

Supporting the Next Generation of Forest Stewards in the Heart of Timber Country



NATIVSTATE'S BOTTOMLAND FORESTS OF THE MISSISSIPPI BACKSWAMPS AND DELTA MIXED FORESTS CARBON PROJECT

PROJECT OVERVIEW

37,627 acres of forest under management on 48 aggregated properties, ranging in size from 19 acres to 6,396 acres and averaging 800 acres.

Project developer: NativState

Baseline: Managed pine on even-aged, 26-year rotations and hardwoods on even-aged, 75-year rotations.

Activity: Extended rotations of 40 years for pine, with crediting deferred until trees reach merchantable ages; for hardwoods, managed for conservation, including limited selective harvest and no harvest along streams and waterways.

ACR1015 – 1,450,608 tonnes CO₂e of verified carbon emission reductions and removals credits from 2023-2025; Improved Forest Management version 2.1; Core Carbon Principles (CCP) labeled carbon credits; FSC certified.

TRYING SOMETHING NEW

Robert Lane grew up visiting his grandfather's camp on the banks of the Ouachita River in the heart of timber country. Located just outside of Monroe, Louisiana, the camp was part of a property known as the Mineral Lands, which was co-owned by shareholders who used it for hunting, fishing, and other recreation, along with income, largely from cutting trees. "We were constantly on the lookout with local foresters for tracts to cut," Lane noted. The shareholders depended on the dividends from timber to make ends meet.

Today, Lane is the president of the Mineral Lands Corporation, having taken over the role from his grandfather in 2018. Yet while the forest is still harvested, the management has changed. "We no longer need to rely on clearcutting to generate income," Lane noted.



Robert Lane

Behind the change is a decision that Lane and the other shareholders made to try something different to improve the health of their forest while maintaining a source of income. The Mineral Lands became part of a carbon project being developed by NativState.

DEVELOPING AMERICA'S TIMBER BASKET

Prior to settlement by Europeans, the lands around the lower Mississippi River supported vast bottomland hardwood forests. Comprised of swampy wetlands and rolling hills, the forests included silver maple, oak, hickory, cypress and pine trees, with habitat for diverse species, including bald eagles, herons, alligators and many others.

As new people moved into the region, timber harvests began, to support demand for lumber and fuel for riverboats. At the same time, the new settlers cleared forests for agriculture, including cotton, corn, and rice, which grew well on the fertile alluvial soils. By the early 1900s, sawmills across the region produced hundreds of millions of board feet of lumber annually. By the 1970s, 80-90 percent of the bottomland forests of the area had been cleared.

Today, much of the remaining forest is managed as pine plantations, harvested for wood and pulp to feed regional mills. Combined, hardwood and softwood mills in the region can process more than 75 million tons of wood annually. More timber comes from this region of the U.S. than any other.



PUTTING LANDOWNERS FIRST

NativState is a “land-owners first” forest carbon development company that connects small- and medium-sized private forest landowners with the global carbon market. Established in 2021 by Stuart Allen, the company was not founded to own land. Instead, it works with landowners to manage their properties sustainably and provide co-benefits, such as improved water quality and wildlife habitat, using carbon credits to finance the work.



