

Evaluation Tools for LULUCF - CDM Projects

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6 June 2003



- **Forestry and Land Use Change Programme**
 - forestry and land use carbon sequestration projects
 - Plan Vivo
- **Carbon Management Programme**
 - monitoring, reporting and control of GHG emissions
 - development of carbon management systems, databases and IT
- **Policy and Research Programme**
 - analysing and advising on national and international policy development



OUTLINE

- What is an eligible CDM LULUCF project?
- How to evaluate project – CDM LULUCF project evaluation tools
- Examples of evaluation of LULUCF projects

What is a CDM LULUCF Project?

Objective Criteria for CDM LULUCF

- Afforestation / reforestation
- Reference date 31 December 1989

Other criteria

- additionality? sustainability? biodiversity?

Tools for Evaluating Project Design

Evaluation should assess whether project design:

- maximises permanence
- is consistent with additionality
- minimises leakage and uncertainties
- addresses socio-economic and environmental impacts

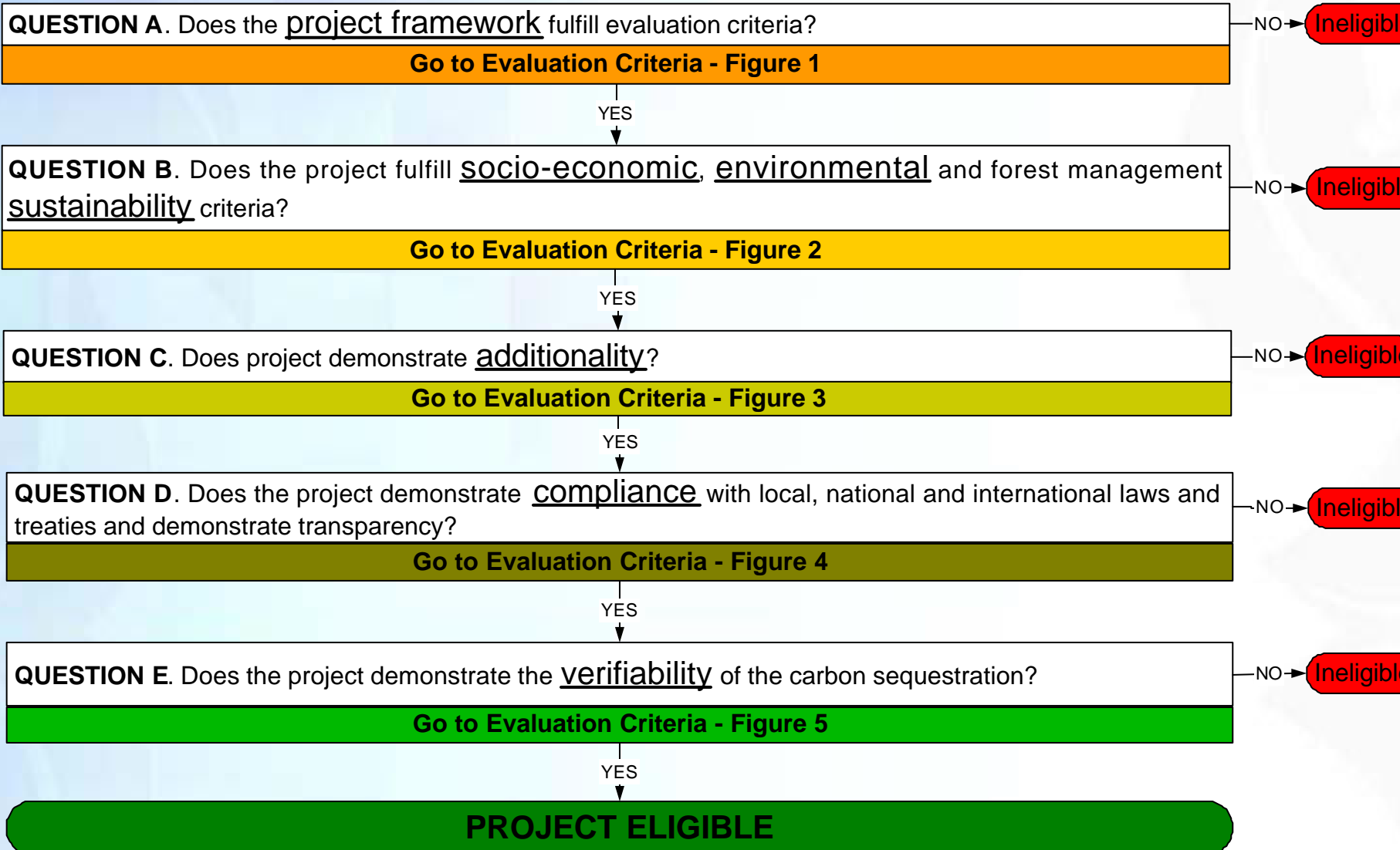
Tools for Evaluating Project Eligibility

