

Land Use, land Use change and forestry project in the CDM

Keys elements for African position
At COP8

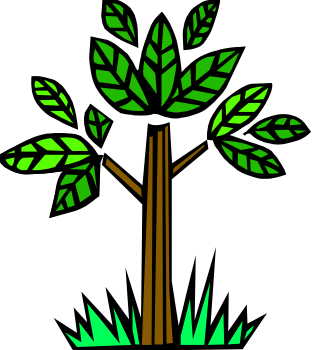


General AGREEMENTS

- Land use, land use change and forestry sector plays an important role in the global carbon cycle. LULUCF sector can serve as a source, a sink and a temporary storage pool of carbon;

Several important decisions came out of COP 7 with regard to land use, land use change, and forestry (LULUCF) and the CDM;

- COP 7 requested SBSTA to develop definitions and modalities for including afforestation and reforestation project activities under article 12, in preparation for decisions to be made at COP 9;
- SBSTA sixteen elaborated an agenda for work where it was retained that at the seventeenth session of SBSTA, Parties will consider issues related to modalities.
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COP DECISIONS ON LULUCF ACTIVITIES

Decision 11/CP.7

- Requests the Subsidiary Body for Scientific and Technological Advice (SBSTA) to develop definitions and modalities for including afforestation and reforestation project activities under Article 12 in the first commitment period, taking into account the issues of non-permanence, additionality, leakage, uncertainties and socio-economic and environmental impacts, including impacts on biodiversity and natural ecosystems, and being guided by the principles in the preamble to draft decision -/CMP.1 (Land use, land-use change and forestry), with the aim of adopting a decision on these definitions and modalities at the ninth session of the Conference of the Parties;



Suite

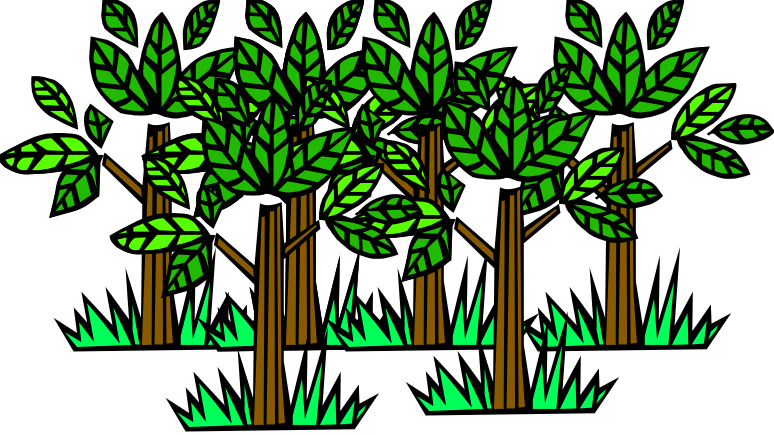
- Invites the Intergovernmental Panel on Climate Change (IPCC) to elaborate methods to estimate, measure, monitor, and report changes in carbon stocks and anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, and Articles 6 and 12 of the Kyoto Protocol, on the basis of the Revised 1996 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories, to be submitted for consideration and possible adoption to the Conference of the Parties at its ninth session;



suite



- **For land use, land-use change and forestry activities under Article 3, paragraphs 3 and 4, the following definitions shall apply:**
- (a) **“Forest”** is a minimum area of land of 0.05-1.0 hectares with tree crown cover (or equivalent stocking level) of more than 10-30 per cent with trees with the potential to reach a minimum height of 2-5 metres at maturity *in situ*. A forest may consist either of closed forest formations where trees of various storeys and undergrowth cover a high proportion of the ground or open forest. Young natural stands and all plantations which have yet to reach a crown density of 10-30 per cent or tree height of 2-5 metres are included under forest, as are areas normally forming part of the forest area which are temporarily unstocked as a result of human intervention such as harvesting or natural causes but which are expected to revert to forest;

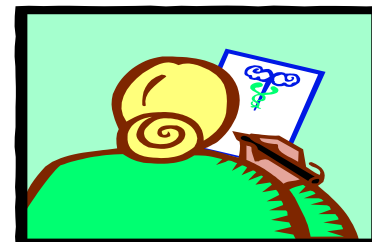


suite

- (b) “**Afforestation**” is the direct human-induced conversion of land that has not been forested for a period of at least 50 years to forested land through planting, seeding and/or the human-induced promotion of natural seed sources;
- (c) “**Reforestation**” is the direct human-induced conversion of non-forested land to forested land through planting, seeding and/or the human-induced promotion of natural seed sources, on land that was forested but that has been converted to non-forested land. For the first commitment period, reforestation activities will be limited to reforestation occurring on those lands that did not contain forest on 31 December 1989;

Decision 17/CP.7: modalities and procedures for a clean development mechanism as defined in Article 12 of the Kyoto Protocol

- (a) That the eligibility of land use, land-use change and forestry project activities under the clean development mechanism is limited to afforestation and reforestation;
- (b) That for the first commitment period, the total of additions to a Party's assigned amount resulting from eligible land use, land-use change and forestry project activities under the clean development mechanism shall not exceed one per cent of base year emissions of that Party, times five;
- (c) That the treatment of land use, land-use change and forestry project activities under the clean development mechanism in future commitment periods shall be decided as part of the negotiations on the second commitment period;





decision17/CP7

- That the decision by the Conference of the Parties at its ninth session, on definitions and modalities for inclusion of afforestation and reforestation project activities under the clean development mechanism, for the first commitment period, shall be in the form of an annex on modalities and procedures for afforestation and reforestation project activities for a clean development mechanism reflecting, *mutatis mutandis*, the annex to the present decision on modalities and procedures for a clean development mechanism;



