The land use and forestry sector must deliver genuine emissions reductions for a safer climate. International rules and incentives must be designed to achieve this. Under the Kyoto Protocol, rules applying to land use, land use change and forestry (known as LULUCF) in Annex 1 countries are not delivering for the climate. The draft LULUCF decision would encourage emissions to increase without penalty. Ambition and environmental integrity are nowhere to be seen.

The Chair of the Kyoto Protocol negotiation stream has suggested in his scenario note that work on a LULUCF decision could be concluded in Bonn this June. Finalizing the current approach would entrench an unacceptable set of rules that would undermine the broader negotiations.

We need a re-focused LULUCF framework, free of loopholes, with a goal to reduce emissions and increase removal of greenhouse gases from the atmosphere. This will entail substantial change from current proposals.

The current LULUCF rules must not be finalized in Bonn.

LULUCF as if the climate mattered – we are calling for a new approach:

- Focus on ambition and environmental integrity: Countries must adopt a goal to reduce emissions and enhance sequestration from land use, land use change and forestry in developed countries.
- Form rules around this emissions reduction goal and abandon the attempt to hide anticipated increased emissions in the 2nd commitment period.
  - Adopt an historical baseline for forest management\(^1\) (currently voluntary), not a projected baseline.
  - Require mandatory accounting for forest management;
  - Plug the bioenergy emissions gap. It is not acceptable to ignore emissions from forest management and also count these emissions as zero carbon (renewable energy) at the point of combustion, as takes place in many developed countries.
  - Commit to protect reservoirs of carbon (e.g. forests and peatlands).
  - Apply environmental safeguards (e.g. protection of biodiversity and ecosystem services, safeguards against the conversion of natural forests and other ecosystems to plantations)
  - Ensure greater transparency in the policy process, data reporting, and accounting
  - Mandate high quality data and adopt a work program to achieve this.
- Move towards complete accounting after the 2nd commitment period (recognizing technical difficulties)
How LULUCF is failing to deliver for the Climate

- Most developed countries are anticipating that their forest management emissions will increase in the second commitment period and propose to measure future emissions against these levels - this loophole is equivalent to 5% of their total 1990 emissions (approx. 400Mt CO2e/yr) - a significant fraction of the total Copenhagen pledges.
- An even larger amount of emissions from land use and land-use change will go unaccounted for due to incomplete and voluntary accounting
- Current rules fail to recognize the potentially significant contribution of forests and other lands in developed countries to climate change mitigation and adaptation
- Many countries are trying to avoid accounting for increased emissions from cutting and burning trees to produce energy, making a joke of renewable energy policies
- In total, developed countries are promoting a loophole equivalent to 5% of total Annex 1 countries’ emissions reductions in the first commitment period. This would undermine global ambition to fight climate change
- ‘Business as usual’ emissions plus emissions increases are proposed to be enshrined in the baseline of most countries, in contrast to the approach applied in other sectors to tackling climate change under the Kyoto Protocol, where there is supposed to be an effort to reduce business as usual emissions of developed countries compared to a baseline of emissions levels in 1990.

What is the state of play after Copenhagen?

- No decision was finalized on draft LULUCF rules for a potential 2nd commitment period. An opportunity therefore exists to push for improvement – ie for LULUCF to become part of the solution rather than a loophole undermining the integrity of any future deal
- Weak emissions reduction pledges from developed countries currently fall far below what is needed to effectively tackle dangerous climate change. A robust LULUCF framework can play a stronger role in mitigation and result in more ambitious targets; alternatively, LULUCF rules can further weaken the current insufficient emissions reductions pledges
- The fate of the Kyoto Protocol is unclear and thus the fate of LULUCF rules under the Kyoto Protocol is also uncertain
- It is currently unknown whether LULUCF rules will apply to non-Kyoto developed countries, such as the United States
- The Copenhagen Accord makes no mention of LULUCF

The Draft LULUCF Decision

- Developed country Parties say they are close to agreement, but this potential agreement is ignoring the massive accounting loophole, and thus the adverse impact that these rules may have on developed country targets
- On forest management rules: countries would choose whatever baseline they like and hide increases in emissions by this method; most are proposing to set a future baseline (reference level) that includes increased emissions;
- A potential deal to apply a cap to credits in LULUCF is on the table, emanating from the G77. This is an attempt to limit the worst excesses of Annex I cheating on emissions, but does not address the fundamental issues of not accounting for increased emissions and is therefore an inadequate solution.

About CAN

The Climate Action Network (CAN) is a worldwide network of roughly 500 Non-Governmental Organizations (NGOs) working to promote government and individual action to limit human-induced climate change to ecologically sustainable levels. CAN members work to achieve this goal through information exchange and the coordinated development of NGO strategy on international, regional, and national climate issues. Climate Action Network’s vision is to protect the atmosphere while allowing for sustainable and equitable development worldwide.

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