

AFOLU related outcomes from Copenhagen

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Introduction and overview

Despite the failure to reach the expected agreement at COP 15 to cover the post-Kyoto commitment period under the UNFCCC framework, there were substantial accomplishments made in Copenhagen. In particular, REDD+ (Reduced Emissions from Deforestation and Degradation) was explicitly supported in the last minute and unexpected Copenhagen Accord, along with substantial funding commitments, if not with quantifiable targets. Although the Accord is a political agreement that is not legally binding, and current commitments are not adequate for achieving the goal of maintaining the increase in global average temperature below 2 C, it does provide the building blocks of a bottom-up approach that is more politically feasible and that can be strengthened over time (Purvis, 2010).

REDD+ was also supported in a draft decision developed by the Ad Hoc Working Group on Long Term Cooperative Action (AWG LCA), and methodological guidance for it was completed by the Subsidiary Body on Scientific and Technological Advice (SBSTA), though many issues remain “bracketed”, i.e., unresolved. Another AWG LCA draft decision directs parties to promote and cooperate in research and development aimed at reducing emissions from agriculture in ways that support adaptation and contribute to safeguarding of food security, and asks the SBSTA to establish a program of work on agriculture that supports implementation. This program could pave the way for inclusion of the full range of Agriculture, Forestry, and Other Land Use (AFOLU) activities as capacities and protocols are developed. It was significant that there was broad support for this from both the agricultural and forestry communities, which have historically been antagonistic.

The strong support in the Accord for REDD+ was likely due to the work of the IWG IFR (Informal Working Group on Interim Finance for REDD+), a group that includes 35 member countries and was convened by Prince Charles, and which was referenced by the G8 and several heads of state as a basis for supporting early action on REDD. An IWG IFR report released just prior to the Copenhagen meetings outlined a recommended course of action. In addition, 19 Agricultural ministers launched a Global Research Alliance on Agricultural Greenhouse Gases, which was initiated by New Zealand and the United States, for which the first meeting will take place in March. Given that the formal COP negotiations did not result in a formal agreement under the UNFCCC, the mandate of the working groups was extended through COP 16, which may provide an opportunity to address unresolved technical issues. Many have attributed the “failure” of the formal negotiations to goals and expectations that were unrealistic and unachievable to begin with. Some wonder if a consensus agreement among all parties is at all possible given new geopolitical realities. The summary report by the IISD Earth Negotiations Bulletin concluded that, in spite of the disappointments, important progress was made and that, “had the threat posed by

climate change not been so urgent and serious, delegates would therefore have had every reason to be satisfied with their achievements over the past few years.” They noted that “for the very first time, the majority [115] of the world’s leaders gathered to frankly and seriously discuss climate change” and specifically, that “their discussions also covered a full range of formerly “unmentionable” issues, such as adaptation and mitigation by developing countries.”

Action on the Accord depends heavily on whether the developed countries are willing and able to deliver on financial pledges. Progress on reaching a binding agreement under the UNFCCC will also depend on the ability of the United States to exercise leadership, and commit to a binding agreement. Although the Obama administration seems well prepared to take action under the authority of the Clean Air Act, it will be difficult to deliver on international commitments in the absence of more explicit authority that would be conferred by domestic climate legislation. Therefore, the key issue now is whether the United States Congress will pass domestic climate legislation prior to COP 16. Commitments made in the Accord by developing countries to reduce emissions and to allow verification of their performance, have removed a major political obstacle to collaboration by the United States, and could boost the chances of passing domestic legislation in the U.S. To elicit continued support for REDD and other AFOLU activities, effective demonstration projects are critical.

The Copenhagen Accord

The last minute [Copenhagen Accord](#), was negotiated directly by heads of state of 30 high emitting countries that cover 80% of global GHG emissions. In contrast, the Kyoto Protocol only covers 30% of emissions. The Accord was ultimately accepted by all but 5 countries, and was “taken note of” by the UNFCCC COP, which enables action to proceed as negotiations continue towards the hoped for final agreement at COP 16 next December in Mexico. Annex I countries were to list economy-wide emissions reductions targets by January 31, but these can be submitted at any time, and could be revised in response to actions by other countries. Non-Annex I countries were to list Nationally Appropriate Mitigation Actions (NAMAs) which could be financed through the funding commitments of the developed countries.

