

Frequently Asked Questions

What is the Peatland Code?

The Peatland Code is a voluntary standard which provides a consistent approach for UK peatland restoration projects wishing to attract private finance. By achieving validation and verification to the Peatland Code (as assessed by an independent body), businesses wishing to provide funding are given assurance that a restoration project will deliver the benefits they claim. Currently the Peatland Code provides assurance for climate change related carbon benefits only.

How does peatland restoration reduce greenhouse gas emissions?

Peatlands are wetland systems which, due to being waterlogged and having slow rates of plant decomposition, store large amounts of carbon in the form of peat soil. When the surface of a peatland is damaged, the process of carbon storage is disrupted and the peatland may begin to release carbon through a number of pathways, including greenhouse gas emission to the atmosphere.

One of the first steps to restoring a damaged peatland is to stabilise the system and prevent further loss of carbon. This is mainly achieved through raising water tables by blocking drains and repairing gullies or re-vegetating bare areas of peat to protect the peat carbon store. This process of restoration therefore reduces or even halts the emissions of carbon to the atmosphere which would continue if the peatland remained in a damaged state. The reduction of greenhouse gas emissions will vary depending upon the amount of damage which had occurred to the peatland and the type of restoration method used.

Why is restoration required?

Most of the UK's 2.7 million ha of peatlands are in a degraded state having been affected by past drainage for agriculture and forestry as well as burning, grazing and built development. Once damaged, the peatlands continue to deteriorate and erode until restorative action is undertaken to recover the peat forming conditions. Whilst new drainage activity has largely been halted, new damage does still occur including fires, livestock grazing, peat mining (for horticultural use) as well as windfarm developments. Tackling these new threats is an important priority but the major task is to restore the widespread historically degraded peatlands.

How effective is peatland restoration at mitigating climate change?

Peatland degradation in the UK currently accounts for around 16 million tonnes of carbon dioxide equivalents (CO₂e) emissions every year (equivalent to the annual emissions of 10% of the UK's homes (2.8 million houses) and greater than the UK's total annual GHG savings). Restoration of these degraded habitats offers the opportunity to make realistic improvements to the UK carbon budget. Depending on the initial condition of the peatland, restoration can result in emissions savings of between 2 and 19 tonnes of (CO₂) equivalents per hectare per year.

What other benefits are there to restoring peatland?

Restored peatlands can deliver many benefits in addition to mitigating climate change. Healthy peatlands support peat forming vegetation which has water regulating properties; filtering and slowing the movement of water over the land surface helping to improve the quality of drinking water and water reaching rivers and lochs as well as providing flood management benefits. The peatland vegetation also protects the peat soil beneath, preventing erosion whilst supporting a diverse range of highly specialised peatland wildlife.

If peatlands deliver multiple benefits, why does the Peatland Code currently provide assurance for climate benefits only?

To provide assurance regarding the benefits of a peatland restoration project it must be possible to quantify these benefits. Using the latest scientific information available on carbon cycling in peatlands from UK government research bodies and internationally recognised carbon accounting protocols it has been possible for the Peatland Code to establish methods for the quantification of emissions reduction as a result of certain restoration methods. In contrast, data and protocols to quantify other peatland restoration benefits, such as improvements in biodiversity or water quality, are not yet available for inclusion under the Peatland Code. As new data and values are agreed, the Peatland Code will look to include these other metrics.

Whilst the Peatland Code can currently only provide assurance on the climate benefits of peatland restoration at present, restoration projects and businesses providing funding can monitor and report biodiversity, water and other associated benefits independently. This additional monitoring and reporting may attract private investment, for example, to support a business's corporate social responsibility targets.

Are emissions reductions as a result of peatland restoration permanent?

Yes, a verified Peatland Carbon Unit is permanent and will remain so even if the condition of the peatland returns to its pre-restoration state after the conclusion of the project.

What if reversal of restoration occurs during the project duration?

Verification to the Peatland Code at regular intervals for the duration of the project acts as a check that the restored state is achieved and maintained for the duration of the project. The Peatland Code does, however, acknowledge that reversal can occur.

If reversal occurs as a result of failure of the restoration plan, remedial actions shall be implemented by the project.

If a reversal occurs as a result of an avoidable event remaining Verified Peatland Units will be delivered by the Peatland Code Buffer. The Peatland Code Buffer is a pool of unclaimed carbon units to which each Peatland Code project contributes a percentage of their emissions savings.

Landowner FAQs

What types and condition of peatland are currently eligible?

At present both blanket and raised bogs in actively eroding or drained condition are eligible for validation/verification to the Peatland Code. Further work is underway to explore the opportunities for fen peatland systems as more data becomes available on the carbon benefits.

Is tree removal an eligible method of restoration under the Peatland Code?

Currently forest-to-bog restoration is not included under the Peatland Code. We recognise that there are large areas of afforested peatland in the UK which would benefit from private funding to support restoration back to open bog. However, at this time there is insufficient agreement on the carbon metrics to support validation under the code. The IUCN UK Peatland Programme is looking to commission a report summarising the current evidence surrounding the carbon implications of removing trees on deep peat and restoring to open peatland. Once agreed, robust information is available we will look to include this metric.

How much does it cost to undertake restoration?

