



Glossary of Terms, Definitions and Acronyms

Version 1.1

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1. INTRODUCTION

This document provides the definitions for the terms and acronyms that are used in the Natural Forest Standard documentation including the Standard, Guidance, Templates and website.

Where applicable, this document has referenced the source of definitions; these sources can be found in the footnotes.

This document will be reviewed and updated from time-to-time and users should ensure they are using to the most current version of the document.

2. GLOSSARY OF TERMS AND DEFINITIONS

Where the following terms appear in the Natural Forest Standard, or the Guidance, Templates or website relating to the standard, the meanings of the terms are defined as follows:

| TERM | DEFINITION |
|-----------------------------|---|
| Above Ground Biomass | Living biomass above the soil, including the stem, stump, branches, bark, seeds and foliage ¹ . |
| Accreditation | Accreditation is the formal, third party recognition of competence to perform specific tasks. It provides a means to identify a proven, competent validation team. For NFS projects, ANSI (American National Standards Institute), UKAS (United Kingdom Accreditation Services) and ISO 14064 accredited validators and verifiers are approved to carry out the validation and verification of projects against the standard. |
| Additionality | <p>Additionality describes the extent to which activities, and resulting outcomes, occur as a consequence of an intervention, such as the resource flows generated from carbon certificates, made possible by the existence of a standard and market for certificates.</p> <p>A proposed activity is additional if the activity occurs as a consequence of the application of the NFS. The activity must be taking place as a result of the NFS, and would not have taken place in the baseline situation – defined as the absence of the Standard. The definition of additionality often seen in other standards – ‘would the activities have taken place in the absence of the project?’ – is not sufficient; the activities of a project are indistinguishable from the existence of the</p> |

¹ Consistent with the VCS Program Definitions v.3.4. Available at: <http://v-c-s.org/sites/v-c-s.org/files/Program%20Definitions%2C%20v3.4.pdf>



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| | project, so framing the question in this way produces a meaningless answer ² . |
| Baseline | A project baseline is an estimate of what would happen without NFS, and thus the absence of activities supported by carbon finance in the project area. The conditions of a baseline are described in a baseline scenario – a quantification of the expected biomass loss in the absence of the project activities. |
| Below Ground Biomass | Living biomass of live roots, excluding fine roots of less than 2 mm diameter as these cannot be easily distinguished empirically from soil organic matter or litter ³ . |
| Benefit Distribution Mechanism | A mechanism administered by the project to allocate resources and/or finance to local communities to help establish sustainable land management, improve living conditions and livelihoods. |
| Biodiversity | The variability among living organisms from all sources including, inter alia, terrestrial, marine & other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species and of ecosystems ⁴ (Consistent with Convention on Biological Diversity definitions). |
| Buffer Stock | A buffer stock is a pooled stock of NCC's from projects which will not be traded. The purpose of keeping a buffer stock is to insure against the possibility of carbon losses as a result of unforeseen events. |
| Carbon at Risk | The estimated stock of carbon at risk of emission to the atmosphere within a given area over a given time span, taking into account relevant risk factors such as accessibility, suitability for cultivation or extraction, and the degree of protection. |
| Carbon Benefits | A project's carbon benefit is the annual sum-total reduction in CO ₂ emissions to the atmosphere and sequestration of CO ₂ from the atmosphere that occurs as a result of the project activities, expressed in tonnes of carbon dioxide per year (tCO ₂ /yr). |
| Carbon Rights Holders | Rights holders to carbon are individuals, institutions, groups or communities that have rights to the benefits (and liabilities) associated |

² Gillenwater, 2012: What is additionality? Part 1: A Long Standing Problem. Greenhouse Gas Management Institute, Silver Spring, MD. Available at:

[http://ghginstitute.org/wp-content/uploads/content/GHGMI/AdditionalityPaper_Part-1\(ver3\)FINAL.pdf](http://ghginstitute.org/wp-content/uploads/content/GHGMI/AdditionalityPaper_Part-1(ver3)FINAL.pdf)

³ See footnote 1.

