

# Forest Watch Special Report – UNFCCC meeting Barcelona, November 1-5

## What does Barcelona mean for Copenhagen?

By Kate Dooley (FERN)

The Barcelona climate talks<sup>1</sup> followed on from the September/October 2009 Bangkok meeting, but were marked by lack of transparency, with the majority of the work taking place in closed informal consultations. As the last meeting before Copenhagen, this was where the ‘real’ negotiations were expected to finally start, but the most striking aspect was the almost complete standstill in progress. The focus shifted from the need for a legal agreement in Copenhagen to the ‘acceptance’ that time had run out for a full legal agreement. The Alliance of Small Island States (AOSIS) expressed concern over systematic attempts to lower expectations for Copenhagen and in the final contact group meeting on 6 November, Chair Zammit Cutajar noted the lack of progress and difficulty in moving forward, since “parties are pulling in different directions.”<sup>2</sup>

The most dramatic event of the week was the unified stance taken by the African Group on the need for discussions under the AWG-KP (Ad Hoc Working Group on the Kyoto Protocol) to focus on the setting of legally binding targets for developed countries. Backed by the G77/China, they refused to negotiate other issues under the Kyoto Protocol (KP), until progress was made on emissions reduction figures. This position is clearly logical as the only legally binding mandate for Copenhagen is the renegotiation of individual and aggregate targets for the second commitment period of the Kyoto Protocol.

The Africa group aimed not to close down negotiations, but to refocus priorities on emission reduction targets. A compromise was struck when it was agreed that 60 per cent of KP negotiating time would focus on numbers, with the remainder being spent on other issues (Land Use Land Use Change and Forestry (LULUCF), flexible mechanisms, etc).

## REDD: discussions and outcomes

The Reduced Emissions from Deforestation and Degradation (REDD) sub-group also met in closed sessions, with discussions focusing on “the phased approach”, finance, and the extent to which REDD is a Nationally Appropriate Mitigation Action (NAMA).

Non paper 39,<sup>3</sup> which will be the REDD negotiating text for Copenhagen, was released just before the final closed session. It includes revised text on means of implementation (finance), safeguards and monitoring, reporting and verification (MRV), but still lacks an overall objective to protect natural forests. Also vital language on monitoring the environmental and social impacts of REDD is absent. Both Switzerland and the EU agreed that language on the MRV of safeguards was missing (essential to allow local communities an avenue of redress from potentially negative consequences of REDD), and the EU is expected to provide text on this in Copenhagen.

The final text also saw the reintroduction of language preventing the conversion of natural forests to plantations, which was removed at the end of Bangkok.<sup>4</sup> The safeguards against conversion of forests to plantations have however been considerably weakened, with proposed text being either to include safeguards on the conversion of natural forests, or to ‘not provide incentives to convert natural forests’. NGOs such as FERN would argue that the incentive should be to conserve natural forests and the rights of those that depend on them, not to safeguard against incentives to convert them to plantations. On the other hand, countries such as the Democratic Republic of Congo (DRC) and Guyana who have historically low deforestation rates prefer the weaker version of the text. They state that under current market based REDD proposals, there are few incentives for them if they cannot continue to develop their logging industry to some extent.

## Finance, NAMAs and the phased approach

### Phased approach:

All three of these issues have been long standing themes in REDD discussions, and Barcelona saw an increasing link between them. Norway originally proposed the idea of a ‘structured’ three phase approach, which includes a specific focus on improved forest governance and land tenure reform in phase two, before countries are eligible for phase three. There has been support from a broad range of Parties for this approach.



The EU Council conclusions for Copenhagen contain explicit language on the need for a second phase addressing governance such as land tenure reform and forest law enforcement, financed by public funds.<sup>5</sup> However, the text references capacity building and technology transfer in phase two and specific references to governance have been removed.

Another interpretation of the three phased approach, a 'flexible' phased approach, as advocated by Papua New Guinea (PNG) means that countries with adequate technical capacity, but poor governance, could go straight into the third 'full implementation' phase of REDD without needing to address issues such as land tenure reform and upholding rights.

#### **Nationally Appropriate Mitigation Actions:**

During discussions about NAMAs,<sup>6</sup> there was disagreement between the EU - who emphasised the need for NAMAs to be quantifiable - and the G77/China - who said they should be country driven, voluntary and not require demonstration of emission reductions as a pre-condition for support. This second option would mean that NAMAs would not be money for emission reductions, but money to implement the policies and measures, which lay the groundwork for future emissions reductions. For forests, this would mean respecting rights and clarifying land rights or process of forest law reform, activities which do not result in quantifiable emissions reductions and thereby do not lend themselves to being financed through carbon trading.

