

Ministerio de Planificación del Desarrollo

Viceministerio de Planificación Territorial y Medio Ambiente

Reducing Emissions from deforestation in developing countries

Policy approaches and positive incentives and technical aspects

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BOLIVIA**

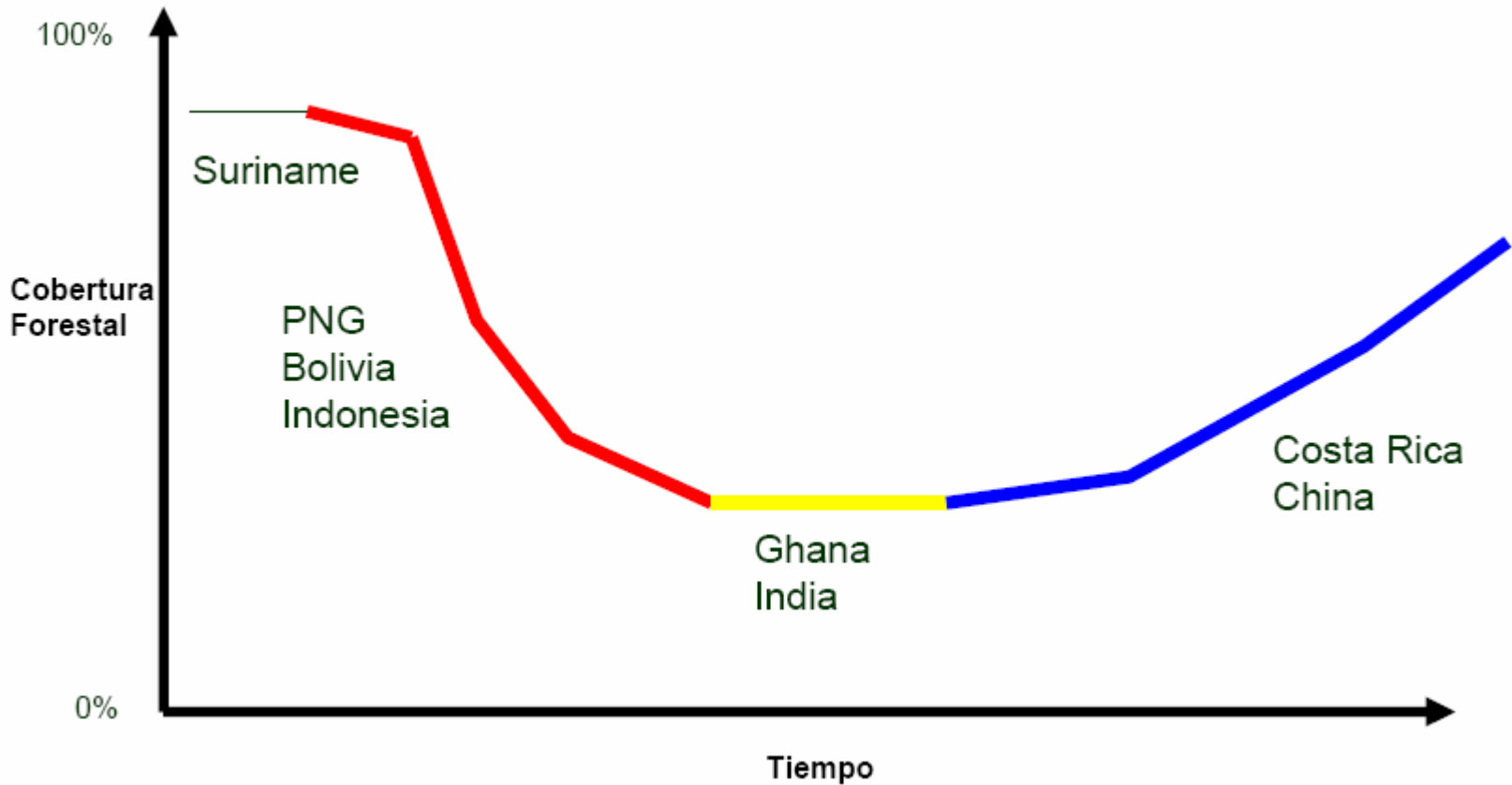
PUNTOS A TRATAR

- State of the Negotiations
- Policy Approaches and Positive incentives
- Technical Aspects
- Conclusions

State of the Negotiations

- 23 of February: Country submissions on Policy approaches and positive incentives
- 7 to 9 of March: Workshop, Cairns Australia.
- 9 to 18 May, SBSTA 25

Forest Cover



Positive Incentives

- A. REDD Mechanism: to account for carbon emission reductions and non-CO₂ emission reductions only in existing forest areas on a national basis.
- B. REDD Stabilization Fund: to account for carbon emissions and removals in countries participating in the REDD Mechanism that seek to maintain and stabilize existing forest areas on a national basis.
- C. REDD Enabling Fund: a special purpose group of funds designed to prepare and support developing countries who seek to participate in mechanisms A and B above, including piloting activities.



