UKCCC INTERESTED PARTIES CONSULTATION, ENGAGEMENT AND BENEFIT SHARING REQUIREMENT

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Contents

INTERESTED PARTIES CONSULTATION

1. Scope and applicability

1.1 The aim of the Interested Parties Consultation is to engage affected Interested Parties and to discuss potential environmental, social and economic impacts (both positive contributions and potential risks) that projects may have during design, planning and implementation and to establish an ongoing mechanism for feedback.

1.2 Interested parties' consultation shall take place for all UKCCC version cycles and updates of MRV protocols.

1.3 For most UK-based single project hosts, the Project Development Document's Interested Parties Consultation responses will suffice. It is good practice to consult with local people especially where significant land use change occurs.

1.4 Where projects cover multiple land managers and land units the full consultation process must be followed

1.5 All UKCCC projects shall "take gender issues into account". This requires local Interested Parties consultation processes to reach a wide range of community representatives in ways that ensure equal and effective participation of both women and men, and that gender issues are fully factored into comprehensive social and environmental impact assessments. Project developers are referred to the **UK Carbon Code of Conduct: Human Rights, Gender Equality, Anti-Slavery, and Forced Eviction Policy**

1.6 Project developers can raise queries regarding any protocol at any time and should follow the UKCCC process for review of methodologies.

2. Timing of local interested parties consultation

2.1 The Interested Parties Consultation shall be conducted prior to the start date of the Project so that the Interested Parties can truly influence the project design, planning and its implementation.

2.2 If the Consultation is conducted after the start date, the Interested Parties shall be provided with an opportunity to comment on the project and the Project developer shall provide further explanation of how comments received during the consultation were taken into account.

3. Minimum group of interested parties to be consulted

3.1 The Project developer shall identify and invite all relevant (local, affected and interested) Interested Parties as mentioned below for consultations and comments. The Project developer is to use common sense when compiling the list of interested parties, for instance where regenerative agricultural projects are being proposed, there is no need to consult local planning authorities. If in doubt project developers are to check with the UKCC Commissioners.

Interested parties may include:

3.1.1 Local people, communities and or representatives who are directly or indirectly affected by the project.

3.1.2 Interested Parties with land-tenure rights within or adjacent to the project must be contacted.

3.1.3 Local policy makers and representatives of local planning authorities, Parish Councils etc.

3.1.4 National government officials or National bodies responsible for the project in the host country, for example in the UK, DEFRA, Natural England, Forestry Commission.

3.1.5 Local non-governmental organisations (NGOs), Women Groups working on topics relevant to the project or working with communities who are likely to be affected by the project.

3.1.6 A UKCCC representative info@ukcarboncode.org

3.1.7 Relevant international UKCCC NGO Supporters with representation in your region and all UKCCC NGO Supporters located in the host country of the project.

3.2 The project developer shall provide evidence that invitations were sent to the relevant interested parties and that their comments were invited. If any of the relevant interested parties were not invited, the project participants shall provide appropriate justification.

4. Rules for inviting interested parties

4.1 The project developer shall invite local Interested Parties to participate in any meeting and provide comments on the proposed project in an open and transparent manner, in a way that facilitates comments to be received from local interested parties.

4.2 The Project developer shall invite the Interested Parties through a combination of direct email to known interested parties and through social media to alert additional parties that may be interested in the project.

4.3 Projects shall ensure that the interested parties are invited in a ‘gender sensitive’ manner and efforts must be made to solicit input from women and marginalised groups.

4.4 The project developer shall not deny anyone access to the consultation. It shall be open for anyone wishing to participate.

4.5 The invitation for the consultation meeting shall be given at least 10 days before the meeting takes place.

5. Information to be made available to interested parties

5.1 Prior to the consultation, the Project developer shall provide information in a manner that allows local interested parties to understand and engage with the project. The information to be made available to interested parties shall include:

5.1.1 A non-technical summary of the project including information on project design, technology, objectives, scale, duration and implementation plan (so far as known).