⁴ Secretariat of the Convention on Biological Diversity, 2011: Livelihood Alternatives for the Unsustainable use of Bushmeat. Technical Series No. 60, Montreal, SCBD. Available at:

<http://www.cbd.int/doc/publications/cbd-ts-60-en.pdf>



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| | with carbon sequestration within a defined area. Where the ownership of carbon benefits is not legally defined, contractual mechanisms apportioning benefits shall be acceptable. This can be established without a formal legal framework, although a formal legal framework defining rights is preferable. |
| Carbon Stock | The quantity of carbon held within a pool, including aboveground biomass, below ground biomass, litter, deadwood and soil, measured in tonnes of CO ₂ ⁵ . |
| Carbon Risk Map | A map showing variations in the carbon at risk within the project area - see for example, Estimating Terrestrial Carbon at Risk of Emission ⁶ . |
| Commercial Timber Extraction /Logging | Commercial timber extraction is the extraction of wood by commercial organisations to supply markets for timber, pulp or bio-energy. Commercial operations are distinguished from subsistence extraction or resource use by a combination of legal status, scale and level of mechanisation. Timber extraction is considered commercial when it exhibits any of the following characteristics: <ul style="list-style-type: none"> • Conducted by a commercial business; • Use of heavy machinery for extraction and transport; • Use of contracted/hired labour; • Construction of skid-tracks, extraction roads and landings; • Logs taken to an industrial sawmill. |
| Conservation Activities | Conservation activities are processes carried out by the project proponents with the purpose of maintaining forest cover, ecological functions, ecosystem services, and populations of species. It is a protective process to manage identified threats and risks. It is distinct from restoration activities (see definition below) which are designed to actively improve the quality of habitats, populations and ecosystems. |
| Double Counting | The scenario under which a singular GHG emission reduction or removal is monetized separately by two different entities or where a GHG emission reduction or removal is sold to multiple buyers ⁷ . |
| Deforestation | The conversion of forest to non-forest through human-induced activities ⁸ . |

⁵ See footnote 1

⁶ Terrestrial Carbon Group, 2009. Estimating terrestrial carbon at risk of emission: applying the Terrestrial Carbon Group 3 Filters Approach. Available at: [http://www.terrestrialcarbon.org/Terrestrial Carbon Group soil %26 vegetation in climate solution/Policy Briefs files/TCG%20Policy%20Brief%203%20TCG%20REL%20Tool%20090608.pdf](http://www.terrestrialcarbon.org/Terrestrial%20Carbon%20Group%20soil%20vegetation%20in%20climate%20solution/Policy%20Briefs%20files/TCG%20Policy%20Brief%203%20TCG%20REL%20Tool%20090608.pdf)

⁷ See footnote 1

⁸ See footnote 1



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| Degradation | Changes within the forest which negatively affect the structure or function of the stand or site, and thereby lower the capacity to provide ecosystem functions and services ⁹ . |
| Endangered Species | Species classified in the IUCN (International Union for Conservation of Nature) Red List of species as being 'Endangered' or 'Critically Endangered'. |
| Forest Restoration | The repair of natural forest structure, function and biomass following degradation or deforestation. The success of restoration can be measured using the Normative Biodiversity Metric, which will quantify improvements in the degree of 'pristine-ness'. |
| Free, Prior and Informed Consent (FPIC) | The right for indigenous peoples and communities to give, or withhold, their consent to developments that affect part of their territory. It describes the establishment of conditions under which indigenous people and communities can exercise their fundamental rights to "negotiate the terms of externally imposed policies, programs, and activities that directly affect their livelihoods or wellbeing, and to give or withhold their consent to them" ¹⁰ . |
| Greenhouse Gas Inventory Protocols | Internationally accepted guidelines for emissions reporting, such as IPCC, WBCSD, or WRI ¹¹ . |
| Leakage | Greenhouse gas emissions occurring outside the project boundary as a result of project activities within the project boundary. |
| Local Community | Communities verified as living within the project area boundaries, established prior to the start of the project. Where there are transient communities within and around the project area, those communities which are known to, or thought to often frequent the project area will be treated as local communities. |
| Major/Minor Deficiencies | Deficiencies are shortcomings with a project's design, management systems or operations that require attention as part of the process of validation or verification. <u>Major deficiencies</u> are those that pose a serious barrier to meeting the standards and require resolution prior to the project progressing towards registration or credit issuance. |

⁹ Food and Agriculture Organisation of the United Nations, 2000: Global Ecological Zones. Available at: <http://www.fao.org/geonetwork/srv/en/metadata.show?id=1255>

¹⁰ RECOFTC & GIZ, 2011. Free, Prior, and Informed Consent in REDD+: Principles and Approaches for Policy and Project Development. RECOFTC, Bangkok.

¹¹ World Business Council for Sustainable Development; World Resources Institute, 2004: The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. Washington, D.C. Geneva, Switzerland.



