




International Forest Policy and Differentiated Options for Climate Change Forest Policy in Developing Countries

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International forest policy regime

- Negotiations always obscured by ideational and ideological factors (sovereignty, development needs, poverty reduction)
 - Ethical and subjective factors interact with material interests
 - Failure at coordinating forest policy is particularly notable given prominence of deforestation in public discourse
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Forest negotiations: UNCED and later

- UNCED: Forest treaty abandoned
 - Only Non-Legally Binding Principles agreed with few countries
 - 1995: CSD establishes IPF, 4 meetings
 - 1997: IFF as a continuation of IPF
 - 2000: in absence of a forest treaty, UNFF is created
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UNFF Design: Intentionally void?

- Not equipped with strong tools for international policy enforcement
 - Convergence of disparate preferences
 - Recommendations contain all the right ideas, but commit no Party to take action
 - No mandate for decision-making
 - Institution is collectively and purposefully designed not to be completely effective
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Norm of Environmental Multilateralism (1)

- focus of the analysis should be set in NEM
 - NEM = the collective expectation that governments address global ecological issues in a collective, multilateral manner
 - the collective decision not to create a forest convention is shaped by other factors:
 - market-based norms of free trade and development
 - vested corporate interests in forest exploitation
 - scientific uncertainty about cross-border consequences of deforestation
 - shared doubts about added value of coordinating forest policy.
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Norm of Environmental Multilateralism (2)

- normative "*logic of appropriateness*" guides states to participate in multilateral policy deliberations, rather than urgency to establish normative guidelines
 - Stalemate in international forestry negotiations is produced by combination between material and ideational factors
 - Socioeconomic interests in forest use reduce incentives for policy coordination
 - Simultaneously, NEM turns prohibitive to disengage from international discussions
 - Result = NEM holds governments hostage in hollow institutions deliberately designed to be idle
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NEM affects UNFCCC?

- Article 4.1 (d): *"Parties should promote sustainable management, conservation and enhancement, of sinks and reservoirs of all GHG"*
 - However, no further measures were implemented by UNFCCC to promote conservation or enhancement of reservoirs
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Why NEM does not completely affect UNFCCC

- Improved certainty of the consequences of deforestation in the climate system;
 - Drive of important Parties;
 - Internalization by a group of Parties, on the expectation of their low capacities to participate in “energy” CDM;
 - Technical nature of issues considered
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Main options on the table

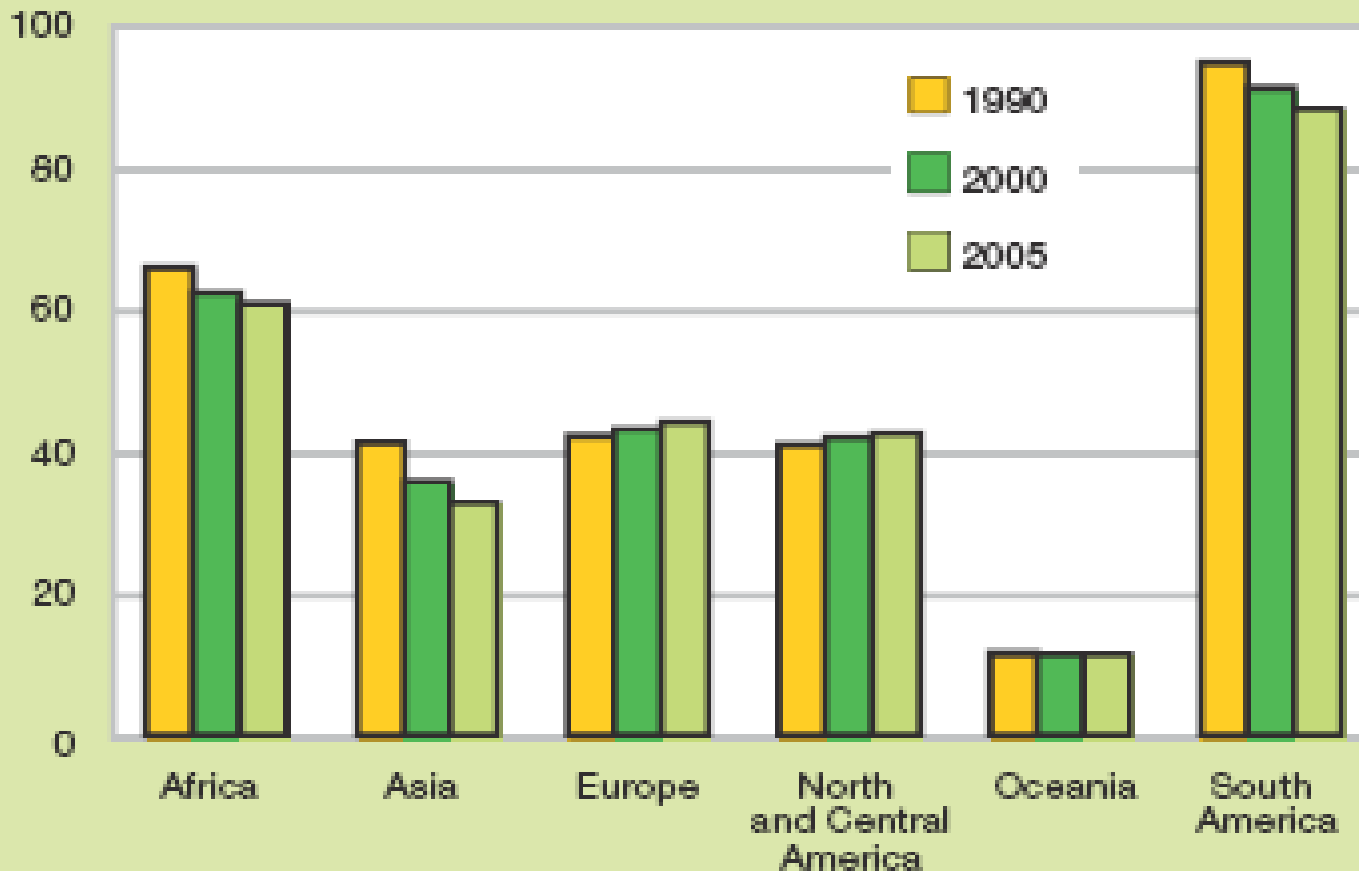
- i. A Fund for the promotion of activities for REDDC;
 - ii. The inclusion of RED in the CDM, as a project-based activity;
 - iii. The inclusion of RED in the CDM as a programmatic activity (sectoral CDM);
 - iv. Legally binding agreement (new Annex to the Protocol), national-sectoral baselines;
 - v. Non-legally binding market mechanism through independent ("additional") Protocol to the UNFCCC.
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Options, advantages and disadvantages