A. REDD Mechanism

- The REDD mechanism must be designed to provide positive incentives to support voluntary policy approaches that result in gross reductions in GHG emissions from deforestation and degradation in developing countries as measured against a Reference Scenario (RS).
- A RS will be made by estimating a reference emissions rate (RER) and taking account of a Development Adjustment (DA) factor.
- The RER should be determined by assessing the activity data related to rates of deforestation and estimating the carbon stock implications using the relevant IPCC Guidelines & GPG over a historical Reference Period (RP).



B Stabilization Fund

- could support developing countries that have very low rates of deforestation and seek to maintain their existing forest areas. (inclusive, reduce leakage)
- This fund could be supported through contributions generated from a variety of sources, including:
 - a levy on Emissions Reductions Units issued or Assigned Amounts, similar to those imposed on CERs,
 - a tax on carbon intensive commodities and services, or industries currently excluded from emissions reductions policies,
 - new and additional Official Development Aid, and/or other voluntary contributions.
- The REDD Stabilization Fund will not be sustainable without clearly identifying sufficient, consistent and predictable sources of replenishment funding.



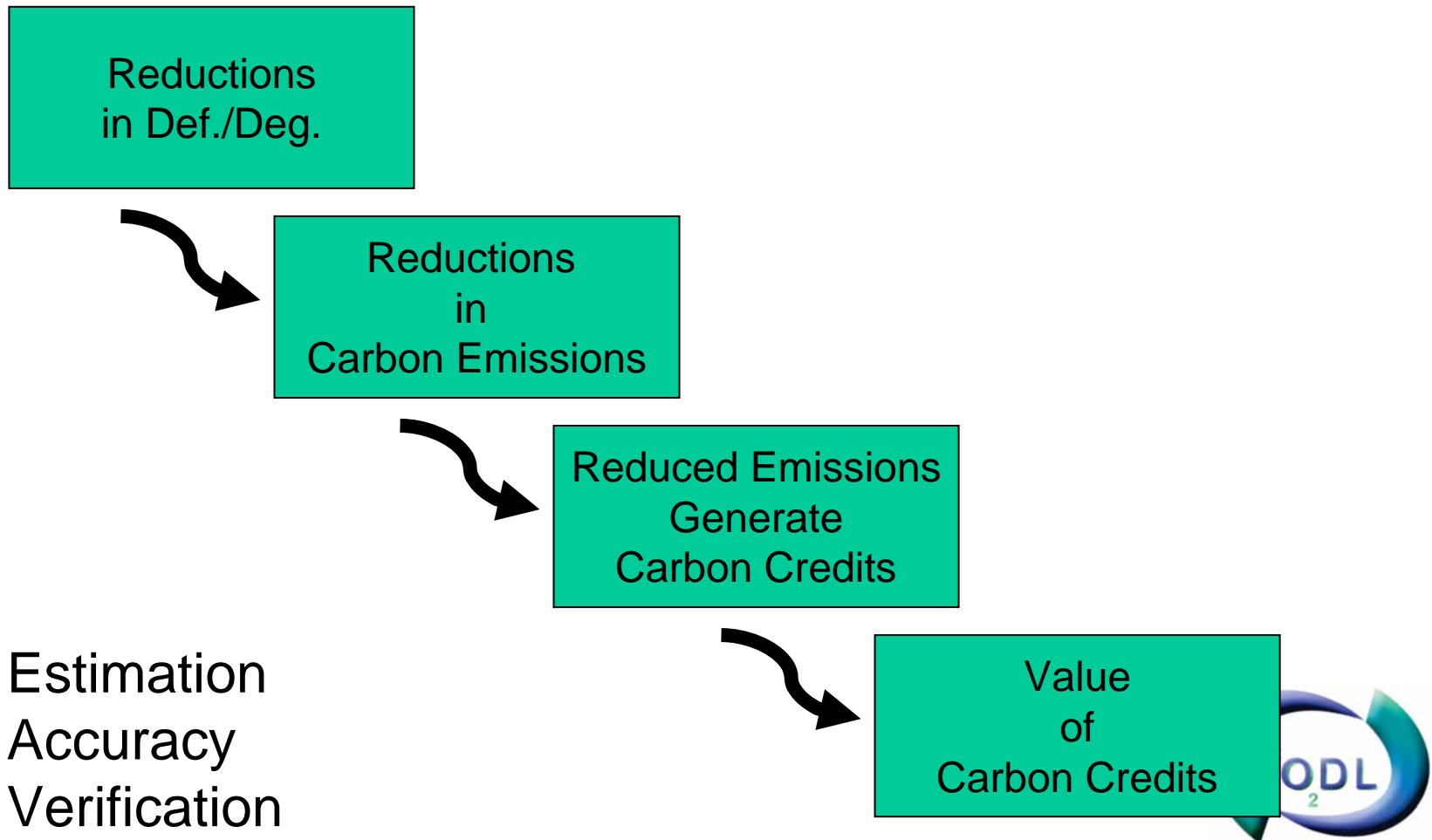
C. Enabling Fund

- Support capacity building activities
- Support pilot activities & credit for early action
- Developing countries need to establish and improve national capacities to construct reference scenarios (expanding forest inventories, remote sensing capabilities, etc.), analyze the existing drivers of deforestation, create institutional capacity



TECHNICAL ASPECTS

Generating Carbon Credits by Reducing Emissions from Deforestation and Degradation (REDD)



- Estimation
- Accuracy
- Verification



CRITICAL ISSUES

- **Deforestation/Degradation** – How should it be estimated? Over what time period?
- **Carbon Stock** – How much carbon is in forests of different types? How should it be measured?
- **Emission Reductions** – How should they be measured? What standards? What institutional frameworks?



Reference Scenarios: Principles

- Should be based on best available information about:
 - Historical rates of deforestation
 - Changes in relevant carbon pools
- Should take into account past & future drivers & trends
- Flexibility with standards will help participation
- Differentiated levels/tiers of reporting will provide incentives to improve over time



RS Technical Issues #1

- Tools currently exist to estimate:
 - **land use change** (remote sensing, inventories),
 - **carbon stocks** (biome averages, inventories)
 - **emissions** (emission factors)
- All tools yield estimates with uncertainties
- Wall-to-wall assessments are ideal, but sampling works fine especially when resources and capacity are limited



