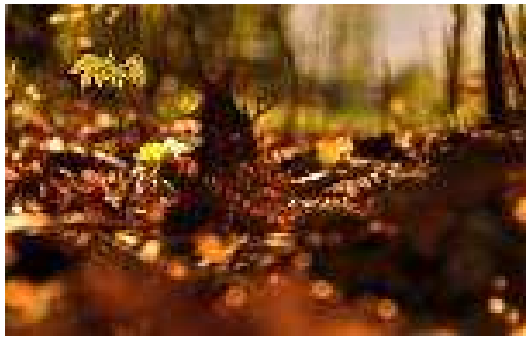
REDD Overview

REDD Training Course

Overview

Introduction to REDD:
- **Why REDD?**
- **History**
- **Current context**



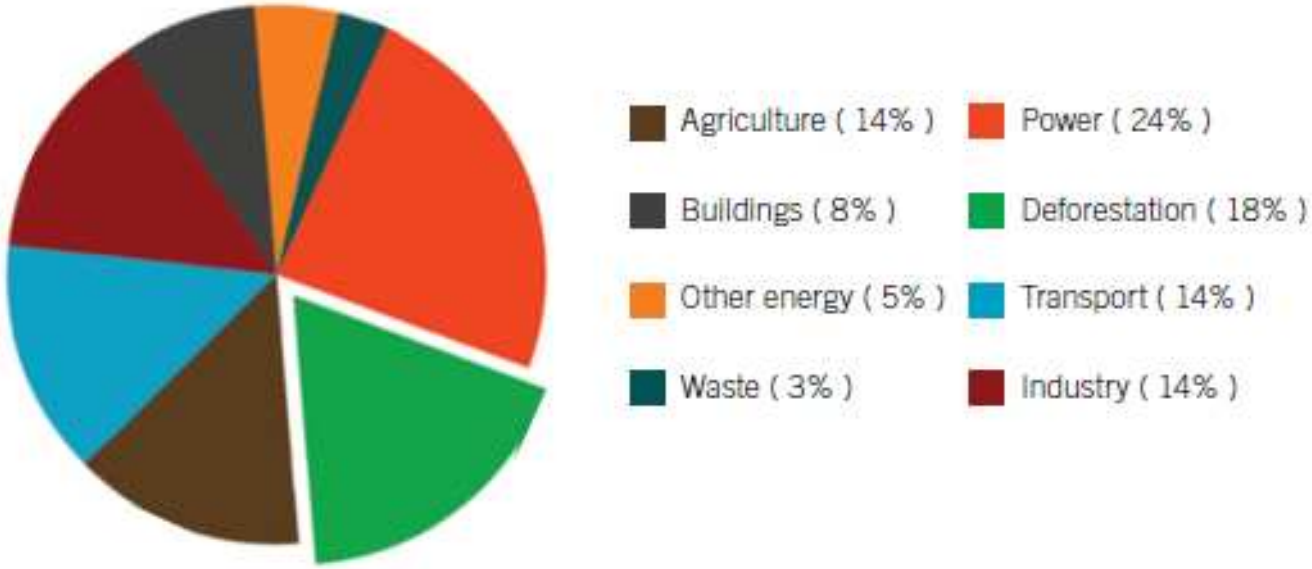
Technical Elements:
- **Reference Levels**
- **Scope**
- **Monitoring**

Policy Issues:
- **Scale**
- **Financing**
- **Phasing**

Introduction to REDD:

- Why REDD?
- History
- Current context

Why REDD?


Agriculture (14%)
Power (24%)
Buildings (8%)
Deforestation (18%)
Other energy (5%)
Transport (14%)
Waste (3%)
Industry (14%)


EQUATOR
EQUATOR
Land degradation in drylands
Deforestation hot spots
Net loss of forest
Current forest cover
Net gain of forest

History of REDD

- **Avoided deforestation in developing countries was not included in the Kyoto Protocol**
- **In 2005, the Coalition for Rainforest Nations proposed including REDD in a post-2012 framework**
- **At COP-13 REDD was included in the Bali Action Plan**

Current Context

- **Multiple proposals on the table**
- **Technical and methodological issues being discussed in the SBSTA**
  - **Draft decision for Copenhagen**
- **Policy issues being discussed in the AWG-LCA**
  - **Draft negotiating text**
- **REDD projects being implemented globally**
- **Other initiatives:**
  - **UN-REDD**
  - **World Bank's FCPF**
  - **ITTO**

Technical Elements:

