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.

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

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

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

Political complexities of avoided deforestation

- Rehabilitation of depleted C-stocks is easier to monitor and at-tri-bute 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 UNFCC COP in Bali