RS Technical Issues #2

- Guidelines (e.g. IPCC GPG) exist that provide guidance and quality assurance.
- Landsat-like technologies are probably the most valuable remote sensing tool for land use today, but they have limitations:
 - There are gaps in the past (e.g., cloud cover)
 - Mosaics often cover very large periods of time (7 or 8 years)
 - We may have future gaps, no guarantee for future sensors
 - Many countries (e.g., Annex 1) don't use remote sensing for national communications



RS Technical Issues #3

- It is not currently possible to directly measure carbon from space
 - New Japanese radar (ALOS) has great potential, but more research is needed
- More ground measurements needed
- Consistency in forest classifications is critical for integrating RS information

Linking carbon & land use change

- Data must be consistent
- **Forest classifications must be resolved**
 - Current UN process underway to harmonize classification schemes
- Classifications should reflect both forest "*type*" (moist, wet) and forest "*state*" (undisturbed, logged, fallow)



How do we do this?

- Flexibility, with standards, is important for country participation and scientific integrity
- Precedents in other UNFCCC areas for differentiated levels of reporting (JI & national inventories)
- Tiered baseline system could correlate with different mechanisms
 - 1st tier = fund
 - 2nd tier & 3rd tier = market

Various RS tiers possible

- 1st tier could involve look up/default tables (e.g., biome averages)
 - Reducing emissions easier than degradation
 - Improvements in tier 1 could be easily achieved (e.g., updating emission factors)
- 2nd tier & 3rd tier, improved/justified national data
- Countries can weigh benefits and costs of “upgrading” to a higher tier



RS policy issues

- Flexibility can be in reference period or target
- Many issues require political decisions, but:
 - Historical data are less prone to gaming than projections
 - Length of time periods should be at least 5 years
 - Proximity to present is important, but hurts early actors
- Emission reference scenarios (past) and monitoring (future) need to be compatible

Institutional issues

- There should be standards for REDD reference scenarios; these should make use of IPCC GPG
- A centralized body should provide quality assurance
- Improvements to previous efforts (GPG, CDM Board, JI board) should be considered
- Critical early capacity needs (training, financing, regional centers) should be supported
- The more bottom-up this process is, the more ownership there will be

Degradation

- Degradation is a major source of emissions, but no easy tools exist to measure it.
- Tools can be developed, either:
 - Default parameters and/or literature review
 - Stratified sampling
- Accounting for degradation will help with environmental integrity, leakage, and increased participation



Thanks

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