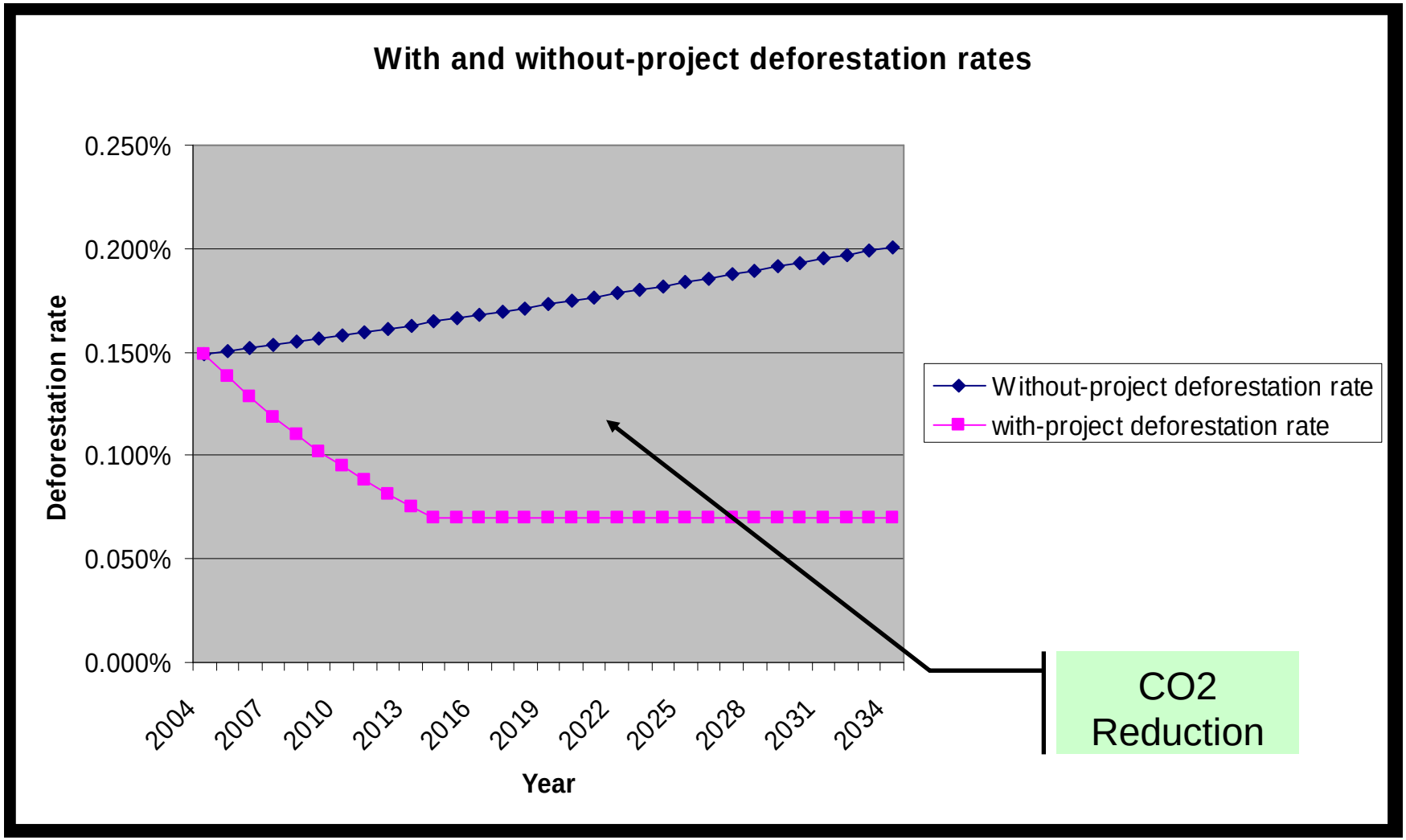
- Reference Levels
- Scope
- Monitoring

Additionality: emission reductions that would not have occurred in the absence of the policy

Reference Levels

- Determines conditions before policy/project
- Used to establish additionality
- Carbon credits will be counted as the difference between baseline emissions and emissions reduced by project activities.
- Reference levels can be based on historic data or modeled projections of the future

