

LULUCF: Strategies for the Future

Naomi Peña

Environmental Analyst

Pew Center on Global Climate Change

www.pewclimate.org



Presentation Overview

- The Pew Center on Global Climate Change
- The Negotiations over the Terrestrial Biosphere in Climate Change Instruments
- Comprehensive Use of The Terrestrial Biosphere
 - In a Domestic United States Policy
 - For Developing Countries

Pew Center on Global Climate Change

- Independent, non-profit, non-partisan. Funded primarily by The Pew Charitable Trusts and other charitable foundations
- Advancing the debate and policy formation through balanced studies and analyses prepared by experts
- A unique organization: the Pew Center and its Business Environmental Leadership Council (BELC)



Business Environmental Leadership Council

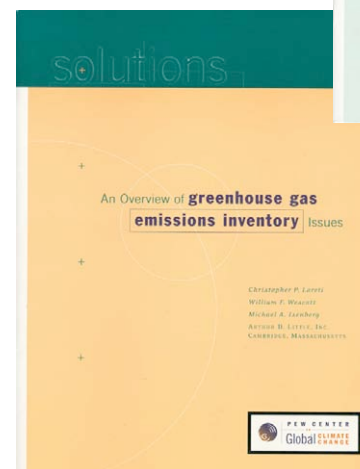
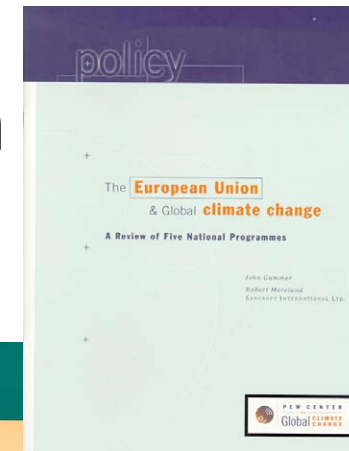


BELC Principles

- We accept the views of most scientists that enough is known about the science and environmental impacts of climate change for us to take actions to address its consequences.
- Businesses can and should take concrete steps now in the U.S. and abroad to assess opportunities for emission reductions, establish and meet emissions reduction objectives, and invest in new, more efficient products, practices, and technologies.
- The Kyoto agreement represents a first step in the international process, but more must be done both to implement the market-based mechanisms that were adopted in principle in Kyoto and to more fully involve the rest of the world in the solution.
- We can make significant progress in addressing climate change and sustaining economic growth in the United States by adopting reasonable policies, programs, and transition strategies.

Studies/Analyses

- Balanced analyses authored by leading academic and professional experts
- Reviewed both by peers and the BELC
- **30** reports released and **24** underway in four series:
 - Economics
 - Environment
 - Policy
 - Solutions



Pew Center Outreach

- Engaging in the international dialogue and search for solutions
- Providing the media with sound information representing the informed “middle ground”
- Reaching out to U.S. policy-makers



THE HISTORY OF LULUCF IN CLIMATE NEGOTIATIONS:

**Focus on Fossil Fuel
Emissions**

VS

**Role of LULUCF And
Atmospheric Concentrations**

Gross-Net Accounting
RESTRICTIONS
ON USE OF LULUCF



Net-Net Accounting
COMPREHENSIVE
INCLUSION OF LULUCF

1. Base Year

**Count Only Fossil Fuel
Emissions**

2. Commitment Period

Count Both

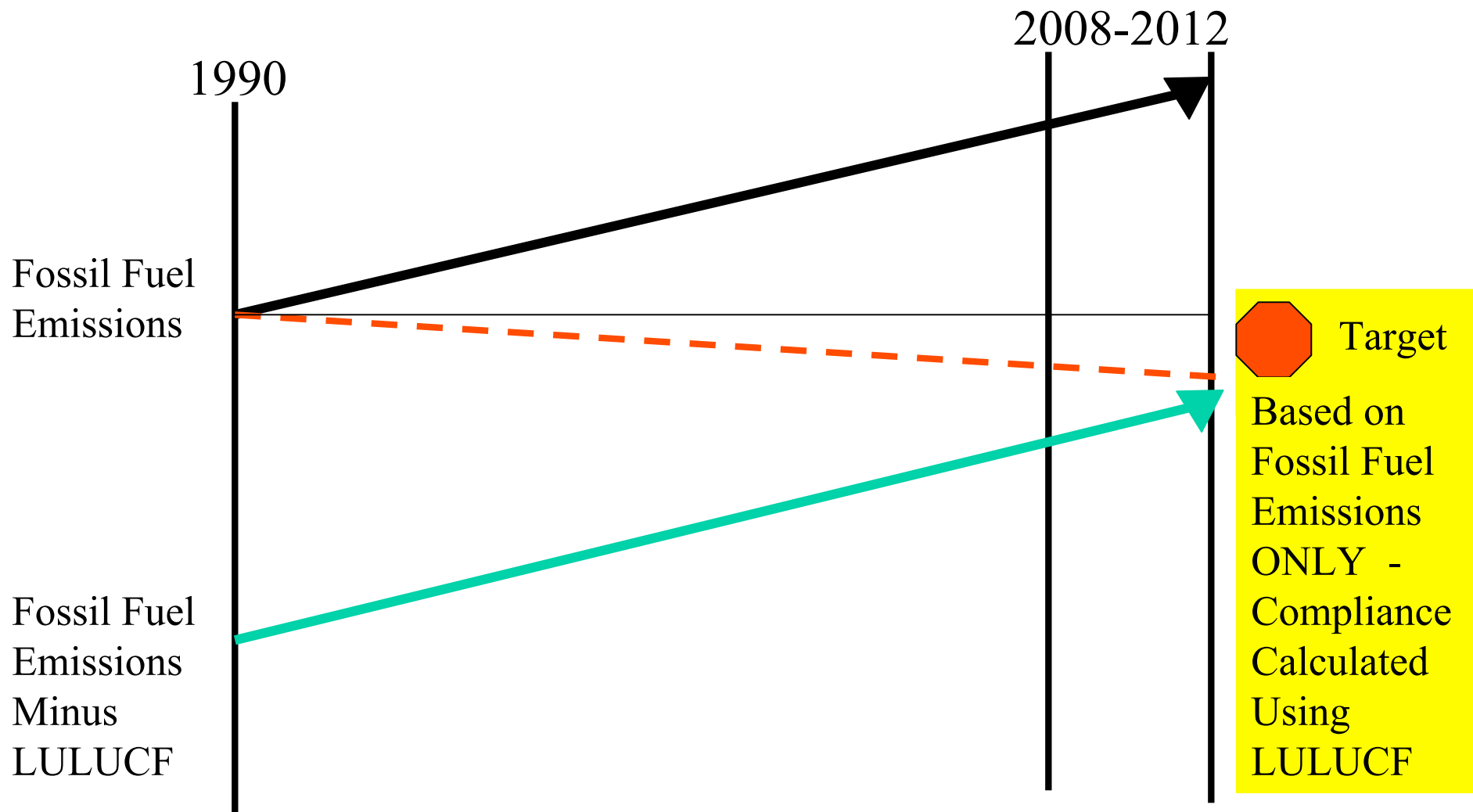
1. Base Year

Count Both

2. Commitment Period

Count Both

WHY GROSS-NET ACCOUNTING (THE KYOTO PROTOCOL APPROACH) LEADS TO A RESTRICTED USE OF LULUCF



The Net-Net Accounting Vanishing Act:

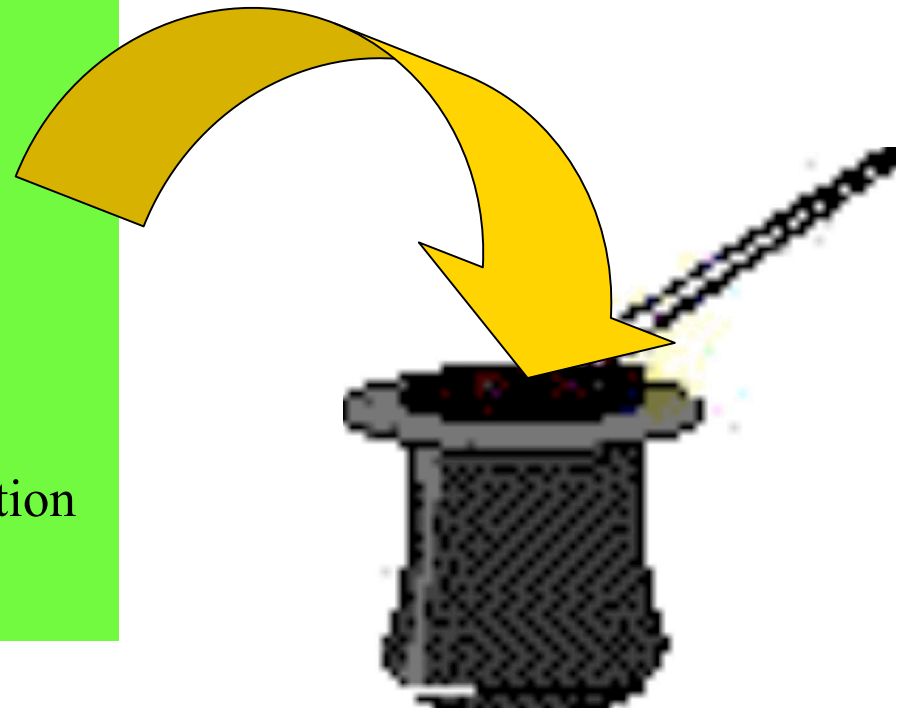
No Need For Definitions:

A Forest
Afforestation/Reforestation
Deforestation
Direct-Human Induced
Indirect Human-Induced

No Need for Distinctions:

Deforestation vs. Harvesting
A/Reforestation vs. Replanting
Deforestation vs. Forest Degradation

No Restrictions on Activities



PEW CENTER
ON
Global CLIMATE
CHANGE

FROM KYOTO (1997) TO BONN (2001)

THE KYOTO PROTOCOL (COP 3)

Gross-Net Accounting
Only ARD Accepted
(Article 3.3)

Possible Additions
Agriculture
Forest Management
(Article 3.4)

THE HAGUE (COP 6)

US POSITION

Restriction of LULUCF under 3.3 **only acceptable** in a package deal to include:

Precedents for Comprehensive LULUCF in
Future Commitment Periods

EU POSITION

Restrict Use of LULUCF to maintain the
integrity of the 2008-2012 targets

RESULT: NO DEAL

BONN (COP 6-BIS)

MOST LULUCF OPTIONS RESTRICTED OR ELIMINATED

Eliminated:

CDM Agriculture
CDM Conservation
CDM Forest Mgmt

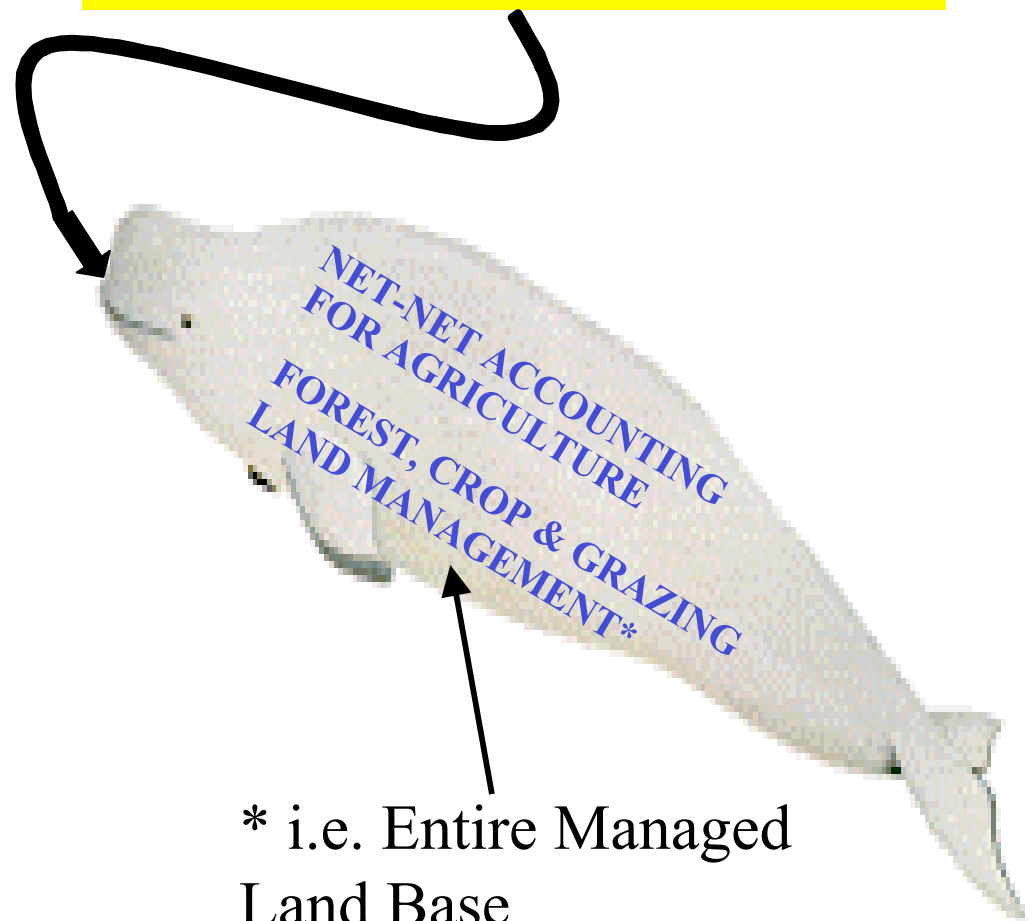
Restricted Use

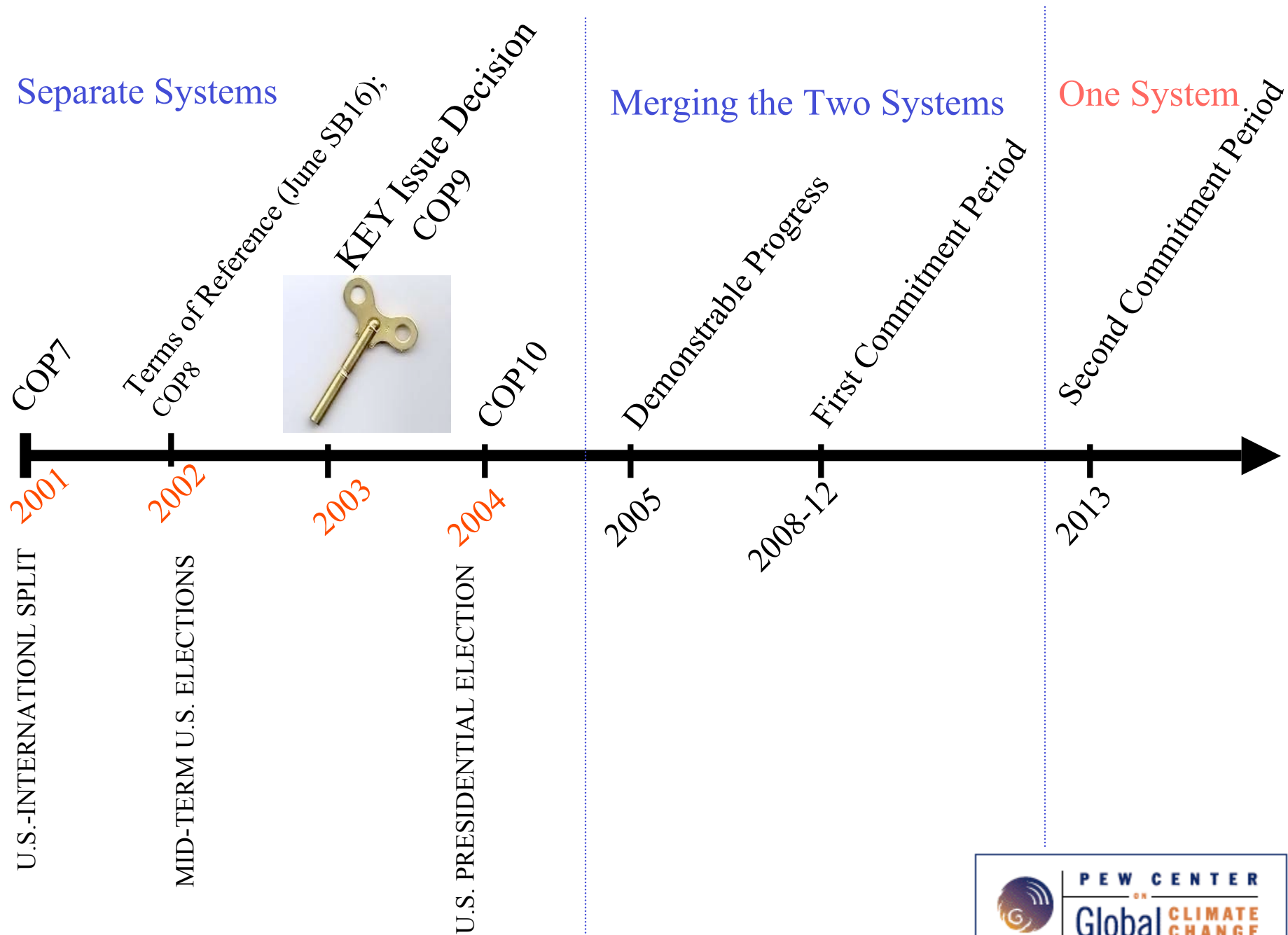
Annex B Forest Mgmt
CDM A/Reforestation

Full Use

Domestic Annex B:
A/Reforestation
Agriculture

PRINCIPLES OF COMPREHENSIVE LULUCF ADOPTED UNDER ARTICLE 3.4

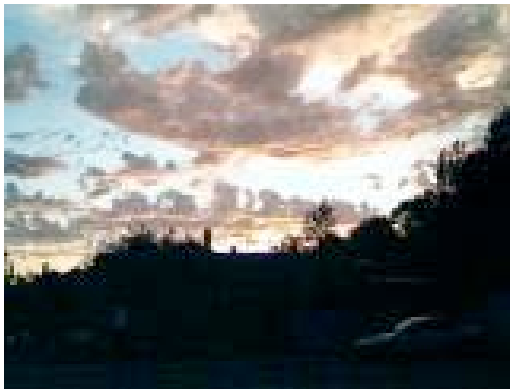




WHY Comprehensive Inclusion of LULUCF & Net-Net