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| | <p><u>Minor deficiencies</u> are those that raise risks or could, if uncorrected, have a negative effect on the project or its outcomes in terms of quantified carbon, social and biodiversity benefits.</p> |
| Management Plan | <p>A document, setting out activities and resources to be applied to the project area to protect and restore forest carbon and activities designed to benefit local people.</p> |
| Natural Forest | <p>Natural Forest is forest which has reproduced naturally, consisting of naturally immigrant or indigenous tree species and strains.</p> <p>Natural forest can be more or less influenced by culture, e.g. by logging or regeneration techniques, but the forests must not have been subject to regeneration by sowing or planting. Natural forest originates from the original forest cover, i.e. a forest reproduced naturally. Natural forest is thus a forest which has spontaneously generated itself on the location and which consists of naturally immigrant and indigenous tree species and strains¹².</p> <p>Natural forest might be managed to some degree, or be entirely unmanaged (untouched, non-intervention forest, or a strict forest reserve).</p> <p>Every piece of forest is directly or indirectly influenced by human activity; either from forestry operations, cutting, planting and drainage, or indirectly by manipulation of the grazing regime, air pollution, hindering the immigration and spreading of natural species and influencing the kind and amount of dominant species in the landscape. As such, to be considered a natural forest, a forest need not be free from human influence.</p> <p>After an adequate amount of time without intervention, a previously managed or degraded forest can develop some of the basic structures of a virgin forest and be considered a natural forest.</p> |
| Natural Capital | <p>Natural Capital is the collective term for the Earth's natural assets comprising land, air, water, living organisms and all formations of the Earth's biosphere that provide us with ecosystem goods and services imperative for human existence survival and well-being¹³.</p> |
| Natural Capital Credit (NCC) | <p>The resulting certificate representing the verified, permanently avoided emission of one-tonne of CO₂ from a Natural Forest Standard project.</p> |
| NFS Risk Panel | <p>A sub-group of the Technical Panel who will provide guidance on the</p> |

¹² The National Forest and Nature Agency (Skov- og Naturstyrelsen), 1994: Strategy for Natural Forests and Other Forest Types of High Conservation Value in Denmark. Available at: <http://www.geus.dk/departments/quaternary-marine-geol/research-themes/env-cli-res-gr-forest-def-uk.htm>

¹³ International Institute for Sustainable Development <http://www.iisd.org/natres/agriculture/capital.asp>



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| | level of risk buffers or other insurance and risk management methods to be applied to ensure the permanence of emission reductions by NFS projects. |
| NFS Technical Panel | A group of independent experts, co-ordinated by the NFS Secretariat who will review, approve and rate carbon maps and risk maps used to quantify the carbon benefits of projects, and who will develop and propose good practice guidance. |
| NFS Registry | A secure platform for issuing, tracking and retiring Natural Capital Credits, that promotes transparency and credibility to the market by ensuring provenance and singularity of credits. |
| Non-Permanence Risk | The risk that a project will be subject to an unforeseen external event, which will cause a significant loss of carbon and/or biomass. |
| Normative Biodiversity Metric (NBM) | The Normative Biodiversity Metric is a tool used to provide a quantified assessment of the biodiversity significance of a defined area of habitat ¹⁴ . |
| Performance Benchmark Approach | A performance benchmark approach draws upon statistically derived risk estimates for land categories to estimate the impacts of measures to improve forest conservation. According to VCS ¹⁵ performance benchmarks "are a promising alternative to determining baselines and assessing additionality on a project-by-project basis". A performance benchmark provides advantages for a programmatic approach to reducing emissions where projects within a given region can use a consistent set of baseline data, accounting methods and rules. This will aid the evaluation of the program, reduce costs for individual projects and allow the performance benchmark to be adjusted over time according to evidence. |
| Permanence | Emissions reductions expected to be avoided for over a period of 100 years. |
| Project Benefits | The project benefits are the combined carbon, biodiversity and socio-economic benefits that are generated from the implementation of the project activities. |

¹⁴ Jarrett, D, 2011. Assessing Organisational Biodiversity Performance. Available at: http://ecometrica-cms-media.s3.amazonaws.com/assets/media/pdf/assessing_organisational_performance.pdf

¹⁵ Seager & Lehman, 2011.: Standardized Approaches to Baselines and Additionality; Public Consultation. Available at: <http://v-c-s.org/sites/v-c-s.org/files/VCS%20Presentation,%20Standardized%20Approaches,%20Webinar,%2013%20SEP%202011.pdf>