- Consistent
- Transparent (evidence-based)
- Address LULUCF issues
- Build on existing sustainable forest management principles
(FSC, PEFC, CIFOR, ITTO, CDB, etc.)

Methods of Project Evaluation

- Decision trees
 - pass/fail approach
 - set minimum standards
- Scoring
 - flexible
 - can rank projects

PROJECT EVALUATION PROCESS



CRITERIA FOR QUESTION B: SOCIO-ECONOMIC, ENVIRONMENTAL AND FOREST MANAGEMENT SUSTAINABILITY CRITERIA

2.1 ENVIRONMENTAL SUSTAINABILITY

An appropriate environmental impact assessment has been carried out.



2.2 ECOSYSTEM FUNCTION

Ecosystem function, health, and vitality is maintained.



2.3 SOCIO-ECONOMIC SUSTAINABILITY – Forest Management

There is a framework for effective consultation with local stakeholders.



2.4 SOCIO-ECONOMIC SUSTAINABILITY – Legal and Policy Issues

Forest management meets all applicable laws and/or regulations.



2.5 SOCIO-ECONOMIC SUSTAINABILITY - Economic Issues

The project demonstrates economic viability and sustainable yields.



SECTION 2 SCORESHEET: SOCIO-ECONOMIC, ENVIRONMENTAL AND FOREST MANAGEMENT SUSTAINABILITY CRITERIA

Criteria	Maximum score	Project score
SECTION 2.1: Environmental Sustainability		
<ul style="list-style-type: none"> • Conservation zones to protect examples of existing ecosystems are included in the project area. 	5	
<ul style="list-style-type: none"> • Project will protect rare, threatened and endangered species and their habitats. 	5	
<ul style="list-style-type: none"> • Project activities will enhance and encourage biodiversity. 	5	
<ul style="list-style-type: none"> • Plantations will directly alleviate pressure from exploitation on local natural/semi-natural forests or forest reserves 	5	
Sub-section Score Minimum score = <u>10</u>	20	
SECTION 2.2: Ecosystem Function		
<ul style="list-style-type: none"> • Project will directly protect and enhance forest services and resources 	5	
<ul style="list-style-type: none"> • A proportion of the forest management area will include the restoration of natural ecosystems 	5	
<ul style="list-style-type: none"> • Forest management activities will cause minimal impacts on ecosystem function and vitality 	5	
<ul style="list-style-type: none"> • Species selection is appropriate to the site conditions and forest management objectives, maximise the use of native species. 	5	
<i>Additional factors (scored from 0-3)</i>		
<ul style="list-style-type: none"> • Natural regeneration is promoted 	3	
<ul style="list-style-type: none"> • Project promotes use of environmentally friendly non-chemical methods of pest management 	3	
Sub-section Score Minimum score = <u>13</u>	26	