The costs of restoration differ considerably depending on the nature of the site and the scale and condition of peatland to be restored. Various mid-range costs have been published of around £550 - £2000 per hectare. A detailed estimate will be developed during the drafting of a restoration plan by a qualified ecological consultant. There is also cost associated with validation/verification.

Can I retrospectively apply the Peatland Code to an area of restored peatland?

No. Without the ability to validate the condition of the peatland prior to restoration, emissions savings cannot be retrospectively quantified and claimed.

Can I use the Peatland Code to maintain 'Pristine' peatland not requiring restoration?

No. The Code facilitates reduction in emissions as a result of restoration only. This is in line with international climate change agreements and carbon market rules which require anthropogenic, carbon savings i.e. arising through human activity and not simply as natural processes. The maintenance of an undamaged peatland without initial capital works, is out with the scope of the Peatland Code.

Can I use public funding (grants/subsidies) to complement private investment to cover restoration costs?

Yes, provided additionality criteria within the Peatland Code are met i.e. it must be demonstrated that the public funding was not sufficient for the project to go ahead, additional private finance was required. A number of additionality tests are used within the Peatland Code to demonstrate this and more detail can be found in the Peatland Code.

Does the Peatland Code allow a restoration project to encompass land under multiple ownerships?

Yes, however only one landowner can be responsible for delivery and validation/verification of the project. Contracts would be required between the responsible landowner and all others.

How do I obtain validation/verification to the Peatland Code?

A step by step process to achieving validation and verification is available on the Peatland Code website.

How do I obtain carbon finance for the restoration?

Carbon finance may take a number of forms:

- Income for which there is a carbon contract with a third party (the third party can be an individual, a business or a fund)
- Money the landowner has invested in the project with a view to:
 - personally making statements/ reporting the carbon benefits
 - sell the carbon at a later date.

In some cases it may be useful to use an intermediary, such as a carbon broker, to introduce landowners to suitable buyers.

It is the aim of the Peatland Code to provide assurance to investors regarding the benefits of the restoration project. The sale of the carbon and the nature of the agreement between buyer and seller is out with the scope of the Peatland Code.

Investor FAQs

What do I get in return for investing in a project?

Upon entering a contract with a validated project you will be issued with Pending Issuance Units which have an associated 'vintage' (essentially the timeframe in which they shall be delivered). Following each verification of the project the proportion of Pending Issuance Units delivered in that vintage will be transferred to verified Peatland Carbon Units which can be used and reported.

In addition peatland projects can bring a wide range of more informal environmental benefits for wildlife water and climate change as well as social benefits.

How can I be sure that the restoration project I invest in will deliver the stated emissions reductions?

The Peatland Code provides a consistent and conservative approach for the quantification of emissions reduction resulting from peatland restoration. Validation to the Peatland Code will provide assurance that a projects restoration plan will result in the stated emissions reduction. Regular verification once restoration has taken place will provide assurance that the project is delivering emissions reductions as stated. Validation and Verification assessments will be undertaken by an independent body.

How can I be sure someone else isn't claiming the same carbon from the same restoration project?

The owner of every carbon unit, from each Peatland Code project, will be listed in the UK Peatland Carbon Registry which will be available to view online.

Can I make a statement about the climate benefits of the project before Peatland Carbon Units are delivered?

Yes, a statement about the carbon benefits of their project can be made at any time provided that the timescale over which the net emissions reduction will take place is clearly stated, being clear what emissions reduction has already taken place, and what will take place in future.

Can I report Peatland Carbon Units as an offset?

No. Peatland Carbon Units can be reported in annual GHG, environmental or other reports as well as in signage, website or other promotional material but they cannot and should not be presented as carbon offsets or as tradable units on international carbon markets.

The use of peatland carbon as offsets in the UK has not been agreed by Government and NGO organisations and there is currently no government accounting of peatland carbon savings. International climate rules have established mechanisms for peatland accounting and the UK Government is considering its timetable for adopting these.

What's the difference between the compliance and voluntary carbon markets?

The compliance (or regulated) carbon market is created and regulated by mandatory international or national agreements. These agreements set targets for countries to reduce their emissions, which they can do in several ways. When methods for personal or business reduction have been exhausted, they may further help to compensate for emissions they cannot reduce by investing in carbon offset projects. For example under the Kyoto Protocol, there are two internationally recognised methods for carbon reduction, accounting and trading:

- UN's Clean Development Mechanism, which creates 'Certified Emissions Reduction' (CER's) credits
- UN's Joint Implementation mechanism, which creates 'Emissions Reduction Unit' (ERU's) credits.

Within Europe, the European Union's Emissions Trading System (EU ETS), allows for the trade of carbon in a number of sectors and generates 'European Union Allowances' (EUA's).

At present the rules of the regulated carbon market allow for peatland carbon offsetting in developing nations but not in developed (Annexe 1) nations such as the UK.

In the voluntary market a number of carbon standards have been established. This voluntary market for carbon works outside the compliance market. It enables sectors of the economy which are not regulated. Some well-known voluntary standards are:

- The Voluntary Carbon Standard
- The Gold Standard
- Climate, Community and Biodiversity Standards
- Plan Vivo.

Such schemes do allow for peatland restoration but at present the relatively low market price of carbon and high costs of compliance under these schemes does not favour peatland projects.