

# **Statement on Forests and Climate Change**

## The Background

Forests have a vital role to play in the fight against global warming, being the largest terrestrial store of carbon and, after coal and oil, the third largest source of carbon emissions. Forests have significant economic and ecological value as a provider of ecosystem services, are home to much of the world's biodiversity, and sustain the livelihoods of over 1 billion of the world's poorest people.

The UN Framework Convention on Climate Change which has been ratified by over 160 nations, including key countries like Brazil, China, the EU members, India, Indonesia, Japan, and the USA, calls on all nations to protect and enhance the reservoirs of carbon, such as forests. The Marrakech Accords made *afforestation* (planting new forests) and *reforestation* (recreating severely degraded forests) projects in developing countries eligible for carbon credits under the Clean Development Mechanism (CDM). This Kyoto Protocol arrangement allows industrialized countries to support approved emission reduction projects in developing countries as an alternative to meeting their industrial emissions reduction targets at home.

Marrakech, however, excluded projects designed to stop *deforestation* and protect existing forests from *degradation*<sup>1</sup> during the first Kyoto Protocol commitment period. There were a number of technical reasons for this, including uncertainty about whether forests will act mainly as stores of carbon or as sources of emissions in the future (*permanence*), and the need for more safeguards to ensure that protecting a forest in one place did not simply result in the shifting of logging or other land clearance activities to another place (*leakage*) and an absence of ground rules for defining how much deforestation would have occurred without the project (*additionality*).

Another key concern, relevant not just to forests but to all CDM projects, remains that carbon credits for reducing emissions in the developing world could delay the urgent need for industrialized countries to reform their energy policies and lower their own CO2 emissions.

#### Where We Are Now

In recent years, it has become increasingly clear that avoiding catastrophic climate change will depend on holding the average increase in global temperatures to well below 2 degrees Celsius – a feat that will require the global emissions of greenhouse gases to be reduced by 80% below

<sup>&</sup>lt;sup>1</sup> Within the Climate Convention processes, avoided deforestation projects are collectively are known by the acronym REDD, which stands for "reduced emissions from deforestation and [forest] degradation."

1990 levels by 2050. Achieving cuts of such magnitude will require steep reductions in all sources of greenhouse gas emissions – including the roughly 20% coming from deforestation. WWF estimates that this requires net emissions from the tropical land-use sector to be reduced to zero by sometime between 2025 and 2030.

Recognition of this reality, bolstered by recent technical improvements in monitoring forest carbon stocks, including through better satellite imagery, have contributed to an emerging international consensus that a post-2012 successor agreement to the Kyoto Protocol must include targets to curb greenhouse gas emissions from deforestation and forest degradation<sup>2</sup> and the necessary finance and technical assistance to achieve it. REDD initiatives need to be integrated into the multisectoral mitigation framework.

Recent policy developments also have started to address the concerns around displacement (called "leakage") and permanence of forest-based carbon. "Pooling" of multiple forest areas and offering only a percentage of them as carbon stocks eligible toward meeting a carbon reduction target helps address the question of what happens if part of a forest burns or succumbs to pests. And widespread acceptance of the need to reduce forest-based emissions in the framework of national programmes goes a long way towards addressing the concerns with potential leakage of reduced emissions efforts carried out at a local project level.

## WWF's Role

Promoting REDD projects and developing high standards for them is a natural area of engagement for WWF, given its mission to preserve biodiversity, its work to combat deforestation around the world and the combined expertise of its forest and climate change programmes.

From a climate perspective, reducing deforestation is a highly cost-effective way to reduce greenhouse gas emissions—and one that can be implemented immediately if the drivers of deforestation are addressed strategically. From a forest perspective, REDD initiatives will, if designed right, clearly benefit biodiversity conservation—and give convention Parties a new and powerful incentive to invest in forest conservation and sustainable forest management.

There is both a need and an opportunity for WWF to be proactive in bringing REDD into the post-2012 climate regime in a scientifically sound and verifiable way. With this in mind, WWF has been working in recent months on a policy platform to guide its engagement in this arena.

