

Mandatory Emissions Return



Te Uru Rākau
Forestry New Zealand

Emissions Trading Scheme (Forestry) – Post-1989

ETSP89ERM.5

If you are a post-1989 participant registered in the Emissions Trading Scheme you must complete this form to meet your mandatory emissions reporting requirements. All participants are required to calculate carbon stock change for the entire 2018-2022 period, notwithstanding participants who have previously submitted Voluntary Emissions Returns.

Completed forms must be submitted to MPI no later than 30 June 2022.

Guidance notes can be found at the back of the form.

For further information please consult the following documents:

- Climate Change (Forestry Sector) Regulations 2008
- Climate Change Response Act 2002, and
- A Guide to Look-up Tables for Forestry in the Emissions Trading Scheme <http://www.mpi.govt.nz/growing-and-harvesting/forestry/forestry-in-the-emissions-trading-scheme/emissions-returns>

If you require assistance to complete this form please contact 0800 CLIMATE (254 628)

NOTE: This return records carbon-stock changes on registered post 1989 forest-land over the 2013-2017 Mandatory Emissions Return Period. Carbon-stock changes determine a participant's unit entitlement or unit surrender obligation.

If voluntary emissions returns were submitted during the period, the carbon-stock change is netted against those returns to determine a participant's net unit entitlement or unit surrender obligation for the entire period.

In cases where a transfer of interest or reconfiguration of a Carbon Accounting Area (CAA) has occurred, this emissions return will cover the period since the completion of those transactions.



All information is **MANDATORY** unless indicated as 'optional'.

1 Participant name and holding account

Please enter the Participant name for whom this emissions return is being submitted.

Participant Name

Participant's Holding Account Number



2 Person submitting this emissions return

Please provide contact details for the person submitting this emissions return on behalf of the Participant. Te Uru Rakau will contact this person if we have any questions about the emissions return. Where you provide personal information, Te Uru Rakau will hold and use that information in accordance with the Privacy Act 1993. You have the right to access and correct any personal information held by Te Uru Rakau .

Organisation <i>(optional)</i>	<input type="text"/>		
Title	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Ms		
First Name(s)	<input type="text"/>		
Last Name	<input type="text"/>		
Preferred Telephone Number	Country <input type="text"/> (+ <input type="text"/>)	Area Code <input type="text"/> (<input type="text"/>)	Number <input type="text"/>
Alternate Phone Number <i>(optional)</i>	<input type="text"/> (+ <input type="text"/>)	<input type="text"/> (<input type="text"/>)	<input type="text"/>
Fax Number <i>(optional)</i>	<input type="text"/> (+ <input type="text"/>)	<input type="text"/> (<input type="text"/>)	<input type="text"/>
Address (Line 1)	<input type="text"/>		
Address (Line 2) <i>(optional)</i>	<input type="text"/>		
Suburb	<input type="text"/>		
City	<input type="text"/>		
State <i>(optional)</i>	<input type="text"/>		
Postcode	<input type="text"/>		
Country	<input type="checkbox"/> New Zealand or <input type="checkbox"/> Other _____		
Email Address	<input type="text"/>		
Preferred Contact Method	<input type="checkbox"/> Email <input type="checkbox"/> Phone <input type="checkbox"/> Mail/Post		



3 Calculation of the net changes in carbon stocks

Important information:

Practical guidance for completing this section of the form is provided on Page 10.

An assessment must be made of the difference between the net change in carbon stocks in the mandatory emission return period (MERP), and the net change from any prior voluntary emission returns (VERs). This will result in either:

- no change to the participant's unit balance;
- the participant being entitled to additional units; or
- a requirement for the participant to surrender units.

You can obtain the unit balance for each CAA using "View Participant Unit Balance" from your online portfolio, or request for a Carbon Accounting Record (CAR) report by emailing climatechange@mpi.govt.nz.

Note: you may provide the same information as below on your own form (i.e. a printed excel version) provided the required information is all present.



