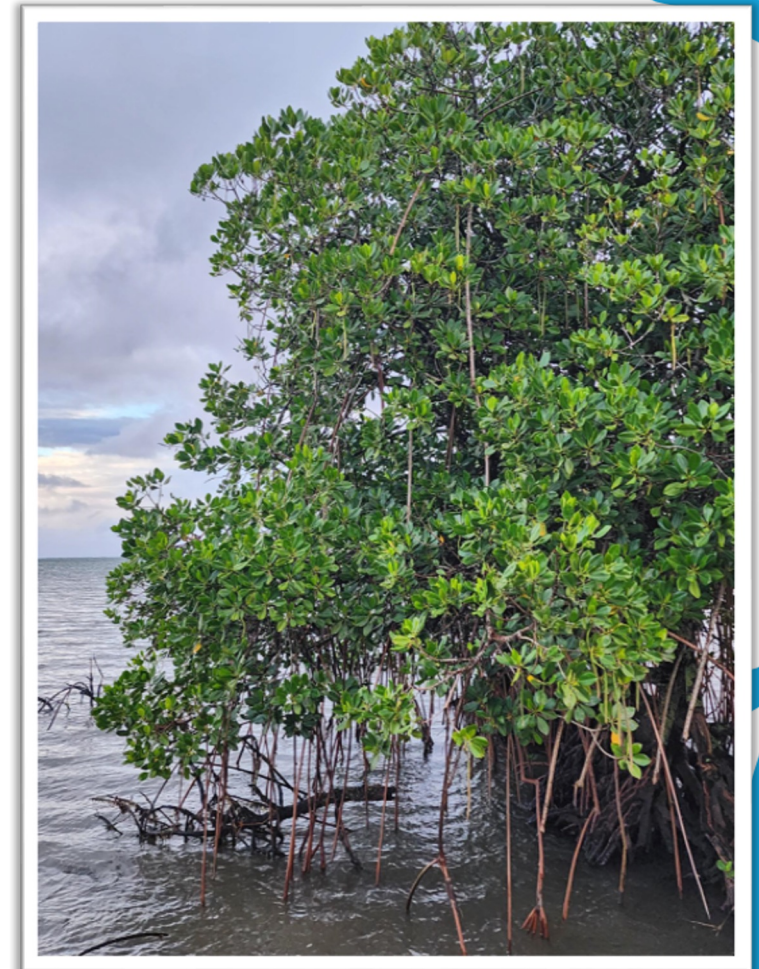
- ❑ High-quality nature-based carbon credits are a powerful tool for driving climate mitigation and resilience through the conservation and restoration of nature.
- ❑ Blue carbon credits come from the preservation and restoration of coastal ecosystems which can store up to 10 times more carbon than traditional land-based forests.
- ❑ Accelerated action to protect blue carbon ecosystems and mitigate climate change is critical and urgent.



MULTIPLE BENEFITS OF BLUE CARBON PROJECTS

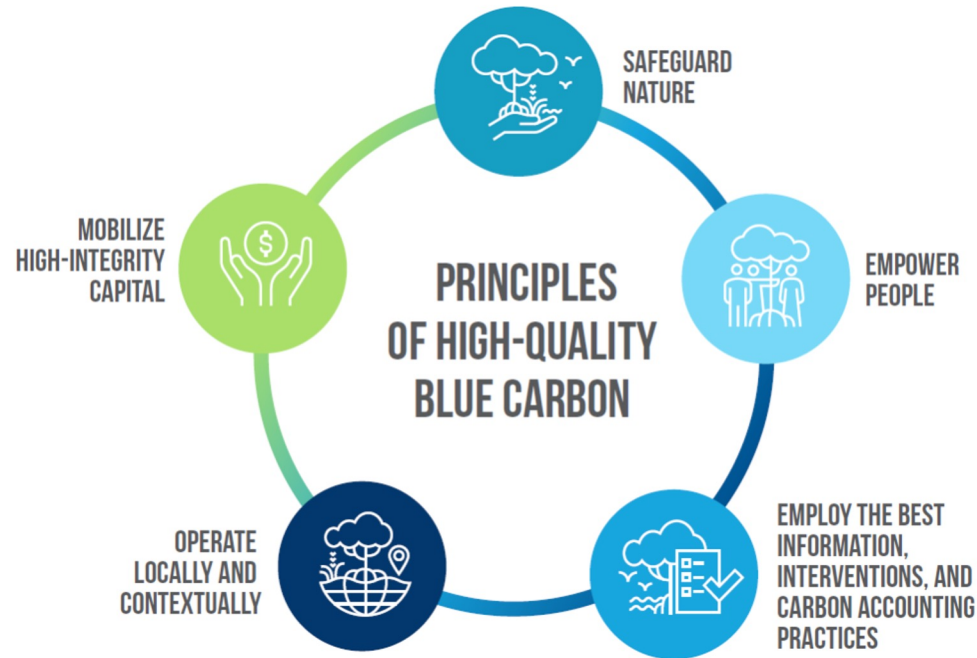
In addition to **carbon credits** blue carbon can also contribute to:

- ❑ **Climate adaptation and mitigation**
- ❑ **Disaster Risk Reduction**
- ❑ **International policy commitments:**
 - ❑ **Nationally Determined Contributions**
 - ❑ **National Adaptation Plans**
 - ❑ **Biodiversity commitments (NBSAPs).**
 - ❑ **30 x 30 commitments**
- ❑ **Sustainable ocean finance**
- ❑ **Taskforce on Nature-related Financial Disclosures (TNFD)**



WHAT IS THE HIGH-QUALITY BLUE CARBON PRINCIPLES AND GUIDANCE?

