

It took 12 cops to realize that 20 is more than 0.01: avoided deforestation post-Kyoto

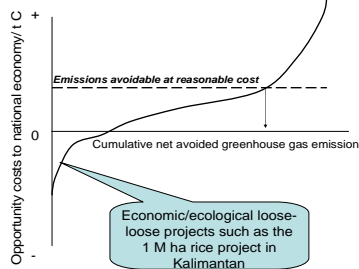


Avoided deforestation needs to be dealt with at (sub)national scale

- The only feasible way to deal with 'avoided deforestation' is over large areas – whole countries or large parts of big countries; then 'leakage' becomes internalized.
- Baseline and hence 'additionality' has to be the political outcome of a negotiation process at a relevant scale; again national scale or large parts of big countries is appropriate, small areas are not.
- If national-scale whole C stock accounting is the basis for international agreements and trade in emission reduction certificates, issues of permanence, leakage, additionality and risk can be readily resolved.
- A meaningful step in that direction will be to make 'avoided deforestation' procedures based on whole C stock accounting (thus including the peatlands and other potential high-emission areas) apply to substantive geographic domains under common administration and with internally linked economies.

Issues that need to be resolved:

- Political platform for discussing voluntary 'baselines' at (sub)national scale
- Increased precision of the whole-system C accounting process at sub-national scales



- National and sub-national governments will need to know how much 'avoided emissions' they can provide at what opportunity cost.
- Summary data of this type require appraisal of scenarios for integrating economic development and land cover change.
- Currently such estimates are not available.

Background

- IPCC 4th assessment and Stern report have further increased the platform for dealing with *climate change*; the political 'tipping point' may be in reach
- Current agreements deal with 'whole system C stocks' in Annex I countries, but only partial accounting elsewhere. LULUCF CDM deals with the 0.01% effects of reforestation, not with the 20% effects of avoided deforestation

It took 12 conventions of the parties (cop's) in the UN framework convention of climate change to define and approve the rules for inclusion of small-scale re/afforestation as part of the Clean Development Mechanism – which may in the end account for 0.01% of net greenhouse gas emissions. We hope that COP13 in Bali in December 2007 can become a breakthrough on the international rules for accounting of 'avoided deforestation'.



Indonesia is, according to recent estimates, the third largest emitter of greenhouse gasses globally, largely because of peatland conversion, deforestation and uncontrolled fire. Indonesia is the country with the globally highest emissions due to land cover change.

Risks of not dealing with avoided deforestation

Permanence issue of past 'reforestation' becomes unmanageable; reforestation 'islands' become political and social liabilities. Tradeoffs involved in large-scale biofuel production (oil palm, cassava, sugarcane...) become intractable when 'partial solutions' become linked to 'aggravation of problems'. Inefficiency of the global regulatory framework provides easy excuses for free-riders

Avoided Deforestation through Sustainable Benefits

Exploring how the global community can provide effective incentives to deal with the 20% of climate change due to land cover change.

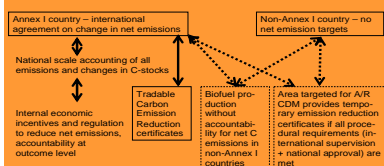
Realistic: by offsetting unavoidable abatement costs

Voluntary: national negotiated baselines as reference

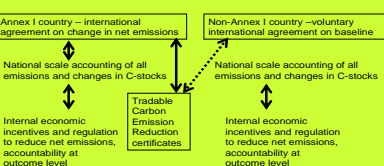
Conditional: with clear accountability through whole-system carbon (and GHG) accounting

Pro-poor: in the context of integrated development planning, respecting local rights

Asymmetry of current A/R agreements and biofuel accounting rules



Removing the asymmetry of current agreements



Political complexities of avoided deforestation

- Rehabilitation of depleted C-stocks is easier to monitor and at-tribute than avoided degradation
- Baselines, additionality and leakage are manageable problems for small-scale reforestation, not for **small-scale** avoided deforestation
- The modified 1996 IPCC guidelines for GHG assessments suggest a 60% uncertainty on the reports on changes in C stock; this is the single biggest uncertainty in the GHG quantification
- Much deforestation is *planned* and leads to land use with higher economic returns; completely avoiding deforestation will require offset payments that are not feasible; negotiating halfway targets is complex

During 2007 we will work in 3 sub-teams on the policy dialogues, spatial analyses & scenarios (for 3 provinces) and improvements on the national C accounting system to have credible input at the 13th UNFCCC COP in Bali