In follow-up to the Accord, as of February 25 2010, 14 Annex I countries and the 27 EU member states have submitted emission reduction targets. In addition, 31 non-Annex I developing countries have submitted NAMAs, and an additional 36 have submitted information, associating themselves with the Accord. Of the 31 developing countries that have submitted NAMAs under the Accord, 19 intend to reduce emissions in the Forestry sector, and 12 in the agricultural sector ([UNFCCC 2010](#)). According to an analysis by WRI (Levin and Bradley 2010), the combined emission targets of the developed countries represent a 12 to 19% reduction below 1990 levels by 2020, short of the 25 to 40% that is needed to achieve stabilization of atmospheric concentrations of GHGs at 450 ppm. Whether the higher level is achieved depends on whether certain conditions are met. However, it begins a process by which the necessary reductions can be achieved and strengthened over time (Light 2010). The Accord also provides for this target to be reassessed and potentially strengthened in 2015.

Although the Accord is not legally binding, [David Doniger of NRDC](#), argues that this is less important than it seems because even legally binding commitments can be meaningless if not enforced, and political agreements can be effective when “the parties are motivated by self and mutual interests to adhere to them.” The Accord is essentially a “mutual action pact” in that it offers a framework in which countries can reinforce their commitments and strengthen them over time in response to similar moves by other countries. Although a legally binding agreement is generally expected to provide greater predictability that is necessary for markets to function, this predictability could also be achieved through rules established under multilateral or bilateral agreements, such as the procedures of the multilateral development banks, or the requirements defined in the climate legislation passed by the US House of Representatives, and pending Senate bills. These would establish eligibility requirements for access to the US carbon market – if they become law.

Of particular relevance to landscape carbon markets was the call to create positive incentives for action through the immediate establishment of mechanisms that include REDD+, recognition of the role of markets in enhancing cost-effectiveness, and a substantial commitment of funding for mitigation – for REDD+ in particular, as well as for adaptation, technology development and transfer, and capacity building. An initial pledge of \$30 billion, or \$10 billion/year from 2010-2012, to be balanced between mitigation and adaptation, is expected to come from public funding and to be additional. In addition – and also outside the context of COP negotiations, the U.S., Australia, France, Japan, Norway and the United Kingdom [pledged \\$3.5 billion](#) exclusively for fast-track financing for REDD+, presumably in addition to the above mentioned \$30 billion pledged in the Accord. Beyond these initial pledges, a commitment of \$100 billion per year by 2020 is expected to come from a variety of sources, including the private sector. However, the Accord does not specify any quantified emissions reductions target for REDD+. Agriculture is not explicitly mentioned but neither is it excluded.

The potential sources of pledged funding are to be studied by a high level panel that will report to the UNFCCC, and a Copenhagen Green Fund was designated as an operating entity, to support activities that explicitly include REDD+. Within the Accord, a governance structure with equal representation from developed and developing countries is agreed upon for funds channeled through the multilaterals for adaptation. The inclusion of both public and private funds raises questions as to whether they can be considered additional to existing development assistance or other funds, particularly with respect to carbon trading. A policy brief by IIED (Stadelman et al 2010), questions whether funds are additional if they are derived from the sale of credits that are used to comply with carbon targets in the developed countries, and notes that flows from the CDM are part of the Kyoto agreement through 2012. However, countries would only be paid if emissions reductions are achieved relative to a baseline. The overlap between activities aimed at climate change adaptation, mitigation, and development project is also expected to complicate the matter of whether or not this funding is additional to existing development assistance.

Also critical to carbon markets is that the Accord is expected to boost chances for a Senate bill because it provides 2 key elements demanded by swing senators: commitments of key developing countries to reducing emissions, and a transparent framework for evaluating their performance (Doniger 2009). At a post-Copenhagen roundtable on Agriculture and Climate Change sponsored by FAO and Ecoagriculture

Partners, Fred Boltz from Conservation International noted that projects that can demonstrate the capacity to absorb and use the funds effectively are also expected to be critical to continued support for REDD+.

Outcomes of COP negotiations within the UNFCCC framework

The general expectation for formal COP 15 negotiations under the UNFCCC framework was that they would conclude with:

- An agreement on a second commitment period for the Kyoto protocol, and
- A global agreement on climate action under the UNFCCC that would include the U.S. and that would include REDD.

Although these were not achieved, there was an agreement to extend the mandate of the two working groups that had been established in the Bali Action Plan developed at COP 13, to support this two track negotiating process.

Key issues that stood in the way of an agreement were:

- the future of the Kyoto Protocol,
- means of engagement by the U.S.,
- verification of action by developing countries, and
- long-term financing.

It is not clear whether the COP 15 negotiations and the Accord will somehow come together. However, the draft decisions prepared by the Ad-Hoc Working Group on Long Term Cooperative Action (AWG LCA), and the completed work of the Subsidiary Body for Scientific and Technological Advice (SBSTA), provide an indication of what is being considered for inclusion in a final decision that may be reached next December, and the remaining unresolved issues. In addition to the session scheduled for June in Bonn, the UNFCCC has just [announced](#) the addition of an earlier session that will take place April 9-10 in Bonn, to provide more time for consideration.