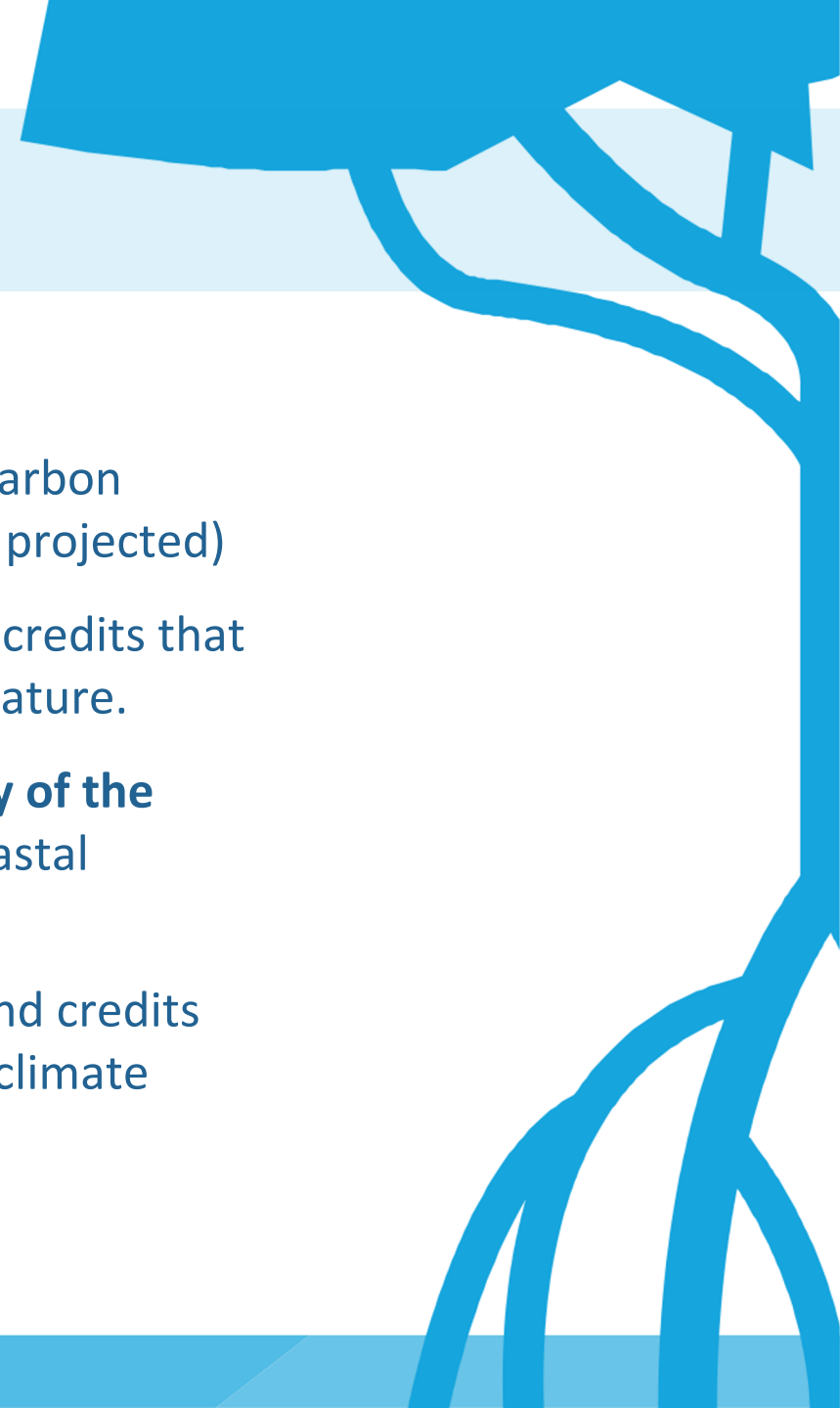
- The five principles are guideposts to ensure that high-quality blue carbon projects and credits optimise outcomes for people, nature, and climate.



WHY DO WE NEED HIGH-QUALITY BLUE CARBON PRINCIPLES AND GUIDANCE?

Why now?

- ❑ **Demand for blue carbon is increasing** and while the global voluntary carbon market is still in its infancy, it is growing quickly (US\$50 billion by 2030 projected)
- ❑ We **need globally agreed guidance** to help ensure that all blue carbon credits that are generated are high-quality and maximise benefits for people and nature.
- ❑ Adherence to quality helps **preserve the socio-environmental integrity of the voluntary carbon market** and channel much-needed finance to the coastal wetlands as "super carbon stores."
- ❑ We need to ensure producers and buyers **know how** to develop and find credits that serve nature and people and strengthen community resilience to climate change.



DEVELOPING THE HQBC PRINCIPLES & GUIDANCE

- ❑ **Aim:** To address the need for a single set of globally endorsed criteria for high-quality blue carbon.
 - ❑ The guidance was developed and launched by a **global coalition of ocean leaders** in November 2022 at COP27
 - ❑ More than **70 organisations** contributed to and endorsed the guidance
 - ❑ **19 influential early adopters** are showcasing how the principles and guidance can be implemented, promoting the guidance, and helping to **establish internationally recognised best practice**

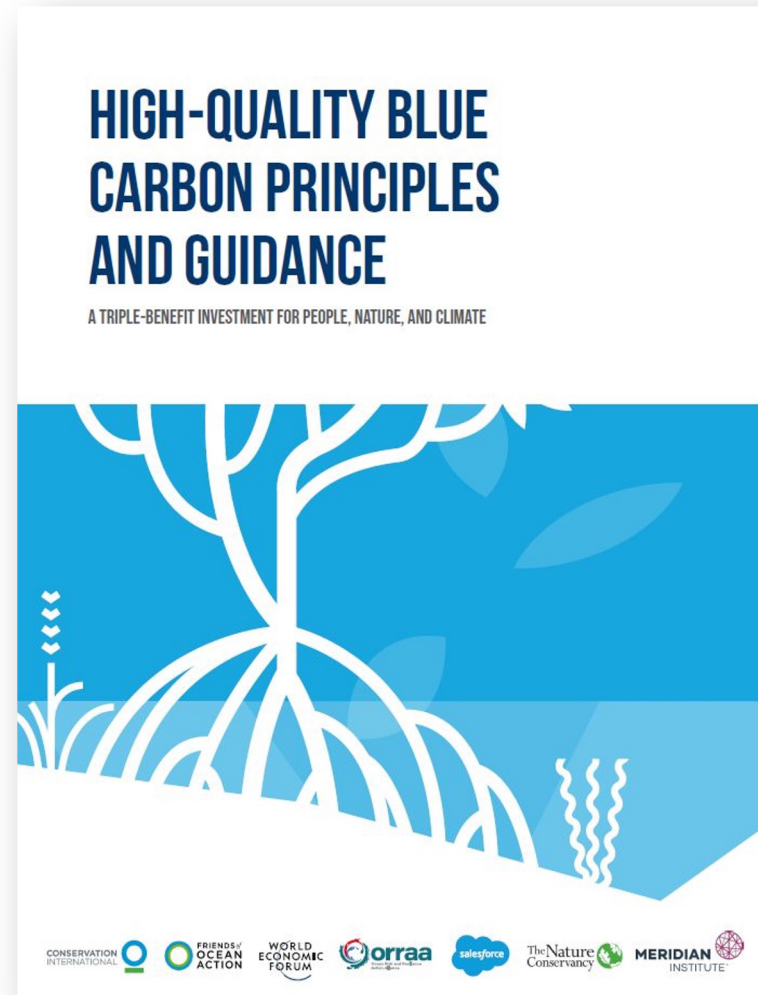


CONSERVATION
INTERNATIONAL



WHAT IS THE HIGH-QUALITY BLUE CARBON PRINCIPLES AND GUIDANCE?

- ❑ The High-Quality Blue Carbon Principles and Guidance is the leading international guide for achieving high quality in blue carbon projects and investments.
- ❑ It is an easy-to-understand guide that consolidates best practices and describes what 'high quality' means for blue carbon projects and credits.



OVERVIEW OF THE PRINCIPLES AND GUIDANCE

Audience: Buyers and investors, suppliers and developers, and governments who are involved in or seeking to enter the blue carbon market.

- Objectives:**
- ❑ **To align** stakeholders in the blue carbon community around a shared vision for high-quality blue carbon projects and credits.
 - ❑ **To provide guidance** for blue carbon stakeholders and connect them with existing standards to ensure that benefits for people, nature, and the climate are realized.
 - ❑ **To establish** a point for ongoing collaboration around high-quality blue carbon projects and credits as the market, technology, and blue carbon ecosystems continue to evolve.