Mandatory Emissions Return

Emissions Trading Scheme (Forestry) – Post-1989

CAA NUMBER ①	AREA (ha)	RETURN PERIOD (dd/mm/yyyy) ②		CLEARED ¹ ③	UNIT BALANCE ④	NET CHANGE IN CARBON STOCKS (Units)			UNIT OUTCOME ³ (to be issued/ surrendered) ⑧
		Start Date	End Date			Net units already received/ surrendered this return period (Sum of VERs) ⑤	Total for MERP ⑥	Difference ² ⑦ = ⑥ - ⑤	
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If required, please make additional copies of this page and attach to this form.⁴

⑨ OVERALL TOTAL NET UNITS

This is an INCREASE
DECREASE in carbon stocks

Tick here if you do NOT wish to NET your entitlements and liabilities

You are required to keep sufficient records of how you have assessed your increases or decreases in carbon stock for at least 20 years.
We recommend that participants provide a copy of their workings with their emission return. Doing so will help Te Uru Rakau process your emissions return more quickly.

1 Tick if forest land included in this CAA has been cleared in the MERP
 2 Indicate negative values by "-"
 3 If outcome is a surrender, the participant is not liable to surrender more units in relation to any CAA than the unit balance of that CAA
 4 Supplementary CAA form can be found on page 9 of this guide

4 Acknowledgements

Please tick you understand each of the following statements:

- If information supplied within your emissions return is required by the Registrar of the New Zealand Emissions Trading Register to carry out their functions under the Climate Change Response Act 2002, that information must be supplied to them. This information can only be used by the Registrar of the New Zealand Emissions Trading Register for the purposes of carrying out their functions under the Climate Change Response Act 2002.*
- It is important that you have completed this emissions return accurately and truthfully. If you provide any altered, false, incomplete or misleading information in or with this emissions return you commit an offence under the Climate Change Response Act 2002 and if convicted you may be liable to imprisonment or a fine up to \$50,000.*

5 Declarations

For Field Measurement Approach (FMA) participants only, please tick you understand and make the following declaration:

- I declare that the silvicultural and adverse event information provided for all the sample plots on my registered post-1989 forest land on which the participant-specific table used for this emissions return was based, remains valid and complete.*



Te Uru Rakau will not process this emissions return unless all relevant acknowledgements and declarations are ticked, the form is signed and all fees are paid.

6 Payment

The fee for submitting this emissions return is \$102.22 (including GST). Please note: any emissions return processing time that is in excess of 45 minutes will be charged at \$132.88 per hour (Inc GST); travel costs may apply at \$132.88 (Inc GST) per hour plus disbursements at actual cost. In the event of emissions return processing being required in excess of 45 minutes or any travel costs being applicable; we will contact you and provide an estimate before proceeding. Fees are non-refundable unless a decision is made to waive or refund the fees based on the considerations contained in the Climate Change (Forestry Sector) Regulations 2008.

Please indicate the payment method for the application fee (tick one):

- via Internet Banking**

Please pay: **'MPI Emissions Trading Scheme Account'**
Account number: **03 0502 0607152 00**
(Bank) (Branch) (Account) (Suffix)

Please enter the following details to enable us to identify your payment:

Particulars: (Application number)
Code: (Holding Account)
Reference: (your Surname)

- Cheque attached payable to 'MPI Emissions Trading Scheme' and marked 'Not Transferable'**
- Credit Card** Using the credit card payment link provided at www.mpi.govt.nz/ets and then sending us this form

Alternatively: ETS transactions can be completed online using the Te Uru Rakau ETS application lodgement system - which can be found at <https://climatechange.maf.govt.nz/>



7 Signatures

Please complete **A** (if applicable) OR **B**

A Authorised Representative Signature

If you are the Authorised Representative for this Participant, please sign below.

Name (please print clearly)	Signature	Date
_____	_____	_____
Title (if applicable)	Organisation (if applicable)	
_____	_____	

If you have not already done so, please provide an *Authorised Representative* form (available at www.mpi.govt.nz/growing-and-harvesting/forestry/forestry-in-the-emissions-trading-scheme/forms/), Power of Attorney, or other instrument appointing an agent.

OR

B Participant Signature

Every person who constitutes the participant and/or is duly authorised under the authority of the legal structure of the participant (as applicable) must sign this form.

Incorporated bodies (e.g. companies, limited partnerships and other incorporated entities)

Organisation	Name (please print clearly)	
_____	_____	
Position (if applicable)	Signature	Date
_____	_____	_____
Organisation	Name (please print clearly)	
_____	_____	
Position (if applicable)	Signature	Date
_____	_____	_____

Where signed by only one director of a company or one general partner of a limited partnership or where signed by another authorised person, signatures must be witnessed.