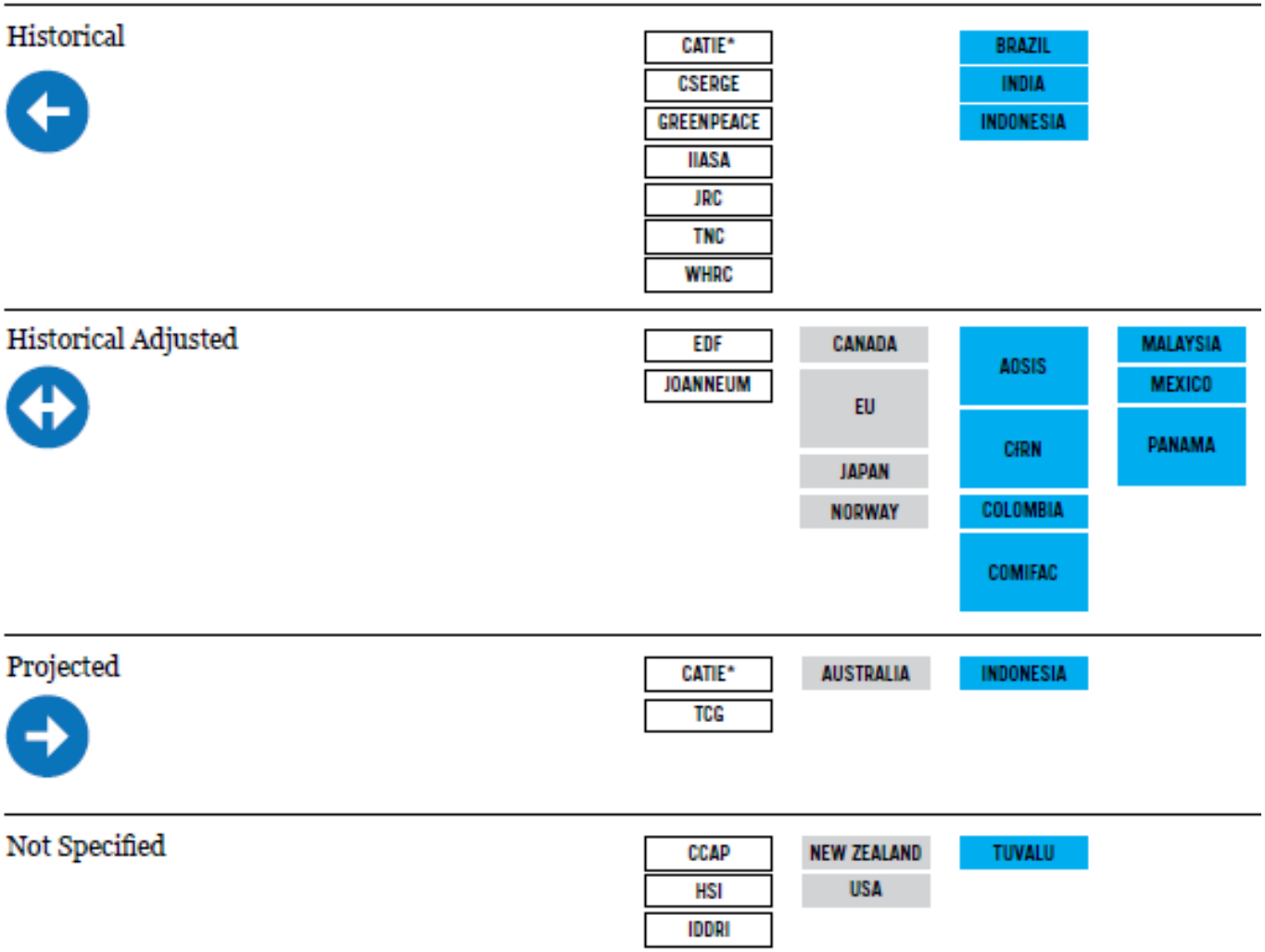
Reference Level: Example



Reference Levels: Policy Questions

- Based on historic emission rates or modeled projections of the future?
- What historical time period is chosen?
- Are debits accrued?
- Are reference levels recalculated over time?
- How are incentives created for countries with high forest cover but low deforestation rates?
- How do you calculate reference levels for the “plus” activities?

Reference Levels



Source: Little REDD+ Book

Exists in other sectors, not just forestry

Leakage: what is it?

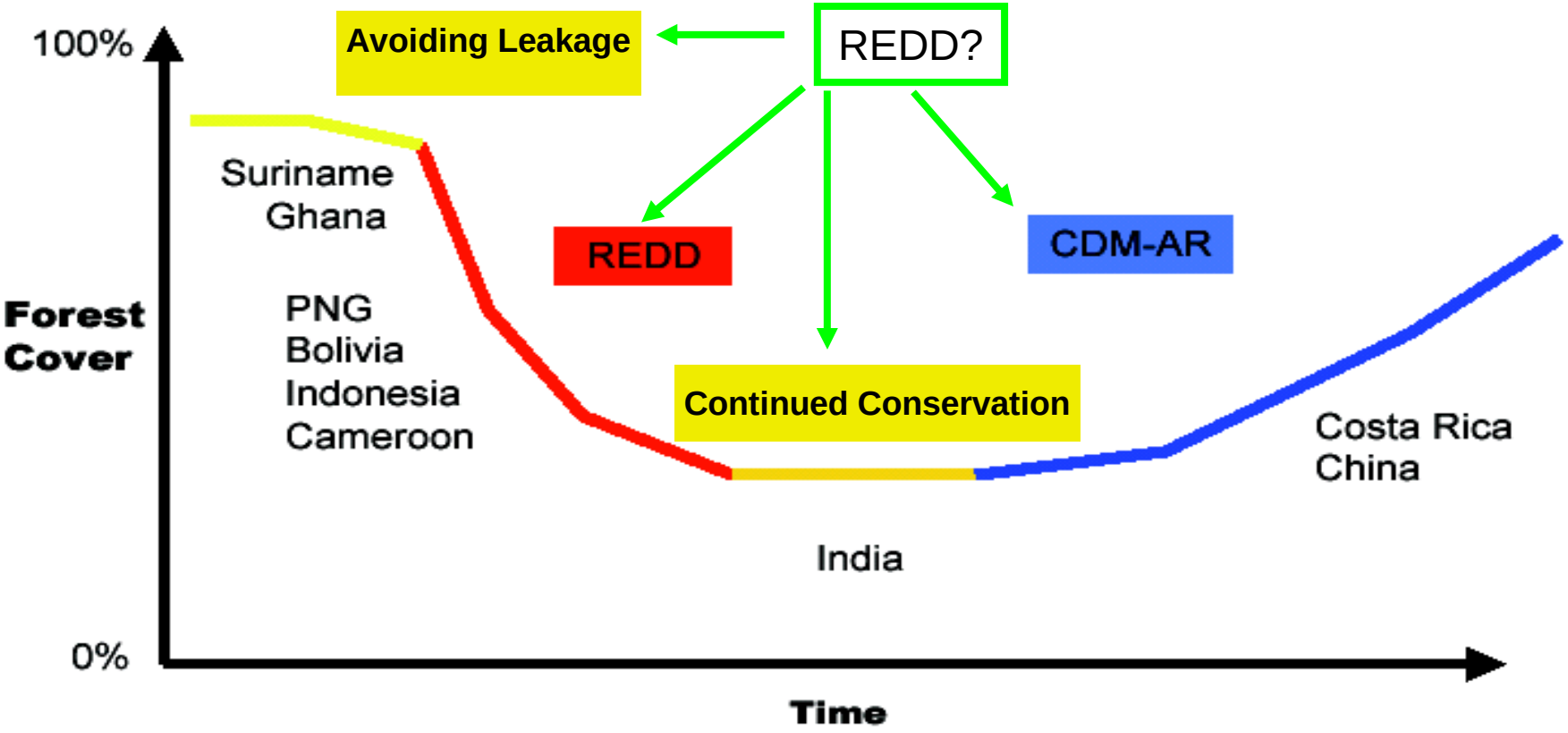
- Increase in emissions in one area due to a reduction of emissions in another.
- Two types of leakage:
  - Activity Leakage: activity shifting at local to regional scale due to release of capital and labor through project activities
  - Market Leakage: market effects at regional to global scale due to reduced supply but undiminished demand