#### **Financing**

Parties remain split over the issue of financing REDD through trading forest carbon credits. Tuvalu, Tanzania and Switzerland made strong statements against markets, while Brazil, China, India and South Africa stated they are extremely sceptical about markets. The EU reiterated that markets should only be possible under strict eligibility criteria in phase three.

#### **What to expect on forests at Copenhagen:**

Since the inclusion of REDD in the Bali action plan in 2007, the Subsidiary Body on Scientific and Technical Advice (SBSTA) has been carrying out a two year programme largely looking at the issues of carbon measurement and monitoring, and the setting of baselines. Parties, observers and civil society have made extensive contributions to the process, and the SBSTA is due to deliver a decision on methodological approaches in Copenhagen.

The draft text of that decision covers the need for engagement

of indigenous peoples and local communities in monitoring and reporting, the use of Intergovernmental Panel on Climate Change (IPCC) guidance to estimate greenhouse gas emissions and removals, as well as a recommendation to develop guidelines for incorporating indigenous knowledge, the establishment of forest monitoring systems, capacity building and the setting of reference levels (baselines). Bracketed or weak/missing text includes: reference to engagement rather than participation of indigenous peoples; the absence of developed countries' consumption as a key driver of tropical deforestation; a narrow focus on measuring carbon; and the lack of a requirement to monitor or report on the impacts of these activities.

The key battle lines however will be over baselines, as setting these is a deeply political process which will determine who are to be the major winners and losers from REDD. Under consideration in Copenhagen will be the issue of a correction factor to artificially inflate baselines so that countries with low historical baseline rates can participate in a market based REDD. While countries like Guyana and the DRC are very keen for this to happen, the fallout<sup>7</sup> over the recent revelation that Guyana will still increase its logging rates under the agreement with Norway for its low carbon development plan, indicates that this is an arrangement that maybe difficult to accept.

#### **Forests in the overall outcome?**

Expectations were lowered considerably during the Barcelona meeting and many are now expecting a REDD decision as one of the few outcomes in Copenhagen. While there is support for this from those focused on securing finance for forest protection, developing country governments, such as India and Brazil, have stated that they do not want to see a REDD agreement without commitments of 40 per cent from developed country parties. In recent weeks, the EU has made strong statements that there must be a binding agreement in Copenhagen, translated into a text which could be ratified as soon as possible afterwards. While leadership from the EU is to be welcomed here, it must be emphasised that tackling deforestation is a key part of the overall global response to climate change, and addressing the loss of tropical forests is not a stand-alone measure. Forest protection will only work if it comes in tandem with deep, legally binding emissions targets from industrial countries, and it is essential at Copenhagen that forests are used to strengthen, not weaken the global response to climate change.

#### **ENDNOTES**

1. The resumed ninth session of the Ad Hoc working Group of Further Commitments for Annex 1 Parties under the Kyoto Protocol (AWG-KP) and the resumed seventh session of the Ad-hoc Working Group on Long Term Cooperative Action (AWG-LCA).
2. Earth Negotiations Bulletin. Summary of the Barcelona climate change talks: 2-6 November 2009. <http://www.iisd.ca/climate/rccwg7/>
3. A non-paper is a drafting paper used in the negotiations which does not have official status. [http://unfccc.int/files/meetings/ad\\_hoc\\_working\\_groups/lca/application/pdf/awglca1biinp39051109.pdf](http://unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/awglca1biinp39051109.pdf)
4. John Vidal, The Guardian: British delegate's pro-logging stance prompts EU apology. October 9, 2009. <http://www.guardian.co.uk/environment/2009/oct/09/british-logging-eu-apology>
5. Council Conclusions on EU position for the Copenhagen Climate Conference (7-18 December 2009). 2968th ENVIRONMENT Council meeting, Luxembourg, 21 October 2009
6. [http://unfccc.int/files/meetings/ad\\_hoc\\_working\\_groups/lca/application/pdf/awglca1biinp51061109.pdf](http://unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/awglca1biinp51061109.pdf)
7. Guyana may cut more forests despite Norway deal, Reuters AlertNet, 20 November 2009