Ad-Hoc Working Group on Long Term Cooperative Action (AWG LCA)

Current with COP 15 was the 8th session of the AWG LCA under the UNFCCC. The [AWG LCA final report](#) contains a set of draft decisions in which there are several items in [brackets], i.e., unresolved. However, the work of the group will continue through COP 16. Draft decisions pertaining to land use included one on policy approaches and positive incentives for REDD+ (Annex I.G.), and one that pertains to cooperative sectoral approaches and sector specific approaches in agriculture (Annex I.J.).

Annex I.G. specifies that developing countries should contribute to mitigation actions in the forest sector via REDD+, which is defined to include the reduction of emissions from deforestation and forest degradation, conservation and enhancement of forest carbon stocks, and sustainable management of forests. These actions are to be guided by principles and provisions of the convention, which include

consistency with adaptation needs and sustainable management of forests. Safeguards to be either [promoted] or [supported] include consistency with the conservation of natural forests, actions to address the risk of reversals and to reduce the displacement of emissions, as well as effective participation and respect for the knowledge and rights of Indigenous Peoples and local communities noting the adoption by the General Assembly of the UN Declaration on the Rights of Indigenous Peoples.

SBSTA is requested to identify LULUCF (Land Use and Land Use Change Forestry) activities in developing countries that are linked to drivers of deforestation and forest degradation, to identify methodological issues associated with the estimate of emissions from these activities, and to assess their potential contribution to climate change. SBSTA is also asked to develop modalities for monitoring, reporting and verification (MRV) for anthropogenic forest-related emissions and removals associated with implementation of activities associated with this decision, and for verifying support provided for MRV by the developed countries.

Items left in brackets relate to whether countries are to develop national and sub-national strategies, national forest reference emission levels and/or forest reference levels, and national forest monitoring systems. Activities are to be undertaken in phases, beginning with the development of national strategies or action plans, policies and measures and capacity building, followed by implementation and, eventually, results based demonstration activities and actions. National strategies or action plans are to address drivers of deforestation and degradation, land tenure and forest governance issues, gender considerations, as well as the safeguards identified above.

Annex I.G. recognizes the need to take into account the link between adaptation and mitigation, as well as the implications for food security of approaches and actions that are taken in the agricultural sector. It also directs Parties to promote and cooperate in research and development aimed at reducing emissions from agriculture in ways that support adaptation and contribute to safeguarding of food security. Lastly, it asks the SBSTA to establish a program of work on agriculture to support implementation, as was done in Bali to support the establishment of REDD. Although the decision was not ratified, parties were invited to submit views to the secretariat by March 22nd regarding the content and scope of this work program. In an Information Note, FAO suggests that this program could begin in December 2010 if parties submit input under their own initiative, based on the mandate of the Bali Action Plan, or if the SBSTA were to request such input at the June meeting in Bonn. Presumably, this could also occur at the additional meeting that is to take place in April.

Subsidiary Body on Scientific and Technological Advice (SBSTA)

SBSTA completed [methodological guidance on REDD-plus](#), which it asks developing countries to consider, and which asks them to:

- Identify drivers of deforestation and degradation and means of addressing them;
- Identify activities that reduce these emissions, increase removals, and stabilize forest carbon stock;
- To use IPCC guidance as a basis for estimating GHG emissions and removals;

- To establish a national forest monitoring systems and sub-national if appropriate, that make use of a combination of remote sensing and ground-based forest inventory for estimating GHG emissions and removals. It should provide estimates that are transparent, consistent and accurate to the extent possible, and available for review.

Other key provisions include:

- encouragement of the development of appropriate guidance for the full and effective engagement of indigenous peoples and local communities in monitoring and reporting, and
- recognition that reference emission levels (RELS) and forest reference levels (RLs) should be established using historic data, with adjustments for national circumstances.

Outcomes of informal negotiations

Informal Working Group on Interim Finance for REDD+ (IWG IFR)

The IWG IFR for REDD+) was most likely responsible for the prominence of REDD+ in the Copenhagen Accord. This is the 35 member country group that was convened by Prince Charles, and was referenced by the G8 and by several heads of state as a basis for advocating early action on REDD+. [The report](#) was released just prior to Copenhagen where they held a joint event with the Global Canopy Program, and appears to indicate the likely future direction of REDD. It estimates that:

if financing of €15-25 billion were made available for the 2010-15 period for results based incentives, a 25% reduction in annual global deforestation rates may be achievable by 2015. Efforts on this scale could, if effective, reduce annual deforestation by about 3 million hectares per year, for an accumulated total emission reduction of 7GtCO₂e for the period. They could also generate economic benefits for developing countries, including their indigenous peoples and local communities, conserve bio-diversity and protect water supplies.

