SUBMISSION BY NORWAY ON METHODOLOGICAL GUIDANCE FOR REDD (SBSTA) – FOREST MONITORING, MRV AND DRIVERS OF DEFORESTATION

1. Context

Norway appreciates this opportunity to submit its views on "issues identified in decision 1/CP.16, paragraph 72 and appendix II, in particular on how to address drivers of deforestation and forest degradation and on robust and transparent national forest monitoring systems".

2. Guidance on MRV and National Forest Monitoring systems for REDD+

<u>Understanding of the terms</u>

In Norway's understanding, *measuring*, *reporting* and *verification* (MRV) for REDD+ means the measuring, reporting and verification of greenhouse gas (GHG) emissions/removals, based on the latest IPCC guidance and guidelines, in relation to REDD+ activities.

We understand *national forest monitoring systems* as being systems for the monitoring of additional forest-related variables that could be useful for parties when implementing and operationalizing REDD+. While we recognize that MRV and forest monitoring systems will normally be closely integrated, this conceptual separation is made for the sake of the clarity of this submission.

This submission will mainly concern the MRV of the estimated GHG emissions and removals from the forestry sector in countries seeking to implement REDD+. Some views on broader forest monitoring systems will also be presented.

Recalling past decisions

Decision 4/CP.15 and Decision 1/CP.16 provide key elements relevant for the establishment of MRV-systems and national forest monitoring systems. These decisions, combined with the CP.17 Decision on forest reference emission levels and forest reference levels (RELs/RLs), provide important elements for the establishment of MRV-systems and national forest monitoring systems for REDD+.

Principles

The GHG data reported with basis in the MRV-systems for REDD+ should follow the IPCC reporting principles of *transparency, completeness, consistency, comparability* and *accuracy.*

The latter principle, to our understanding, also implies that the *degree* of accuracy/uncertainty is assessed and reported.

Relation to RELs/RLs

MRV systems for REDD+ are inseparably linked to RELs/RLs. RELs/RLs will be developed on the basis of the existing capacity of the parties to estimate their historic and present emissions and removals, among other elements. Therefore, all activities (as referred to in paragraph 70 of Decision 1/CP.16) and pools that are included in a party's submitted REL/RL must also be included in the MRV-system.

However, as RELs/RLs should be updated to reflect new knowledge and increased capacity to estimate emissions and removals from pools and activities, parties should continuously seek to improve and expand their MRV systems. This is referred to as a "stepwise approach" in the CP.17 Decision on RELs/RLs.

The ability to improve existing RELs/RLs will ultimately depend on the level of accuracy possible of measured and reported emissions and removals. Increasing the accuracy of measurement and reporting over time is important, as more certain estimates of GHG-emissions will increase the credibility and robustness of the REDD+ mechanism.

Scope

MRV systems for REDD+ should be national in scope to allow for the tracking of potential displacement of emissions from one area to another. MRV systems for REDD+ should also be integrated with overall national arrangements for developing national GHG inventories. This will give a good basis for gradual improvement over time. However, sub-national systems may be appropriate for REDD+ for an interim period, as stated in Decision 1/CP.16. Parties that in an interim period plan to establish sub-national MRV systems should therefore present plans on how to scale up the systems to national coverage. Parties could also agree on a maximum duration of sub national systems, ensuring progress on upscaling. For the duration of any interim period, the displacement of emissions should be monitored, quantified and reported.

In order to generate data for a thorough GHG inventory for REDD+, all activities (as referred to in paragraph 70 of Decision 1/CP.16) and pools where significant emissions are expected should be encompassed by the MRV system. Particular attention is needed with regards to the highly significant carbon pools stored in organic peat soil. In addition, drained peatlands continue to emit carbon for many years after disturbance, a factor that must be incorporated into MRV-systems (and RELs/RLs).

However, also non-forested and deforested peatlands are important in this regard; especially since draining a forested peatland area will have effects also on surrounding non-forested peatlands. Norway therefore welcomes Appendix II (a) of Decision 1/CP16 and the related discussions on implications of REDD+ in a broader land use context. Norway would welcome further discussion on the issue of peatland emissions as soon as possible.

