

Forest Day Bulletin

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SUMMARY OF FOREST DAY:

SATURDAY, 8 DECEMBER 2007

The "Forest Day" event was held at the Ayodya Hotel on December 8, 2007, alongside the UN Climate Change Conference, which included the thirteenth session of the Conference of the Parties (COP 13) to the United Nations Framework Convention on Climate (UNFCCC) and the third Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (COP/MOP 3). Forest Day was organized by the Center for International Forestry Research (CIFOR) and co-hosted by partner organizations under the Collaborative Partnership on Forests (CPF), comprising the UN Forum on Forests, Food and Agriculture Organization (FAO), International Tropical Timber Organization (ITTO), UN Development Programme (UNDP), Global Environment Facility (GEF), UN Convention to Combat Desertification (UNCCD), UN Environmental Programme (UNEP), Convention on Biological Diversity (CBD), World Conservation Union (IUCN), International Union of Forest Research Organizations (IUFRO), World Bank, and World Agroforestry Center (ICRAF).

The first of its kind, Forest Day was attended by more than 800 people, including scientists, policymakers and representatives from various intergovernmental and non-governmental organizations. With widespread recognition of the key role forests play in both mitigation and adaptation to climate change, Forest Day was convened as a platform for multi-stakeholder discussion to help shape the global forest agenda.

In addition to opening and closing plenaries, the event comprised four sessions on cross-cutting themes and 25 side-events. The four cross-cutting themes included methodological challenges in estimating forest carbon; market and governance; equity versus efficiency; and adaptation. The side events focused on various topics, including, inter alia: carbon emission abatement costs from reduced deforestation; the future of the land use sector in carbon markets; funding for reducing emissions from tropical deforestation; optimizing potential biodiversity benefits of reducing emissions from deforestation and degradation (REDD); biofuels for climate change mitigation; and experiences in national level deforestation baseline analyses.

For more information on the side events, see: http://www.cifor.cgiar.org/Events/COP-ForestDay/forestday_programme.htm.

FORESTS AND CLIMATE CHANGE

In its Fourth Assessment Report, the Intergovernmental Panel on Climate Change (IPCC) calculates that about 20% of anthropogenic CO₂ emissions during the 1990s resulted from land use change, primarily deforestation, with the remaining 80% resulting from fossil fuel burning. At the same time, 25% of total emissions are estimated to have been absorbed by terrestrial ecosystems through replacement vegetation growth on cleared land, land management practices

and the fertilizing effects of elevated carbon dioxide and nitrogen deposition. Forests therefore are an integral part of the global carbon cycle.

Depending on the age of the forest, the management regime, and other biotic and abiotic disturbances (insects, pests, and forest fires), forests can act as reservoirs, sinks (removing greenhouse gases from the atmosphere) or as sources of greenhouse gases. Forests also provide a number of vital services, notably as repositories of biodiversity and regulators of the hydrological cycle. Reducing deforestation and land degradation and improving forest cover are notable for being at the same time mitigation and adaptation strategies.

However, including emissions reduced from forest-related activities in a carbon accounting system is also notoriously complex, given the non-permanent nature of carbon uptake by trees, and the potential for “leakage” as deforestation moves elsewhere. There are also critical social and environmental considerations that have to be taken into account, such as biodiversity and the existence of forest-dependent indigenous people and local communities.

A BRIEF HISTORY OF FORESTS UNDER THE UNFCCC AND THE KYOTO PROTOCOL

Forests, as both sources of emissions and sinks, are covered under the UNFCCC. In defining the basic principles of the Convention, Article 3 states that policies and measures to combat climate change should “be comprehensive, cover all relevant sources, sinks and reservoirs of greenhouse gases ... and comprise all economic sectors.” Accordingly, Article 4.1 calls on all Parties to develop and update inventories of greenhouse gas emissions and removals; develop programmes and make efforts to address emissions by sources and removals by sinks; promote technologies that lead to lower greenhouse gas emissions in the forestry sector; promote sustainable management of sinks and reservoirs; and prepare to adapt to the impacts of climate change and develop appropriate plans for areas that might be affected by flooding, drought, or desertification.

