

# ROAD MAP FOR DEALING WITH NON-PERMANENCE IN LULUCF AND REDD

IEA Bioenergy

Task 38

Greenhouse Gas Balances  
of Biomass and Bioenergy  
Systems

GRAZ GROUP

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Copenhagen

## PROBLEM

To date the land use sector has failed to contribute to achieving climate mitigation goals in proportion to its potential. A major reason for this is the lack of a sufficiently robust and attractive solution to the non-permanence (reversibility) of carbon stocks that would garner strong support from Annex-I country stakeholders, including carbon market investors. Unless a solid solution to the reversibility problem is developed, REDD+ will also fail to result in significant increase in the use of forests to mitigate climate change.

To date 13 afforestation projects have been registered and 11 more are in the process of validation in the CDM. Further, the EU-ETS does not accept credits from the land-use sector.

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## DEFINING THE GOAL

Increase the mitigation contribution of the land sector, particularly from developing countries by designing ways to render carbon stock-based credits equivalent to credits from other sectors, i.e., qualifying as «permanent reductions» for use in Annex-I country commitments and trading systems.

## EXAMPLES

Options for creating robust «permanent-equivalent» credits from the land-use sector include:

- Host countries take full responsibility for any losses
- Purchase of insurance for project-generated credits
- Establishment of buffers, i.e., only a portion of actual reductions achieved can be sold
- Define activities with marginal risk of loss of carbon stocks. Examples: national parks; permanent easements, and legally required set-based along rivers.
- Define activities which create positive leakage that compensates for the loss. Example: harvesting for wood fuel in a country with demonstrably non-renewable biomass extraction.

## REACHING THE GOAL (A ROAD MAP)

The idea of this road map is to give ideas for negotiators, on how to address the issue of non-permanence and how to include additional land-use activities into the Copenhagen agreement, with a view to facilitate the implementation of REDD+.

To reach the goal expressed above the following elements should be part of the Copenhagen outcome:

1. Request SBSTA to design ways to render carbon stock-based CERs equivalent to CERs from other sectors, i.e., qualifying as «permanent reductions» for use in Annex-I country commitments and trading systems.

Examples of alternative approaches to the risk of non-permanence (i.e. options that may create robust «permanent-equivalent» CERs from the A/R CDM) include:

- Host countries take full responsibility for any losses;
  - Purchase of insurance for project;
  - Establishment of buffers and/or credit reserves;
  - Define activities with marginal risk of loss of carbon stocks. Examples: national parks; permanent easements, and legally required set-based along rivers.
2. Include additional LULUCF activities under the CDM; Request SBSTA to develop modalities and procedures for the LULUCF CDM additional activities Start a pilot testing phase for the additional LULUCF activities under the CDM
  3. Develop financing mechanism for REDD+ that could attract funding beyond the offset market  
The Idea is to develop market-linked flow of resources to combine with public resources to create substantial fund

## CONTACT

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