

Forest Carbon Finance Summit 2010: Getting to Scale, Getting Results

Topic 3: Rapid Capacity Building

**Washington DC,
February 25-27, 2010**

Julio C. Tresierra



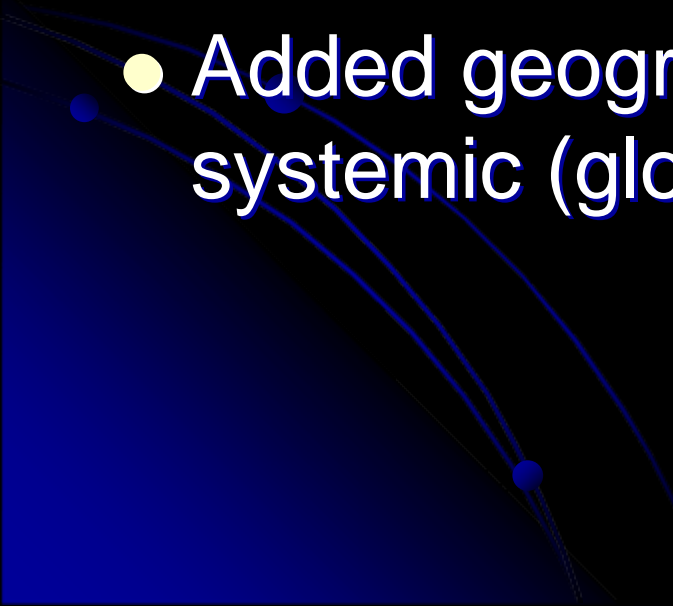
COP 15: The Success of a Failure

- Copenhagen Accord: “noted” 87 out of 192 nations ratified adherence to the Accord
- Failed to produce global legally binding agreement
- Commitments to reduce:
 - EU: 20%-30% (baseline year 1990);
 - USA: 17% (baseline year 2005; 4% if baseline year 1990);
 - China: 40-45% relative to GNP (baseline year 2005).
- May fail to guarantee 2 degrees cap increase

Lessons Learned

- Need to separate “hopes” from “expectations”
- COP 15 failed to deliver on desirable outcomes, not on reasonable expectations
- COP 16: expected outcomes must be defined objectively to gain civil society support and private sector endorsement
- Political “will” was manifested: no global legally binding agreement

Accord level: Global? National? Sub-national?

- Process building scenarios at local-regional levels
 - Adaptive capacities constructed at various inter-related geographies
 - Added geographies eventually reach systemic (global) level
- 

Adaptive Capacities required for REDD+

- To shift focus toward alternative framework
- One where the analysis focuses on:

“inadequacies of current political and economic policies in the context of climate change rather than on climate change as “the problem” in the context of efficient/effective political and economic frameworks”

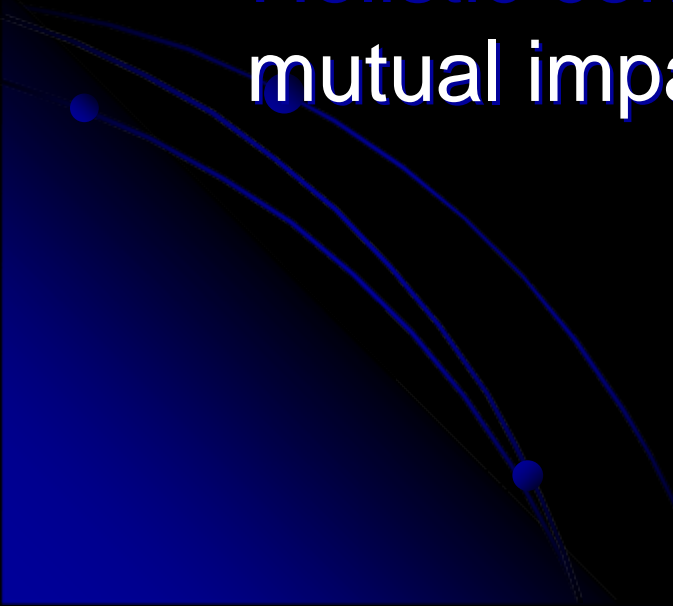
Basic Capacities

1. Science: Measuring current conditions and variations in time/space -
 - forest biomass;
 - carbon stored;
 - carbon released.
2. Financing: market and non-market funding.
Carbon credits: natural currency?
3. Governance: Monitoring reductions - MRV;
Ownership; Sustainability; Equity; Justice;
Human Rights; Inclusion; Coherence

Capacity Building Framework I

- Required for both adaptation and mitigation strategies
- Market and non-market funds articulated as complementary mechanisms
- Stakeholder's capacity assessment: context specific (cultural, social, political, economic heterogeneity), absorption capacity

Capacity Building Framework II

- Based on two axes:
 1. stakeholders capacity map;
 2. stakeholders role complementarity.
 - Holistic construct: interrelated sectors, mutual impact
- 

Sector specific Adaptive Capacity: (1) Science

- Promote learning at *community* level
- Effective participation contingent upon understanding of science behind REDD
- Develop local learning mechanisms
- Replace information transference by ownership of knowledge
- Long term process to construct culturally adequate communication strategies

Sector Specific Adaptive Capacity:

(2) Governance

- Governance defined by its absence or limited presence: necessary but insufficient condition
- Governance defined positively: *“The objective, efficient and transparent management of public assets for the common good”*

Sector specific Adaptive Capacity:

(3) Financing

- Room for scaling-up: Forest carbon market = 100 USD million, or 0.16 % of 64 billion global market for carbon
- Learning from: Clean Development Mechanism, Joint Implementation, European Trading Scheme
- Technical limitations: “leakage” and “impermanence”

Challenges ahead I

1. Trading equivalent values: cost of reducing 1 ton of CO₂ through avoided deforestation - same as the cost of 1 ton of CO₂ reduced through cutting (industrial, commercial) production?
2. Reconciling different paces of change: short term economic and political cycles/long term ecological cycles

Challenges ahead II

3. Reconciling geographies/readiness:

- Brazil: no carbon credits
- Indonesia: questionable governance
- Congo Basin: poverty as significant deforestation driver

4. Reconciling scope of adaptive capacities:

- Science and finance: global processes
- Governance: local process

Thank You

