

SWITZERLAND

## **Submission on Forest Management under the Kyoto Protocol**

**27 November 2009**

Parties were invited by the Co-facilitators of the LULUCF contact group of the Ad-hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol AWG-KP 9 in Barcelona to submit data and information on forest management, without presuming particular accounting rules, by November 27, 2009. Switzerland is pleased to provide its data as follows.

Switzerland's preferred option for the second CP for forest management accounting is gross-net with a discount factor for the reasons given in previous submissions. However, we are open to consider other approaches that would maintain the environmental integrity and incentives that are the fundamental purpose of LULUCF contributing to mitigating climate change. Switzerland supports accounting approaches that provide an incentive for the increase and maintenance of existing carbon stocks, for sustainable forest management, and for the cascaded use of wood products, as well as disincentives for unsustainable management. In general the package of incentives and disincentives has to promote forest-related activities that provide real benefits for the climate. Therefore, Switzerland believes that all LULUCF accounting rules should be designed to a package in such a way that they do not penalize countries that have increased their forest stock before and after 1990 and plan to intensify the utilization of wood in the future, given this is all done on a sustainable basis.

Regarding reference intervals for the second CP, Switzerland is ready to consider various options including the period 2001-2005 as well as a forward looking reference level in combination with the use of historical data. In Table 1 below, for columns B and F Switzerland has used the period **2001-2005** as reference interval. This particular 5-year period was chosen because for the purposes of comparison it is compatible in length with the 1<sup>st</sup> CP, as well as in time, since being close to the 1<sup>st</sup> CP data are fixed and available and thus distortions caused by comparison with a more distant period can be avoided. Further, we believe that all Annex I parties have complete, good quality data for this relatively recent period.

As mentioned above, the choice of the period 2001-2005 does not exclude the consideration of other reference intervals and how they are applied (for example including possible quantitative limitations and discount factors). If the period **1990-2012** were chosen, 1990 forest conditions could be taken into account while also incorporating changes that have occurred since then. Accounting for this extended period could resolve the issue many parties have expressed with 1990 being arbitrary and introducing arte-facts into the accounting due to 1990 forest conditions being uniquely distinct from those of a multi-year period. Including the first commitment period in the reference interval would mean that all available data would be used, as close to the 2<sup>nd</sup> CP as possible, thus minimizing arte-facts from interannual variability and the arbitrary choice of a particular base year. If 1990-2012 were Switzerland's reference interval, Column B (reference level) would be  $-2.19 \text{ MtCO}_2\text{e/yr}$ , Column F (forecast) would be  $2.67 \text{ MtCO}_2\text{e/yr}$ , and Column H (Option B)  $2.67 \text{ MtCO}_2\text{e/yr}$ .

### **Land-based accounting**

Switzerland favors land-based accounting for the third and subsequent CP. Therefore, the 2<sup>nd</sup> CP should serve as a transition period for the fundamental change to land-based accounting in

the 3<sup>rd</sup> CP, but not for fundamental changes in accounting approaches with respect to the 1<sup>st</sup> CP. This is why we support mandatory accounting of forestland, cropland and grazingland management under Article 3.4 for the 2<sup>nd</sup> CP. If Parties account for these additional activities they will be a step closer to land-based accounting.

Table 1: Data on forest management of Swiss Forests (negative sign denotes carbon sink)

	A	B	C	D	E	F	G	H	I
Party	1990 emissions/removals (MtCO <sub>2</sub> e/yr)	Proposed Reference level & Reference interval (if any) (MtCO <sub>2</sub> e/yr)	Forecast for 1 <sup>st</sup> CP <sup>2</sup> (MtCO <sub>2</sub> e/yr)	Forecast for 2013-2020 (MtCO <sub>2</sub> e/yr)	Forecast based on 1990 (MtCO <sub>2</sub> e/yr) (E = D - A)	Forecast based on reference level (MtCO <sub>2</sub> e/yr) (F = D - B)	Forecast based on 1 <sup>st</sup> CP (MtCO <sub>2</sub> e/yr) (G = D - C)	Forecast under Option B (MtCO <sub>2</sub> e/yr)	Comments Reference Period
Switzerland	- 3.49	- 1.11	- 0.41	0.48	3.97	1.59	0.89	1.54	2001-2005