	<i>Option</i>	<i>Advantages</i>	<i>Disadvantages</i>
1	Voluntary Fund (Brazilian proposal)	<ul style="list-style-type: none"> • No negotiation • Minimizes leakage • Moderate requirements TT and CB 	<ul style="list-style-type: none"> • Levels of funding uncertain • socioeconomic efficiency not built-in
2	Inclusion in the CDM, project-based	<ul style="list-style-type: none"> • No amendments to KP • Straightforward decision process • Moderate to high reqs of TT and CB • Price determined by market architecture • Relative economic efficiency 	<ul style="list-style-type: none"> • Political negotiation required • Not additional to KP • Equity not built-in • Perceived difficulties with leakage
3	Inclusion in the CDM, sectoral	<ul style="list-style-type: none"> • No amendments to KP • Moderate to high reqs of TT and CB • Price determined by market architecture • Relative economic efficiency • Less concerns with leakage 	<ul style="list-style-type: none"> • Political negotiation required • Programmatic approach to CDM not defined • Not additional to KP • Equity to be taken care of
4	Legally binding mkt mech through new Annex to the PK	<ul style="list-style-type: none"> • Price determined by market architecture • Relative economic efficiency • Good regional distribution • No leakage? 	<ul style="list-style-type: none"> • Amendment to KP • Long negotiating process • Issues w linkage to carbon market • Perception of undermining of KP • High requirements of TT and CB
5	Non-legally binding market mechanism through additional Protocol to UNFCCC	<ul style="list-style-type: none"> • No amendment of KP required • Price determined by market architecture • Relative economic efficiency • Good regional distribution • Less concerns with leakage 	<ul style="list-style-type: none"> • Political agreements needed in package • Issues w linkage to carbon market • Parallel monitoring process required • High requirements of TT and CB

Relation of loss in carbon stock in Africa compared to other regions

Changes in carbon stocks in forest biomass, 1990–2005 (Gt)



Source:
FRA 2005,
FAO




Magnitude of deforestation in Africa


Country	Net deforestation in thousand of hectares, per year, 1990-2005
Brazil	-2,821.93
Indonesia	-1,871.47
Sudan	-589.04
Democratic Republic of the Congo	-461.40
Zambia	-444.80
United Republic of Tanzania	-412.27
Nigeria	-409.67
Mexico	-318.53
Zimbabwe	-312.93
Cameroon	-220.00

Source: FAO



A methodology base for reward good behaviour

- Also countries with a lower rate of deforestation should be able to benefit for incentives to reduce deforestation
 - If established through carbon markets, baselines should take into account:
 - Sociocultural variables that prevent deforestation, and imminent pressures over these variables
 - Mounting economic pressures over land use that might lead to deforestation in the near future
 - The changing relationship between marginal benefit of standing forest vs. alternative uses.
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Cost-effectiveness: key for broader participation

- Multiple instruments
 - Multiple options
 - Hybrid instruments
 - High variability of marginal benefits in different countries;
 - Highly diverse conditions of application;
 - Effectiveness of the combination of instruments;
 - Use of limits and ranges in which these instruments are more effective;
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