

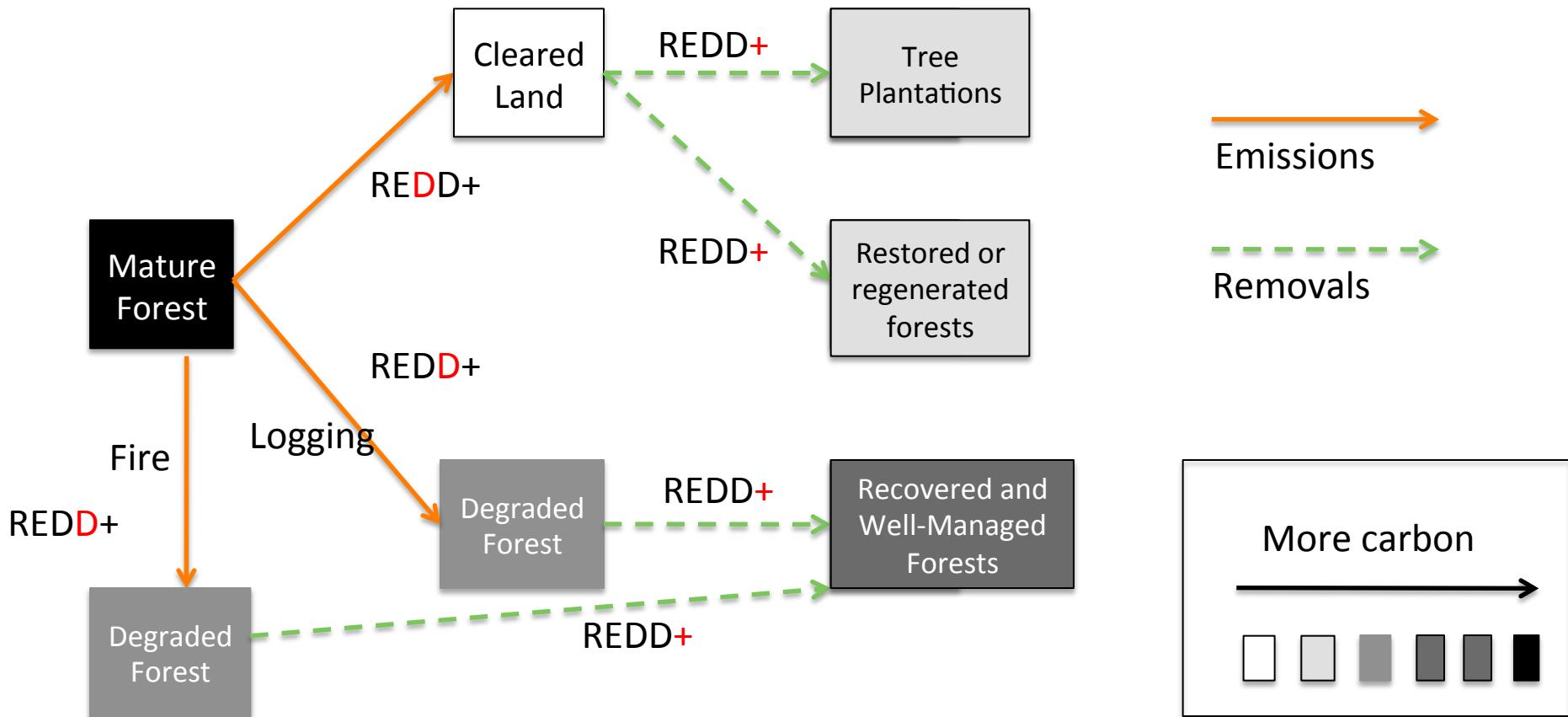


# Jurisdictional REDD+ and California's Climate Solutions Act: Overview

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# REDD+ = Reductions in Emissions from Deforestation and Forest Degradation (+ removals)



REDD+ = Deforestation

REDD+ = Degradation

REDD+ = Carbon Enhancement

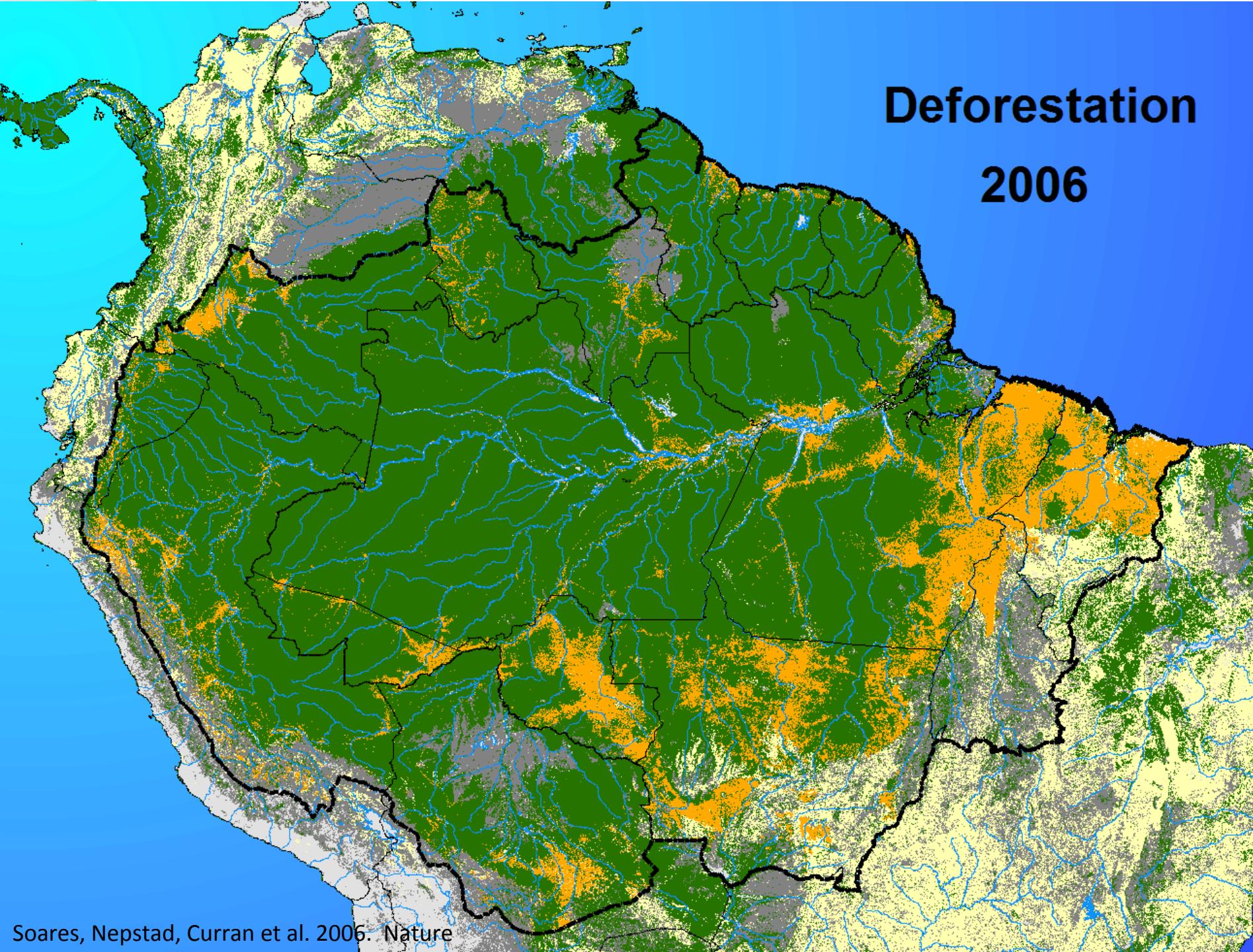
# The State of REDD+

Unified global mechanism (via UNFCCC)  
ten years away

Today: public finance (Norway, Germany, World  
others)