EARLY ADOPTERS

- More than 19 early adopters are already demonstrating leadership by adopting and adhering to the principles and guidance.
- Join them!
 - Demonstrate leadership by adopting and adhering to the principles and guidance
 - Develop an action plan for using and promoting the guidance in your organization
 - Reference the Guidance in RFQ's, contracts, communications



UNIQUE CONSIDERATIONS IN BLUE CARBON ECOSYSTEMS



ACCURACY AND GHG ACCOUNTING

There are diverse greenhouse gas fluxes and stocks in blue carbon ecosystems. Fluxes include air-sea gas exchange, photosynthesis, both aerobic and anaerobic respiration, and physical transport of dissolved and particulate forms of carbon. Relevant carbon stocks include both above-ground biomass (leaves, stems, trunks, etc.), below ground biomass (roots), and soil (varies from peat to sandy substrates) carbon stocks.



CONSERVATION AND RESTORATION

Conservation and restoration projects in blue carbon ecosystems have very different characteristics with regards to the quantity of credits that can be generated, the cost to generate those credits, the challenges in carbon accounting for generating credits, and the timelines to deliver credits.



ADAPTIVE MANAGEMENT

Adaptive management plans for blue carbon projects will likely need to account for one or more of the following long-term changes in marine and coastal environments: sea level rise and fall, warming seas and more frequent and intense storms.



ADDITIONALITY AND BASELINES

If the resource protection interventions do not involve the management of carbon assets, or are not being fully implemented, then a blue carbon project may be able to demonstrate additionality. For example, in a marine protected area where fishing regulations are enforced but regulations on mangrove extraction are not enforced, a project can demonstrate additionality. Projects must continue to assess the circumstances over time and adapt accordingly.



DURABILITY AND RISK OF REVERSAL

All natural climate solution projects are subject to some risk pertaining to durability. Blue carbon projects face marine-specific risks which include sea level rise and fall, extreme storms, ocean temperature change, and other climate change scenarios which play out over multiple timescales. Scientific models for these threats to durability should be used to estimate durability horizons and communicate the associated level of uncertainty or risk associated with those horizons.



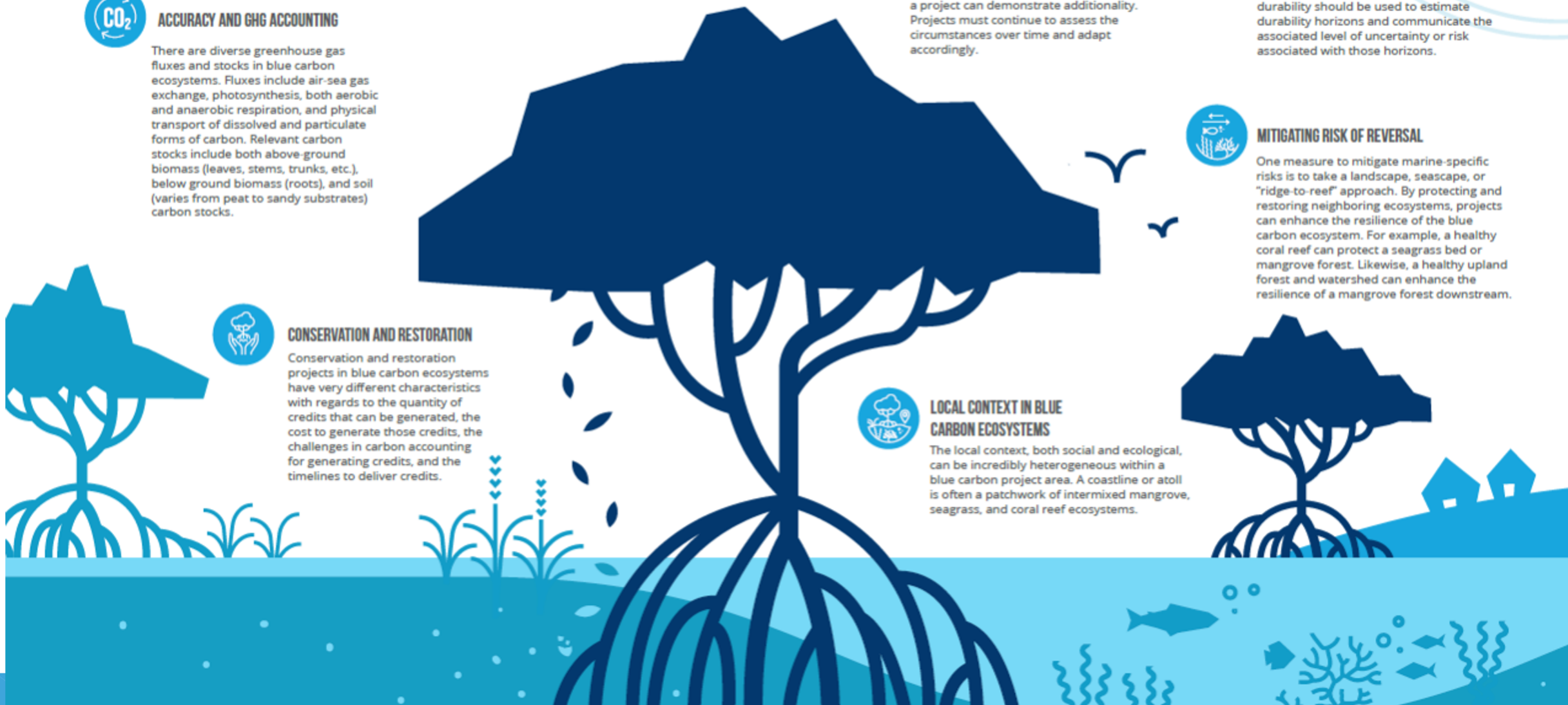
MITIGATING RISK OF REVERSAL

One measure to mitigate marine-specific risks is to take a landscape, seascape, or "ridge-to-reef" approach. By protecting and restoring neighboring ecosystems, projects can enhance the resilience of the blue carbon ecosystem. For example, a healthy coral reef can protect a seagrass bed or mangrove forest. Likewise, a healthy upland forest and watershed can enhance the resilience of a mangrove forest downstream.