SECTION 2.3: Socio-Economic Sustainability – Social Factors <ul style="list-style-type: none"> The local community is formally involved in the management and implementation of the project Forest resources are used for the benefit of local stakeholders. 		5	
		5	
SECTION 2.4: Socio-Economic Sustainability - Legal and Policy Issues <ul style="list-style-type: none"> Project implements health and safety policies for employees and their families which exceed applicable law/regulations Opportunities for employment, training and other services are provided to local communities 		5	
		5	
SECTION 2.5: Socio-Economic Sustainability – Economic <ul style="list-style-type: none"> Project demonstrates economic viability, ensuring necessary future investments Project strengthens and diversifies local economy and maximises benefits from the forest, including non-timber forest products 		5	
		5	
Sub-section Score	Minimum score = <u>15</u>	30	
SECTION SCORE	Minimum score = <u>38</u>	76	

FIGURE 3

CRITERIA FOR QUESTION C: ADDITIONALITY

3.1 LEGAL / POLICY

Are project activities a legal requirement?

STOP

3.2 ENVIRONMENTAL AND SOCIAL

Investment in environmental rehabilitation and community development?
No natural regeneration?

STOP

3.3 ECONOMIC/FINANCIAL

Carbon credits increase potential for investment in the project?

STOP

3.4 INFRASTRUCTURE / TECHNICAL CAPACITY

Project will invest in infrastructure and technical capacity.

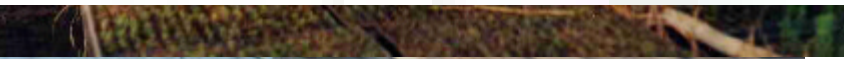
STOP

SECTION 3 SCORESHEET: ADDITIONALITY

Criteria	Maximum score	Project score
SECTION 3.1: Legal <ul style="list-style-type: none"> Afforestation / reforestation being undertaken by the project is not currently nor is likely to be a legal requirement under forestry or other regulations 	5	
SECTION 3.2: Environmental / Social <ul style="list-style-type: none"> Project activities require investment in environmental rehabilitation Project activities require investment in community relations / support to reduce risk of project failure and/or leakage 	5 5	
SECTION 3.3: Financial <ul style="list-style-type: none"> Carbon finance makes a positive impact on the economic/financial case for the project 	5	
SECTION 3.4: Infrastructure / Technical Capacity <ul style="list-style-type: none"> Project will implement new infrastructure / technology and provide appropriate training to project participants 	5	
SECTION SCORE	Minimum score = <u>13</u>	25

ENVIROTRADE

ZONE



SECTION 3.1: Legal

**SECTION 3.2: Environmental / Social – environmental
– social**



Technical Capacity

13

**Maximum
score**

**Project
score**

5

5

5

5

5

4

5

5

5

5

25

24

PROFAFOR, ANDES REGION, ECUADOR

SECTION 3 SCORESHEET: ADDITIONALITY

Criteria	Maximum score	Project score
SECTION 3.1: Legal	5	5
SECTION 3.2: Environmental / Social – environmental – social	5 5	3 4
SECTION 3.3: Financial	5	5
SECTION 3.4: Infrastructure / Technical Capacity	5	5
SECTION SCORE Minimum score = <u>13</u>	25	22

KILOMBERO FORESTS LIMITED, TANZANIA

SECTION 3 SCORESHEET: ADDITIONALITY

Criteria	Maximum score	Project score
SECTION 3.1: Legal	5	5
SECTION 3.2: Environmental / Social – environmental – social	5 5	0 2
SECTION 3.3: Financial	5	0
SECTION 3.4: Infrastructure / Technical Capacity	5	0
SECTION SCORE Minimum score = <u>13</u>	25	7

Conclusions – Project Evaluation Tools

- Validation of CDM projects should be consistent and transparent
- Existing assessment schemes provide a precedent for evaluation tools
- CARBOEUROPE evaluation is consistent with additionality, greater permanence and minimum leakage