Possible markets (California, Australia?) critical  
source of hope

# Deforestation 2006



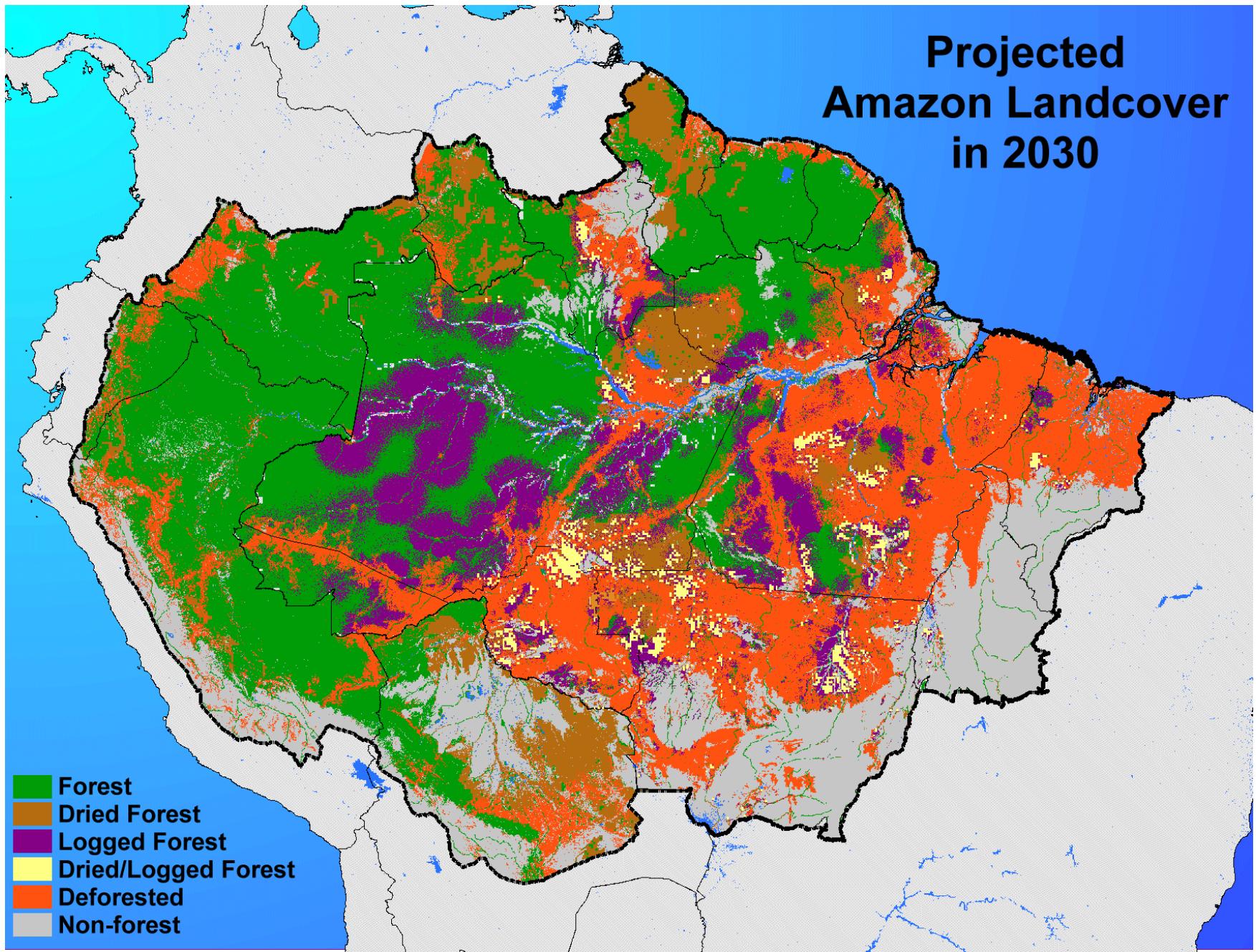
# Degradation



# Degradation



# Projected Amazon Landcover in 2030

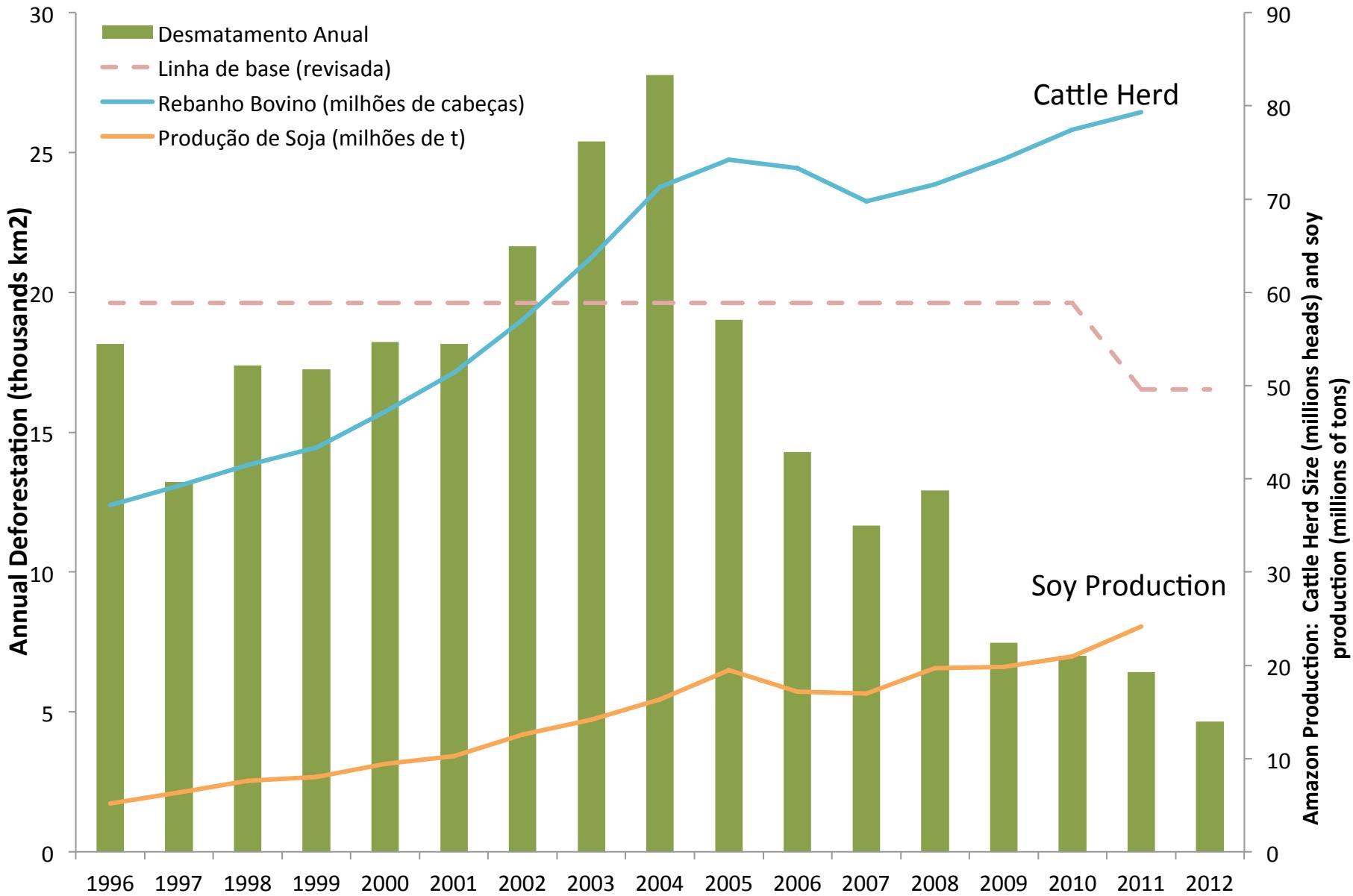




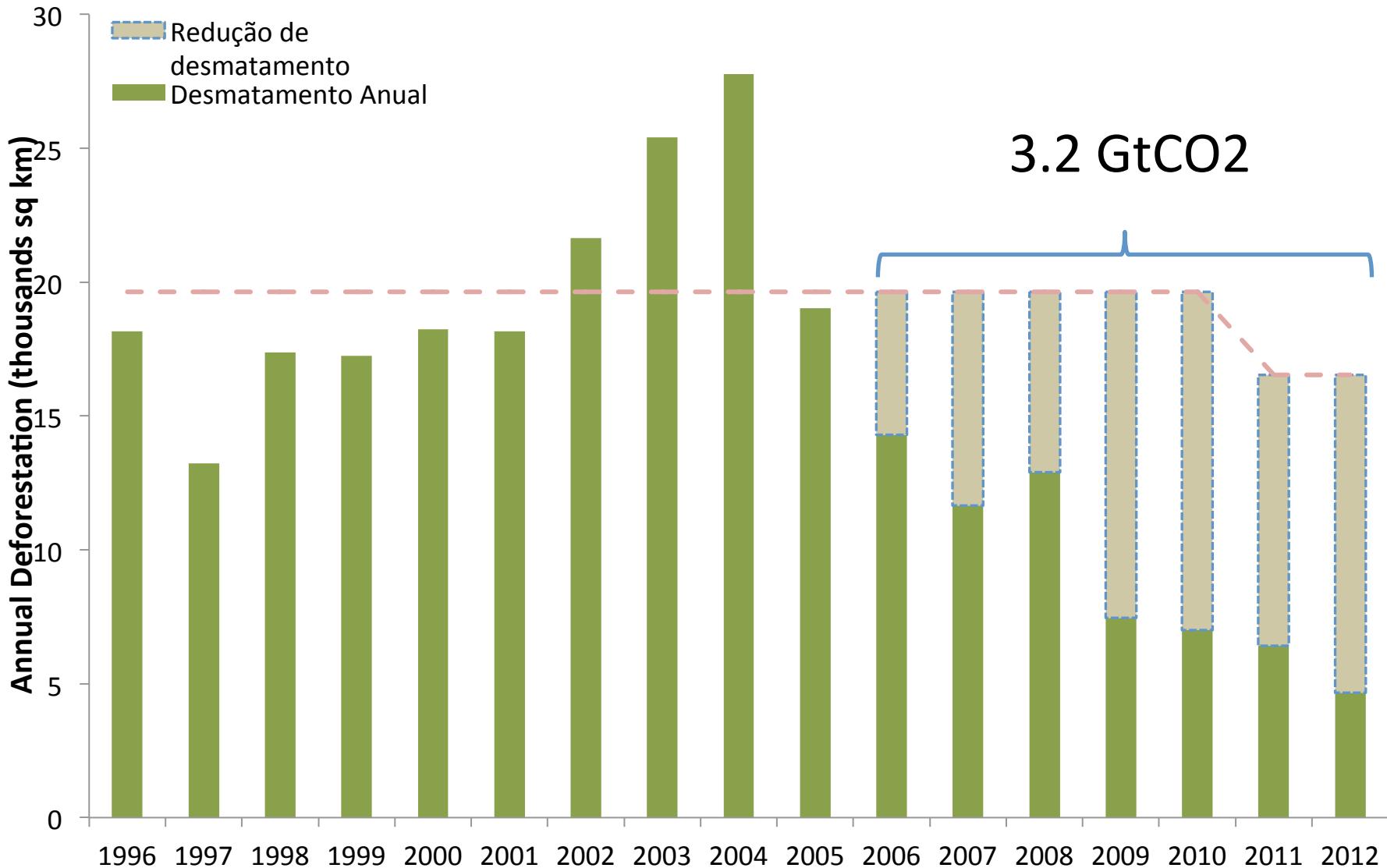
# Deforestation and Forest Degradation:

~ 12% of global emissions

# Proof of concept: the Brazilian Amazon

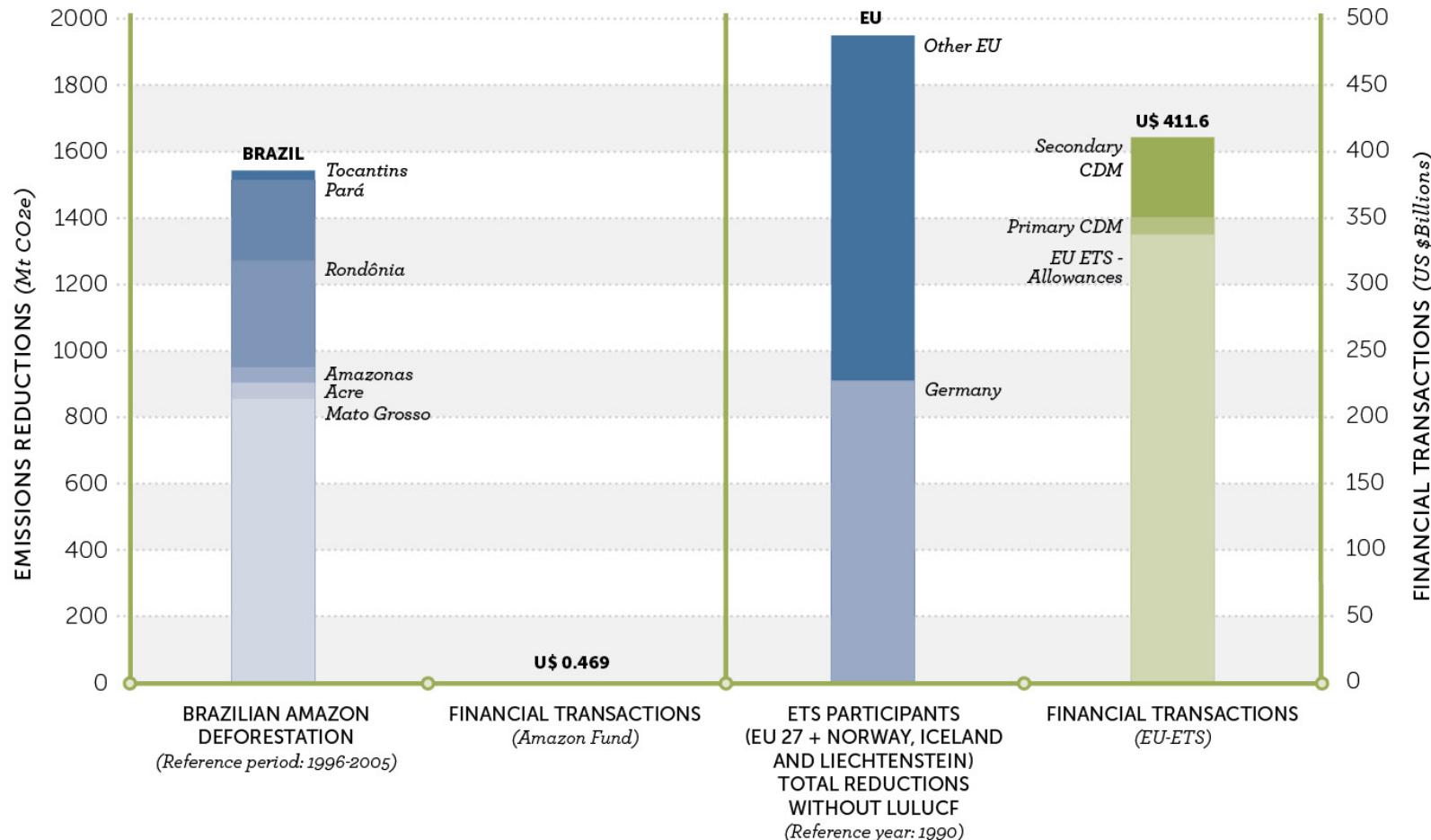


# Emissions Reductions = 3.2 billion tons CO<sub>2</sub>



# EMISSIONS REDUCTIONS ( $\text{CO}_2$ ) AND FINANCE

Brazilian Amazon and EU - ETS (Emissions Trading Scheme), 2008 - 2010



# Principles of ROW Process:

Compatible with UNFCCC and national REDD

Focus on State-Level, Jurisdictional REDD

Workable for Partner Jurisdictions

# Jurisdictional (“sectoral”) REDD+

A policy framework for a low-deforestation, low-emission, poverty-alleviating rural development model

