

INFORMAL DIALOGUE ON THE ROLE OF LAND USE, LAND USE CHANGE AND FORESTRY

19 - 21 APRIL 2006, MADRID

CO-CHAIRS' SUMMARY

Participants representing about fifty countries and organisations attended the second meeting of the Informal Dialogue on the Role of Land Use, Land Use Change and Forestry. The Dialogue provides a forum for discussion in order to increase mutual understanding of key LULUCF issues among Parties. As with the first meeting of the Dialogue (Rotorua, October 2005), the discussions occurred under Chatham House rules and were not intended to pre-empt negotiated outcomes at the UNFCCC.

This note summarises issues under the Themes discussed on Madrid that were, from the Co-Chairs' perspective, of particular significance and warrant further consideration in the future. This Summary reflects the personal observations of the Co-Chairs and does not necessarily represent the views of all participants. It should be read together with the Co-Chairs' summary from the Rotorua meeting. This is available at [web address]. There are also rapporteurs' reports contained in the report of the meeting available at [web address]

Theme 1 Overall Potential

Scientific evidence shows that global temperatures and atmospheric CO₂ concentrations are outside the range of the last six glacial cycles. To stabilise the climate system and achieve the ultimate objective of the Convention, a systems approach is needed that recognises that opportunities for emissions reduction and sink enhancement entail interactions between sources and sinks in the same ecosystems over different time horizons.

The potential for mitigation response is large but only a few percent of it is likely to be realised under present circumstances. The costs and benefits associated with a full range of responses can however be tabulated in ways interpretable by stakeholders and policy makers. Appropriate responses will depend on national circumstances, but bioenergy and avoiding loss of carbon stocks are likely to be particularly significant, and the present system needs to be extended to cover these opportunities more fully.

The future policy framework needs to be flexible enough to accommodate a broad range of country-specific circumstances. Suggestions for outlining how LULUCF might fit into this e.g. via a multistage approach, or outline principles and criteria by which these might be achieved, would be of great interest.

Theme 2 Synergies in national greenhouse responses

Achieving synergy is important and desirable and covers adaptation as well as mitigation. Optimisation of policy choices in LULUCF should take account of life cycle analysis including associated fossil fuel use and other all relevant inputs, and consider opportunities for more efficient use of biomass energy, as well as carbon for sequestration. This is an issue for policy choices and carries no implications for the national boundary of inventory coverage. Practical tools are emerging that can inform decision making by stakeholders and governments.

Presentations included examples and analyses from soils, woodland management and bioenergy. It is of interest to consider the full range of interventions, including the introduction of species to achieve regeneration of desired species or ecosystems.

In order to realise the multiple benefits, stakeholders, scientists and policy-makers need to improve understanding all along the value chain.

Theme 3 Simplification and Comprehensiveness

Inventory systems need to be capable of recognising the land management practices. This has the potential to address anthropogenic and natural effects, both being incorporated via national circumstances into historical estimates and projections and hence, potentially, differentiation of commitments. Averaging and stratification have the potential to deal with natural variability. The IPCC 2006 guidelines should provide the next logical step towards unifying logic between carbon pools, inter-pool transfers of carbon as well as CO₂ releases to the atmosphere, and non-CO₂ greenhouse gas emissions.

National policy choices relevant to carbon sequestration and greenhouse gas emissions under the UNFCCC exist in a broader context. Short term maximisation of carbon uptake can involve tradeoffs with biodiversity and other ecological and economic values, although it is perfectly possible to design management systems and make policy choices that optimise across the range. Production of suitable guidelines for use at the national level could help to promote this. Achieving an agreed indicator for sustainable forest management (SFM) would be a considerable simplification and there is relevant ongoing international work.

Assessment of deforestation needs to take into account the dynamic nature of changing land use patterns, and the relative sustainability of traditional and modified land use practices. Understanding of land allocation and tenure, and involvement of local communities is essential. The social and environmental consequences of choices made can be very far-reaching.

Sustainable policy choices leading to sustainable development need to take into account land allocation and tenure, the role of local communities, integrated land use, and the sustainability of climate and ecosystem characteristics

Theme 4 Deforestation

Deforestation occurs in all countries to some extent and is a cross-cutting issue that is linked both the national development and adaptation. National policies and measures can address deforestation in a number of ways, including by increasing carbon stocks, improving technology and management practices and creating incentives. However, such initiatives will only be effective if they are consistent with national land use priorities, such as SFM and local participation in decision-making.

Addressing deforestation is an essential part of climate change response and requires extension of coverage from developed to all countries in an effective manner. Addressing deforestation will need monitoring as well as a policy framework flexible enough to

accommodate a wide range of national circumstances. Progress at any stage is likely to require sufficient confidence concerning both the policy framework and monitoring requirements.

It is unlikely that policy initiatives will succeed unless they take account of the drivers of deforestation, and the opportunity costs and benefits implied. Drivers are relatively well characterised and widely discussed in the literature. These are complex, and raise social, economic, environmental and equity issues and have historically been challenging to address. Agricultural intensification can increase or decrease pressure on forests depending on the capacity of the ecosystem to support intensified practices and intensification therefore requires careful consideration of national circumstances. The impact of illegal logging can undermine significantly incentives to address deforestation.

The UNFCCC process to consider ways to stimulate action to address emissions from deforestation in developing countries needs to consider flexible incentives to promote participation by Parties through a voluntary, multi-staged approach. Such an approach could include tools such as ODA, sectoral CDM with a target corridor, national cap and trade by sector and trade agreements.

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