

Climate Change: What are its Implications for Forest Governance?



Workshop on Forest Governance and
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Forests play a central role in climate change

Forests emit GHG Forests are vulnerable

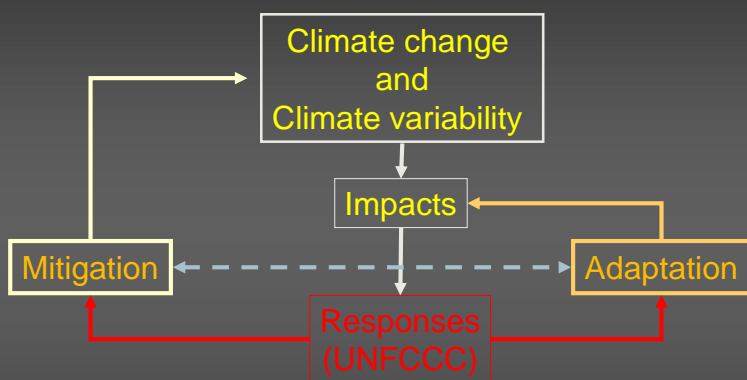


Forests can increase resilience,
fix and maintain carbon

Forests in Climate Change: Forests can increase resilience, fix and maintain carbon

- ⇒ If average CO₂ concentration continues to increase to 550 ppm or higher, forests will become highly vulnerable and risk to become an additional factor to increased GHG concentrations in the atmosphere
 - Forests are a mitigation option now and over the next 30 to 40 years as a necessary transitional measure towards a low carbon economy
 - Need to increase resilience of forest trees and ecosystems in the same time as using forests as a mitigation option.
- ⇒ Nevertheless, presently, the potential of forests as a mitigation option is huge (REDD, Afforestation/Reforestation, Forest Restoration; SFM)
- ⇒ **How to deal with these new risks and potentials, considering the many governance issues prevailing in forests (rights, tenure, access, land use planning, benefit sharing, law enforcement...)?**

UNFCCC and Forests

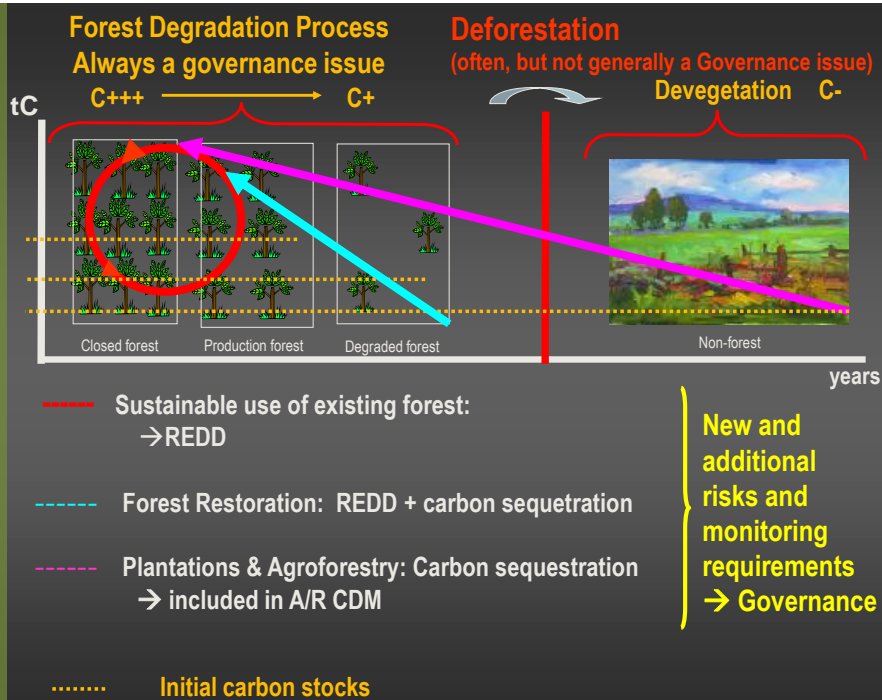


... maintaining and increasing ecosystem C pools and C sequestration – reducing emissions from biosphere