- Focus on “pay-for-performance” reductions in GHG emissions
- Across entire jurisdictions (nations, states)
- Policy alignment, law enforcement



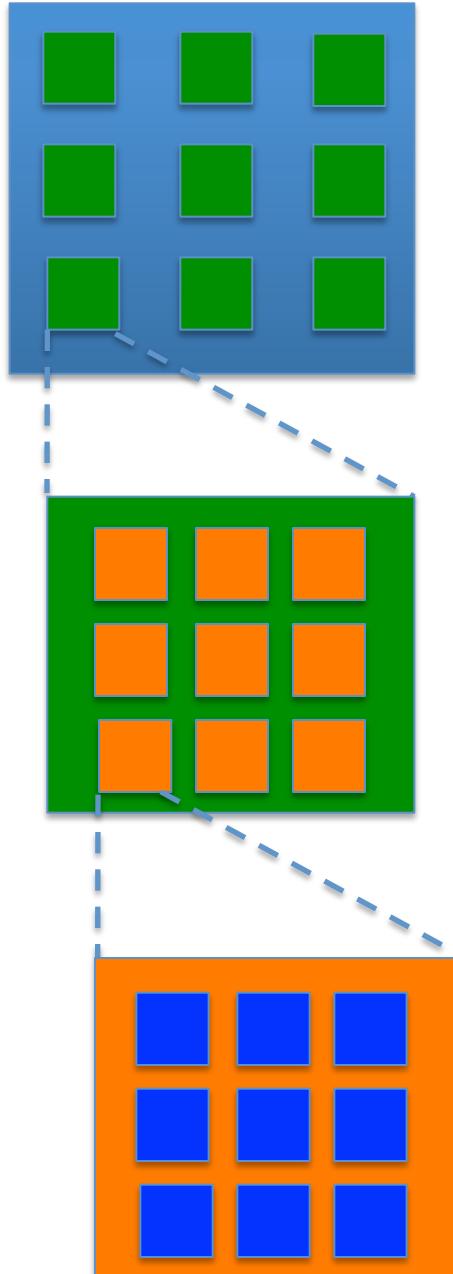
# Jurisdictional REDD+ vs. REDD+ Projects

- Large-scale vs. small-scale
- Govt Engagement; policy alignment
- Greater permanence; less leakage
- Lower transaction costs
- Allows for flexible, equitable distribution of benefits

*But. . . jurisdictional REDD+ is difficult!!*

# Focus on Jurisdictional Performance, With Nested Projects Permitted

National REDD Programs  
State REDD Programs  
Projects and Programs



Focus of AB32



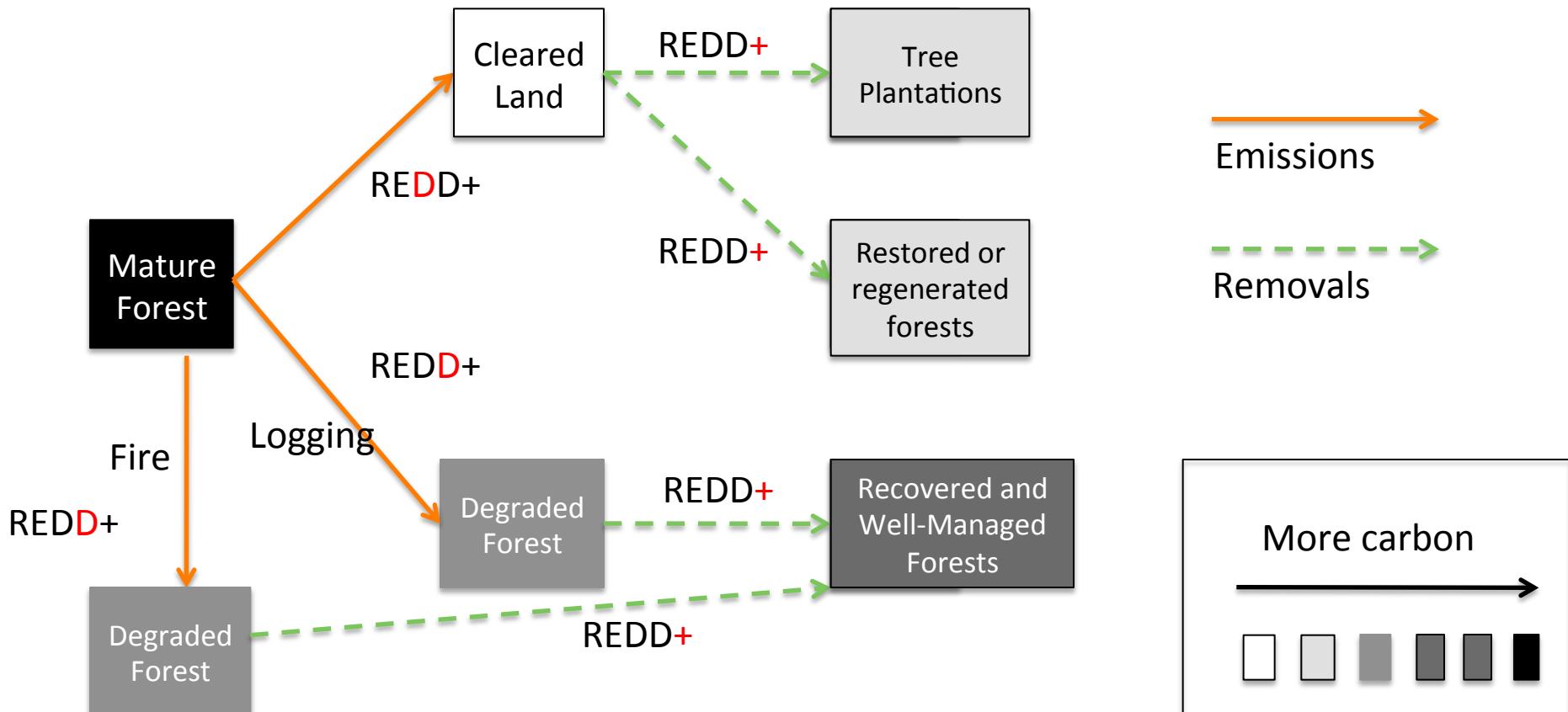
## Nesting:

**Sum of Project-Level Emissions Reductions  
≤ State-Level Emissions Reductions**

$$ER_{Proj\ 1} + ER_{Proj\ 2} + \dots + ER_{Proj\ X} \leq ER_{State}$$

ER = Emissions Reductions

# Scope: Which types of emissions should be included in AB32?



REDD+ = Deforestation

REDD+ = Degradation

REDD+ = Carbon Enhancement

# Recommendation:

Deforestation and degradation required for entry

Carbon enhancement when the partner jurisdiction is ready.