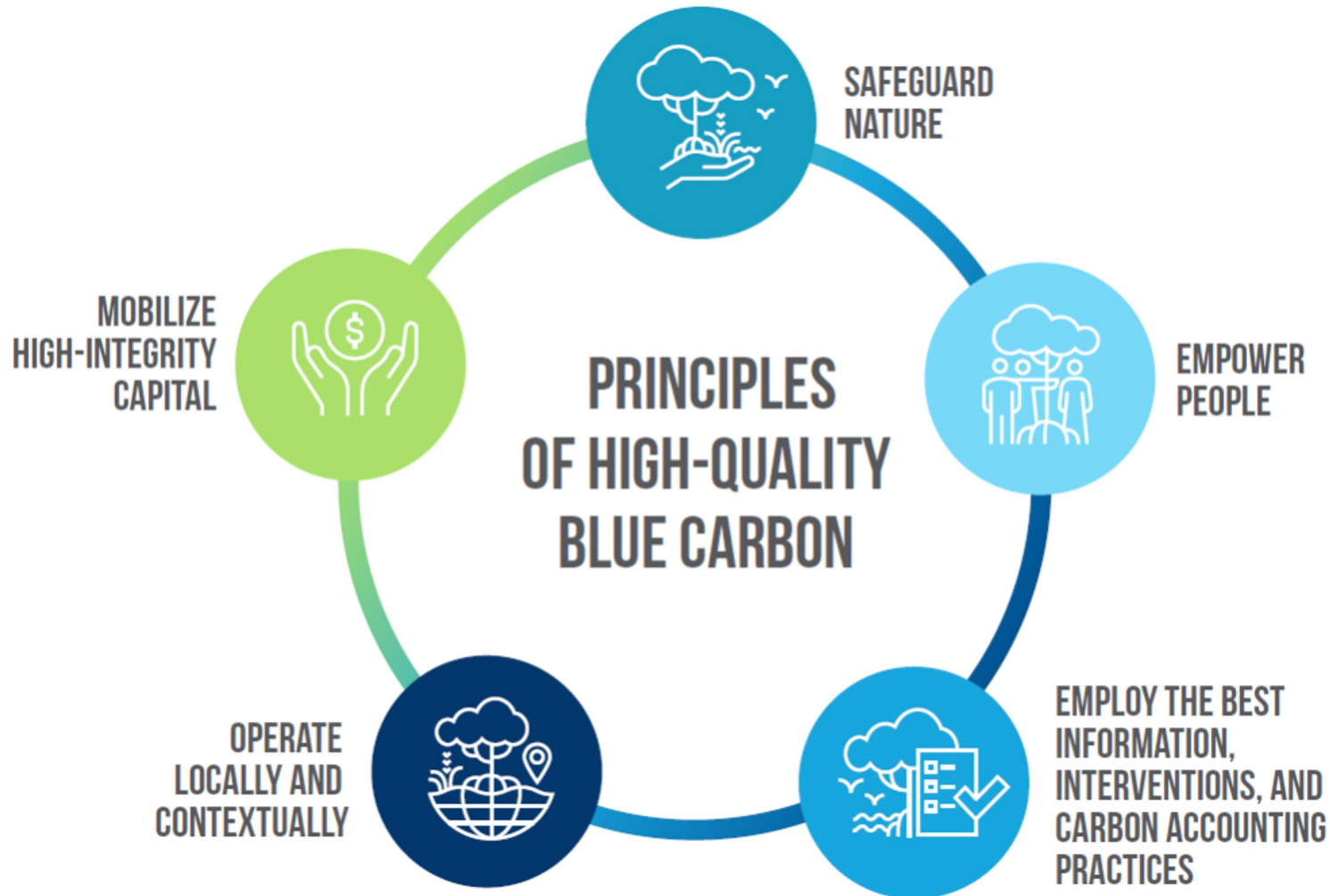


LOCAL CONTEXT IN BLUE CARBON ECOSYSTEMS

The local context, both social and ecological, can be incredibly heterogeneous within a blue carbon project area. A coastline or atoll is often a patchwork of intermixed mangrove, seagrass, and coral reef ecosystems.



EXPLORE THE FIVE PRINCIPLES



PRINCIPLE 1 – SAFEGUARD NATURE

- ☐ Conserve the remaining intact ecosystems on our planet.
- ☐ Design projects in accordance with science-based ecological restoration protocols.
- ☐ Do no harm.



PRINCIPLE 2 – EMPOWER PEOPLE

- ❑ Ensure that free, prior, and informed consent (FPIC) is established.
- ❑ Ensure inclusive participation and leadership of IPLCs, women, and other marginalised groups in project design, governance, and management.
- ❑ Promote locally relevant gender integration.
- ❑ Ensure that feedback, accountability, and grievance mechanisms are available to all rightsholders and stakeholders.
- ❑ Respect traditional land use and legal rights to land, resources, and carbon.
- ❑ Provide equitable access to the global VCM by empowering local communities with the means to participate and lead.
- ❑ Empower local communities to define equitable benefit sharing.



PRINCIPLE 3 – EMPLOY THE BEST INFORMATION, INTERVENTIONS, AND CARBON ACCOUNTING PRACTICES

- ❑ Use the most appropriate interventions and the best available scientific knowledge, including indigenous, traditional, and local knowledge.
- ❑ Ensure transparent and accurate greenhouse gas accounting and monitoring by using a scientifically sound methodology and protocol.
- ❑ Establish accurate carbon baselines through evidence-based assessments of the ecosystem and the amount of carbon it may store or capture.
- ❑ Demonstrate additionality using clear evidence and reasoning.
- ❑ Assess threats to durability.
- ❑ Establish measures to mitigate risk of reversal.
- ❑ Employ adaptive management protocols.
- ❑ Weigh the tradeoffs between actual and anticipated credit types.



PRINCIPLE 4 – OPERATE LOCALLY AND CONTEXTUALLY

- ❑ Design projects according to the local social and ecological context.
- ❑ Account for the local implications of international policies.
- ❑ Advance policies to promote high-quality blue carbon project development.
- ❑ Establish a network of diverse local government partners to ensure success and longevity of the project.



PRINCIPLE 5 – MOBILISE HIGH-INTEGRITY CAPITAL

- ❑ Set science-based targets for reducing emissions in line with limiting global average warming to 1.5° Celsius and compensate for any remaining emissions with high-quality carbon credits.
- ❑ Design agreements and contracts to promote fair and transparent pricing and compensation.



