

# BC Forest Carbon Offset Protocol (FCOP) Overview

This document describes how the Forest Carbon Offset Protocol (FCOP) operates within British Columbia's Crown-led legal and regulatory system. This document is descriptive, not advisory, and does not recommend participation or assume Crown authority over carbon within Indigenous territories. Indigenous governments hold inherent rights recognized and affirmed under Section 35 of the Constitution Act, 1982, and carbon and related revenues have not been ceded to the Crown. FCOP does not resolve questions of jurisdiction, title, or carbon rights. This resource is intended to support strategic, informed, and self-determined decision-making.

## Overview of FCOP-Approved Carbon Projects

### What are Carbon Offsets?

Carbon offsets are tradable credits that represent a verified reduction or removal of greenhouse gases from the atmosphere. One credit equals one tonne of carbon dioxide equivalent (CO<sub>2</sub>e). Offsets are generated using protocols aligned with either voluntary or compliance carbon markets. Voluntary markets allow organizations or individuals to purchase credits to meet self-defined climate commitments, while compliance markets operate under government regulations that require certain emitters to offset a portion of their emissions. Credits are listed on the appropriate registry and can then be transferred between parties or permanently retired to offset emissions. High-quality carbon credits are real, additional, permanent, and independently verified. When designed well, they can provide a financing pathway for ecosystem stewardship and restoration.

### How do carbon offsets fit into BC's carbon regulation system?

Under British Columbia's Greenhouse Gas Industrial Reporting and Control Act (GGIRCA), large industrial facilities are required to measure and report their greenhouse gas emissions annually. If a facility exceeds its emissions limit, it must take compliance action. One option is to purchase carbon credits to offset their emissions and retire them on the BC Carbon Registry (BCCR). These credits are generated by projects that achieve verified emissions reductions under approved offset protocols, like FCOP. Each protocol outlines how different kinds of projects can create legitimate, measurable carbon reductions<sup>1</sup>. Together, these protocols are intended to ensure that all offset credits traded through the provincial system are scientifically credible and transparently managed.

It is important to note that only a limited portion of emissions can be covered by offsets. This limit declines over time, increasing pressure on facilities to reduce emissions directly at the source rather than relying on purchased credits<sup>2,3</sup>. The Carbon Toolkit has a comprehensive module explaining how carbon markets work<sup>4</sup>.

<sup>1</sup> [B.C. Offset Program consultations](#)

<sup>2</sup> [Greenhouse Gas Industrial Reporting and Control Act](#)

<sup>3</sup> [BC OBPS Program and Reporting Guidance](#)

<sup>4</sup> [Carbon Toolkit: Carbon Markets](#)

## What is the BC Forest Carbon Offset Protocol (FCOP)?

FCOP sets the rules for how forest-based projects in British Columbia measure, verify, and report carbon that is stored or kept out of the atmosphere. When a project protects or restores forests and increases carbon storage, it can earn carbon offset credits. These credits are recorded on the BCCR<sup>5</sup>, the province's official tracking system for verified offsets.

## Who can develop a carbon project using FCOP?

Under FCOP, a carbon project may be developed by a proponent that the Province recognizes, under provincial law, as holding the legal right to the claimed "atmospheric benefits.". The proponent must also meet the requirements of the BC Carbon Registry and the applicable protocol.

This eligibility reflects provincial law and administrative practice only. It does not resolve questions of Indigenous governments rights, title, jurisdiction, or ownership of carbon on their territories. These issues remain contested and subject to ongoing assertion and negotiation.

## What High-Level Criteria Must an FCOP Project Meet?

- *Real:* Does the project provide evidence that emissions reductions are real?
- *Measurable:* Does the project quantify emissions reductions using transparent methods and data so an independent reviewer can replicate the results?
- *Permanence:* Does the project demonstrate how carbon will be stored over the long term? Does it include safeguards (e.g. buffers, insurance pools) to address potential reversals from wildfires or other management challenges?
- *Leakage:* Does the project demonstrate that emissions reductions in the project area are not displaced elsewhere, such as shifting rather than reducing logging activity?
- *Additionality:* Does the project demonstrate that it would not proceed without carbon financing? Are the emissions reductions beyond what would occur under business-as-usual conditions?
- *Baseline:* Does the project establish a credible and reasonable baseline scenario that describes what would happen in the project area if the project did not occur?
- *Carbon Rights:* Does the project demonstrate that the proponent holds the legal right, under provincial law, to the claimed carbon benefits? On BC public land, this usually means having an Indigenous Atmospheric Benefit Agreement (see ABA handout).
- *Indigenous Consultation:* Does the project demonstrate early and meaningful engagement with all relevant Indigenous governments following a Free, Prior, and Informed Consent approach?

### Note:

Consider including the need for conservation financing in IPCA declarations, otherwise future carbon projects might be impeded by a failure to demonstrate additionality.

<sup>5</sup> [Accessing the BC Carbon Registry](#)

**2011**

FCOP 1.0 released

**2011-2015**

Carbon projects developed using FCOP 1.0

**Dec. 31, 2015**

FCOP 1.0 withdrawn after repeal of governing legislation  
*Projects developed between 2011-2015 were grandfathered in*

**2016-2021**

FCOP 2.0 drafted to align with GGIRCA

**2021**

Public consultation on draft FCOP 2.0; “What We Heard” report released

**June 16, 2021**

BC Assembly of First Nations submits feedback on draft FCOP 2.0<sup>6</sup>

**2021-2023**

FCOP 2.0 revised following consultation

**2023**

Public consultations on revised draft of FCOP 2.0

**2024**

“What We Heard”<sup>7</sup> report summarizing findings from consultations  
*BC Government responds to consultation feedback.*

**2024**

FCOP 2.0 Released  
*No credits yet issued under FCOP 2.0*

## What has changed from FCOP 1.0 to FCOP 2.0?

- Indigenous participation formalized within the protocol structure.
- New pathways support benefit sharing between Crown and Indigenous governments.
- Language has shifted to acknowledge Indigenous title and align with UNDRIP principles.
- Baseline requirements are more conservative, increasing credit integrity.
- Leakage assessment is more rigorous, strengthening credit integrity while potentially lowering credit volume.
- Permanence rules are stricter, including expanded buffer mechanisms to protect against reversals.
- The protocol now better supports multi-Nation collaborations and inclusive project structures, such as those in the Great Bear Rainforest. FCOP 2.0 aligns Indigenous projects with high-integrity carbon markets, enhancing reputation and long-term viability.

## What Nations have developed a carbon project under FCOP 2.0?

While a handful of carbon projects have been grandfathered in under FCOP 1.0, as of October 2025, no Nations have launched a carbon project under FCOP 2.0 on the BCCR. This is likely due to the recent release of FCOP 2.0 in April 2024 and the time required to develop a carbon project, which typically ranges from 1-3 years.



<sup>6</sup> [2021 BC AFN Report](#)

<sup>7</sup> [2024 What We Heard Report](#)