## **Guiding Principles & Policy Positions**

Our overall aim, with respect to forests and climate change, is two-fold:

<sup>&</sup>lt;sup>2</sup> WWF's 2050 Climate Solutions Vision provides greater detail on the need to reduce emissions from deforestation and degradation as a necessary part of a comprehensive global climate strategy.

- 1. To keep forests healthy, so as to maintain their biodiversity, environmental services (including carbon storage) and other high conservation values, as part of a portfolio of emissions cuts that necessarily include stronger reductions in emissions from all sectors.
- 2. To ensure that forest carbon initiatives are carried out in ways that ensure the integrity of existing forests, protect biodiversity and promote a range of other environmental and social values, including clean water, poverty alleviation and respect for the rights of indigenous peoples and other local communities.

Under these two broad guidelines, we propose to focus our efforts on reducing emissions from forest loss and degradation. We recognize afforestation and reforestation to be important, and helpful for supporting reduced emissions in many places.<sup>3</sup> Stopping deforestation is more urgent, however, and, from a climate perspective, will have greater impact in the short term. It takes decades for a sapling to grow and absorb the amount of carbon that is released when a mature tree decays or burns.

In light of the above, WWF has identified a set of specific policy positions to help guide its work on reducing emissions from forest loss and degradation:

- 1. <u>WWF will focus its resources primarily on REDD activities</u>, principally in the developing world. We will also, however, engage in or support work on reforestation in degraded landscapes, on environmentally sound production of bio-energy and potentially other means of reducing emissions from land-use change to the extent that these interventions contribute to our broader institutional goals.
- 2. WWF will work to ensure that REDD is recognized as a credible and compensated form of emissions reductions within a post-2012 climate treaty, as part of a portfolio of emissions cuts that necessarily include stronger reductions in emissions from all sectors and that share the burden fairly among all countries.
- 3. <u>WWF will broaden its engagement with carbon finance mechanisms</u>, both market and non-market. Our guiding principle in all of these engagements will be to reduce greenhouse gas emissions while mobilizing resources to conserve biodiversity and maintain high conservation values and to support sustainable development. WWF will not, however, trade in carbon credits or broker deals between buyers and sellers of carbon credits.
- **4.** <u>WWF will work to build national-level capacity in key countries for reducing emissions from forest loss.</u> The UNFCCC process has recently called for development of national level programmes and approaches to reducing emissions from forest loss and

<sup>3</sup> Afforestation and reforestation can be important complements to REDD activities at the landscape level. For example, communities living in degraded areas surrounding protected areas may be less interested in tapping the resources of their neighboring protected area if their own lands are made more productive through agroforestry techniques or restoration of degraded river banks. While afforestation and reforestation are qualitatively different in emissions terms from avoided deforestation, the two types of activities will both often be important tools in the field,

in particular when they supply resources that would otherwise have to come from unsustainable harvesting of natural forests.

degradation.<sup>4</sup> WWF will support this initiative but seek to improve it by explicitly incorporating the preservation of environmental integrity and provision for broad participation into the core objectives.

**5.** WWF will work to ensure that there are credible standards for forest-based carbon credits and, together with our partners, promote adoption of these standards by convention-linked and other certifying systems. These standards will guide our own pilot activities for reducing emissions from deforestation and forest degradation and will be promoted for use by others in order to have the broadest possible impact on bio-carbon markets and other forest conservation and sequestration initiatives. WWF will endorse standards or guidelines for forest-carbon projects that ensure rigorous carbon accounting practices, adherence to environmental and social safeguards, and corporate responsibility practices consistent with WWF's core policies on indigenous peoples rights, benefit sharing and sustainable forest management.

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<sup>&</sup>lt;sup>4</sup> See the draft decision prepared by the delegates to the 26<sup>th</sup> meeting of the UNFCCC Subsidiary Body on Science and Technical Advice on "Reducing emissions from deforestation in developing countries."