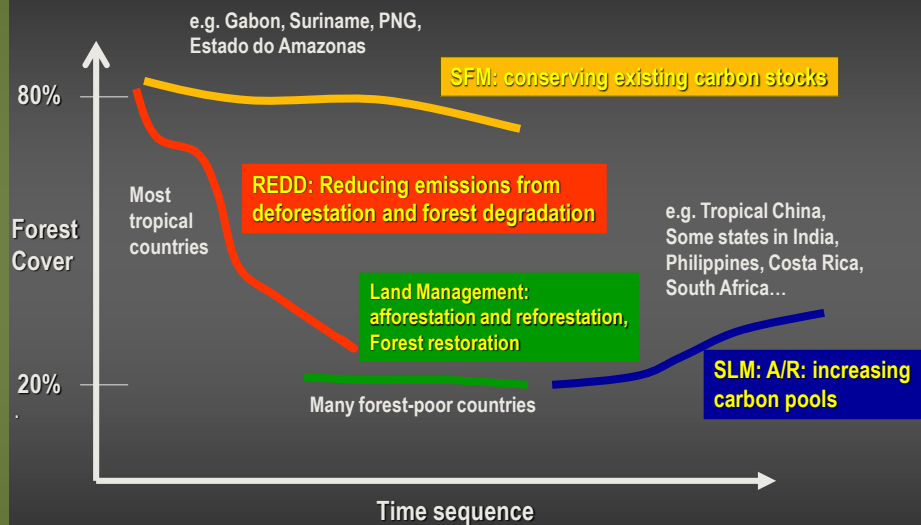
... maintaining and increasing ecosystem resilience – reducing vulnerability

Mitigation Options in Forestry

Mitigation options (general)	Mitigation options (in the forest sector)
CO2 Sequestration	Afforestation (CDM: on land not forested since at least 50 yrs.)
	Reforestation (CDM: on land not forested on/after 1.1.1990)
	Forest Restoration (Not defined in CC: restore degraded carbon stocks)
Emission Reduction of GHG	Reducing deforestation and forest degradation (REDD)
	Committing forests as carbon reservoirs
Substitution of C	Use of wood products, including timber and forest biofuel



Distinct situations, different approaches needed, different governance issues in stake



Who owns the resource, who suffers from the impacts, who gets the benefits?

Forest Governance in the context of Climate Change



Committing forests as a CC adaptation and mitigation option: Some overarching issues

- Creates co-benefits that counts (timber, biodiversity, soil conservation)
- Potential to generate annual funds in the order of several billion US\$
- Alternative development pathway: if well designed, implemented and policed, at national and local level, can directly benefits rural /forest dependent people
- Maintain a realistic perspective on the potential to commit forests as CC mitigation/adaptation option: Countries with a high potential income from CC mitigation score low in governance:
 - Do not succeed in lowering D&D rates;
 - Unable or unwilling to pass incentives to the real D&D drivers
 - An obvious link to Sector Governance
 - Some hard decisions to take?

Forest Mitigation options: Governance related Risks

- ➔ **Uncertainty in estimates**
Methodological issues, e.g. baselines reflecting high historical rates of deforestation which are unlikely to continue in a business-as-usual scenario over longer term could result in the creation of hot air
- ➔ **Uncertainty in historical trend data (deforestation, forest degradation)**
- ➔ **Leakage**
Drives some to position REDD to be accounted for at the national level.
(integration of REDD into the existing CDM seems to be not recommendable)
- ➔ **Permanence**
REDD/SFM, CDM A/R and forest restoration are transitional measures towards a low carbon economy. They will happen in the next 30 to 40 years.
- ➔ **Perverse incentives??**



Examples of additional REDD issues in forest governance

- ⇒ How to secure permanence of committed forests to REDD?
 - Protection forests
 - Production forests
- ⇒ How to achieve necessary monitoring and institutional capacities?
 - National baseline scenario (Ex ante? Ex post performance based payments?)
 - Baseline scenarios in a decentralized context
 - Local accounting of social and economic costs and benefits, carbon monitoring
- ⇒ Which actors; who to compensate and how?
 - Direct forest users (including those that work in the illegal)
 - Forest owners
- ⇒ Financial flows (payments; fund or market-based mechanism)?
 - How to adapt incentives to local needs; how to avoid perverse incentives? Leakages? Corruption?
 - Market-based: how to secure CERs as an internationally marketed product?

Some additional requirements in a forest governance agenda

- Legal clarity of rights aspects at national, sub-national and local level (e.g. land tenure, forest tenure, carbon tenure)
 - Enhanced participation, monitoring and forest law enforcement
 - Enhanced standards of compliance (in particular in market-based schemes)
- Problem to solve: create knowledge and capacity

Recommendations

- ⇒ Within the UNFCCC process, develop a clear understanding on how to address forestry issues in a manner beneficial for local stakeholders, promote flexibility in existing mechanism and those to be negotiated post 2012 → **key for the inclusion of forestry as a CC option**
- ⇒ Seek spaces for dialogue among public sector, private sector and civil society actors for governing the forests and addressing climate change within the sector → **dialog and information sharing is key**
- ⇒ Support initiatives aimed at clarifying land tenure and use rights in favor of local stakeholders (including environmental services and C pools) → **an important addition in any governance/decentralisation agenda**
- ⇒ Promote pilot actions and design suitable adaptation and mitigation options, with focus on rights, monitoring arrangements and implementation standards → **create capacities and knowledge**