

## Reduced emissions from deforestation and degradation (REDD) in developing countries

UNFCCC AWG- LCA Agenda item 5  
UNFCCC SBSTA Agenda item 3

Fourteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP14),  
Poznan, Poland, 1-12 December 2008

### Recommendations

IUCN recommends that COP 14:

- √ **Calls** on Parties to put in place REDD mechanisms as part of a post 2012 regime that complement but do not weaken or substitute for ambitious emission reduction targets ;
- √ **Urges** Parties to require identification of and regular reporting on national-level drivers of deforestation and degradation and measures implemented to address them as a requirement for participation in REDD mechanisms ;
- √ **Urges** Parties to include restoration of degraded forest lands in REDD mechanisms ;
- √ **Urges** Parties to request SBSTA, in coordination with the Collaborative Partnership on Forests (CPF), to resolve outstanding definitional issues with the purpose of including restoration of degraded forest lands in future REDD arrangements ;
- √ **Urges** Parties to enhance coordination among the different relevant financing initiatives with which they may be involved with respect to supporting developing countries prepare for REDD ;
- √ **Invites** Annex 1 Parties to provide over the next 5 years substantial additional funding for capacity building in REDD candidate countries ;
- √ **Calls** on Parties to adopt a flexible stance with respect to REDD financing options ;
- √ **Calls** on Parties to recognise the co-dependence between an effective future REDD regime and effective and equitable forest governance ;
- √ **Encourages** Parties to ensure that their national REDD framework is consistent with international commitments and national practice related to effective and equitable forest governance.

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## Introduction

Deforestation and forest ecosystem degradation are significant causes of the global warming recorded in the past century. They account for 17%<sup>1</sup> of global greenhouse gas (GHG) emissions, more than the entire transport sector.

The Fourth Assessment Report of the IPCC concluded that 'forestry can make a very significant contribution to a low cost global mitigation portfolio that provides synergies with adaptation and sustainable development', although it also cautions that 'without better policy instruments, only a small portion of this potential is likely to be realized.'<sup>2</sup>

IUCN therefore welcomes the proposals to include Reduced Emissions from Deforestation and Degradation (REDD) as part of the post-2012 UN climate change regime.

IUCN also welcomes the decision on '*Reducing emissions from deforestation in developing countries: approaches to stimulate action*' adopted by the Conference of the Parties in December 2007<sup>3</sup>, and in particular the call for Parties to support capacity-building, provide technical assistance, address the institutional needs of developing countries and to engage in demonstration activities as to address the drivers of deforestation.

## REDD as a complementary mechanism to emissions reduction targets

Forest-based climate mitigation options, including avoided deforestation should be fully integrated into the future climate mitigation regime in such a way as to complement rather than substitute for or weaken the ambitious global targets that will be necessary to deliver deep reductions in fossil fuel emissions.

IUCN appreciates that there remain misgivings concerning both the extent to which REDD should be used during post 2012 period and the type of compensatory mechanisms that should be employed. While IUCN cautions against overstating the risk that REDD offsets might swamp future carbon trading schemes it also firmly believes that the prospect of land-based carbon offsets must not diminish the determination by industrialised and emerging

economies to drastically curb emissions from fossil fuels. That said, IUCN concurs with the findings of the Eliasch Review<sup>4</sup> that, "without tackling forest loss, it is highly unlikely that we could achieve stabilisation of greenhouse gas concentrations in the atmosphere at a level that avoids the worst effects of climate change".

IUCN believes there is an urgency to identify fair and effective mechanisms, predicated on the principle of common but differentiated responsibilities, that enable the potential of REDD to be harnessed fully while encouraging deep cuts in fossil fuel emissions.

### IUCN recommends that COP 14:

- ✓ **Calls** on Parties to put in place REDD mechanisms as part of a post 2012 regime that complement but do not weaken or substitute for ambitious emission reduction targets.

## Drivers of deforestation and degradation

Although a great deal of attention has focused on how to account for changes in deforestation rates through reliable baselines, credible scenarios and robust monitoring methodologies, accounting for changes in forest carbon stocks will not be enough to ensure that appropriate measures are put in place to slow and halt deforestation. To enable this, governments hoping to engage in formal REDD mechanisms will need to be able to describe the specific drivers of forest loss in their own country, the measures implemented to address them and relate these to the REDD measures they are putting in place.

Many of the drivers of deforestation lie outside the direct influence of the forest sector, including agriculture, energy, urbanization and infrastructure development. Although these sectors are often critical to national economic growth their interaction with carbon-rich forest ecosystems is poorly understood and frequently articulated in very general terms. As a consequence, the policies and incentive programmes to promote these sectors risk undermining policies designed to protect and safeguard countries' forest resources.