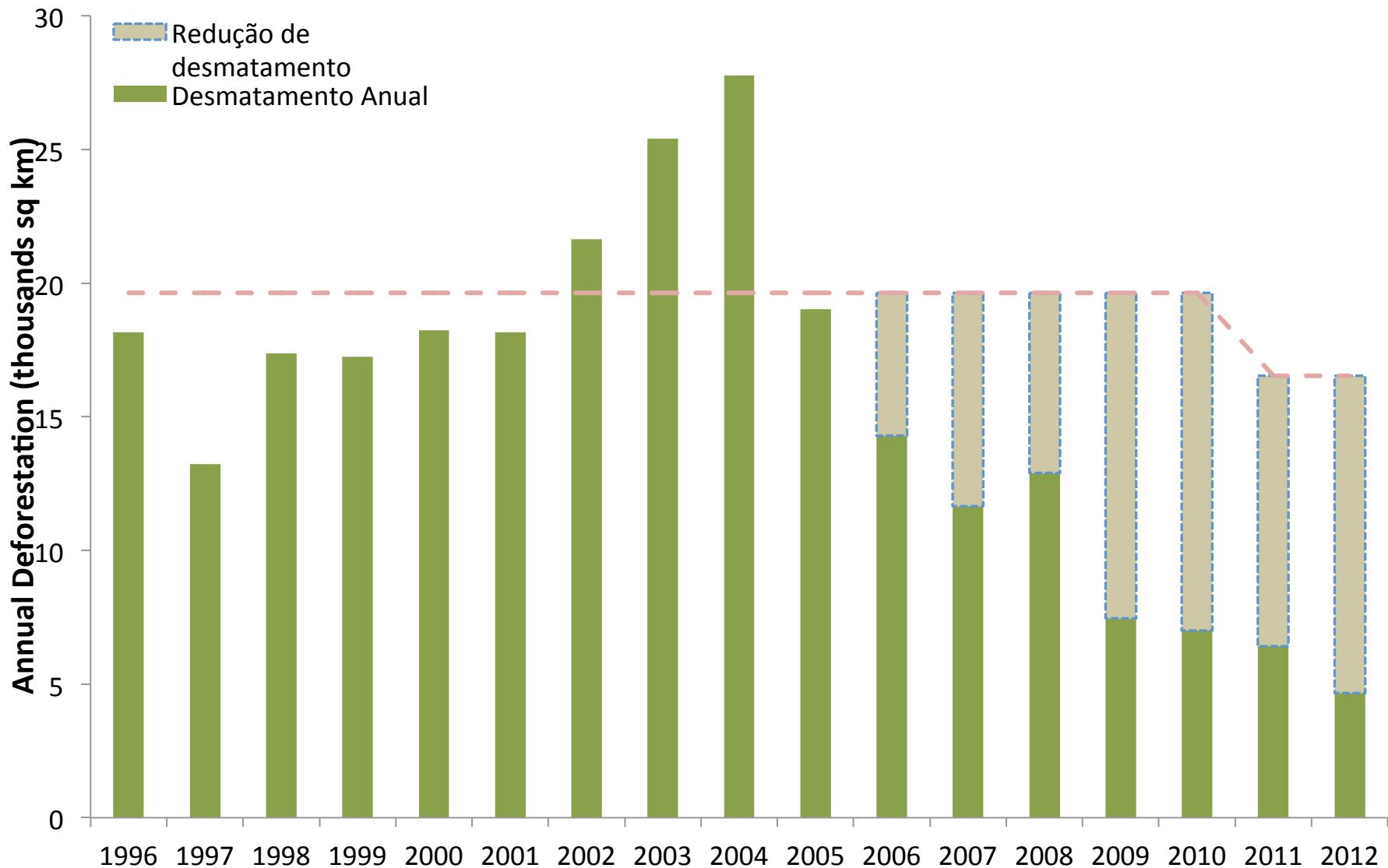
Most emissions come from above-ground biomass: tree trunks & branches

Recommendation:

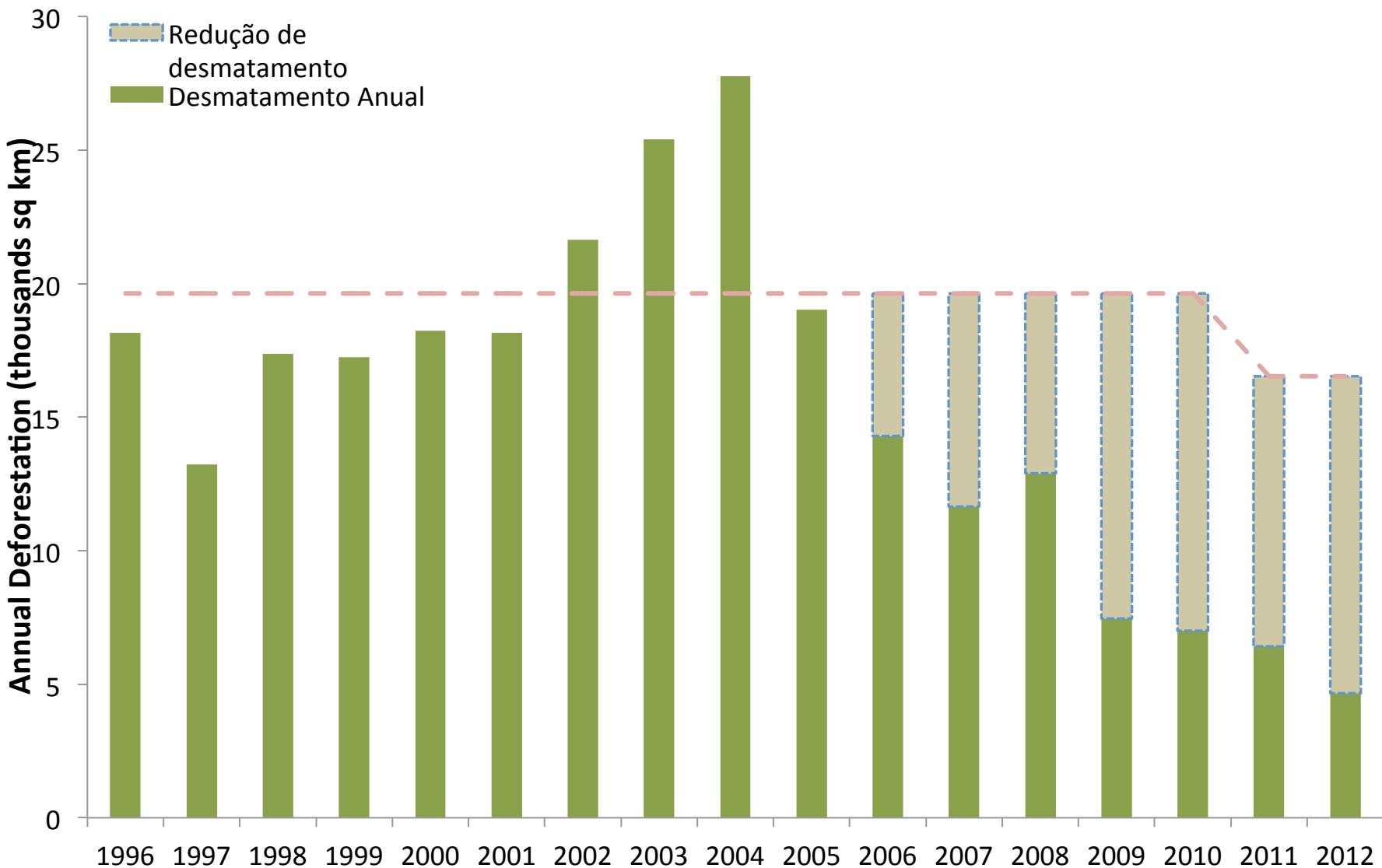
Focus on most important pools/fluxes



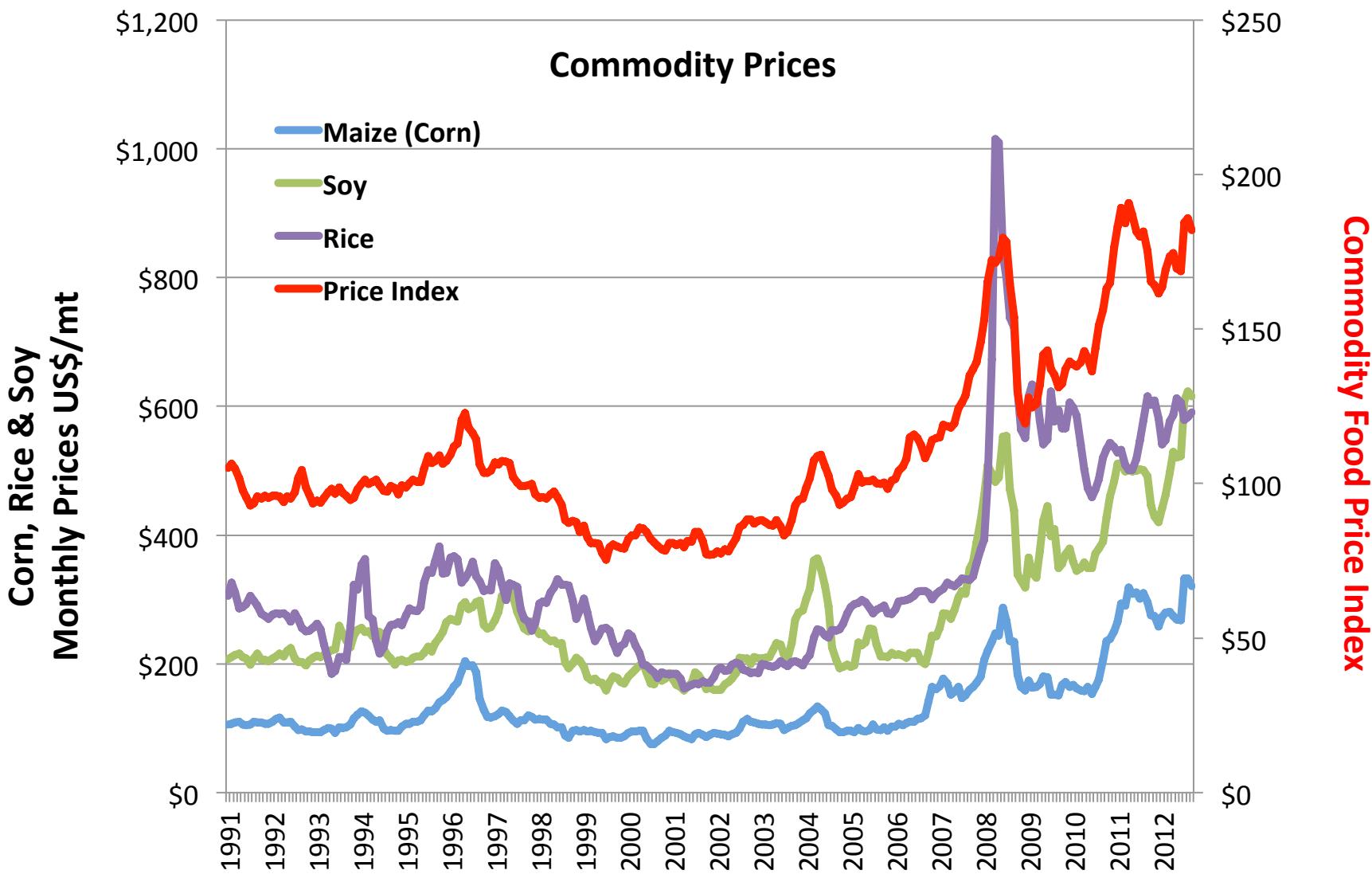
# Reference Levels: Our Best Estimate of Business-as-Usual Emissions.