While under the UNFCCC all countries are expected to count their emissions and removals from land use change and forestry in their national inventories, under the Kyoto Protocol industrialized countries with binding commitments (known as Annex I countries) may count towards their reduction target the emissions and removals from certain land use, land use change and forestry (LULUCF) activities. These provisions are covered in Protocol Article 3.3, 3.4, and 3.7, and cover: removals from afforestation (defined as planting of new forests on lands that have not been forested for a period of at least 50 years); reforestation (limited in the first commitment period to those lands that did not contain forest on 31 December 1989); emissions from deforestation; as well as possible emissions and removals from forest management, cropland management, grazing land management, and re-vegetation.

In addition, project-based activities under the two flexible mechanisms created by the Kyoto Protocol - Joint Implementation and the Clean Development Mechanism (CDM) - may also result in removals by sinks that can count towards a Party's reduction commitments. Joint Implementation refers to projects undertaken jointly by two Annex I countries. All projects undertaken in developing countries fall under the CDM. The purpose of the CDM is twofold: to help Annex I countries attain their Protocol commitments, and to assist developing countries in achieving sustainable development. Project activities under the CDM have special provisions to ensure that emissions are real and additional –that is, that any reductions resulting from the project would not have taken place in a business as usual scenario.

Only afforestation and reforestation projects are allowed in the Protocol's first commitment period under the CDM, and project activities have to address a number of issues such as non-permanence, uncertainty, the risk of leakage and others. Moreover, there is a ceiling determining the maximum number of credits that an Annex I party can gain in this way. As with all other CDM activities, projects can be either large or small-scale, the latter being limited to afforestation or reforestation project activities that are expected to result in net removals of less than 8 kilotonnes

of carbon dioxide per year. These project activities should directly benefit low-income communities and individuals.

REDUCING EMISSIONS FROM DEFORESTATION

At COP 11 in Montreal in 2005, forests were again taken up under the Convention under a new agenda item on “Reducing emissions from deforestation in developing countries: approaches to stimulate action,” as proposed by Papua New Guinea, Costa Rica and eight other Parties. The discussions focused on existing and potential policy approaches, and positive incentives and the technical and methodological requirements related to their implementation. Two workshops were held: one at the end of August 2006 in Rome, Italy, and the other one in early March 2007 in Cairns, Australia. Discussions on the issue continue at COP 13 in Bali, based on a bracketed draft text forwarded by the Subsidiary Body for Scientific and Technological Advice at its 26th session (SBSTA 26) (see FCCC/SBSTA/2007/4 paragraphs 36-39). Forest Day was convened to reinforce the momentum and inform the discussions related to forests under negotiation at COP 13.

FOREST DAY SUMMARY

OPENING PLENARY

M. S. Kaban, Indonesia’s Minister of Forestry, delivered the keynote address on behalf of Dr. Susilo Bambang Yudhoyono, President of Indonesia. He noted that Indonesia has the world’s third largest forest area and highlighted domestic policies, including a land-use plan and reforestation and rehabilitation programs. He stressed that there are currently powerful market incentives for non-compliance with domestic and global forestry frameworks, and called for creating a post-2012 international arrangement that provides market incentives for forest preservation.

Frances Seymour, CIFOR Director General, welcomed the resurgent interest in forests linked to climate change discussions but recalled the many difficulties involved in harnessing the mitigation and adaptation potential of forests in a way that also addresses poor peoples’ needs. She noted the role of CIFOR in identifying and addressing research priorities and called for the forest community to mobilize to move the process forward.

In a pre-recorded video message, Wangari Maathai, 2004 Nobel Peace Prize Winner, highlighted the many goods and services that forests provide, in particular for communities dependent on natural resources, and stressed the need to safeguard these goods and services and protect indigenous forests, in particular in Amazon, Congo and SE Asia.

Katherine Sierra, World Bank, said that sustainable forest management is an important part of the solution to climate change, and stressed that developing a carbon market could add important new incentives for forest preservation. Noting that many underlying causes of deforestation are outside the forest sector, she stated that engaging beyond the forest sector is essential. Sierra highlighted the Forest Carbon Partnership Facility (FCPF), which is a new forest carbon initiative to be launched by the World Bank that is poised to address methodological and capacity building issues related to REDD, and a new plan to increase investment in forest-related research to at least US \$140 million per year.

Victoria Tauli-Corpuz, Chair of the UN Permanent Forum on Indigenous Issues, drew attention to indigenous peoples not only as victims of climate change impacts but also as people who can significantly contribute to the debate and science of climate change. Recounting a case of mistreatment of indigenous peoples as a result of a forest conservation and emissions reduction project in Uganda, she underscored the need to respect indigenous peoples’ rights and reinforce the free prior informed consent procedure endorsed in the recently adopted UN Declaration on Indigenous Peoples’ Rights.