Name of witness (please print clearly)

Signature

Position /Occupation

Date

Individuals and unincorporated entities (e.g. sole owners, joint owners, trusts, partnerships)

Name (please print clearly)

Signature

Date

Name (please print clearly)

Signature

Date

Name (please print clearly)

Signature

Date

Name (please print clearly)

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Date

Name (please print clearly)

Signature

Date

Name (please print clearly)

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Name (please print clearly)

Signature

Date

Name (please print clearly)

Signature

Date

If necessary, append additional pages of signatures.



What happens next?

Please post or send a scanned copy via email of the following:

- this emissions return
- any supplementary forms
- cheque

to:
Emissions Trading Scheme
Te Uru Rakau
Ministry for Primary Industries
PO Box 1127
WELLINGTON 6140

or (preferred):
Email: climatechange@mpi.govt.nz

Office Use Only

We will be in contact regarding the outcome of your Mandatory Emissions Return.

If you have any queries after you have submitted your application please call 0800 CLIMATE (0800 254 628).

Please note: Any Mandatory Emissions Return may be subject to a compliance audit at any point in the future. Please ensure that you maintain accurate records of all calculations and information provided in the form.



Guide to calculation of net changes in carbon stocks

Use this guide to help you complete your Mandatory Emissions Return (MER). To submit your MER online go to www.mpi.govt.nz/growing-and-harvesting/forestry/forestry-in-the-emissions-trading-scheme and select "ETS Transactions" and follow the instructions. This guide is provided for assistance only. It is the responsibility of participants to comply with the provisions of the Climate Change Response Act 2002 and Climate Change (Forestry Sector) Regulations 2008.

Should you require further assistance with your MER please contact 0800 CLIMATE (254 628).

Relevant documents

When completing this MER please use the following relevant documents:

- Climate Change (Forestry Sector) Regulations 2008 (www.legislation.govt.nz):
- Climate Change Response Act 2002 (www.legislation.govt.nz): and
- *A Guide to Look-Up Tables for Forestry in the Emissions Trading Scheme* (www.mpi.govt.nz/growing-and-harvesting/forestry/forestry-in-the-emissions-trading-scheme/emissions-returns/)

Key concepts and terminology

What is a Carbon Accounting Area (CAA)?

An area of post-1989 forest land determined by the participant during the ETS registration process that is the basic unit for accounting for carbon stock change. A CAA must be at least one hectare. There are no limits on the number of CAAs a participant may specify, and they do not need to comprise contiguous forest areas.

What is clearing?

Clearing, in relation to a tree, includes:

- the felling, harvesting, burning, removing by mechanical means, spraying with herbicide intended to kill the tree: or undertaking any other form of human activity that kills the tree; and
- the felling, burning, killing, uprooting, or destroying by a natural cause or event; but
- does not include pruning or thinning.

What is a forest type?

Forest type is one of the following:

- *Pinus radiata*; or
- Douglas fir; or
- Exotic softwoods; or
- Exotic hardwoods; or



- Indigenous forest.

Where forest species are intermingled, the forest type is determined by the predominant forest species (the one having the greatest basal area).

What is a Transmission of Interest?

A Transfer of Interest is where participation in the ETS has transferred between two parties, such as where there has been a land/forest sale or the entering into a registered forestry right or registered lease. In cases where a transfer of interest has occurred there is a Mandatory Emissions Return (Transmission) required at the point at which the transfer takes place. The Mandatory Emissions Return (Transmission) is a reconciliation return that addresses all outstanding entitlements at the point of the transfer

For the purpose of completing this Mandatory Emissions Return, in cases where a transfer of interest has taken place the start date for each CAA will be the day of constitution of the CAA following the removal of land from a CAA, or transmission of an interest. In addition, if land that has been transferred to another party is subject to the Field Measurement Approach then the participant specific look-up table(s) will only apply to any returns or units claimed after the point of transfer.

What is the age of trees?

The rules for determining the age of trees at the beginning and end of emission return periods, and at clearing, are set out in Regulation 22:

The age of a tree is the number of years from the year of planting or regeneration of the tree, no matter when in the relevant year the tree was planted or regenerated, to (as the case may be)—

- (i) the year of commencement of the emissions return period; or*
- (ii) the year of clearing of the tree, no matter when in that year the tree was cleared; or*
- (iii) the year in which the end of the emissions return period falls, **unless the return ends on 31 December, in which case the age is to be calculated as at 1 January of the following year.***

Example:

The emissions return period is from 01 January 2013 to 31 December 2017, and an area of trees planted during 1995. For the purposes of applying the look up tables in Schedule 6, the trees were 18 years old (2013 minus 1995) at the start of the emissions return period, and 23 years old (2017 minus 1995 plus 1) at the end of the period.