- Compatible with U.S. Position
- Complexities Disappear

THE ATMOSPHERE



THE COMPANIES

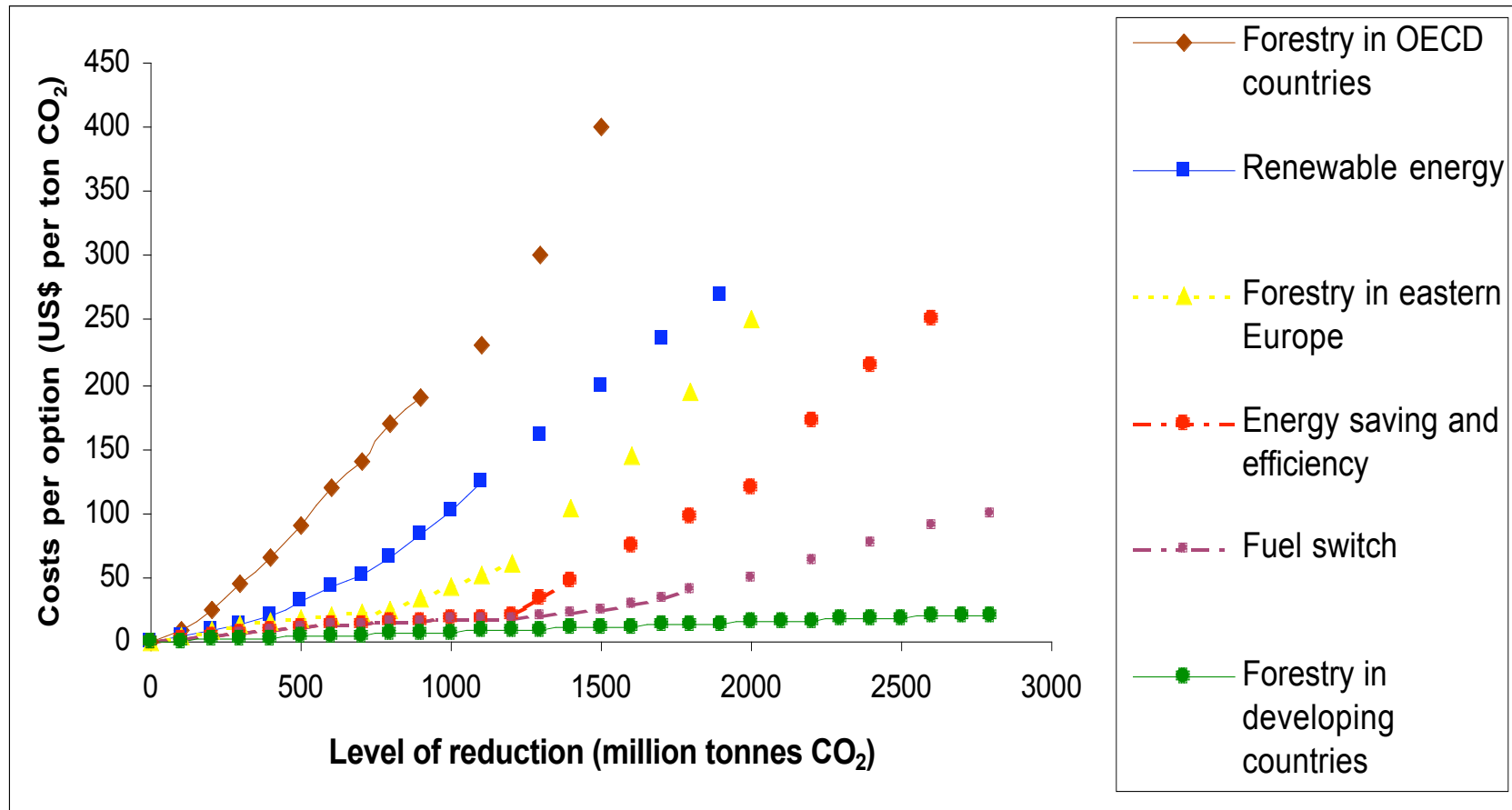
ENVIRONMENTAL SERVICES



FARMERS



Cost curves of emission reduction or sequestration activities



GREATER DEVELOPING COUNTRY PARTICIPATION THROUGH LULUCF

PRESENT ATTITUDE



A POSSIBLE FUTURE ?

**“Say! I like green eggs
and ham”**

**... And I will use it here
and there. Say! I will
will use it ANYWHERE!**

...

**THE KEY: A CREDIBLE US GHG EMISSIONS REDUCTION
PROGRAM**

WE ARE HERE TO INCREASE AGRICULTURAL PRODUCTIVITY (in the Subsistence Arena)