Tim White

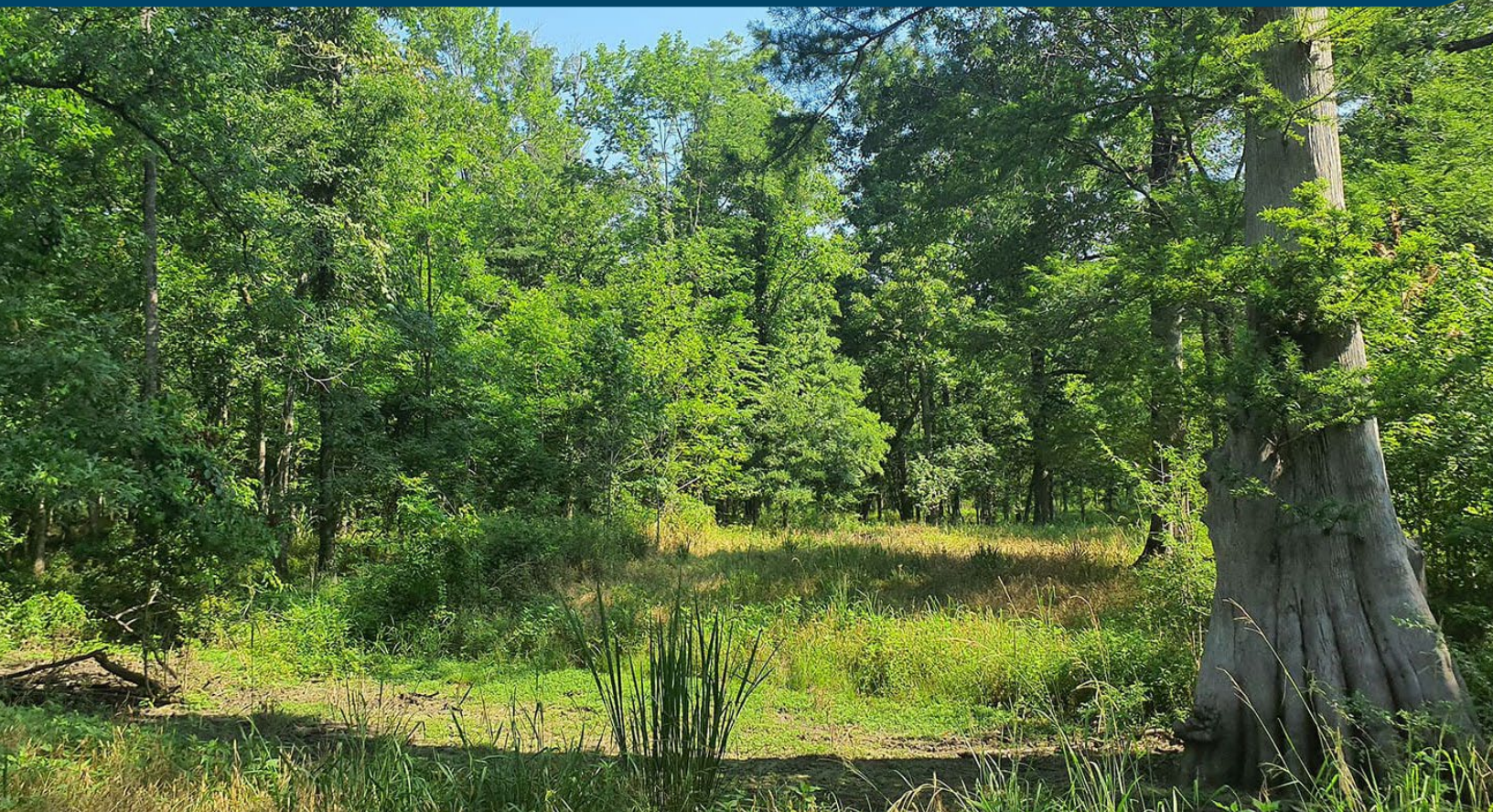
“We want landowners to be the next generation of forest stewards,” said Tim White, NativState’s Vice President of Forestry. With 15 foresters on staff, a number that’s expected to double in the next year, NativState is focused on land management. “We filter everything through a simple question, what’s right for the landowner,” White added.

Based in Conway, Arkansas, the company prides itself in being from the region it serves, which is key to building trust. Carbon markets are new to many people, which can raise questions, especially when they are faced with decisions that may affect their ability to harvest timber in the traditional manner for 40 years or more. So, it is critical for NativState to build relationships with the landowners they serve, and being from the region helps. “Landowners put enormous trust in us to be able to deliver,” White said.

“My business card shows we’re local and sometimes that’s the key reason they get involved with the project.”

WALKING THE LAND

Since 2021, across all of its projects, NativState has enrolled more than 750,000 acres of forestland in carbon projects with more than 750 local landowner partners. This requires ongoing work to meet and know the landowners, understand their interests and questions, and provide information about carbon projects and their potential. In many cases, this includes walking the land with the landowners to understand their goals and values. With a team of professional foresters and biologists, NativState can help translate a landowner’s vision into specific actions needed on the ground.



“I received a cold call from NativState,” said Robert Lane of Mineral Lands, adding, “I knew the caller’s great uncle, so I gave them a chance to introduce me to the carbon market.” In an area where timber companies come knocking all the time, NativState works hard to explain the benefits and responsibilities of carbon projects to landowners, and the value of this tool in the toolbox.

Ultimately, Lane and the other shareholders decided to become part of the carbon project.