5.1.2 Summary of the economic, social and environmental impacts of the project.

5.1.3 Contact details to get further technical detail and project information, should any Interested Parties request follow-up.

5.1.4 Other relevant information to help Interested Parties understand the project.

5.1.5 Means and method to provide feedback for those who cannot join the consultation meeting.

6. Consultation

6.1 The Interested Parties Consultation shall comprise of a physical meeting and one Interested Parties feedback round lasting for at least two weeks.

6.2 Where necessary, other means and approaches that are appropriate for local and national circumstances can be used to conduct Interested Parties consultation meetings. For example, due to the nature of the project, instead of one large physical consultation meeting, several meetings at different locations may be conducted to ensure that relevant Interested Parties can participate.

6.3 The project shall encourage equal and effective participation by both men and women in the Interested Parties consultation (this also includes the suitability of place and timing of the consultation(s)).

6.4 For retroactive projects where project implementation has started without conducting the first round of Interested Parties consultation the following rules must apply. The physical meeting shall be integrated with the Interested Parties feedback round if this has not taken place as part of previous Interested Parties consultations. The physical meeting conducted during the Interested Parties feedback round must follow all requirements listed in this document. Special attention must be paid to the fact that the projects must consider Interested Parties feedback and shall modify project design, where reasonable.

7. Continuous input and grievance mechanism

7.1 All projects shall setup a formal input, feedback and grievance mechanism with the purpose of providing interested parties with an opportunity to submit any feedback or raise grievances during the entire project life.

7.2 The project shall discuss the potential options with Interested Parties and agree on an appropriate method.

7.3 At a minimum, the Interested Party raising the grievance or complaint must contact the UKCCC who will follow the Complaint and Grievance procedure.

8. Consideration of comments received

8.1 The Project developer shall apply a gender lens while assessing the relevance and appropriateness of the Interested Parties' comments.

8.2 The project shall consider the comments provided by the Interested Parties and report on how the comments have been accounted for. It may also involve changes in the project design, where appropriate. The Project developer shall provide justifications when any comments have not been incorporated or addressed.

8.3 The Interested Parties shall be provided with the feedback on how their comments have been considered as part of the Interested Parties feedback round.

9. Ongoing reporting

9.1 Ongoing Annual Monitoring & Reporting Project developer shall provide information in the Annual and Monitoring Report, as applicable, for the following:

9.1.1 Concerns that have been identified and raised by Interested Parties during the Interested Parties consultations and the mitigation measures put in place to address those.

9.1.2 Any feedback given by Interested Parties as part of the project's grievance mechanism.

10. Interested parties' consultation documentation

10.1 The Project developer shall make use Interested Parties Consultation Report template to document all the steps taken to meet the requirements in this document.

10.2 The Interested Parties consultation report shall be submitted to UKCCC within three months of the event (though this date may be after the Project Start Date).

UK Benefit-Sharing Plan

For Single-Ownership Carbon & Nature Projects

1. UK Context and Rationale

Most UK carbon and nature projects are:

- **Owned by a single legal entity** (landowner, charity, local authority, company)
- Located on **private or publicly owned land**
- Developed for **carbon income + biodiversity net gain (BNG) + ESG outcomes**

While there may be **no resident communities with land rights**, UK best practice increasingly expects **benefit sharing with wider stakeholders**, including:

- Local communities
- Tenant farmers and contractors
- Supply chains
- Local authorities and civil society

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2. Applicable Project Types

A. Whole landholding (Soil Carbon, habitats, Cropland & Grassland)

- Regenerative agriculture
- Improved grazing management
- Organic amendments
- Reduced tillage

B. Blue Carbon (not applicable to UKCCC V4.0)

- Saltmarsh restoration
- Seagrass restoration
- Coastal realignment

C. Woodland Planting

- Native woodland creation
- Commercial forestry with carbon claims
- Agroforestry