Rudy Rabbinge, Dean of Wageningen Graduate Schools, said the scientific community should act as a broker that informs policymakers and not as issue advocates or politicians, and stressed the need for better scientific understanding on the consequences of particular policy interventions. He said the links between forests and climate do not alter policy imperatives because values that are intrinsic in forest systems provide sufficient rationale for preserving forests. He cautioned against the large-scale use of biofuels, noting this would have considerable negative impacts on sustainable development, particularly in developing countries.

Referring to photosynthesis as “the ultimate green power,” Ernesta Ballard, Weyerhaeuser Company, said we must overcome the fear of cutting down a tree and called for: enhancing the economic value of forest products; bringing forest management up to sustainable standards to address biodiversity water and other environmental services; creating incentives for multiple certification systems; allowing the market to work; and crediting SFM and ensuring that credit is freely tradable.

During the ensuing discussion, one participant stressed the symbiotic relationship between forests and non-tree species and said forests need great apes and other mammals as much as those species need forest habitats. Another noted that indigenous people have been exploited by companies and questioned the wisdom of developing carbon trading involving corporate actors. Others emphasized, inter alia, that: there are universal and individual responsibilities for protecting forests; there are limits to what government institutions can do; the values of monoculture plantations are lower than those of natural forests; the real challenge is to internalize environmental services in the global economy; and illegal logging driven by consumption is a major cause of deforestation.

CROSS-CUTTING THEMES

Setting the baseline and estimating the forest carbon: Methodological challenges

The discussion was facilitated by Bernhard Schlamadinger, TerraCarbon LLC.

The panel brought together Ruth de Fries, University of Maryland; Sandra Brown, Winrock International; Lucio Pedroni, Tropical Agricultural Research and Higher Education Center, Costa Rica; and Peter Holmgren, FAO. Panelists highlighted, inter alia, that: monitoring forest degradation is problematic because key definitions change over time; forestry is not a high priority sector in most countries and monitoring and assessment would help make forests more visible in policy discussions at the national level; setting a baseline is difficult due to widespread confusion over key terms such as “baseline” and “target,” high inter-annual variation in deforestation, and overly simplistic socioeconomic modeling; and to estimate forest carbon in peatlands it is necessary to account for the nature of land use change, including depth of drainage, duration of drainage and the type of post-clearance land use.

During the discussion, participants stressed that: estimates of forest carbon must cover both deforestation and forest degradation; the measurement of degradation hinges on the definition of degradation; more work needs to be done on peatlands as their contribution to carbon emissions depends on their disturbance and post-clearance management; and there is a risk in rewarding regeneration rather than avoided degradation.

Markets and governance: Can we make them work?

The discussion was facilitated by Josef Leitmann, World Bank.

Noting the fragmented nature of financial mechanisms addressing forest goods, Benoit Bosquet, World Bank, noted tremendous opportunity for co-mingling initiatives addressing biodiversity and climate change. On lessons learned, he pointed to onerous rules under the CDM market and

called for a simple approach, where scientific uncertainties are balanced by the size of emission reductions, and for addressing stabilization.

Virgilio Viana, State Secretary of Environment and Sustainable Development of Amazonas, Brazil, highlighted the remarkable achievements in sustainable development of the state of Amazonas, which included reducing deforestation by 51 percent through various incentives and policies that increased the value of forest products and environmental services. He stressed the need to ensure that standing forests have a higher value than logged forests and the importance of a change in paradigm whereby forests become an asset rather than an obstacle to development.

Luca Tacconi, Australian National University, noted that illegal logging results in forest degradation and not necessarily deforestation, and stressed the importance of understanding in detail the drivers of deforestation for a specific country and designing appropriate policies that reach people at the local level.

Johannes Ebeling, EcoSecurities, emphasized law enforcement and governance alongside project development, calling for policy certainty and for incentives to reach the ground. He cautioned against high transaction costs that stifle the market and advocated rewards for early action.

In the following question and answer session, participants addressed: governance at different levels, in particular at the federal level; the contribution of industrial-scale logging and agribusiness to deforestation; biodiversity and social aspects related to REDD; land tenure; the World Bank's FCPF and indigenous peoples; the relationship between some countries' potential for REDD and their governance indicators; and the possibility of bundling different sources of payments and funding.

Efficiency versus equity: What are the tradeoffs and can they be managed?