Exists in other sectors, not just forestry

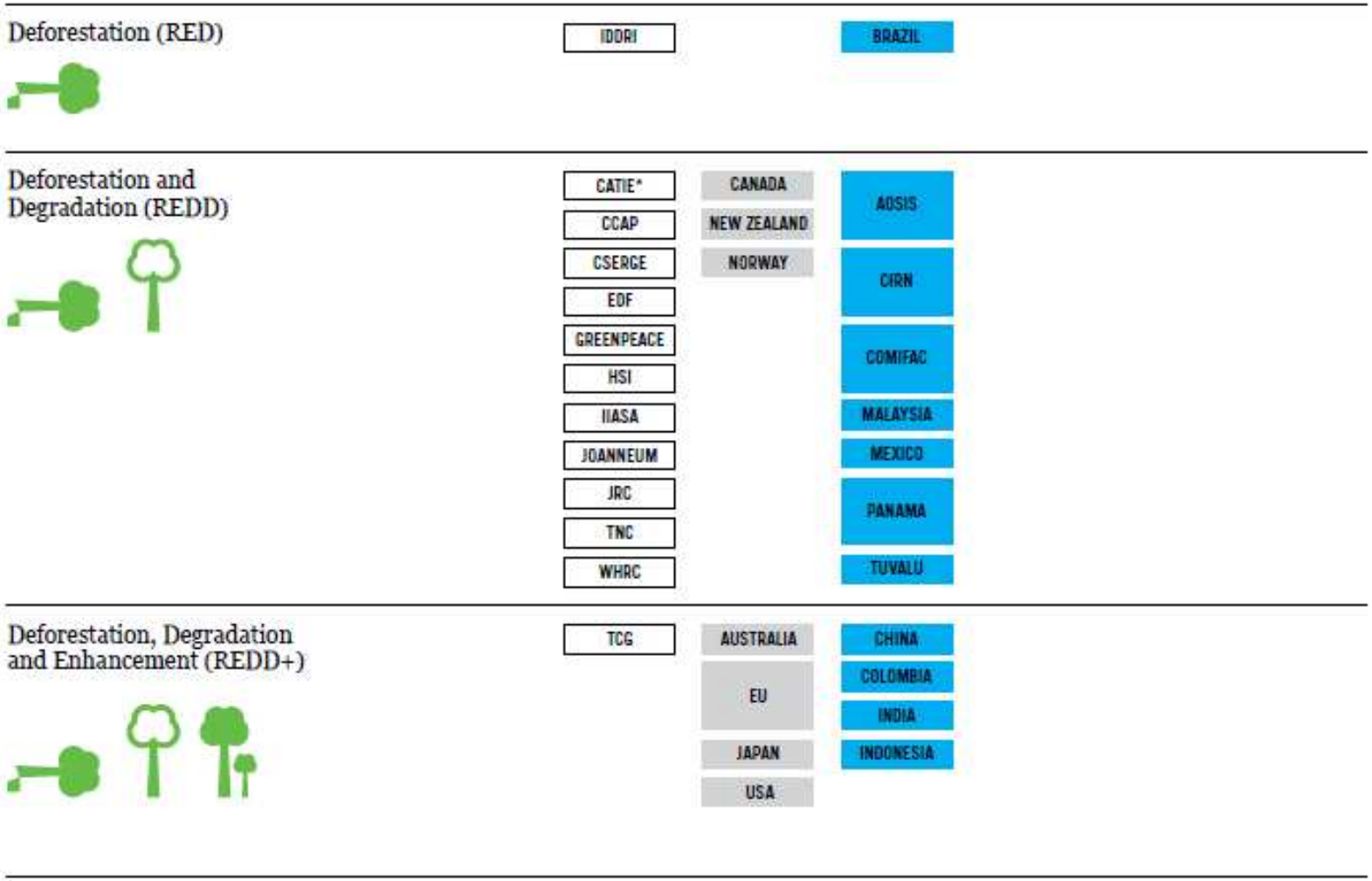
Managing leakage

- Alternative livelihood development
  - *fruit and coffee gardens*
  - *sustainable forestry*
- Portfolio balancing
  - *reforestation*
  - *mangrove restoration*
- Improved governance and spatial planning
- Buffer credits (i.e. 10 – 40%)
- National level accounting

Scope

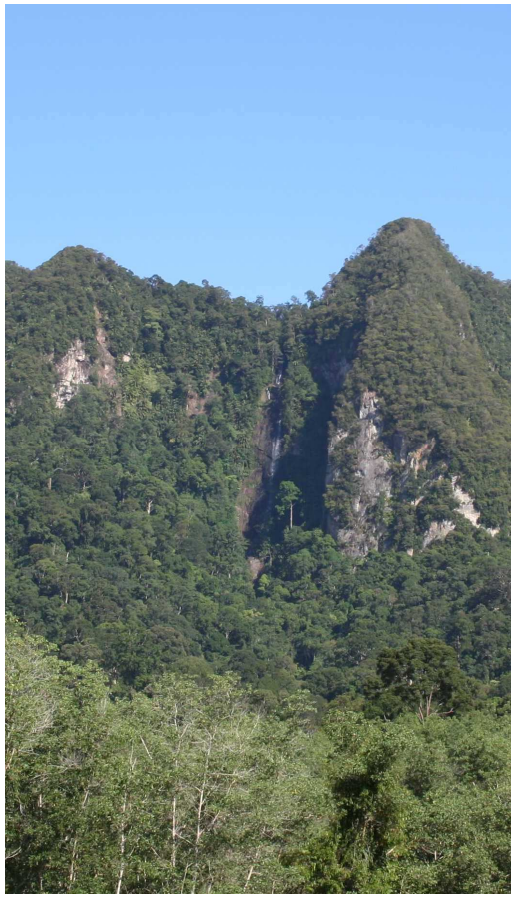

100%
Avoiding Leakage
REDD?
Suriname
Ghana
REDD
CDM-AR
Forest
Cover
PNG
Bolivia
Indonesia
Cameroon
Continued Conservation
Costa Rica
China
India
0%
Time