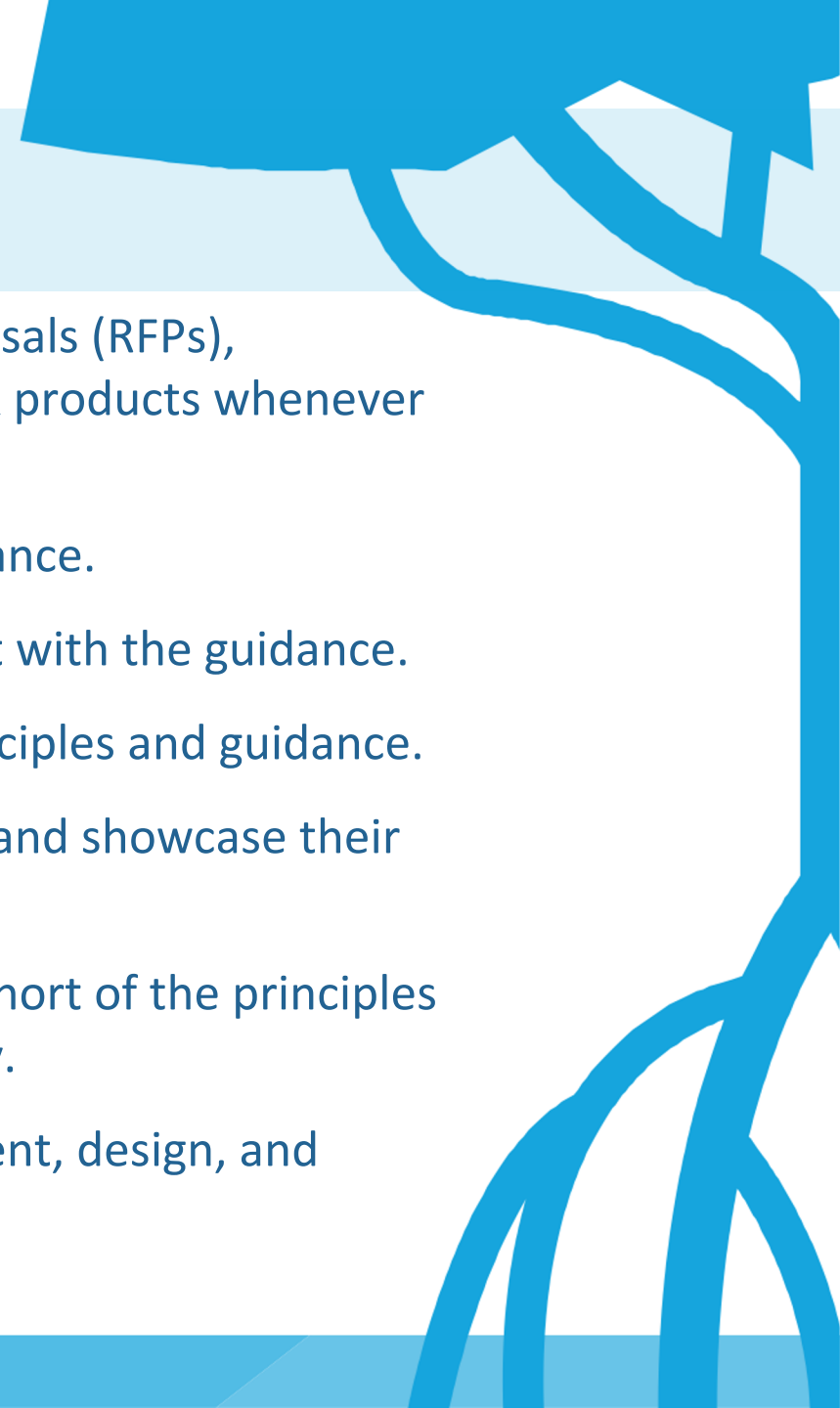
Action Slides

Select the slides that suite your objectives and audience to generate discussion around the actions that can be taken.



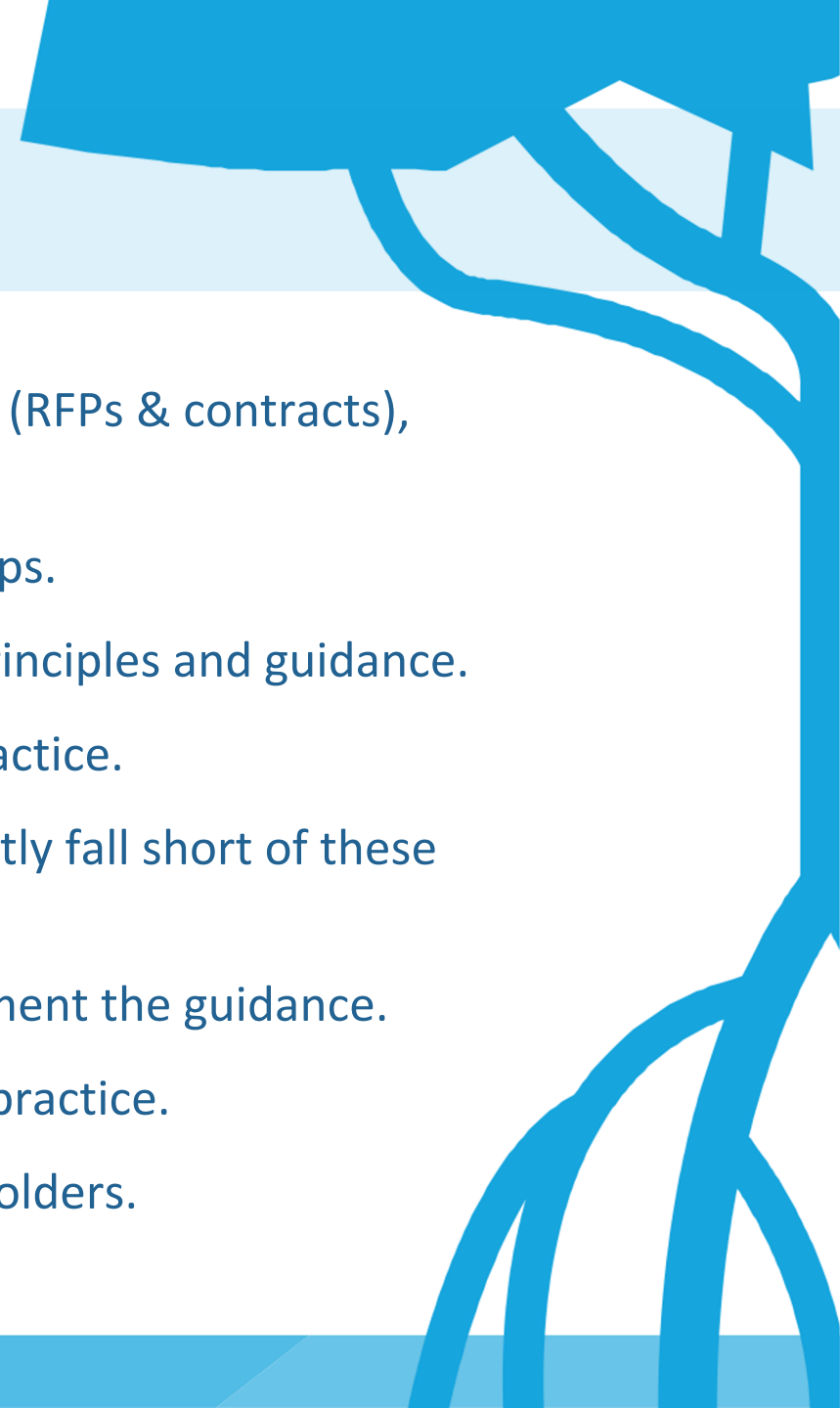
TAKE ACTION – OVERARCHING ACTIONS

- ❑ Reference and include the principles and guidance in requests for proposals (RFPs), questionnaires, rubrics, and contracts and share templates of such work products whenever possible.
- ❑ Develop individual project plans consistent with the principles and guidance.
- ❑ Monitor to ensure that project plans and implementation are consistent with the guidance.
- ❑ Develop toolkits that enable practitioners to quickly implement the principles and guidance.
- ❑ Publish case studies to show what the principles and guidance look like and showcase their impact.
- ❑ Build capacity so blue carbon projects and/or crediting efforts that fall short of the principles and guidance can make necessary improvements to achieve high quality.
- ❑ Internalise the principles and guidance in all aspects of project assessment, design, and implementation.