Stewart Maginnis, IUCN, opened the session, noting that achieving equitable and efficient sustainable forest management is more complicated than rocket science.

Jürgen Blaser, Intercooperation, Switzerland, summarized lessons from forest-related CDM projects, cautioning against reforestation in degraded areas, and stressing the importance of integrating all mitigation options in the post-2012 regime.

Carlos Rodriguez, Conservation International, Costa Rica, discussed lessons learnt from domestic forest policies in Costa Rica since 1969. He emphasized that successful forest policy requires restructuring government institutions, creating positive financial mechanisms that recognize environmental services, and banning deforestation through domestic legislation.

Peter A. Minan, ICRAF, highlighted the need for proper understanding of the causes of deforestation, rights and responsibilities, and opportunity costs.

John O. Niles, Carbon Conservation, Australia, cautioned against overregulation and emphasized the value of simple methodologies for calculating how much carbon can be credited.

In response to questions, panelists agreed that paying for avoided deforestation alone is not sufficient and that the REDD framework must go beyond that measure. Jürgen Blaser highlighted international equity issues, noting there are countries without any sequestration potential to sell because they have no forests left. Peter A. Minan said there is no capacity in the developing world to develop carbon trading. Carlos Rodriguez stated the only way to halt deforestation is to generate wealth. He said the best mechanism for REDD is to pay for environmental services. Rodriguez expressed concern with the consensus requirement in the UN system and said forest

policy is too important to entrust its formulation to people who have never been in a forest or seen a monkey in the wild.

Adaptation to climate change: Achieving increased resilience and livelihood improvements

The session was facilitated by Ibrahim Thiaw, UNEP.

Speaking on arid lands, Youba Sokona, Sahara and Sahel Observatory, stressed the importance of anticipatory adaptation. Noting a disconnect between research, policy and action in the field, he stressed science as a broker, bottom-up learning, and cooperation between the Rio Conventions on adaptation.

Thomas Downing, Stockholm Environment Institute, spoke about institutional issues and the need to advance adaptive capacity now to build resilience to multiple stresses. Noting a research study on National Programmes of Action (NAPAs) under the UNFCCC, he expressed concern with the absence of references to regulation reform and to risk financing and management institutions when addressing adaptation needs.

Rodel D. Lasco, ICRAF, said that local governments are absolutely necessary for mainstreaming and underscored the nexus between adaptation and mitigation. He called for a combined ecosystem and livelihoods approach as forests are coupled human-nature systems.

Carmenza Robledo, Intercooperation Switzerland, focused on the role of forests and forest-dependent people in adaptation. She highlighted the role of non-traditional forest products and other forest goods and services, stressed the potential for forest policy in pro-active adaptation and called for mainstreaming adaptation approaches across relevant sectors.

In the ensuing discussion, participants addressed, inter alia, the need to consider adaptation and mitigation simultaneously, the need to mainstream forest-related adaptation challenges into development planning, and the need for innovative mechanisms for funding, including private and public partnerships. It was also stressed that adaptation is needed now to build resilience to multiple stresses and that it should be focused on the most vulnerable, including forest-dependent people.

CLOSING STATEMENTS

In addressing the closing plenary, Seymour presented a summary of key points emerging from the event as identified by the CPF partners, including: the existence of a variety of forest and tree resources with multiple values and facets; the recognition that there is a great deal of knowledge on effective and fair approaches to sustainable forest management among a range of stakeholders; the need to align the climate change agenda with larger development processes; and the potential for synergies between mitigation and adaptation and co-benefits related to poverty alleviation and biodiversity conservation. Among the areas of consensus, she noted that: current methods are “good enough” to proceed with the design and mechanisms for REDD; governance-related challenges pose the greatest obstacles to international investors and local stakeholders but also provide opportunities for governance reform; there is a need for simple mechanisms and multiple instruments, including a combination of market mechanisms; and the success of REDD depends on willingness to address key drivers of deforestation, including those beyond the forestry sector. As areas requiring further consensus-building, she identified the role of commercial forestry in REDD, and concerns that market mechanisms related to REDD will not benefit poor people. Among areas for further research work, she noted the need to: better define degradation and monitor carbon stock change, particularly related to degradation and peatlands; identify ways to minimize transaction costs while ensuring relevant safeguards; and develop methods for assessing the adaptive capacity of forests dependent communities.