Scope



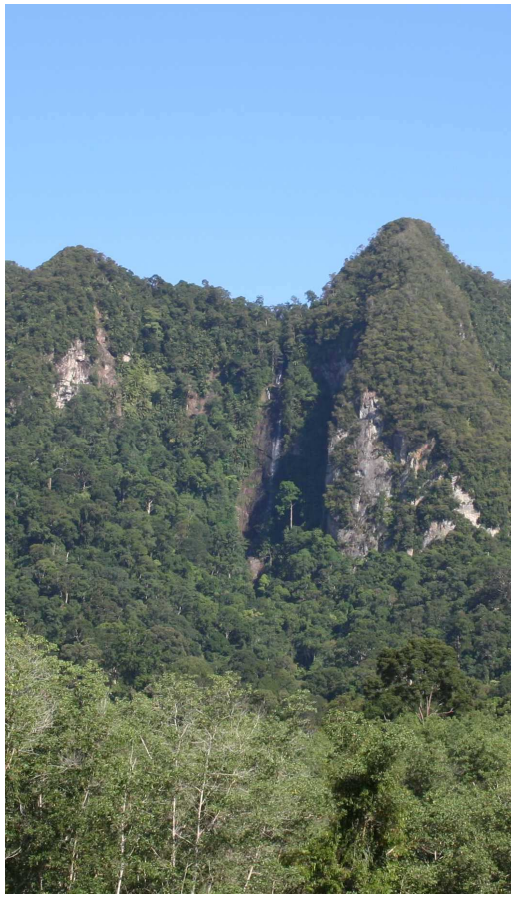
Source: Little REDD+ Book

Monitoring



- Two forms: remote sensing and ground-truthing
- Monitoring of REDD at national scales will require government approved or managed monitoring programs
- These programs can (or should) be informed by existing carbon verification standards/approaches
- Monitoring at project level will conform to verification standard requirements

Monitoring challenges



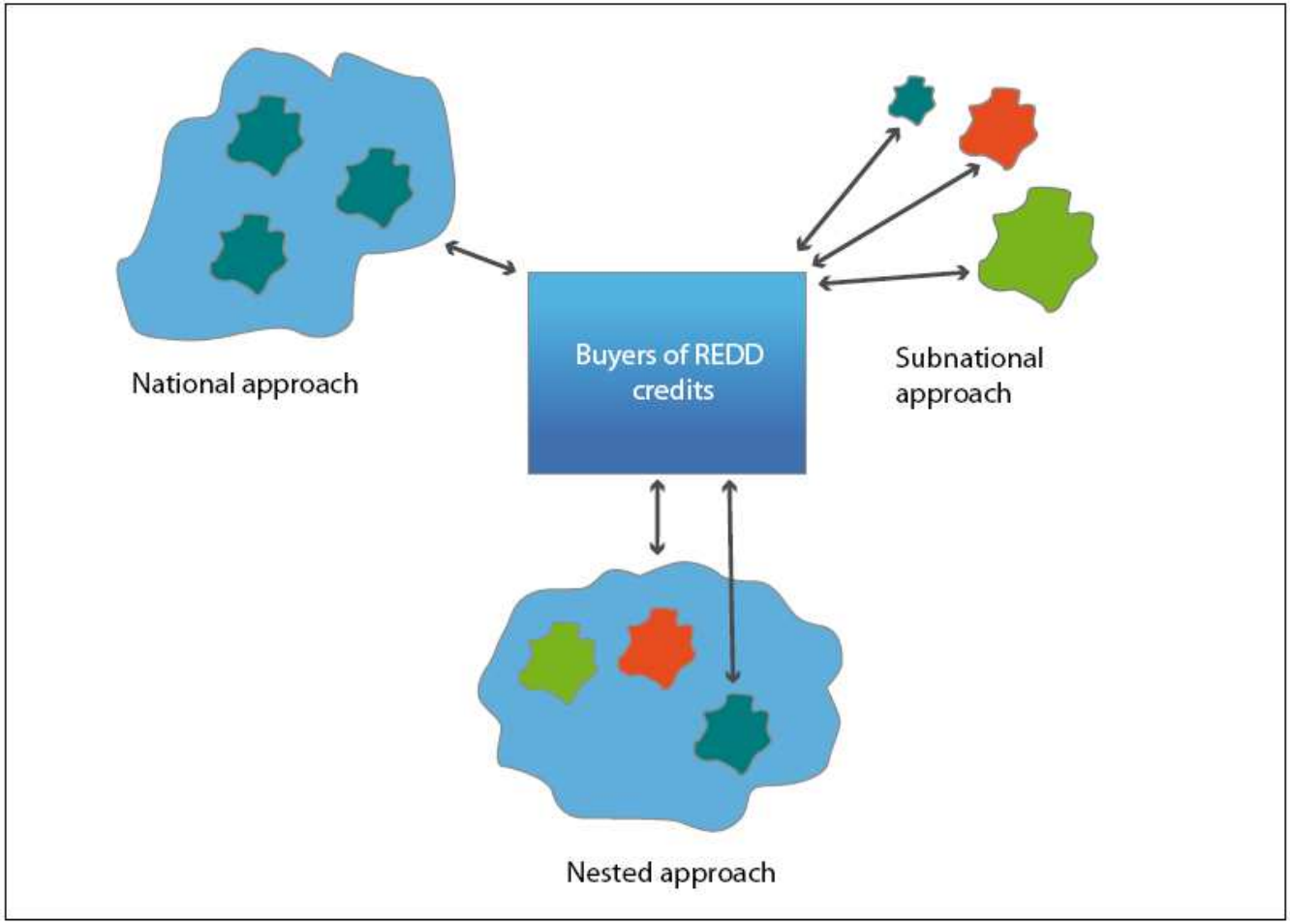
- Lack of standardized verification systems
- Internationally mandated systems may threaten national sovereignty
- How to engage indigenous peoples and local communities?
- Monitoring of values beyond forest carbon may overload capacity
- However, not including community impacts may see projects adversely effect indigenous peoples or poor