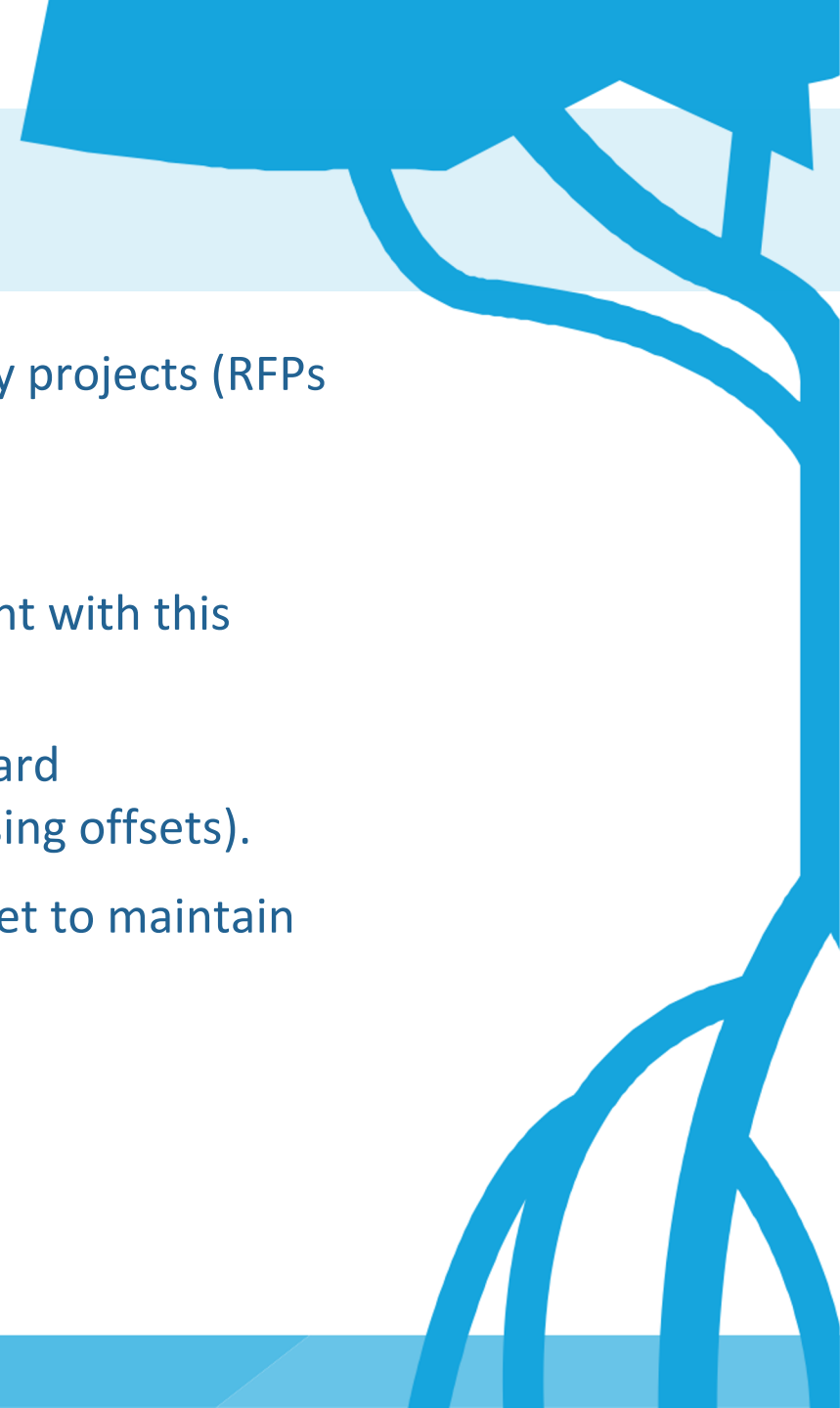
TAKE ACTION – PROJECT DEVELOPERS

- ❑ Apply these principles and guidance in project design, implementation (RFPs & contracts), and assessment.
- ❑ Create holistic budgets and invest in high-quality long-term relationships.
- ❑ Develop toolkits and guides to enable practitioners to adhere to the principles and guidance.
- ❑ Publish case studies to demonstrate what the principles look like in practice.
- ❑ Build capacity so blue carbon projects and crediting efforts that currently fall short of these principles can make necessary improvements to achieve high quality.
- ❑ Develop toolkits and guides that enable practitioners to quickly implement the guidance.
- ❑ Publish case studies to demonstrate what these principles look like in practice.
- ❑ Promote the guidance on your website and advocate with your stakeholders.



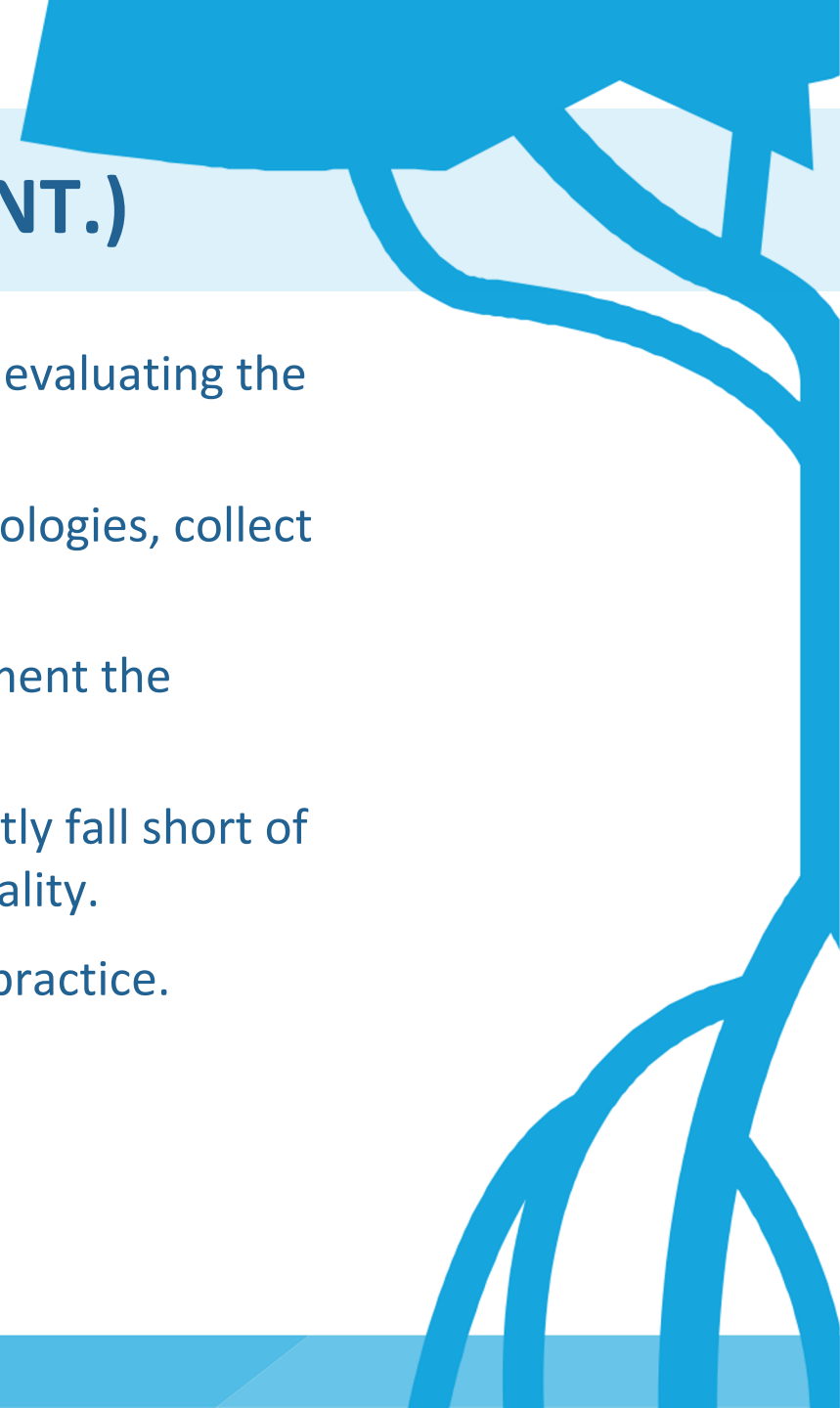
TAKE ACTION – INVESTORS AND BUYERS

- ❑ Use principles and guidance to select, design, and evaluate high-quality projects (RFPs & contracts).
- ❑ Prioritise projects that align with the principles and guidance.
- ❑ Monitor to ensure that project plans and implementation are consistent with this guidance.
- ❑ Set science-based emissions reduction targets and make progress toward decarbonization in your operations and supply chains (prior to purchasing offsets).
- ❑ Prepare for a higher cost for high-quality credits and support the market to maintain the highest standards.