A separate rule applies to determining the age of naturally regenerating indigenous trees. In this case, the age of all the trees in each CAA is calculated from the time regeneration of the first indigenous forest species in that CAA began following the conversion of the land to forest land. Therefore, all participants will be required to provide a year of establishment of the regenerating forest for the purposes of completing the Mandatory Emissions Return. If you are unsure of the exact age of establishment please provide your best estimate.

Please note, MPI will audit selected emissions returns at its discretion so you must retain information to confirm how the estimate was made.

What is a sub-area?

A sub-area within a CAA is an area of 1 or more hectares that has:

- the same forest type, age and region¹; and

¹ The same region requirement is only applicable if the forest type is *Pinus radiata* and the participant is not subject to the Field Measurement Approach.



- where, if the area contains residual carbon from decaying above-ground residual wood and below-ground roots following clearing, this was from trees of the same forest type, age and region.

Sub-areas may comprise multiple discrete areas of land, and must be within a single CAA.

What is the unit balance?

At registration all post-1989 forest land to be registered must be allocated to one or more CAAs. A permanent Carbon Accounting Record (CAR) is kept for each CAA for each participant by MPI. It records the New Zealand Units (NZUs) issued or surrendered over time through participant's emissions returns. The running balance of the NZUs in the CAR is called the unit balance.

The unit balance is important because:

- When a CAA or post-1989 forest land within a CAA is withdrawn from the ETS, the total unit balance as assessed by a Mandatory Emissions Return at the date the forest is withdrawn must be surrendered to return the unit balance to zero.
- While the forest is registered in the ETS, the unit balance remains with the land regardless of who owns the forest or the land, whether the post-1989 participant changes, or who has claimed or surrendered units.

When forest land, a forestry right or a lease is transferred or expires while the forest is still registered in the ETS, then the unit balance and responsibility for complying with the ETS is transferred to the new participant. In these cases, subject to the measurement methodology applicable at the time, the opening unit balance for the new participant's CAA may often be the closing balance for the previous participant's CAA for the same area of land.

What is the liabilities cap?

The liabilities cap is a rule with the ETS that states that a participant is not liable to surrender more than the unit balance of any CAA in the case where all or part of the CAA has been cleared or deregistered.

Should a participant have undertaken some harvesting or sustained a loss of forest cover at any point within the Mandatory Emissions Return Period this liability must be addressed in the mandatory emission return.

However, a participant is not liable to surrender more units than the unit balance for the CAA (or part, if applicable). Participants' liabilities are therefore capped at the level where the unit balance of that CAA (or part, if applicable) reaches zero.

Example: The liability cap is applied to the total MER units to be issued/surrendered

A Voluntary Emissions Return is lodged for a CAA for the 2013-2015 period resulting in a claim of 225 units.

The CAA was then harvested in 2016 and no further Voluntary Emissions Returns were lodged.

Upon completion of the mandatory emission return for the period (1/1/2013- 31/12/2017) the total carbon stock change is -348 units (liability).

However, because of the liability cap the participant only has to surrender the units that were issued for that CAA i.e. 225 units.

What are the rounding rules?

The rules for rounding units: if the number has a decimal place of 0.5 or more, round up (20.5 units becomes 21 units). If the number has a decimal place of 0.4 or less, round down (20.1 units becomes 20 units).



What are the rounding rules?

The rules for rounding units: if the number has a decimal place of 0.5 or more, round up (20.5 units becomes 21 units). If the number has a decimal place of 0.4 or less, round down (20.1 units becomes 20 units). Rounding is applied at CAA level.

The rules for rounding areas: areas (in hectares) must be rounded to one decimal place. Rounding is applied to the total area of a sub-area once all areas of land grouped under the sub-area have been added together.

Example:

CAA 1 is comprised of the following:

CAA	Sub-area	Polygon (discrete areas of land)	Area (Polygon)	Total area (Sub-area)	Total area (CAA)
1	1	1	12.45 ha	22.2	38.1
		2	9.76 ha		
	2	3	10.92 ha	10.9	
	3	4	5.04 ha	5.0	

Look-up table

The term *look-up table* is used as a general term to refer to either of default tables or participant-specific tables — whichever is required by the Regulations.