Policy Issues:

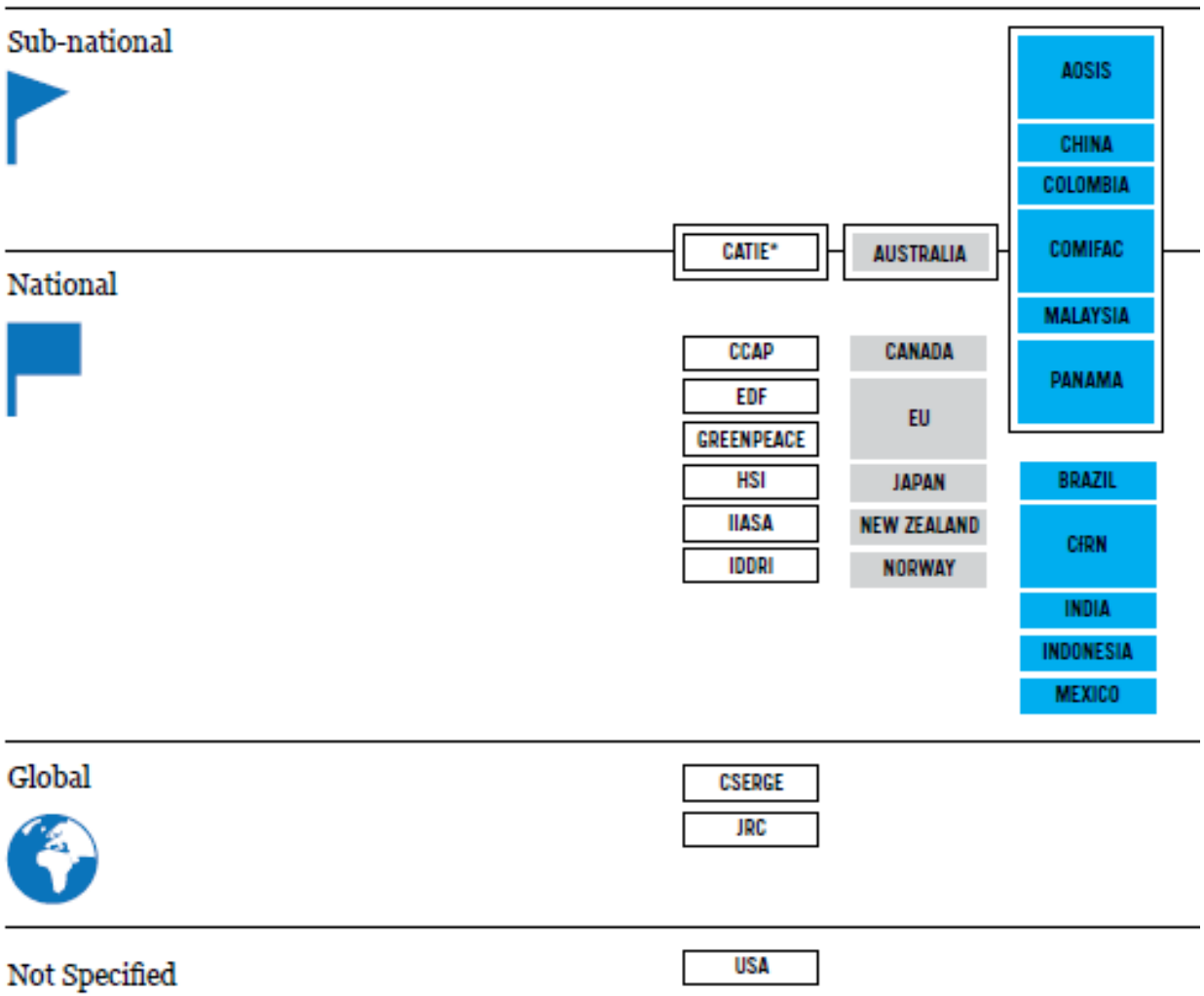
- Scale
- Financing
- Phasing

Scale: National, Sub-national, Nested

Source: Angelsen, A., C. Streck, L. Peskett, J. Brown, and C. Luttrell. 2008. *What is the right scale for REDD?* In: Moving Ahead with REDD: Issues, Options and Implications.