The group is also prepared to reconvene after Copenhagen to consider further steps to facilitate immediate action on REDD+. The key message from the IWG IFR report is that immediate action is critical. A three-stage strategy is envisioned:

- In the first phase, developing countries would receive grants to develop a REDD+ strategy.
- In the second phase, grant support would be provided to build capacity, while large-scale payments would be provided for demonstrated results in reducing emissions.
- In the third phase, countries would receive payments for verified emission reductions and removals, and for the conservation of existing stocks.”

Joint Statement on Agriculture and Forestry – COP 15 Forest Day

It was significant that forest and agriculture communities provided a [single set of recommendations](#), as Forest Day has historically been antagonistic to agriculture. The statement, which was produced as a

joint outcome from three separate side events on forestry, agriculture and food security, clearly demonstrates that there is now a general recognition of the multiple benefits of climate change adaptation and mitigation measures, and a general agreement among these communities that these must be addressed in an integrated manner. As was recommended in the draft decision of the AWG-LCA, as well as in an [FAO report](#) issued prior to the conference, the statement specifically urges the establishment of an agriculture work program under the SBSTA. It also advocates inclusion of AFOLU in a REDD agreement, and an LULUCF accounting system that is favorable to agriculture.

Lastly, the organizations themselves “commit to strengthening cross-sectoral cooperation to address the drivers of deforestation, enhance sustainable agricultural growth and foster rural development.... [recognizing] that addressing climate change is fundamental to food security and poverty reduction today and for future generations.”

Organizations that participated in issuing this statement are: Food and Agriculture Organization, International Federation of Agriculture Producers, Consultative Group on International Agricultural Research and its Challenge Program on Climate Change Agriculture and Food Security, Global Donor Platform for Rural Development, University of Copenhagen Faculty of Life Sciences, Center for International Forestry Research, and the Collaborative Partnership on Forests.

The Global Research Alliance on Agricultural Greenhouse Gasses (GRAAGHG)

Initiated by New Zealand and the United States, the [GRAAGHG](#) was launched by agricultural ministers from 19 countries. [The US committed \\$90 million over 4 years](#) in addition to existing funding. According to Gerald Nelson/IFPRI, New Zealand made a commitment of \$190 million to initiate research. The first meeting will be in March.

Conclusion

As can be seen, perhaps the most substantial progress in Copenhagen was made on REDD-plus, as well as progress towards inclusion of the full range of AFOLU activities, as capacities and protocols are developed. Although funding pledges were significant, particularly for REDD+, they raise several questions as to how they will more specifically be allocated and distributed, and whether they will actually be additional to other forms of development assistance. From the perspective of project developers and their investors, a key concern is with the phased and sequential approach to funding that is generally envisioned, as in the IWG IFR report, in which funding would first support strategy development, then capacity building, and finally, in a third phase, payments for verified emissions reductions.

Given the immediate goal of supporting early action, and the long term goal of leveraging private funding to supplement limited public funding, it will be critical that these three phases happen in parallel. With a sequential approach, that does not assure rewards for early action, there is the risk of losing the momentum and experience gained from existing early action projects, and the interest of investors in this emerging market that already exists. Terra’s experience from the development of a

REDD project in Cambodia (Poffenberger et al 2009) demonstrates that, while project activities depend on enabling policies and institutions, they also inform and provide an incentive for the development of appropriate policies, as well as a basis for capacity building and learning. Conversely, continued support for REDD and other AFOLU activities will depend on the ability to demonstrate success in these types of projects.

Lastly, although the future of international climate policy is largely regarded as depending on whether climate legislation is enacted in the United States, it is important to note that the [U.S. Environmental Protection Agency](#) is well prepared to move forward under the authority of the Clean Air Act beginning in 2011. Also, that regional trading mechanisms have begun to emerge among several states within the United States. An alternative scenario to a top down, legally binding international agreement is the emergence of a bottom up process, for which the Copenhagen Accord provides the building blocks, in which regional markets in emissions trading could conceivably be linked (Ideacarbon 2009). Although it could take more time to develop, it enables emissions reductions to be achieved immediately through payments for performance. An analysis by Purvis and Stevenson (2010) envisions such a scenario leading to a “race to the top”, in which developing countries compete for available funding, in contrast with top-down, consensus-based negotiations that lead to a lowest common denominator outcome.

References and further information

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IISD ENB report on Forest Day Three, <http://www.iisd.ca/climate/cop15/fd/>

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