

LULUCF – Post 2012

Bryan Smith
Manager, Forest Policy Co-ordination
Ministry of Agriculture and Forestry
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A New Zealand Government Initiative on Sustainability

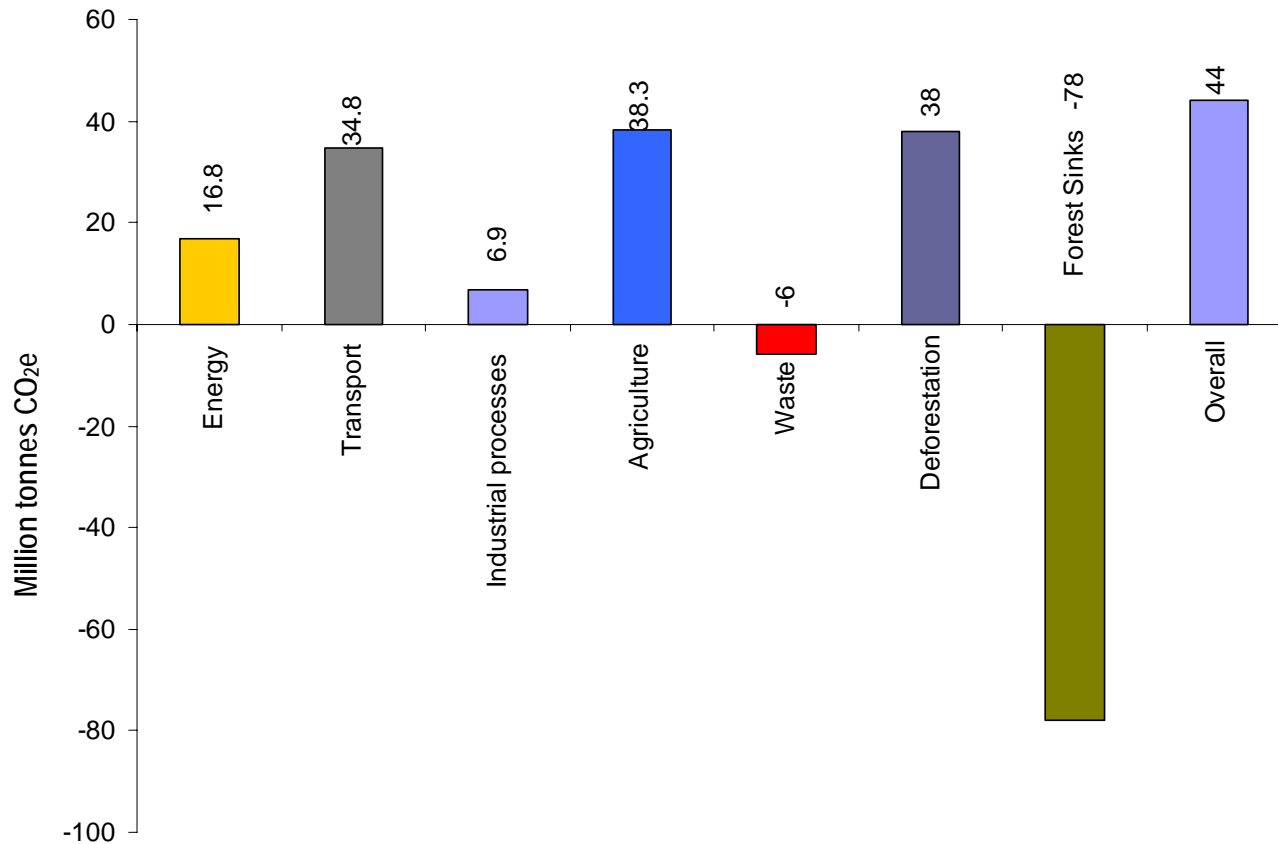


LULUCF and the Kyoto Protocol

- Forestry part of land use, land use change and forestry (LULUCF)
- Removals from LULUCF used to meet obligations. Emissions (deforestation) must also be accounted for by Annex 1 Parties
- New Zealand has high proportion of removals from forests – 25% of 1990 level emissions
- LULUCF activities dealt with differently from activity to activity and from other sectors under the Protocol. Rules reflect:
 - negotiated consensus nature of the agreements
 - limited information
 - LULUCF agreed after the Protocol targets were set
 - Credits (and emissions) while other sectors only create emissions
 - suspicion that sinks were ‘an easy way out’
 - The biological nature of the sectors – with far greater complexity and uncertainties than most other sectors.



Projected excess emissions from key sectors over the first five-year Commitment Period of the Kyoto Protocol



Will forestry be included under a post 2012 Climate Change Regime?

- Almost certainly
- Global political environment has changed
- Sense that everything must be done
- Avoided deforestation will be major driver
- Trend is toward more complete accounting
- Sinks being incorporated into domestic policies
- Negotiators conscious of need for certainty



Negotiating the Post 2012 Framework

- Avoided deforestation – huge expectations. Also has implications for developed countries
- AWG aims to set targets for post-2012. But rules for LULUCF are critical. Not yet fully recognised
- Much history and complexity with LULUCF
- Informal process established
- Next informal meeting early next year – NZ will need some firm positions



What might a future LULUCF regime look like?

- Probably three scenarios for LULUCF:
 - 1 - removal of LULUCF from future agreements – which seems unlikely;
 - 2 - LULUCF remains in but there are major changes to the basis of the rules.
 - 3 - LULUCF remains in, but with relatively 'minor' changes and 'fixes' to the existing rules.
- Most likely is probably somewhere between 2 & 3



Proposals for future changes might include

- Compulsory accounting for forest management of pre-1990 forests
- More ability/clarity about selecting certain Forest Management activities
- Removal of the volumetric restrictions on Forest Management – but with corresponding adjustments to Parties' targets
- Establishing a 1990 baseline for Forest Management and/or Deforestation (making these net-net activities)
- Recognition of HWPs
- Changing the base years for certain LULUCF activities
- Making other LULUCF activities compulsory
- A greatly liberalised CDM mechanism for LULUCF
- Mechanism for Avoided Deforestation [and Degradation] REDD
- Sectoral inclusion of LULUCF for developing countries.