Scale



Source: Little REDD+ Book

Funding: Market or Fund

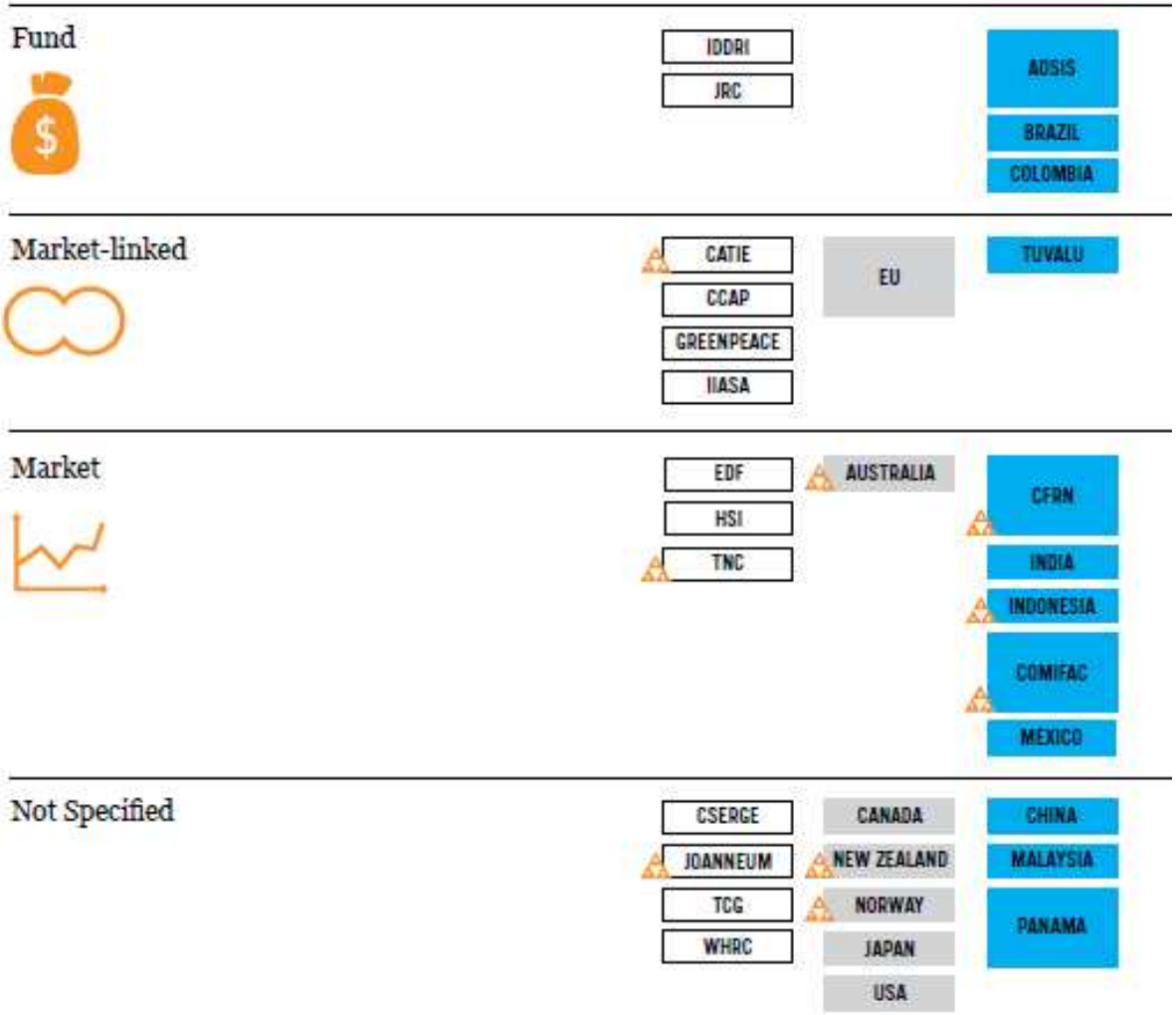
Market

- Credit trading
- Potential to generate large amounts of money
- Concerns:
  - Reduces focus on industrial emissions reductions
  - REDD credits may have adverse impact on carbon markets

Fund

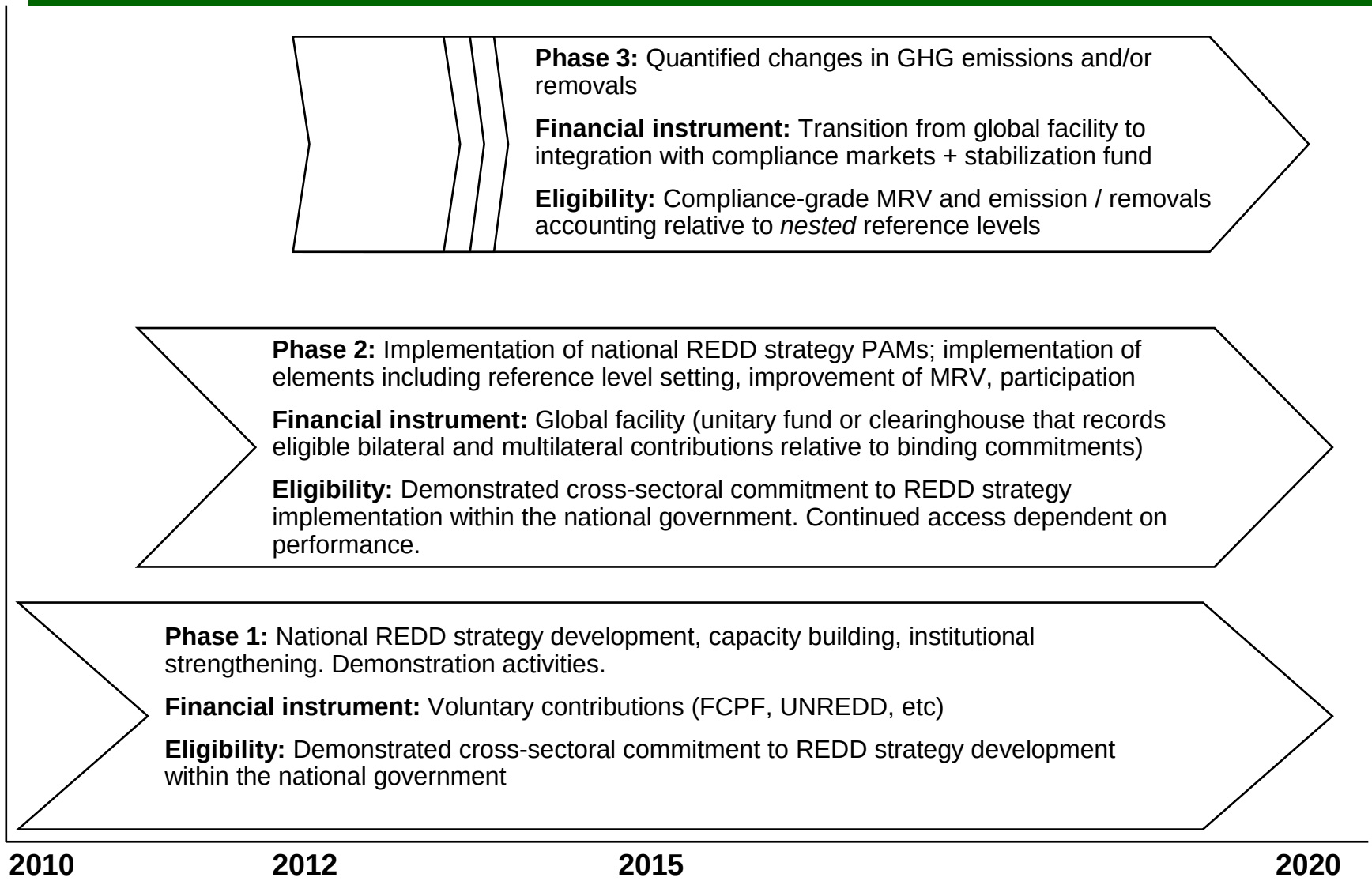
- Created through voluntary donations or some sort of tax or levy linked to the carbon markets
- Emissions reductions are additional
- Concerns:
  - Will it raise sufficient levels of funding?