“After trying it on for size, it was a 100 percent fit for our forestland,”

Lane noted.

VOLUNTARILY MAKING A LONG-TERM COMMITMENT

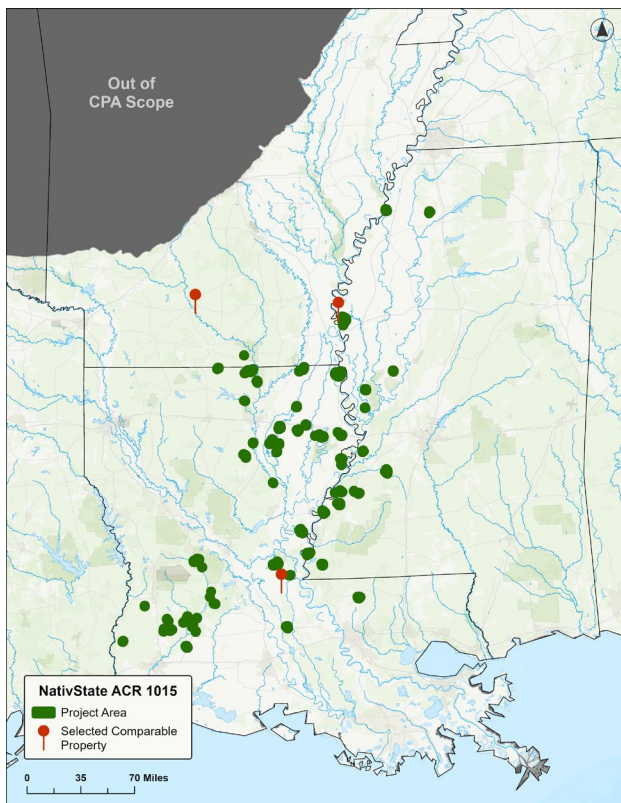
Before voluntarily signing onto a carbon project, landowners face an important decision: Are they willing to constrain harvest on their lands for 40 years or more? Carbon projects require legally binding, 40-year contracts that determine how much timber can be harvested on the property.

In the case of the *NativState Bottomland Forests of the Mississippi Backswamps and Delta Mixed Forests* carbon project, harvest levels are reduced to store more carbon across the enrolled properties. For pine forests, the time between final harvests is increased from an average of 26 years to 40 years. In hardwood forests, conservation is the focus to improve forest health and wildlife habitat, with reduced intensity, selective harvest throughout and no harvest along streams and waterways. NativState’s foresters prioritize protection of vernal pools, deer wintering zones and mast-producing trees, which feed local wildlife.

The project is using ACR’s Programmatic Development Approach, which allows aggregating multiple landholdings into a single project, increasing access to carbon markets for small landowners.

“More than half of private forestlands in the United States are owned by families, so we designed an approach that allows them to access carbon markets,”

said Kurt Krapfl, PhD., ACR Director of Forestry.



To calculate and prove the carbon benefits, NativState used geospatial analysis to track historical harvest levels on the comparable properties, to understand what would have happened if the carbon project had not been developed.

To calculate and prove the carbon benefits, NativState identified outside properties that were comparable to those in the project. With 48 landowners spread across

20 parishes in Louisiana, 2 counties in Arkansas and 11 counties in Mississippi, this was no mean feat. Using a geospatial analysis, the team of analysts tracked historical harvest levels on the comparable properties, to understand what would have happened if the carbon project had not been developed.

“Improved forest management offers an immediate opportunity to benefit forest health and resilience, while also storing more carbon,” said Krapfl. “By making incremental changes across large areas of forestland, landowners can continue supplying wood to local mills while also helping wildlife, water quality and recreation,” he added.

BUILDING CONFIDENCE IN CARBON MARKETS

For Robert Lane, the initial leap of faith is starting to bear fruit. “We got our first check recently, which gave us faith in the process going forward,” Lane said. On the Mineral Lands property, the decision not to clearcut hardwood stands is a relief to him. “If we liquidate mixed stands of hardwood, they will not regenerate in my lifetime,” he noted. “Now with the carbon project, we have income and it’s good for the environment and for recreation; it’s a no-brainer.”

For more information about the NativState Bottomland Forest of the Mississippi Backswamps and Delta Mixed Forests carbon project, visit [NativState](#) or [ACR](#).