The Durban decision on RELs/RLs establishes that performance in implementing REDD+ activities should be measured in tonnes of CO_2 equivalents per year. While this implies that the MRV system should provide an estimate for net emissions/removals, we suggest that parties should also, in their reports, provide quantified information on how the different REDD+ activities influenced the total emission/removal estimate.

A broader forest monitoring system could also monitor different forest types based on their ecology (e.g. distinguish natural forests from plantation forests), provide information on multiple benefits beyond carbon sequestration and storage, and other forest relevant aspects, such as land tenure, management regime, logging history, invasive species, information on drivers of deforestation etc.

Process

Reporting and verification of results under a REDD+ mechanism should be conducted frequently to enable countries to implement their REDD+ strategies in the best informed manner possible. However, we should also recognize that technical and economical factors place limitations on how frequent reporting and verification of REDD+ results is feasible. The frequency of result based payments will, however, be inextricably linked to the frequency of reporting and verification of results. As a general comment, we foresee that reporting of emissions and removals from REDD+ activities could be included in Parties' biennial reports on mitigation actions, and included in the national GHG inventory.

A verification mechanism for GHG inventories under REDD+ should be as rigorous as the existing regime used in reviewing annual GHG inventories of Annex I countries. Using this regime as a model has an important capacity building aspect too, by bringing experts from both developed and developing countries together through the review process. Furthermore, we believe the review process should be facilitated by a REDD+ MRV technical panel operating under the auspices of the UNFCCC-secretariat. In all cases, independent verification of the data submitted is of key importance in relation to result-based payments for REDD+ activities.

3. Guidance on drivers of deforestation and forest degradation

The drivers of deforestation and forest degradation (hereafter "drivers") differ between regions and countries and operate at different scales from the sub-national to the global level. Acquiring a better understanding of the drivers and how they operate is a key prerequisite to identify policies and measures that can relieve the pressure on forests and support improved land management. Decision 1/CP.16, paragraph 68, encourages all Parties to address the drivers of deforestation and forest degradation. This is essential to strengthen the effectiveness of the REDD+ mechanism, and to ultimately reach the collective goal to slow, halt and sustainably reverse forest cover and carbon loss. Hence, all Parties should evaluate their roles in driving deforestation and forest degradation and adopt or adjust the necessary policies and measures to address these drivers. However, we must also recognize that drivers of deforestation and forest degradation often are key contributors to local and national economies. Hence, REDD+ policies and measures should ideally be integral parts of wider strategies for economic growth and social development, i.e. national Low Emission Development Strategies.

Given the wide range of drivers and the variability in scale over which they occur, efforts to identify and address drivers must start at the national level. Through national REDD+ strategies, drivers can be identified and actions to address drivers prioritized in a transparent and participatory manner. This would typically include the collaboration of multiple government agencies and not only those that are directly mandated to address forestry issues. Transparent and participatory land-use planning is another tool that can be usefully employed in the development of national REDD+ strategies, to help ensure of the long term viability of emission reductions. Addressing drivers comprehensively and effectively will in many countries also require improvements in forest governance. This could include the clarification of land use rights and responsibilities, effective enforcement of laws and empowerment of indigenous people and forest-dependent communities.

At the same time, consumer countries should identify and address ways to reduce the pressure on forests from commodities that contribute to deforestation and forest degradation. The EU Action Plan on Forest Law Enforcement, Governance and Trade (FLEGT) and the U.S. Lacey Act are important examples of government initiatives that address specific drivers by preventing the supply of illegal timber products and promoting the demand for sustainable forest products. Public procurement policies can also reduce the demand for illegally logged timber by requiring proof of legal production, as is already happening in several European countries. The adoption of policies and measures that prevent the supply and procurement of products that cause the illegal destruction of forests could also be considered for other sectors and/or commodities that drive deforestation and degradation of forests. Voluntary private sector initiatives such as labeling initiatives, commodities round tables and certification bodies could further be promoted for products that are legal but may nevertheless cause deforestation and degradation. Finally, investors should be encouraged to develop sustainable investment policies that incorporate the external costs associated with deforestation and degradation of forests in investment decisions.