Financing



Source: Little REDD+ Book

Phasing

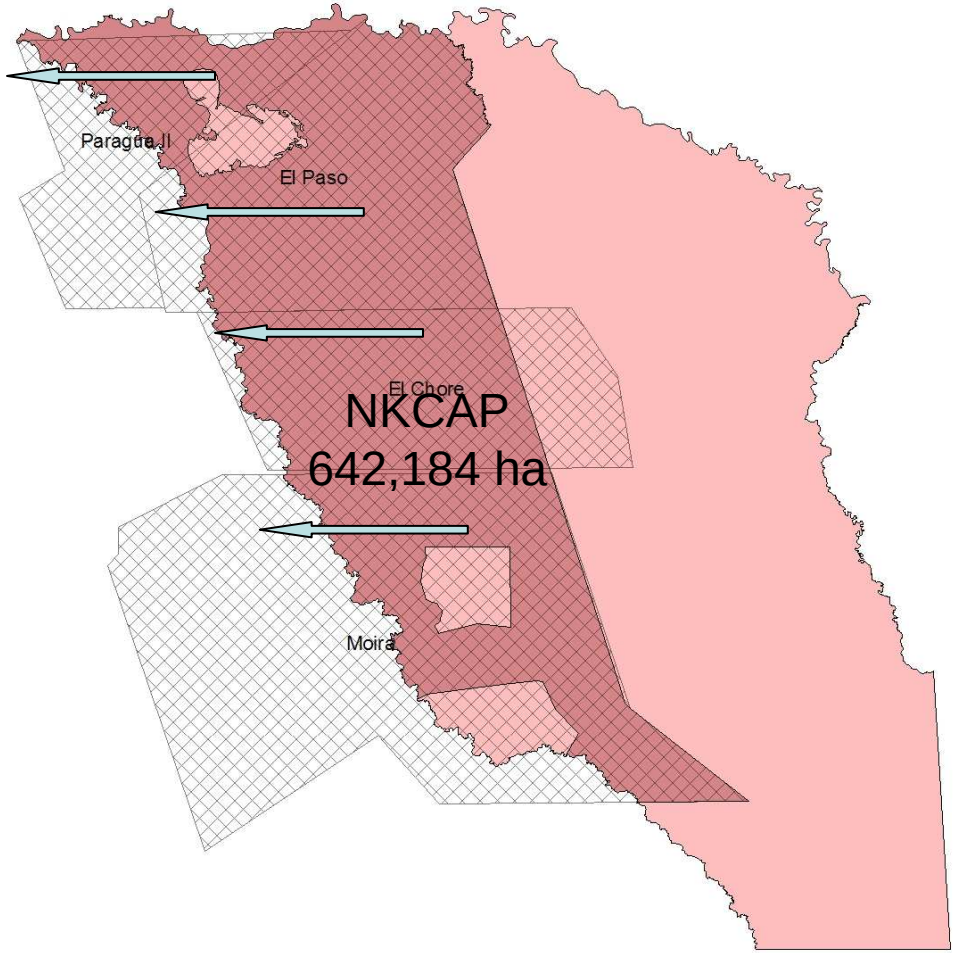


Source: Adapted from the Meridian Institute's Options Assessment Report, 2009

Group Work – Case Study Analysis

- **Noel Kempff Mercado Climate Action Project in Bolivia**

- **Four groups:**
  - **Reference levels**
  - **Leakage**
  - **Financing**
  - **Community and Biodiversity Impacts**



Resources

- **REDD Training Course Materials:**
  - **Instructor's Manual**
  - **Participant's Manual**
  - **Presentations**
  - **www.conserveonline.org/workspaces/trainingmaterials**
- **Online Course on REDD**
  - **www.conservationtraining.org**
- **Rane Cortez, Forest Carbon Policy Advisor, The Nature Conservancy**
  - **rcortez@tnc.org**


Thank you!
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Permanence

- Duration and reversibility of a reduction
  - Loss of forest at a later time, after a carbon credit is sold

- What the market desires:
  - Long-term assurance of supply and delivery of carbon credit

Buffers of reserve credits range from 10 – 40%

Managing non-permanence

- Management factors: legal, financial, tenure, staff competency, and protection.
- Buffer reserves of actual carbon storage held in escrow (about 20 – 30%)
- Insurance policies (i.e. for 100 years) to pay for lost carbon
- Contracts with enforceable replacement
- Land trust (covenants)