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| Project NBM Score | The Project Normative Biodiversity Metric ¹⁶ score is average NBM score from all the distinct patches of habitat, including artificial habitats within the project area. The score is ranked on a scale from 0 – 10. The project NBM score will be attached to the carbon credit, so buyers are aware of the biodiversity value of the project area. The process for calculating the Normative Biodiversity Metric score is in the Biodiversity Assessment section. |
| Project Crediting Period | The time period for which GHG emission reductions or removals generated by the project are eligible for issuance of Natural Capital Credits, the rules with respect to the length of such time period and the renewal of the project crediting period. |
| Reduced Emissions from Deforestation and Degradation (REDD) | Reduction in greenhouse gases emissions through the avoidance of deforestation and forest degradation. |
| Risk of Biomass Loss | The risk of biomass loss within the project area in the baseline scenario is the likelihood that in the absence of any interventions, carbon and/or biomass will be lost as a result of deforestation. |
| Risk Rating | A rating exercise carried out by the NFS Risk Panel with relevant expert input, to determine the level of Natural Capital Credits to be held and maintained in the project buffer account to mitigate risks and uncertainties associated with the delivery of permanent avoided GHG emissions. |
| Type 1 Error | Incorrect classification of risk (over-estimate) leading to the unnecessary protection and issuance of excess credits for areas of forest at low or no risk. |
| Type 2 Error | Incorrect classification of risk (under-estimate) leading to insufficient protection and subsequent loss of forest and associated emissions. |
| Validation | Independent, third-party assessment of a project by a validation/verification body that determines whether a project complies with the requirements of the Natural Forest Standard. |
| Verification | The periodic ex-post independent, third party assessment by a validation/verification body of the carbon benefits, biodiversity rating, social impacts and management according to the guidance and methods specified in the standard and project documentation. |

¹⁶ See footnote 13.



3. ACRONYMS

Where the following acronyms are used in the Natural Forest Standard, Guidance, Templates or website relating to the standard, their meanings are defined as follows:

| ACRONYM | DEFINITION |
|---------|--|
| ACEU | Accessible, Cultivable, Extractable, Unprotected |
| ACR | American Carbon Registry |
| AFOLU | Agriculture, Forestry and other Land Use |
| AGC | Above-ground Carbon |
| ANSI | American National Standards Institute |
| BDM | Benefit Distribution Mechanism |
| BGC | Below-ground Carbon |
| CBD | Convention on Biological Diversity |
| CCBA | Climate Community and Biodiversity Alliance |
| ECO | Ecosystem Certification Organisation |
| FAO | Food and Agriculture Organisation |
| FPIC | Free, Prior and Informed Consent |
| FSC | Forest Stewardship Council |
| GISP | Global Invasive Species Program |
| GHG | Greenhouse Gas |
| IPCC | Intergovernmental Panel on Climate Change |
| ISO | International Organization for Standardization |
| ISSG | Invasive Species Specialist Group |
| IUCN | International Union for Conservation of Nature |



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| NBM | Normative Biodiversity Metric |
| NCC | Natural Capital Credit |
| NFS | Natural Forest Standard |
| PDD | Project Design Document |
| PIN | Project Idea Note |
| PMS | Project Management System |
| REDD | Reduced Emissions from Deforestation and Degradation |
| SOC | Soil Organic Carbon |
| UKAS | United Kingdom Accreditation Service |
| USAID | United States Agency for International Development |
| VCS | Verified Carbon Standard |
| WBCSD | World Business Council for Sustainable Development |
| WRI | World Resources Institute |
| WWF | World Wildlife Fund |

4. WORD USAGE

Where the following words are used in the Natural Forest Standard, Guidance, Templates or website relating to the standard, their meanings are defined as follows:

| TERM | DEFINITION |
|------------------|--|
| Shall | The word <u>shall</u> indicates a mandatory requirement of the Standard. |
| Shall Not | The words <u>shall not</u> mean that the action is absolutely not permissible under the standard. |
| Should | The word <u>should</u> indicates a certain action is recommended under the standard i.e. a certain course of action is preferred but not necessarily |



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| | required. |
| Should Not | The words <u>should not</u> highlight that an action is not recommended under the standard. |
| May | The word <u>may</u> means that an action is optional. It is used to indicate a course of action permissible within the requirements of the standard. The relevance of such actions is to be determined according to local circumstances and the appropriateness in line with the principles of the standard. |
| Can | The word <u>can</u> is used to demonstrate that an action is possible under the standard. |