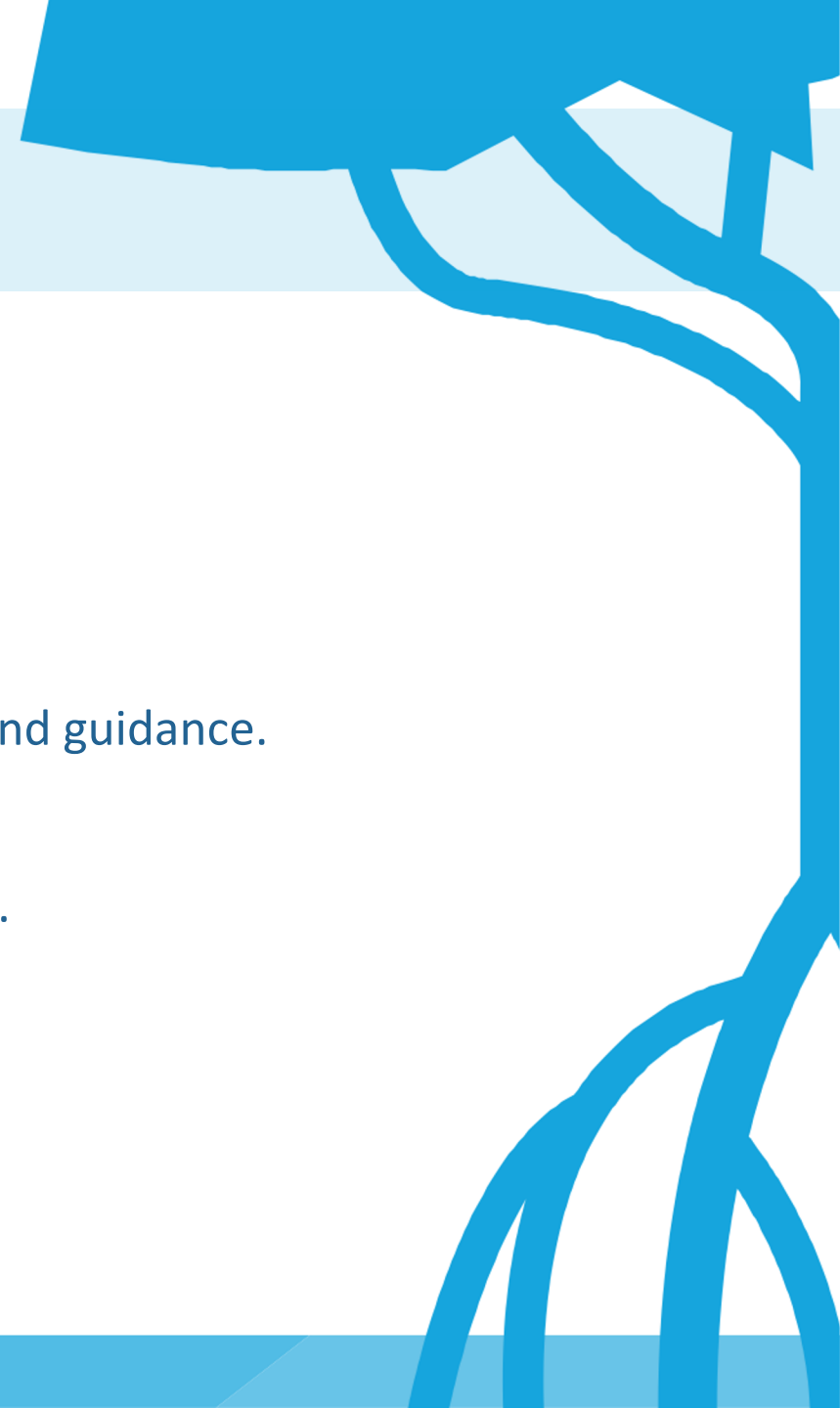
TAKE ACTION – INVESTORS AND BUYERS (CONT.)

- ❑ Adopt a long-term mindset and consider cost, value, and quality when evaluating the price of blue carbon credits.
- ❑ Provide philanthropic finance to develop and trial blue carbon methodologies, collect baseline data, and build project development capacity.
- ❑ Develop toolkits and guides that enable practitioners to quickly implement the guidance.
- ❑ Build capacity so blue carbon projects and crediting efforts that currently fall short of these principles can make necessary improvements to achieve high quality.
- ❑ Publish case studies to demonstrate what these principles look like in practice.