4. Stakeholder Identification (Single-Owner Model)

Stakeholder	Relationship to Project
Landowner / Project Owner	Legal owner and credit holder
Tenant farmers / graziers	Operational partners (if applicable)
Local community	Neighbours, users, beneficiaries
Contractors & supply chain	Employment and service provision
Local authority	Planning, flood, biodiversity interests
NGOs / trusts	Advisory or delivery partners
Carbon buyers	Financing and reputational stakeholders

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5. Types of Benefits (UK-Relevant)

5.1 Financial Benefits

- Carbon credit revenue
- Blended income (carbon + BNG + ecosystem services)
- Local employment contracts
- Long-term land value enhancement

5.2 Non-Financial Benefits

- Skills and training (regenerative farming, habitat management)
- Improved flood resilience
- Public access and wellbeing (where appropriate)
- Biodiversity recovery
- Educational and research opportunities

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6. Revenue Allocation Framework (Single Ownership)

Because the landowner retains credit ownership, benefit sharing focuses on **reinvestment and outward value creation**, not land-rights compensation.

Indicative Net Revenue Allocation (after verification & issuance costs)

Typical Allocation	% Range
Landowner return / capital recovery	40–60%
Project operation, monitoring & maintenance	15–25%
Local benefit & community fund	5-10%
Delivery partners / tenant incentives	5–10%
Uncertainty Discount Factor long-term stewardship reserve	25%
National Reserve	3%

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7. Local Benefit & Community Mechanisms (UK-Appropriate)

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7.1 Local Benefit Fund (LBF)

A ring-fenced fund managed by the project owner with stakeholder input.

Eligible Uses

- Local environmental grants
- Parish or community projects
- Flood resilience and natural flood management
- Education, apprenticeships, and training
- Access infrastructure (paths, interpretation boards)

7.2 Delivery Partner Incentives

For tenants or contractors:

- Performance-linked payments
- Long-term stewardship contracts
- Bonus payments for exceeding biodiversity targets
- Share benefits for tenants for change in soil management that leads to carbon removals
- Input reduction incentives
- Training and certification support with a focus on soil health, yield stability and sustainable agriculture and not just carbon tonnes

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8. Project-Specific Customisation

8.2 Blue Carbon (Coastal & Estuarine)

- Prioritise:

    - Flood risk reduction benefits
    - Fisheries and recreation co-benefits
    - Local authority collaboration

8.3 Woodland Planting

- Local employment in planting and maintenance
- Community access and education
- Long-term stewardship funding (40+ years)
- Development of a woodland economy, embedding carbon into the built and commercial environment

8.4 Habitat Creation

- Link benefits to BNG obligations
- Support local nature recovery strategies (LNRS)
- Research partnerships with universities or NGOs

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9. Governance and Oversight

9.1 Internal Governance

- Named Benefit-Sharing Lead
- Annual benefit allocation plan
- Board-level oversight (for companies/charities)

9.2 External Engagement

- Annual public summary
- Local authority briefings
- Voluntary stakeholder advisory group (optional)

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10. Transparency and Reporting

- Annual disclosure of:
    - Carbon volumes issued
    - Revenue allocation ranges
    - Local benefit outcomes
- Alignment with buyer ESG reporting needs
- Clear separation between **carbon income** and **public subsidy** (e.g. ELM schemes)

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11. Risk Management

Risk	Mitigation
Carbon price volatility	Long-term offtake agreements
Permanence obligations	Stewardship reserve
Reputational risk	Transparent benefit reporting
Double funding concerns	Clear subsidy accounting

12. Review and Adaptation

- Review every 3–5 years
- Adjust benefit levels as revenue stabilises
- Document changes for auditors and buyers

13. Statement of Intent (Suggested)

The Project Owner commits to using carbon and nature market revenues to deliver measurable climate, biodiversity, and social value beyond the project boundary, consistent with UK best practice and long-term land stewardship.

14. Statement of Conformance

The Project Owner confirms that carbon credits and stacked ecosystem service revenues are managed in a manner consistent with UK Carbon Code principles, ensuring transparency, additionality, and long-term environmental integrity.