Scoping Dialogue on Forests and Climate

9 December 2007 Bali, Indonesia



Purpose of this presentation

> To facilitate discussion

➤ To emphasize the role of forests in addressing climate change

➤ To highlight key issue areas and sources of possible contention





Why are forests important to climate change?

- ➤ 20% total global carbon emissions when degraded or deforested
- ➤ Forest ecosystems sensitive to changing climates
- ➤ POTENTIAL to produce bioenergy with lower emissions than fossil fuels
- ➤ POTENTIAL to play role in carbon sequestration and storage





Forests, policy and markets

- Limited to afforestation/reforestation
- ➤ A/R's potential impacts on biodiversity, local resources, forest dependent communities
- > Strong bias in CDM towards industrial projects
- Financial markets wary of forestry projects
- > VCM fills void for forest carbon projects





Reducing emissions from deforestation and degradation

- > Not included in KP first commitment period
- ➤ Concerns: leakage, permanence, baselines, governance, flooding carbon market
- ➤ Implementation issues currently: definition of forest, baselines, opportunity costs, equity, feasibility
- > Strong interest in VCM and increasing interest with development banks





Bioenergy

- ➤ Rapid growth driven by demand in North, industries increasingly in South
- ➤ Benefits: reduce carbon emissions, restore degraded land, development
- > Concerns: deforestation, effectiveness of reducing carbon in question
- Needed development of industry production standards





Agroforestry

- ➤ Alternative to mono-crop and swidden agriculture
- ➤ Benefits: sequester carbon, land use tool, A/R with CDM, soil-carbon sequestration, adaptation, connectivity of forest fragments/buffer
- ➤ Concerns: capital investment required for conversion from mono-crop, monitoring and assessing carbon stocks; access to markets





Forest products

- ➤ Key issues: emissions from degradation and maximizing carbon mitigation through SFM
- ➤ Potential for timber/NFTP industry to contribute greatly to climate change. Views itself as partner to this end
- > Forest certifications, PEFC and FSC
- ➤ Primary challenge of expanding the implementation of certifications