Source of
National Income

Cash Crops: Tea, Coffee,
Palm Oil, Rubber, Beef Cattle

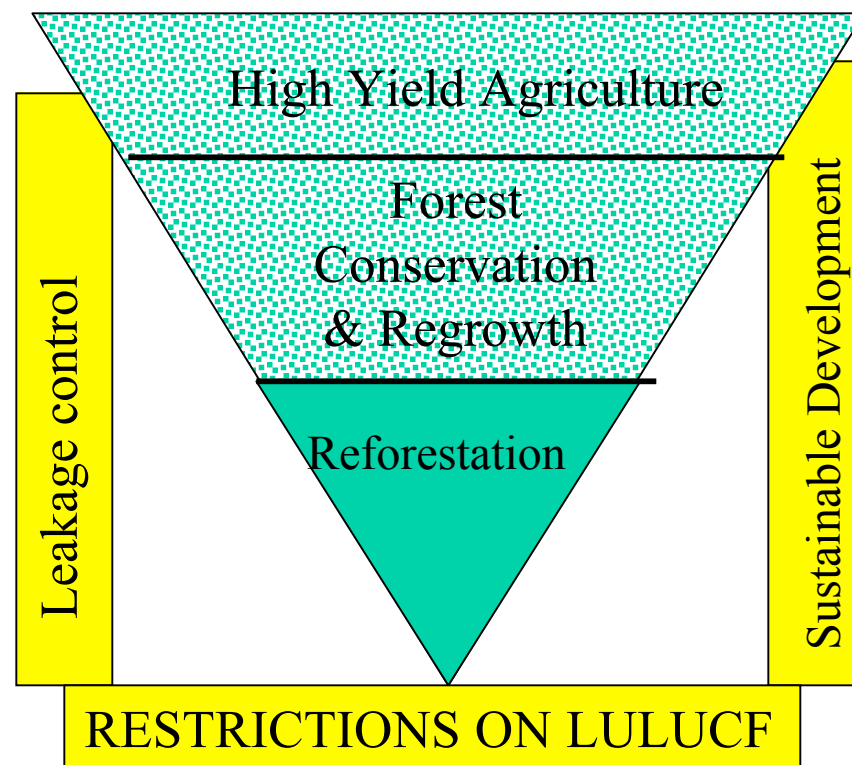
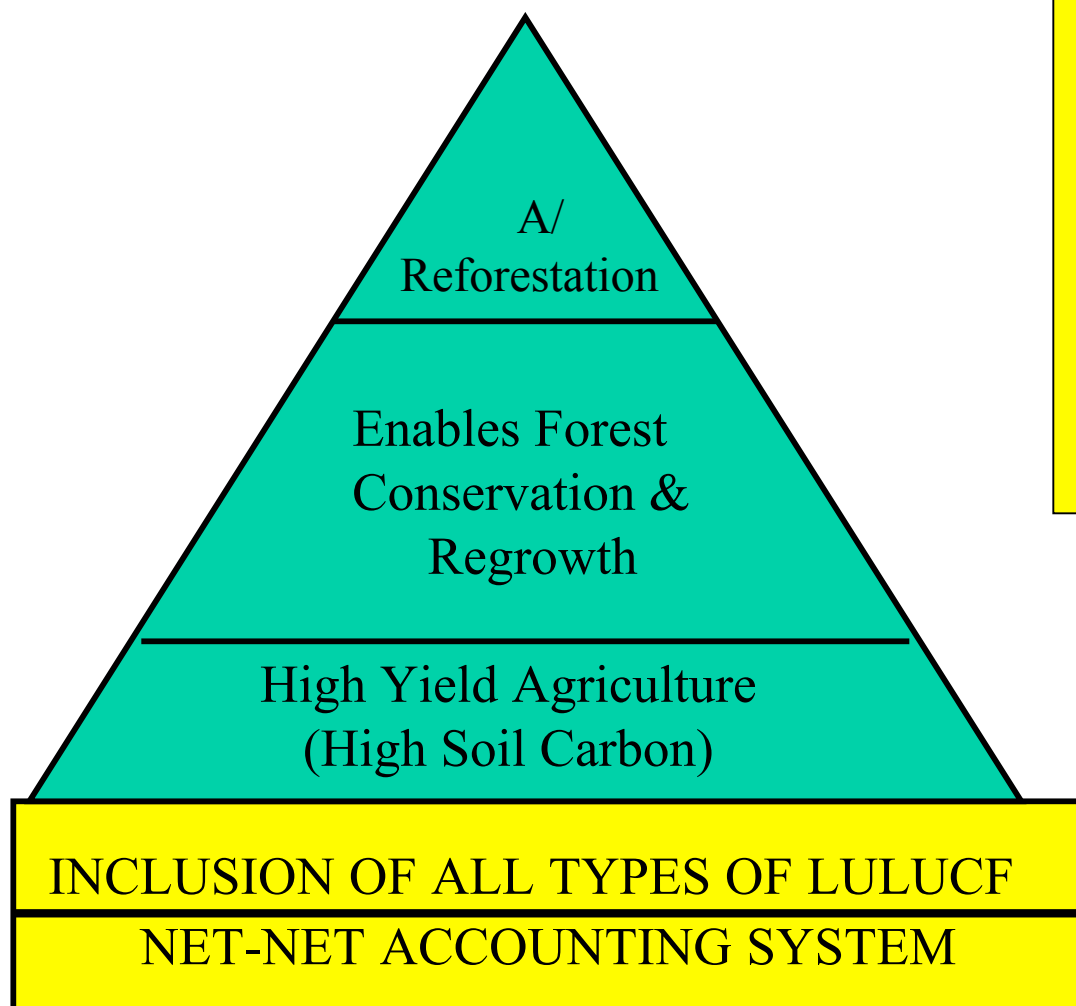
1/3 to 1/2 of
Deforestation
Caused by Need to
Replace Degraded
Land

**Shifting Unsustainable
Subsistence Agriculture**

TOOL KIT

Land Titles
Small-Scale Electrification
Conservation Tillage
Agro-Forestry
Rotational Grazing
Alternative Income Sources

SUCCESSFUL LULUCF STARTS WITH AGRICULTURE



A/Reforestation Can Lead to Egregious Leakage

LULUCF CAN ADDRESS DEVELOPING COUNTRY PRIORITIES

FOOD: Land Degradation & Desertification



**Improving
Agricultural Yields is
the Key to Reducing
Deforestation, and to
A/Reforestation
Projects in the
Developing World**

