CLEAR

CLimate Effect Assessment and Reporting

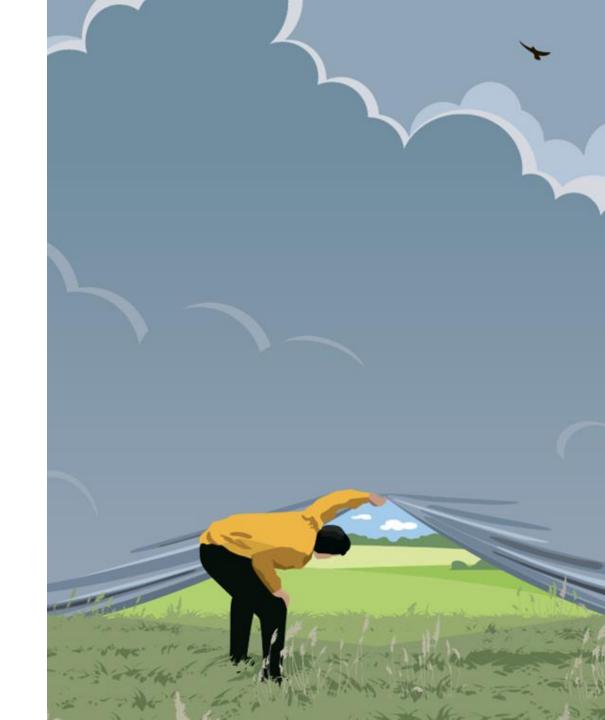




Samuel Rönnbäck 2024-10-17

What is CLEAR?

- CLEAR is a methodology for assessment and reporting of the climate effects of corporations in the forest-based sector.
- The model provides a stepwise guide to assessments at the corporate level.
- Can be used in annual financial and sustainability reports.





The model is based on the two principal climate change mitigation objectives stipulated by the United Nations Framework Convention on Climate Change (UNFCCC):

UNFCCC Goal 1 Wood-based products Control, reduce, prevent for all sectors in society greenhouse gas emissions in all sectors Forest managed for sustained wood production over the long-term UNFCCC Goal 2 Stable and increasing Conservation and enhancement forest resources of sinks and reservoirs of all greenhouse gases

Components of CLEAR





CLEAR consists of four components for assessing the climate effect for the wood-based value chain from forest to product.



Each component builds on established methodologies/standards that each represent a long history of climate-related reporting.



The components together provides a more complete picture of the corporation's climate effect from forest to product.

Total climate effect



Value chain emissions

GHG- emissions in the value chain (including recycling and final use)



Prevented emissions

GHG- emissions avoided as a result of using wood-based products (potential)

Mål 1



Forest carbon

Changes in the carbon stock in forests where wood was sourced



Carbon in woodbased products

Changes in the carbon stock in wood-based products

Mål 2



The stepwise approach





Preparatory work

- Define/collect data on:
 - Entity for assessment
 - Time period
 - Market interface
 - Set of product categories
 - Volume delivered for each product category (measured in tCO2e)
 - Forest management units (FMU)





Value chain emissions



- forestry operations
- transportation
- manufacturing processes
- The model refers to the GHG protocol for calculating greenhouse gas emissions.
 - Scopes 1-3
 - Cradle to gate
 - Emissions included should relate specifically to the defined woodbased product categories.



Prevented emissions



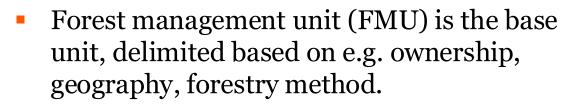


• **Displacement factor (DF)** – A factor of how much greenhouse gas emissions are avoided per unit of wood products delivered.

- Workflow:
 - Assess a displacement factor (DF) for each defined product category
 - Calculate the prevented emissions for each product category: (Volume delivered * DF)
 - Summarise the prevented emissions for each product category into total prevented emissions

 Note: The assessment shows <u>potentially</u> avoided emissions.

Forest carbon



Can be based on direct forest inventory.

 National inventory or inventory at landscape level can be used if it is representative. Living biomass

Deadwood

Litter

Soil organic matter



Assess changes of carbon stored in forests



- Use the IPCC framework with guidelines for national greenhouse gas inventories.
- Assess forest carbon change in each FMU during the defined time period, including all forest carbon pools.
- If data is missing, a pool change can be assumed to be o if there is reason for the pool being stable or increasing.

Changes of carbon stored in wood-based products (HWP)





- Is calculated based on HWP-coefficients.
- Based on the IPCC's principles for the "production approach", where the products have different half-lives.
- HWP-coefficient = proportional increase of the HWP pool for a product category.





Assess changes of carbon stored in woodbased products (HWP)



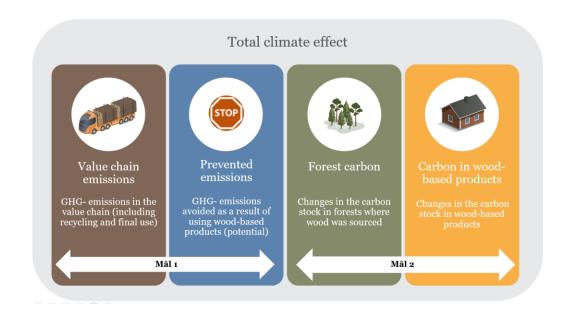
- Assess HWP coefficient for each defined product category.
- Calculate the carbon balance for each product category:
 - Volume delivered * HWP coefficient

 Summarise the carbon balance for the different product categories into a total.





- Reporting should include results for all four components.
- It is important to recognize the different nature of climate effects across the four components.





Advantages of CLEAR

• The CLEAR- model:

- Shows the climate effect of the forestbased sector in other sectors.
- Helps to determine which products have more climate benefits.
- Connects investment decisions and climate benefits.
- Facilitates reporting climate effects in, for example, annual reports.





Administration of CLEAR

- Supports development and updates of the CLEAR- model.
 - Displacement factors
 - Transparency
 - Common ground for calculations in the forestry sector
 - platform for discussion and networking
- Link to website: <u>CLEAR website</u> and report: <u>Link to report</u>
- The administration of CLEAR is led by Skogforsk in collaboration with the following parties:

