KEYS ISSUES OF DEBATE

To protect the environmental integrity of the protocol with regard to crediting Lulucf project activities, five elements are important:

- The definitions of eligible activities;
- The stringency of project baselines,
- Accounting leakage;
- Modalities to compensate for future reversal of project benefits
- Sustainable development of lulucf activities

Afforestation and Reforestation are not explicitly define for Article 12;



Forest definition

- Forest definition is an important element for the definition of afforestation and reforestation;
- This definition could be modified to either encourage, discourage or exclude activities such as plantations projects, agroforestry, restoration and revegetation.
- Parties should consider whether the definitions for afforestation/reforestation could create perverse incentives for non AI to clear forest land in order to make it eligible for afforestation/reforestation activities in the CDM or to preserve the goals of international Convention on biodiversity or forestry.
- Parties must decide if the definitions will be applied only for the first commitment and will be reevaluated for the second commitment and later ;

suite

The definition of forest could be compatibility with national non climate –related goals and data collection systems;



Proposals definitions for forest for art.12

Options	Advantages	limits
Apply the Art 3 definitions to Art12	<ul style="list-style-type: none"> - minimum forest dimension keep the task of monitoring forested areas feasible 	<ul style="list-style-type: none"> - increased finer resolution and more expensive; - difficult to find historical data at finer levels of resolution
Apply Biome specific definitions	<ul style="list-style-type: none"> - could allow for adjustments for data availability differences among biomes - ease of data collection - captured more realistically diverse forest ecosystems 	<ul style="list-style-type: none"> - various types of biomes, savannah land/temperate forest - SBSTA need to develop specific methodology for each biome
Country specific flexibility	<ul style="list-style-type: none"> - use existing forest inventory data 	Various specificities, how to monitore?

Definitions of afforestation and reforestation under art. 12

Options	Advantages	limits
Apply the art 3 definitions	<ul style="list-style-type: none"> - avoid creating an incentive for clearing land in order to create creditable removals from reforestation 	<ul style="list-style-type: none"> - excludes revegetation; - not includes regeneration following clear cut harvesting after 1989 non availability of sufficient land use data in non AI
Only Modify the dates	<ul style="list-style-type: none"> - Choose the base year which ensure an availability of land use data; - Possibility to reforest recently cleared land 	<ul style="list-style-type: none"> - be able to distinguish reforestation activities from replanting after harvesting - increase the number of eligible lands areas (influence the carbon cost)
Choose new definitions for art12	<ul style="list-style-type: none"> - create additional flexibility to accommodate project activities such as agroforestry, forest restoration 	<ul style="list-style-type: none"> - difficulties to attend a agreement in time



Conclusion on definition

- The type of project undertaken will affect:
 - competitiveness of project opportunities accross non AI between project undertaken under CDM and project under art 3 and 6
 - ease of verification ,
 - cost of monitoring;
- the definition should take in consideration the notion of certifiable project, the availability of data and the concerns of nationals goals.



MODALITIES

Baselines and additionality

- challenge to establish the baseline for forestry projects (evolution of technologies, determine land use change);
- baselines should be project specific or standardized;
- types of data necessary , model to develop baseline;
- baseline fixed or adjustable

(suite)



Leakage

- Leakage is defined in this annex of Decision 17/CP.7 as the net change of anthropogenic emissions of greenhouse gases by sources which occurs outside the project boundary, and which is measurable and attributable to the CDM project activity.
- We notice :
 - negative leakage: increase greenhouse gas emission outside the project boundary
 - positive leakage (spillover), if it induces individuals to undertake similar activities to the project or create new forestry policies and legislation

Leakage is important for interpretation of CERs in land use sector

(Suite)



- To address leakage, it needs:
- to identify the potential leakage (market or national /international effects)
- to determine project boundary
- to propose efficient responses
- to develop methods for monitoring leakage



Modalities

Permanence

- Some of the carbon stored in a forest could be released due to natural causes, such as fire, disease or pests, human activities such as converting the forested land to agriculture for example;
- Ways to address the potential reversal of project benefits , include :
 - treating forestry activities as projects with time frames;
 - establishing restrictions on project duration;
 - applying different types of procedures to determine project benefits and credits;
 - using insurance and others measures that limits the risk of reversal



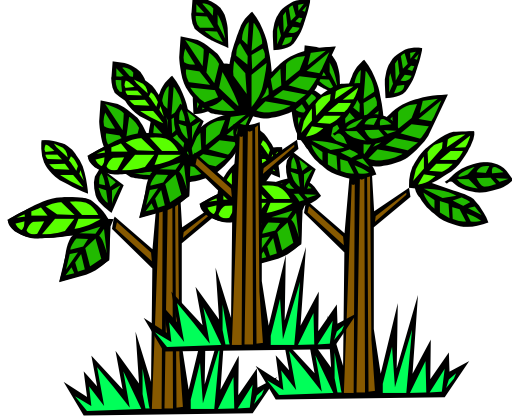


Permanence

Colombian proposal

- Temporary CERs (CERs expire at the end of a specified time period)
- TCERs have a specified validity period (calculation base on the duration of storage;
- If credited project stocks are lost prematurely during the lifetime of the project, the project developer holds the liability to compensate by retiring an alternative (CER, T-CER, ERU);





Modalities (end)

Sustainable development impacts

- biodiversity
- reduce pressure on natural forests and avoid incentives for natural forest conversion
- avoid displacement of population;
- participation and benefit sharing