# If Reference Level is Reliable, Additionality is Achieved



# Tropical Deforestation Could Get Worse

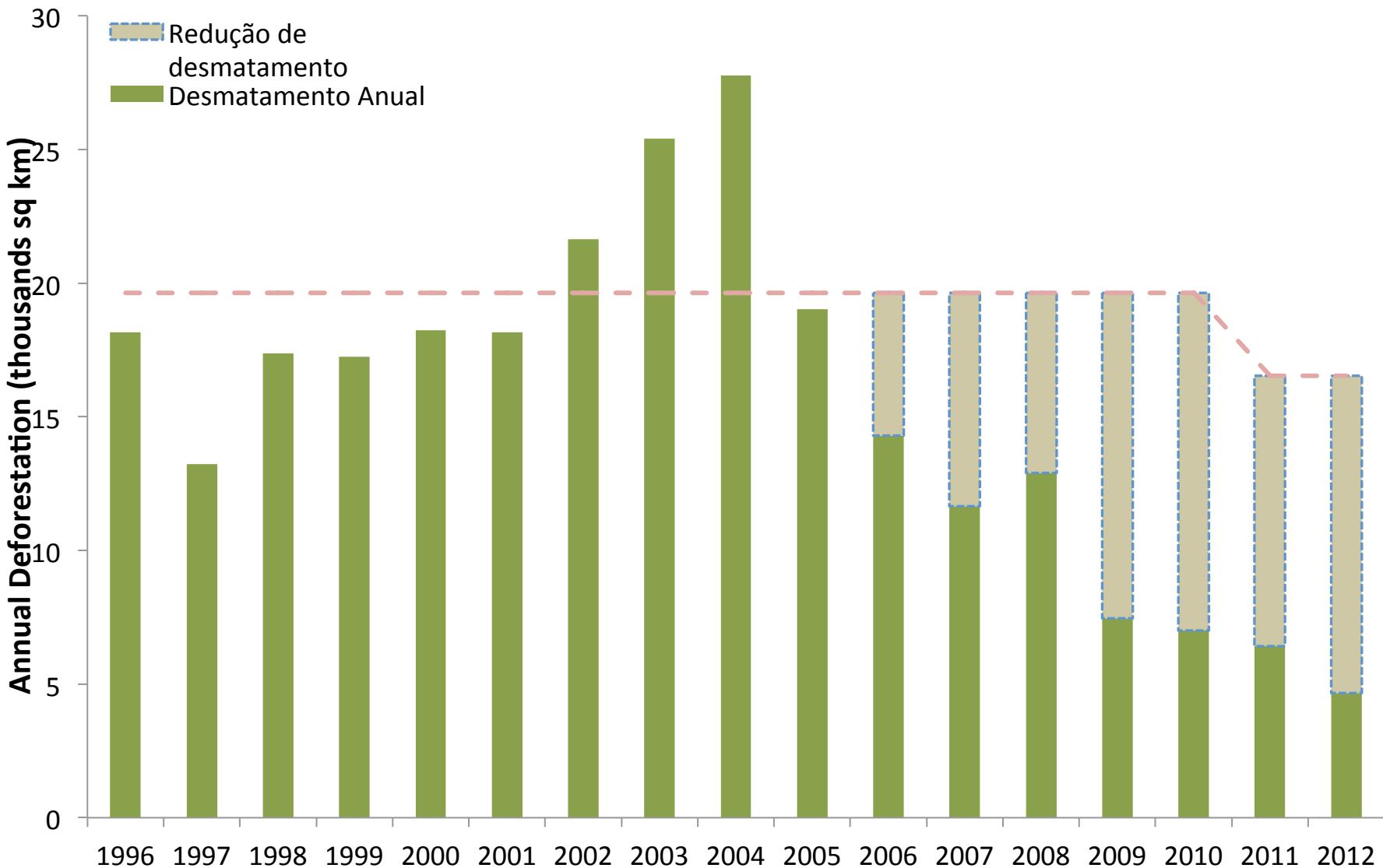




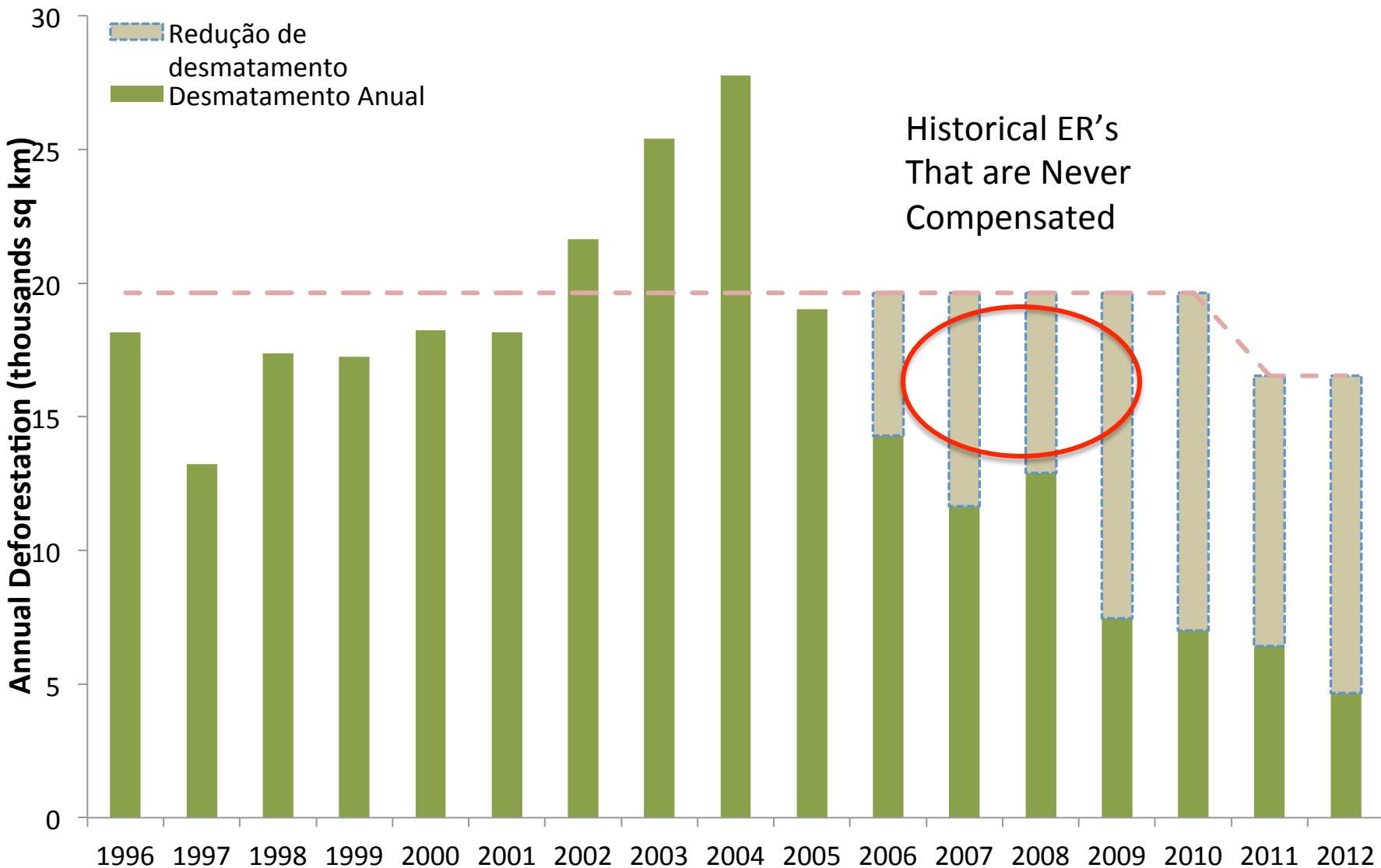
# Recommendation

- Historical, 10-year average is a solid basis for Reference Level
- Adjustments to historical average should be permitted when rigorously justified

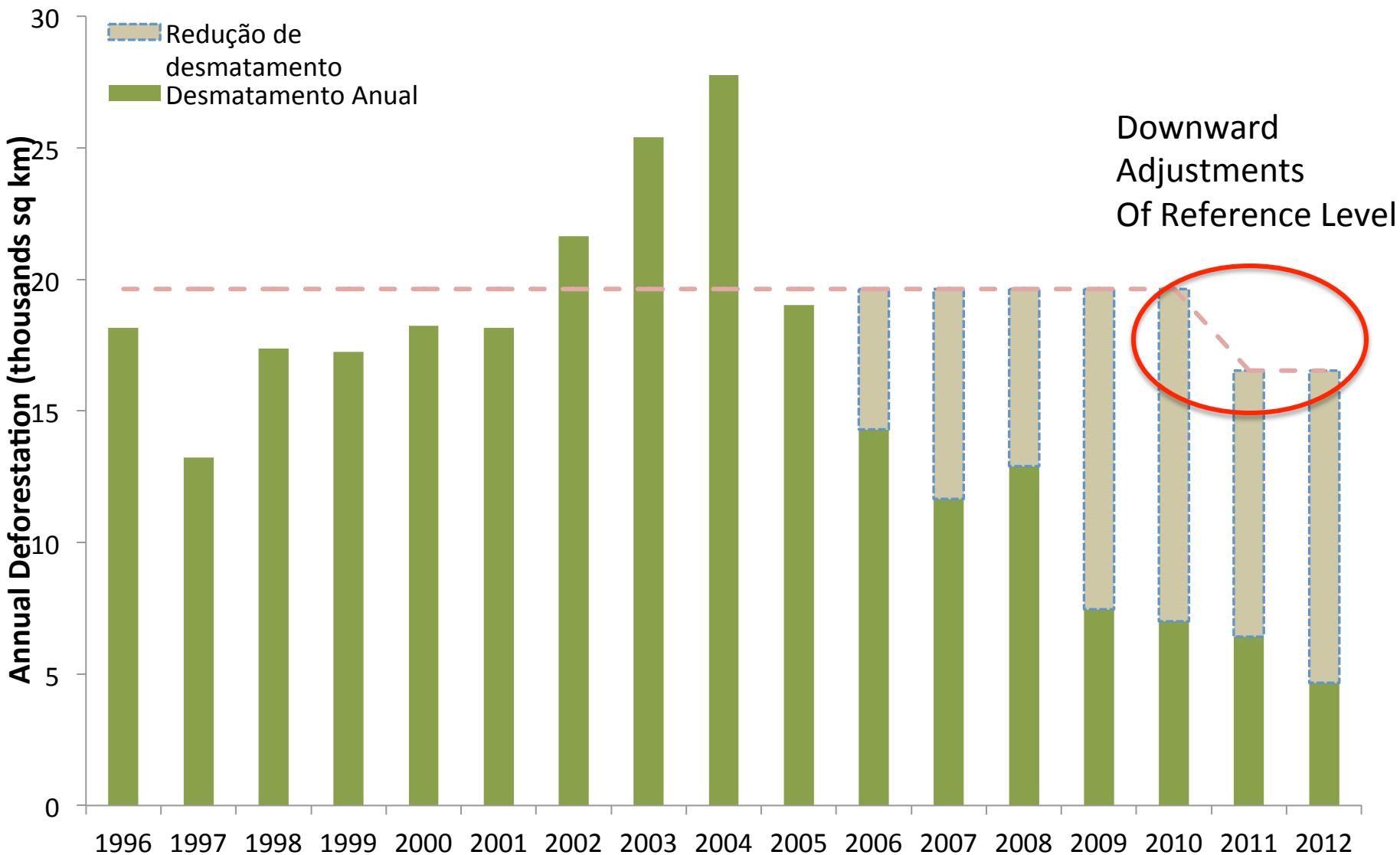
# Partner Jurisdictions Can Demonstrate “Own Effort” in Many Ways



