×		

## SUBMISSION ON REDD ISSUES FOR THE FORTHCOMING POZNAN CLIMATE CHANGE TALKS

## **HUMANE SOCIETY INTERNATIONAL - AUSTRALIA**

## **NOVEMBER 2008**

Humane Society International (HSI) welcomes the opportunity to provide input on issues related to REDD for the forthcoming climate change talks in Poznan. HSI is one of the world's largest conservation and animal protection organisations, with over 10 million supporters worldwide, and works to achieve strong conservation outcomes both domestically and internationally, particularly through engagement with governments on national and international law and policy efforts.

The purpose of this note is to provide comments on REDD issues for consideration by Parties, Intergovernmental Organisations and Observers at the UNFCCC climate talks in Poznan, and further as these policies develop through 2009. HSI's submission on the design of a REDD mechanism, sent to the UNFCCC Secretariat prior to the Accra meetings is also relevant. A copy is attached for your information.

HSI regards an effective REDD outcome at Copenhagen as providing a highly significant contribution to deep and early cuts in emissions, as well as perhaps the last best chance the world has for preventing large scale loss of biodiversity and species extinction on a major scale. Indeed, it is clear that without a REDD mechanism, that can mobilise sufficient funds to bring deforestation and degradation to near zero within a decade, there is no real chance of meeting targets for atmospheric CO<sup>2</sup> concentrations that will avoid dangerous climate for many of the world's ecosystems. Neither is it likely that 450ppm will be achievable.

REDD offers a relatively quick and cost-effective means of reducing global emissions at a scale which can provide a 'breathing space' while alternative energy technologies and strategies, including carbon capture and storage, are developed and come on line. In this regard we would like to take the opportunity to bring to your attention a new Nature Conservancy (TNC) report on the crucial issue of the role of protected areas in storing and sequestering carbon.

TNC compiled this study on the extent to which protected areas (in the humid tropical forest biome) do or do not sequester carbon better than other landscapes. The study was commissioned by TNC and completed by the United Nations Environment Program and the World Conservation Monitoring Centre. A copy of the report is attached.

In summary, the study found that protected areas in the humid tropical forest biome are losing carbon at a lower rate than surrounding areas, and that there is significant scope to further reduce carbon loss from deforestation and degradation by improving the effectiveness of protected area management. Importantly, the study also found that protected areas in the stronger biodiversity-protected categories (IUCN protected area categories I - IV) were also more effective in sequestering carbon than category VI mixed-management protected areas.

We consider that an optimal REDD agreement should specifically require that the REDD mechanism maximise biodiversity co-benefits as well as carbon storage and sequestration. If possible, we would prefer to see any REDD agreement contain mandatory operating principles and requirements in order to maximise biodiversity co-benefits. Such a commitment to biodiversity co-benefits requires some further development work and HSI is working with a number of other conservation organisations and individuals, such as the World Conservation Monitoring Centre, WWF, The Nature Conservancy and Conservation International. We anticipate that the Convention on Biological Diversity (CBD) Ad Hoc Technical Expert Group on Biodiversity and Climate Change will significantly contribute to this work and ensure adequate advice is available to decision-makers before Copenhagen.

If such operating principles and requirements cannot be agreed in time for Copenhagen, we would at least expect to see the final REDD agreement include a commitment to the principle of maximisation of biodiversity co-benefits and to continue work under the UNFCCC on developing the required principles and procedures.

Secondly we would like to see the UNFCCC approach to REDD based on carbon carrying capacity or CCC (measuring and reporting changes in natural carbon carrying capacity for specific areas of native forests / ecosystems), rather than changes in rates of emissions. Measuring and reporting changes in carbon stores does not require all the complications associated with calculating or estimating baseline rates of emissions, especially when based on past events.

Thirdly, great care needs to be taken in regard to the inclusion of ill-defined concepts such as Sustainable Forest management (SFM) in REDD.

SFM can cover a wide range of very different forest management strategies from conversion of native forest to plantation to maintenance of old growth native forest in order to maintain it in a pristine condition. SFM is a term commonly used by the forest industry to cover these two extremes and everything in between. Most activities covered by the term SFM involve some form of forest degradation in terms of a decrease in biodiversity values and a loss of carbon stores. As a result many of the activities of the forest industry under the guise of SFM will involve greater or lesser degrees of forest degradation which are unsustainable with respect to both biodiversity conservation and maintenance of carbon stores.

REDD, however, as the acronym states, is concerned with financial incentives to avoid deforestation and forest degradation, and thereby maintaining existing carbon stores and biodiversity values.

REDD is only consistent with a limited subset of a range of activities covered by SFM - those that actually maintain or restore natural carbon carrying capacity and associated biodiversity values.

Likewise, there are a whole range of SFM activities that, may be sustainable for wood supply, but that actually result in a loss of carbon and biodiversity and would thus occur a debit in any comprehensive accounting system.

Where SFM activities are being carried out that constitute 'afforestation' or 'reforestation', other mechanisms besides REDD, such as the CDM are available to support them.

Fourthly, we want to see REDD included in any market-based trading system(s). Such a REDD

mechanism should allow credits to be issued to those forest managers who maintain forest at carbon carrying capacity or restore them to capacity. HSI would like to see an open market system that allows direct market transactions between liable emitters and local communities/rights holders or whoever is responsible for on-ground management. We would prefer this to having market transactions mediated between some kind of institutional funding arrangement managed by developed/donor countries making transfers via conventional and sometimes inefficient, national institutional arrangements in developing countries.

In addition, HSI also supports any complementary funding strategies for REDD involving direct donor government support for landholders engaging in REDD activities and any other institutional arrangements that might be developed to allow liable polluters to meet their obligations by supporting REDD activities.

However, we do consider direct market based approaches should be the principal funding strategy for REDD, as it is the only one that offers a realistic chance to generate the large amount of new and additional funds required to stop deforestation and forest degradation on the scale required. We consider that indirect market based approaches and traditional donor funding will never raise the amount of funding required to do the job in the time available.

In reconciling a market approach with recognition of local community rights consideration should be given to the concept of 'trust funds', where market based mechanisms contribute substantial funds to independent and well governed trust funds. These trust funds then generate a permanent income stream to allow communities that have foregone a degrading development option to pursue an alternative development strategy.

HSI thanks UNFCCC parties, IGOs and observers for considering our views.