<sup>1</sup> IPCC AR4, Technical Summary of WGIII, page 28

<sup>2</sup> IPCC AR4, Technical Summary of WGIII, page 70

<sup>3</sup> Decision 1/CP.13 of the UNFCCC COP, 2007

<sup>4</sup> The Eliasch Review: Climate Change: Financing Global Forests, Office of Climate Change, UK Government, 2008.

<http://www.occ.gov.uk/activities/eliasch.htm>

### **IUCN recommends that COP14:**

- √ **Urges** Parties to require identification of and regular reporting on national-level drivers of deforestation and degradation and measures implemented to address them as a requirement for participation in REDD mechanisms.

### **Restoration of degraded forest lands**

Although forest degradation is now included in the negotiations, the scope has been limited to halting further degradation. This means that opportunities to enhance carbon stocks on degraded forest lands through approaches such as Forest Landscape Restoration would fall outside the scope of activities currently under consideration.

Presently, there are an estimated 800 million hectares of degraded forest lands. Although their carbon stocks are significantly depleted, often, these lands retain sufficient forest cover to exclude them from being classified as deforested and therefore available for reforestation and eligible for crediting under the Kyoto mechanisms. The UNFCCC estimates that the restoration of these lands could account for approximately 117 GtCO<sub>2</sub>e until 2030<sup>5</sup> – which is equivalent to one and a half times the estimated potential available from avoiding deforestation until 2030. The restoration of degraded forest lands offers a triple climate benefit: avoided emissions from halting ongoing degradation, significant additional sequestered carbon through restoration, and landscape-wide climate adaptation benefits with respect to the provision of restored ecosystem services, such as improved hydrological cycle regulation.

### **IUCN recommends that COP14:**

- √ **Urges** Parties to include restoration of degraded forest lands in future REDD mechanisms ; and
- √ **Urges** Parties to request SBSTA, in coordination with the Collaborative Partnership on Forests (CPF), to resolve

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<sup>5</sup> Report on the analysis of existing and potential investment and financial flows relevant to the development of an effective and appropriate international response to climate change. Dialogue on long-term cooperative action to address climate change by enhancing implementation of the Convention. Fourth Workshop. UNFCCC; Vienna, August 2007. Dialogue paper 8.

outstanding definitional issues with the purpose of including restoration of degraded forest lands in future REDD arrangements.

### **Coordinated and additional financial resources**

The Eliasch Review estimates that approximately \$4 billion is required over the next five years to support REDD-related capacity building in up to 40 forest nations. While IUCN welcomes the recent increase in innovative bilateral and multilateral financing initiatives to build the capacity of developing countries in tropical and subtropical regions it also notes that there are increasing concerns as to the lack of coordination between many of these initiatives. Furthermore, beyond increased coordination, a significant funding gap still exists.

Irrespective of which financial options are ultimately adopted, without adequate up-front investment to strengthen and reform national land-use policy, regulatory and institutional frameworks, the opportunities to secure stable and predictable funding over the longer term could be significantly diminished. For example, many countries still do not possess the necessary legal and institutional arrangement to distribute carbon payments, fairly and efficiently to relevant stakeholders, in particular to forest communities. This makes it imperative that over the short-term additional resources are allocated to potential candidate REDD countries for capacity-building, technology transfer, land-use governance reform, institutional strengthening and demonstration activities.

Notwithstanding the above, IUCN believes that, once the REDD mechanism is established, there is room for a range of approaches to REDD finance, from full market integration to full public funding, depending on national circumstances, donor interest and other factors.

### **IUCN recommends that COP14:**

- √ **Urges** Parties to enhance coordination among the different relevant financing initiatives with which they may be involved with respect to supporting developing countries prepare for REDD ;
- √ **Invites** Annex 1 Parties to provide over the next 5 years substantial additional funding for capacity building in REDD candidate countries ; and

- √ **Calls** on Parties to adopt a flexible stance with respect to REDD financing options.

## **Effective and equitable governance of forests**

A successful REDD regime requires attention to a number of governance issues if it is not to alienate or disenfranchise local forest-dependent communities, exacerbating conflict and thus undermining the prospect of securing permanent and additional reductions in emissions.

There is a substantial body of international agreements and best practice guidance that countries can draw on to provide the necessary underpinning for a national REDD regime. These include, *inter alia*, the United Nations Non-legally Binding Instrument on All Types of Forests (2007); the Expanded Programme of Work on Forest Biodiversity of the Convention on Biological Diversity and UN Declaration on the Rights of Indigenous Peoples.

### **IUCN recommends that COP14:**

- √ **Calls** on Parties to recognise the co-dependence between an effective future REDD regime and effective and equitable forest governance ; and
- √ **Encourages** Parties to ensure that their national REDD framework is consistent with international commitments and national practice related to effective and equitable forest governance.