INVESTMENT \$\$



**Many Developing
Countries **Do Not** Have:
Big Opportunities for
Energy-Side Reductions**

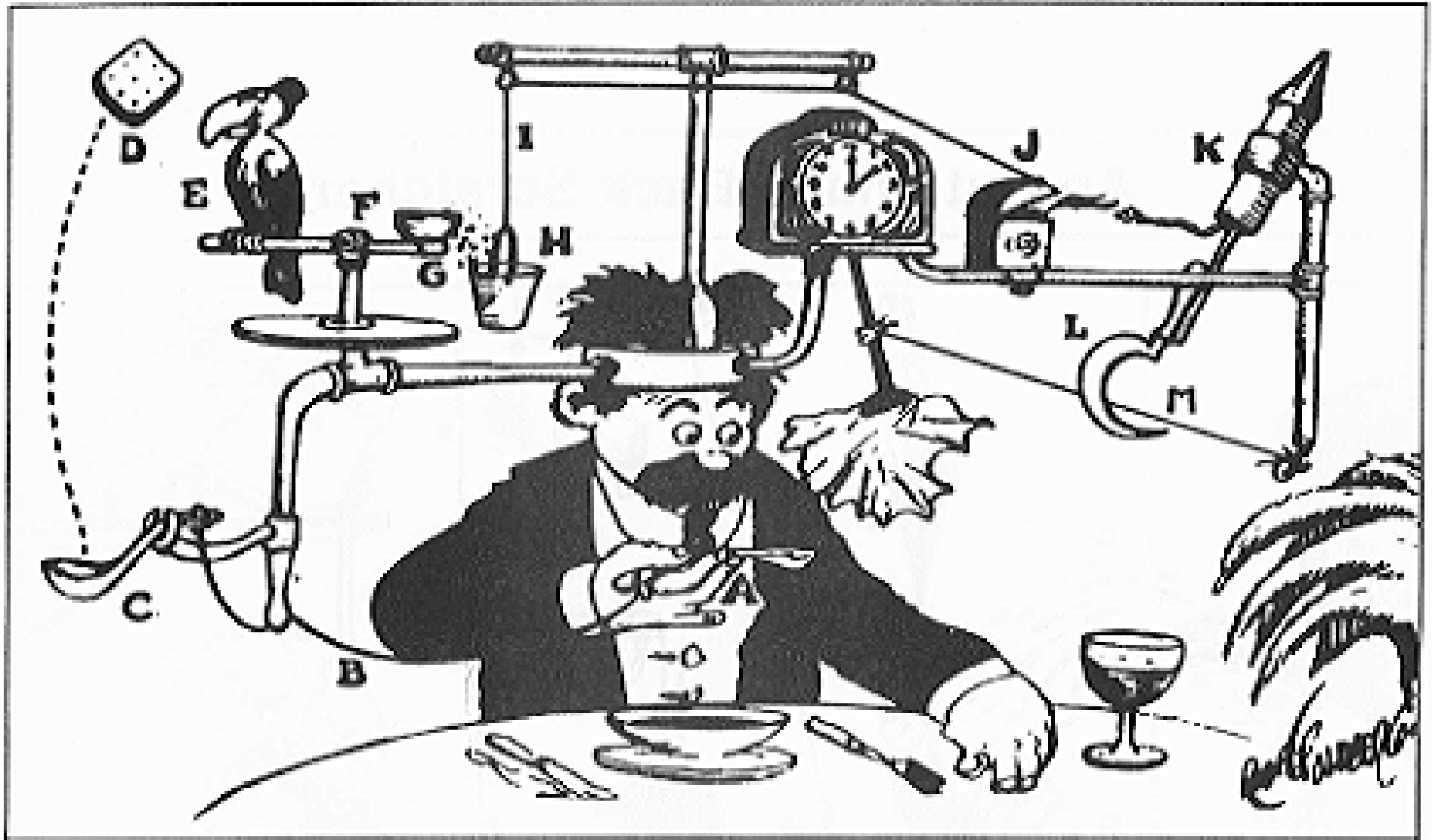
Most **Do Have Either:
High LULUCF Emissions
Big LULUCF Sinks
Opportunities**

LEAP-FROGGING TECHNOLOGIES



**Improving Agricultural
Yield and Providing
Off-Grid Rural Energy
Transfers Appropriate
Technologies**

USING GROSS NET ACCOUNTING TO DO THE JOB



Conclusion

- “Gross-Net Accounting” is currently used in the international climate change regime
- The United States may use a comprehensive approach to LULUCF
(possibly with “Net-Net Accounting”)
- LULUCF is important for developing country participation and emission reduction efforts