Yvo de Boer, UNFCCC executive secretary, commended the event for bringing together the climate change and forest communities and for addressing issues which are under consideration in the UNFCCC negotiations. He noted the need to attend to incentive mechanisms beyond those under the UNFCCC and to disaggregate and improve understanding of deforestation and degradation, exploring how best to address the drivers of deforestation. He expressed confidence that the discussions at Forest Day would inform the UNFCCC process.

Emmanuel Ze Meka, ITTO, highlighted the value of bringing various stakeholders together for Forest Day. He lamented that forests are insufficiently taken into account in the climate regime, forestry projects have not benefited from the CDM, and forest-related carbon trading has not been established. Ze Meka called for more research and closer cooperation in further establishing forestry on the climate agenda.

Don K. Lee, IUFRO, said this process provides a unique opportunity to integrate forest and climate policy. He commended participants for having given excellent guidance on how forestry can contribute to climate change adaptation and how synergies can best be achieved.

Boen Purnama, Secretary General of Indonesia's Ministry of Forestry, congratulated CIFOR for a successful Forest Day and said all future UNFCCC COPs should feature a Forest Day. He highlighted the importance of implementing the recent non-binding agreement on forests negotiated under the United Nations Forum on Forests. Purnama stressed cooperation between organizations on methodology, market analysis and incentive mechanisms related to REDD.

Frances Seymour thanked CPF members, participants and others, and drew the meeting to a close.

UPCOMING MEETINGS

INTERNATIONAL CONFERENCE ON SUSTAINABLE FOREST MANAGEMENT AND POVERTY ALLEVIATION: ROLES OF TRADITIONAL FOREST-RELATED KNOWLEDGE: This conference will be held from 17-20 December 2007 in Kunming, China. It will provide a platform for sharing information and exchanging experiences related to traditional forest-related knowledge (TFRK) in the Asia-Pacific region. For more information contact: Liu Jinlong, Chinese Academy of Forestry; e-mail: liujl@caf.ac.cn; Internet: <http://www.iufro.org/download/file/1928/3500/kunming07-tftfk-1st-announcemt-call.doc>

DELHI SUSTAINABLE DEVELOPMENT SUMMIT (DSDS) 2008: SUSTAINABLE DEVELOPMENT AND CLIMATE CHANGE: The summit will be held from 7-9 February 2008 in New Delhi, India. DSDS will offer a platform for addressing issues of climate change and sustainable development. For more information contact: The Summit Secretariat, TERI; tel: +91 11 24682100 / 41504900; fax: +91 11 24682144 / 24682145; e-mail: dsds@teri.res.in; Internet: <http://www.linux.teriin.org/dsds/2008/index.htm>

WASHINGTON INTERNATIONAL RENEWABLE ENERGY CONFERENCE (WIREC) 2008: This conference will take place from 4-6 March 2008 in Washington DC, USA. The event will aim to advance goals on energy security, climate change, air quality, and sustainable development, including agriculture and rural development. For more information contact: American Council on Renewable Energy; tel: +1-202-393-0001; e-mail: pierobon@acore.org; Internet: <http://www.wirec2008.org/>

LINKING FOREST INVENTORY AND OPTIMIZATION: This conference will be held from 1-4 April 2008 in Freising, Germany. Its aim is to facilitate a discussion on forest management optimization, sustainability assurance, risk modeling, applications of remote sensing, and up-to-date collection of terrestrial data. For more information contact: Petra Zeller, Technische Universität München; e-mail: Lifo2008@forst.wzw.tum.de; Internet: <http://w3.forst.tu-muenchen.de/~waldbau/lifo2008/index.php>

28TH SESSIONS OF THE UNFCCC SUBSIDIARY BODIES: The sessions will take place from 2-13 June 2008 in Bonn, Germany. For more information contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; Internet: http://unfccc.int/meetings/unfccc_calendar/items/2655.php?year=2008

GLOSSARY

CBD CIFOR COP CPF GEF ICRAF IPCC ITTO IUCN IUFRO FAO NAPAs REDD UNCCD UNEP UNFF UNDP Convention on Biological Diversity Center for International Forestry Research Conference of the Parties Collaborative Partnership on Forests Global Environment Facility World Agroforestry Center Intergovernmental Panel on Climate Change International Tropical Timber Organization World Conservation Union International Union of Forest Research Organizations Food and Agriculture Organization National Adaptation Programmes of Action Reduced emissions from deforestation and degradation UN Convention to Combat Desertification UN Environmental Programme UN Forum on Forests UN Development Programme

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