Using the default tables

Participants with less than 100 hectares of post-1989 forest land registered in the ETS are required to use the default tables provided in Regulations.

The default tables consist of a series of pre-calculated values of forest carbon stocks, by age, for a given forest type. As there is sufficient information on regional growth rates available for *Pinus radiata*, the default tables for that species are also differentiated by region.

The default tables may be revised from time to time as new information becomes available.

Using the participant-specific tables for the Field Measurement Approach (FMA)

Participants with 100 hectares or more of post-1989 forest land registered in the ETS are required to use participant-specific tables generated from the FMA.

Once participant-specific tables of carbon stocks are produced for an FMA participant, the participant must use them when calculating forest carbon stocks for the first Mandatory Emissions Return and all future emissions returns. If an FMA participant has small areas of land with a forest type for which a participant-specific table was not produced (because by chance, being a small area, no sample plots landed on it) carbon stocks are calculated using the default tables for that forest type given in Schedule 6 of the Regulations.

FMA participants prepare emissions returns in exactly the same way as non-FMA participants, except that they use participant-specific tables whenever available instead of the default tables. Guidance on the calculation of carbon stocks using either participant-specific or default tables is covered in *A Guide to Look-Up Tables for the Emissions Trading Scheme*, available on the MPI website.



Instructions for completing the Mandatory Emissions Return (MER)

Mandatory Emissions Return

Emissions Trading Scheme (Forestry) – Post-1989

CAA NUMBER ①	AREA (ha)	RETURN PERIOD (dd/mm/yyyy) ②		CLEARED ¹ ③	UNIT BALANCE ④	NET CHANGE IN CARBON STOCKS (Units)			UNIT OUTCOME ³ (to be issued/ surrendered) ⑧
		Start Date	End Date			Net units already received/ surrendered this return period (Sum of VERs) ⑤	Total for MERP ⑥	Difference ² ⑦ = ⑥ - ⑤	
1	15	1/1/2013	31/12/2017	<input type="checkbox"/>	3,210	1,290	1,770	480	480
2	20.0	1/1/2013	31/12/2017	<input type="checkbox"/>	1,220	1,220	2,780	1,560	1,560
3	19.2	1/1/2013	31/12/2017	<input checked="" type="checkbox"/>	225	225	-123	-348	-225
4	1.8	8/3/2015	31/12/2017	<input type="checkbox"/>	740	250	329	79	79
				<input type="checkbox"/>					
				<input type="checkbox"/>					
				<input type="checkbox"/>					
				<input type="checkbox"/>					

If required, please make additional copies of this page and attach to this form.⁴

⑨ OVERALL TOTAL NET UNITS 1,894

This is an in carbon stocks

Tick here if you do NOT wish to NET your entitlements and liabilities

You are required to keep sufficient records of how you have assessed your increases or decreases in carbon stock for at least 20 years.

We recommend that participants provide a copy of their workings with their emission return. Doing so will help Te Uru Rakau process your emissions return more quickly.

1 Tick if forest land included in this CAA has been cleared in the MERP

2 Indicate negative values by “-“

3 If outcome is a surrender, you are not liable to surrender more units in relation to any CAA than the unit balance of that CAA

4 Supplementary CAA form can be found on page 9 of this guide



①
CAA
Number

You must include every carbon accounting area (CAA) registered for the Participant on the last day of the Mandatory Emissions Return Period (MERP).

Example: CAAs registered on the last day of the MERP

A participant had four CAAs registered on 31 December 2017 (the last day of MERP2). Therefore all four CAAs must be included for MERP2.

②

Enter the return period for each CAA.

Mandatory
ER period

- a) The start date is the latest of:
- the first day of the MERP (1 January 2013); or
 - the date on which the land in the CAA became post-1989 forest land; or
 - the date of constitution of the CAA if the CAA was constituted following removal of land from a CAA, or transmission of an interest; or
 - the day after the end of the period covered by the last emissions return submitted for the CAA under section 189(4A) - if one has been submitted under that section.
- b) The end date is the last day of the MERP (31 December 2017).

Example: CAA emissions return periods

The participant has four CAAs:

- The start date of the return period for CAAs 1, 2 and 3 is 1 January 2013 (the first day of the MERP).
- The start date of the return period for CAA 4 is 8 March 2015 as the forest was transferred from a previous ETS participant on this date.
- The end date of the return period for all CAAs is 31 December 2017 (the last day of the MERP).

