REDD in a Post-Kyoto International Framework: Practical Considerations

Dr Charlotte Streck
16 September 2008
Dar Es Salaam
Stern Review

• Deforestation responsible for about 18% of global GHG emissions

• To eliminate deforestation in Cameroon, DRC, Ghana, Bolivia, Brazil, PNG, Indonesia, Malaysia (responsible for 70% of land-use emissions: 4.9 GtCO₂ today, and 3.5 GtCO₂ in 2050 under BAU) would cost about US$5-10 billion annually

Alternative strategy:

Land-use emissions are projected to fall by 2050, because it is assumed that countries stop deforestation after 85% of forest has been cleared.
The Intl’ Framework

- **UNFCCC**: Refers repeatedly to emissions by sources and removals by sinks. LULUCF and industrial emissions regarded of equal importance. Call to promote sustainable management, conservation and enhancement of sinks.

- **Kyoto Protocol**: Instrument to reduce combustion related emissions.
  - Accounting for LULUCF (after a lot of controversy) for A/R/D based on “gross-net” approach with the limitation that activities need to be human induced and take place after 1990 [Art. 3.3].
  - Accounting for other LULUCF activities optional in the first CP [Art. 3.4]

---

*The KP deals with LULUCF only partially by including some parts while leaving others out. This leads hardly to a satisfactory system of accounting for LULUCF emissions.*
Left out of the KP: Avoided Deforestation

The Problem I

- Forests store about 638 gigatonnes (Gt) of Carbon
- 50% more carbon than in the atmosphere
- Gross deforestation averages 13 million ha/year (net loss 7.3 million ha/year)
- LULUCF responsible for 25-30% of global GHG emissions

The Problem II

- Scary scale
- Uncertainty: methodological issues, leakage, permanence etc
- Sovereignty issues and country specific circumstances
- Environmental, social and socio-economic effects

Things have (not) changed since Kyoto….have they?
But there is reason for hope..

- Scientific basis more robust
- Political will to address the problem of GHG emissions from deforestation
- Acknowledgement of the opportunity provided by the carbon market
- Private financing necessary to mobilize the required amount of funding
- Acknowledgement of country specific circumstances
- Active discussion of various proposals
Forestry in Post-Kyoto Negotiations

- Does it need to be included?
  - Shall the focus remain on industrial emissions?
  - What are the environmental, policy, economic consequences?
- If so, to which extent?
  - Limited to offsets (CDM/JI)?
  - As part of the emission reduction commitments?
  - Limited to A/R, deforestation, degradation, SFM,..
- Under which legal instrument?
  - Independent forestry protocol?
  - UNFCCC/Kyoto Protocol?
  - Expansion of CDM/JI
- Which reward mechanism shall be used?
  - Markets? Non-markets?
Avoiding further deforestation: Issues/Proposals

• Deforestation & Degradation?
• Baseline based approaches vs stock based approaches
• Historic or future baselines?
• Fungible credits?
• National vs subnational and combined approaches?
Implementation REDD in Practice: Key Questions

1) How can any REDD mechanism be implemented? What are the respective capacities of Governments and other private/public actors?

2) How can any REDD mechanism be financed? How can finance reach the levels of society affected by the change/activities?

3) If relying on carbon markets, how can any arrangement be reflected in contracts?
Special Considerations For Africa

- Sub-Saharan Africa so far bypassed by international carbon markets (discounting RSA less than 1% of all CDM projects)
- Carbon market so far energy and industry centric
- Little benefits for economies based on agriculture; no benefits for rural poor
- REDD relevant for some African countries; agriculture and land management relevant for all African countries
- Rewarding sustainable agriculture, watershed, soil and forest management brings together adaptation and mitigation agendas

Post-Kyoto negotiations provide an opportunity to make the voice of Africa heard and correct some of the bias of the Kyoto Protocol. Time to call for a BioCarbon Initiative which creates incentives to enhance carbon storage in all agricultural ecosystems.
Post-Kyoto negotiations

• Need to create a comprehensive system that rewards
  – Decreasing deforestation
  – Sustainable forest management
  – Restoring forests
  – Sustainable production and use of biomass

• Scientific basis more robust
• Political will incl from developing countries to address the problem of GHG emissions from deforestation
• Acknowledgement of the opportunity provided by the carbon market
• Active discussion on various proposals

But is there political will? Or is the forestry issue a welcome diversion from the addressing the energy challenge?
More info

Contacts:

Charlotte Streck
e-mail c.streck@climatefocus.com
Phone +31 10 217 59 94
Web-site www.climatefocus.com