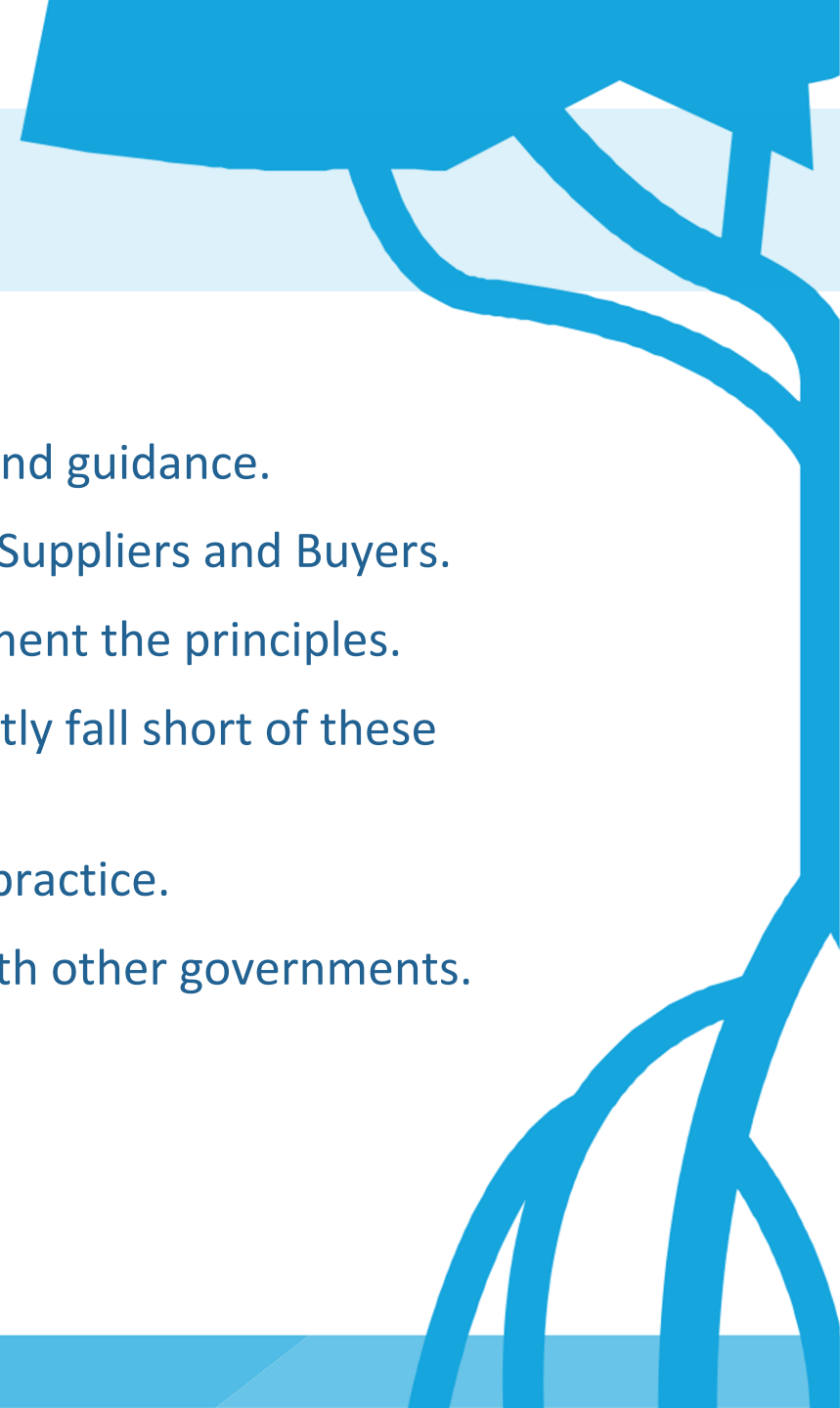
TAKE ACTION – GOVERNMENTS

- ❑ Strengthen protection for blue carbon ecosystems.
- ❑ Accelerate public investment in blue carbon.
- ❑ Build national capacity to develop investable projects.
- ❑ Provide technical assistance.
- ❑ Develop blue carbon policies and regulations based on the principles and guidance.
- ❑ Respect land tenure and rights.
- ❑ Clarify land and carbon tenure issues to expedite project development.



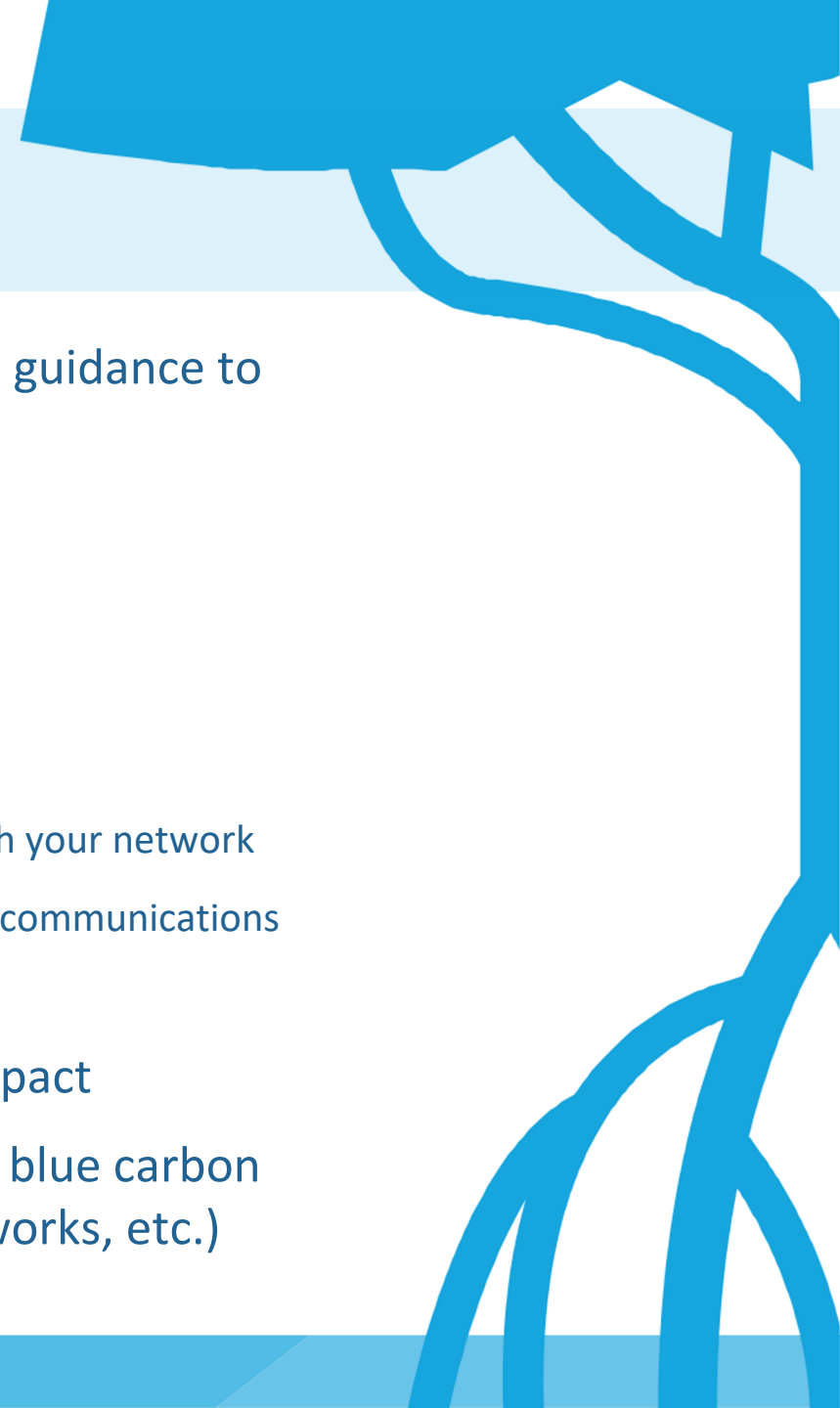
TAKE ACTION – GOVERNMENTS (CONT.)

- ❑ Clarify the implications of Article 6 and NDCs.
- ❑ Provide robust regulatory and policy frameworks based on principles and guidance.
- ❑ Build understanding and awareness of the principles and guidance for Suppliers and Buyers.
- ❑ Develop toolkits and guides that enable practitioners to quickly implement the principles.
- ❑ Build capacity so blue carbon projects and crediting efforts that currently fall short of these principles can make necessary improvements to achieve high quality.
- ❑ Publish case studies to demonstrate what these principles look like in practice.
- ❑ Demonstrate leadership in blue carbon and champion the guidance with other governments.



TAKE ACTION – EARLY ADOPTERS

- ❑ Demonstrate leadership by adopting and adhering to the principles and guidance to help align the market around high quality
- ❑ Develop an action plan for using the guidance
 - Use the guidance in RFQ's, frameworks, policies, contracts, etc.
 - Reference the guidance in publications
- ❑ Promote the guidance and promote being an early adopter
 - Socialise the principles and guidance within your organization and externally with your network
 - Reference the guidance at conferences and speaking events, on websites and in communications
 - Openly share lessons learned and stories of success
- ❑ Share how you are using the principles and guidance to amplify your impact
- ❑ Harness and contribute your 'super-powers' to progressing high-quality blue carbon (e.g., philanthropy, communications, purchasing power, advocacy, networks, etc.)



RAPID RISK ASSESSMENT

Some key risks to consider when developing, investing in and regulating blue carbon.

- ❑ Partners - Are you working with partners who share your commitment to quality?
- ❑ Government land ownership – Have carbon rights to government-owned land been signed over to project developers without community engagement and input?
- ❑ Land tenure – Is there clarity around who owns relevant land and carbon rights? Could this tenure be contested or changed over time?
- ❑ Policy certainty – Are blue carbon policies, regulations and national mandates stable and secure or are these likely to be overturned by changing government?
- ❑ Duplication – Has the same plot of land been sold to numerous project developers?
- ❑ Bad contracts – Are you entering into a fair contract that is well constructed, includes fair pricing that allows for market growth, and empowers local people and nature?