③

For each CAA, if any clearing has occurred during the MERP tick the *Cleared* tick box.

④

For each CAA, enter the unit balance from the CAR report obtained from Te Uru Rakau.

Unit
balance

Example: Unit balance

The participant requested the carbon account record (CAR) from MPI. The CAR shows the unit balance for each CAA:

- Unit balance: For CAA 1; the unit balance is the running total of 3,210 units:

CAA	Emission Return Period	Units
1	1/1/2008 to 31/12/2012	1,920
1	1/1/2013 to 31/12/2013	330
1	1/1/2014 to 31/12/2014	195
1	1/1/2015 to 31/12/2015	330
1	1/1/2016 to 31/12/2016	435
		3,210



⑤

Net units
already
received /
surrendered
this return
period

For each CAA, sum the net units already received or surrendered from all voluntary emission returns (VERs) submitted during the MERP that has just ended.

Example: Total units for VERs

The participant requests the carbon accounting record (CAR) from Te Uru Rakau; the CAR contains the units claimed for each CAA by each emissions return. The default tables were used to complete these returns.

- Total units for VERs: The CAR report for the participant displays the units claimed for CAA 1 for each VER period; the total for the VERs is 1,290 units

CAA	Emission Return Period	Units
1	1/1/2013 to 31/12/2013	330
1	1/1/2014 to 31/12/2014	195
1	1/1/2015 to 31/12/2015	330
1	1/1/2016 to 31/12/2016	435
		1,290

⑥

Total for
MERP

For each CAA, using the default or participant-specific tables as appropriate, calculate the net change in carbon stocks for the MERP. Enter the resulting increase OR decrease (indicated by “-”) in units in the column.

Example: Total units for MERP

- CAA 1 was planted with 15.0 hectares of *Pinus Radiata* in the Auckland region in 2006.
 - The year of commencement of the emissions return period is 2013, and the age of the trees in that year is: $2013 - 2006 = 7$ years.
 - The emissions return period finishes on 31 December 2017, so the year used to determine age at the end of the emissions return is the year after— that is, 2018. The age of the trees at the end of the emissions return period is $2018 - 2006 = 12$ years.
- Change in carbon stock for CAA 1 for the return period is calculated as 1,770 units by using the default tables in the Climate Change (Forestry Sector) Regulations 2008, Schedule 6, or, in the case of FMA participants by using the participant specific look up tables provided by Te Uru Rakau..
 - Carbon stock for CAA 1 at the start of the return period is 1,965 tonnes (ie. $15\text{ha} \times 131$)
 - Carbon stock for CAA 1 at the end of the return period is 3,735 tonnes (ie. $15\text{ha} \times 249$)
 - Total units for MERP (the change in carbon stock) for CAA 1 is 1,770 (ie. $3,735 - 1,965$)



- ⑦ For each CAA, subtract the total VER units from the total MERP units to determine the difference. Enter the difference in units (negative numbers indicated by “-”) in the column.

Difference

Example: Difference

The participant calculates the difference in the change in carbon stocks for CAA 1 by subtracting the total units for the MERP from the total units for all the VERs (⑥-⑤):

- $1,770 - 1,290 = 480$ units.

- ⑧ For each CAA, calculate the total number of units to be issued or surrendered. The liabilities cap applies where the liabilities exceed the number of units received for that CAA. Therefore a participant’s liability is capped at the amount of units they have received for each CAA.

Unit
Outcome

Example: The liability cap is applied to the total MER units to be surrendered

1. For CAA 1 ⑦ is positive, so ⑧ = ⑦
Units to be issued = 480
2. For CAA 3 ⑦ is negative. Voluntary Emissions Returns were lodged for the 2013-2017 period (the sum of the VERS in ⑤ is 225)
The CAA was harvested in 2016 resulting in a total carbon stock change ⑥ of -123 for the MERP
Therefore carbon stock change for CAA 3 ⑦ = -348.
However because of the liability cap the participant does not have to surrender more units than were issued for that CAA i.e. 225 units.

- ⑨ Calculate the participant’s total entitlement to receive units, or liability to surrender units, for all CAAs.

Overall net
units

Example: Calculate the participant’s total entitlement / liability

The participant sums the total units for each CAA as an increase of 1894 units:

- CAA 1 + CAA 2 + CAA 3 + CAA 4
- $480 + 1,560 + (-225) + 79 = 1,894$ units