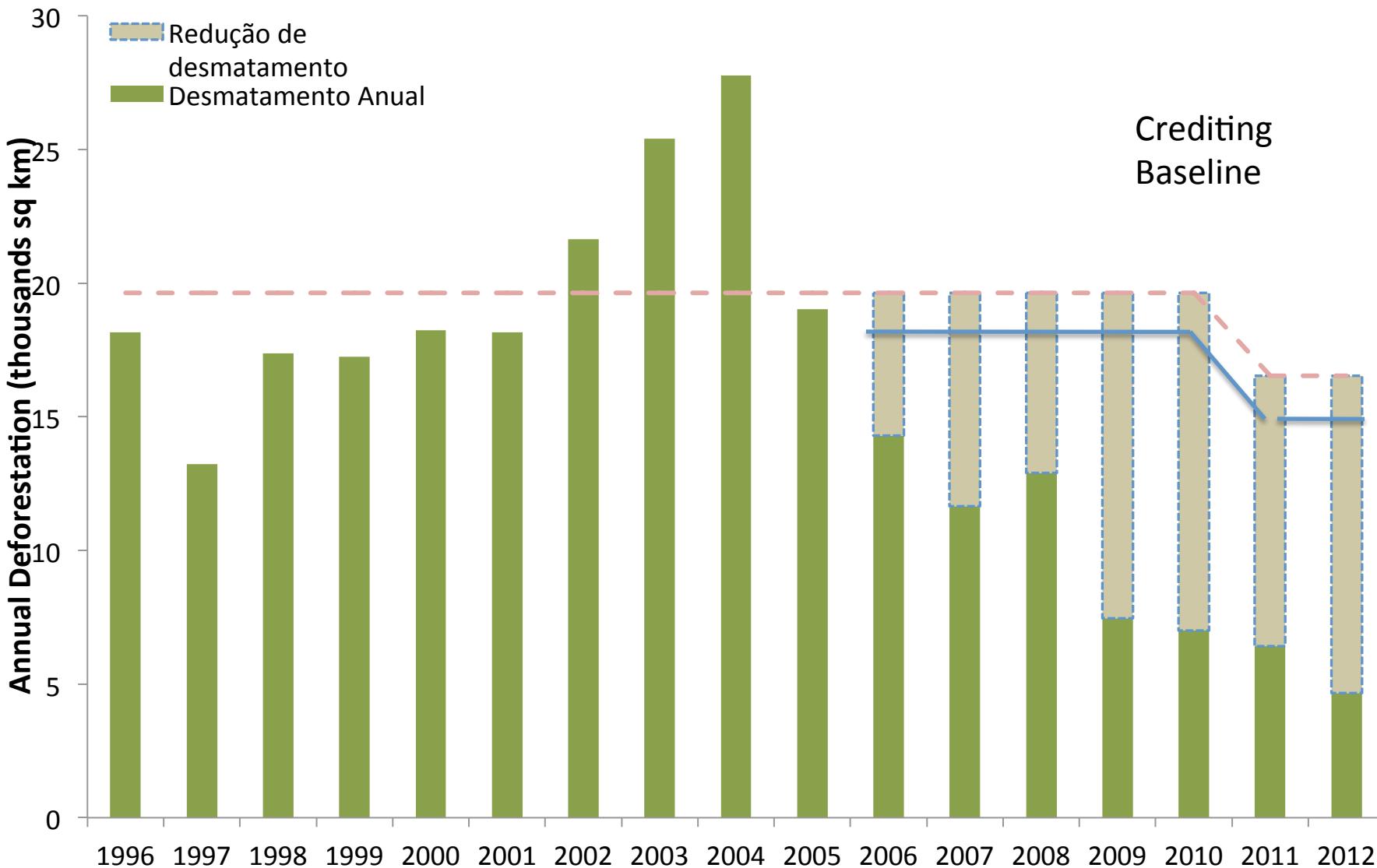
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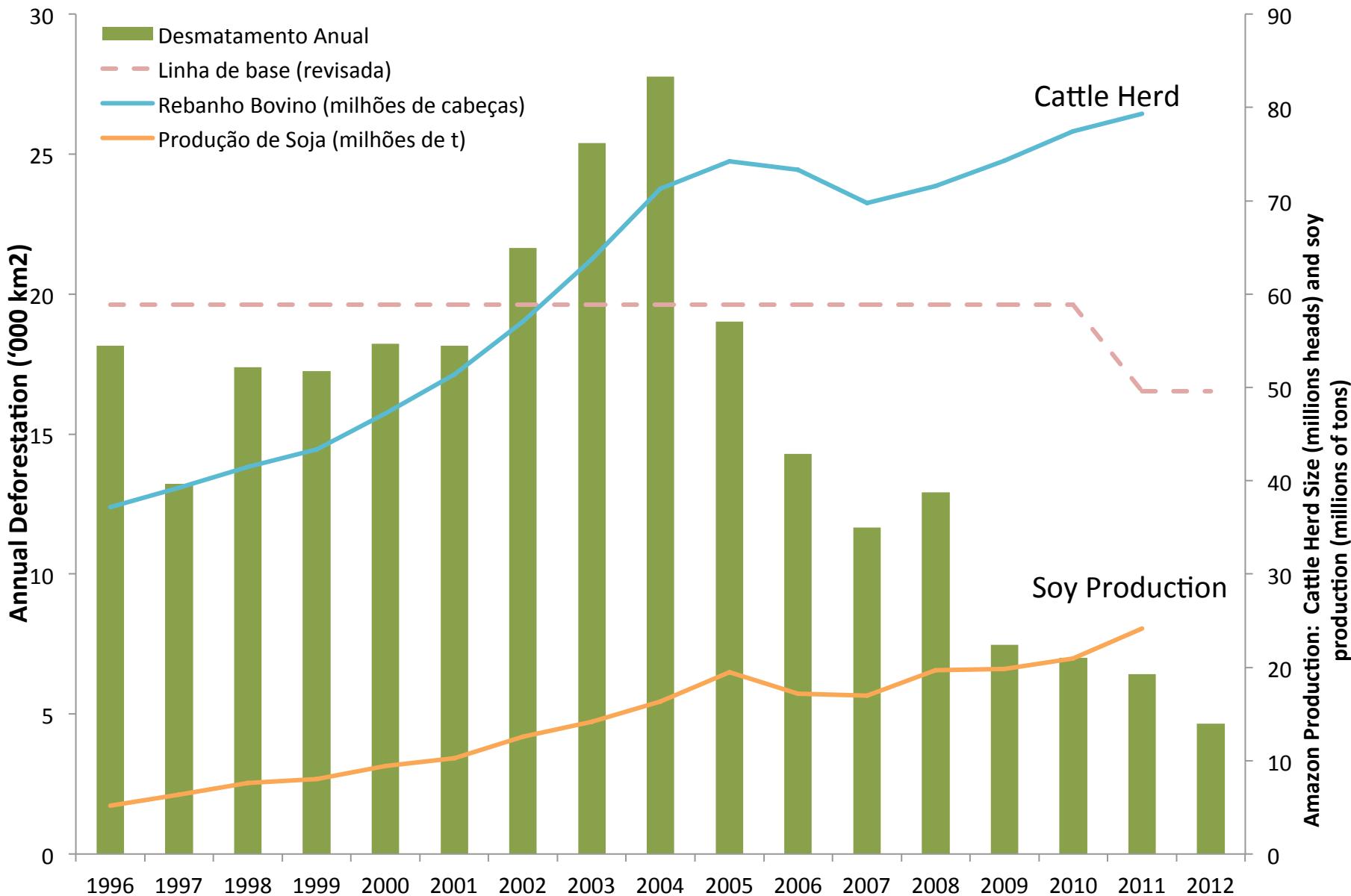
# Recommendation

- Partner Jurisdictions should demonstrate “own effort”

# Leakage

- Jurisdictional REDD+ has far less risk of leakage

# Leakage can be reduced if agricultural and forestry production continues to grow





# Recommendation

- Partner jurisdictions should continue to expand production at business-as-usual rates
- PJ's should establish systems for managing and mitigating the displacement of deforestation and degradation



# Reversals

- Much easier to manage in jurisdictional REDD+
- By including both deforestation and degradation, most common causes of reversals (fire, logging) addressed systemically



# Recommendations

- Mechanism is needed for compensating years when emissions rise above reference level
- Such reversals should be reported to CA Administrator
- Partner Jurisdictions should not be unfairly penalized for emissions from natural disturbances

# The REDD+ Opportunity

## Governors' Climate and Forests task force.

*19 tropical states and provinces coming into alignment with California's cap-and-trade policy and other REDD finance mechanisms*



Nepstad, Boyd, Azevedo, et al. 2012. Overview of state-based Programs to Reduce Emissions from Deforestation and Degradation (REDD) as part of GCF. EPRI