

セッション2「REDD プラスの『活動』をどのように実施し、これをスケールアップするか？」

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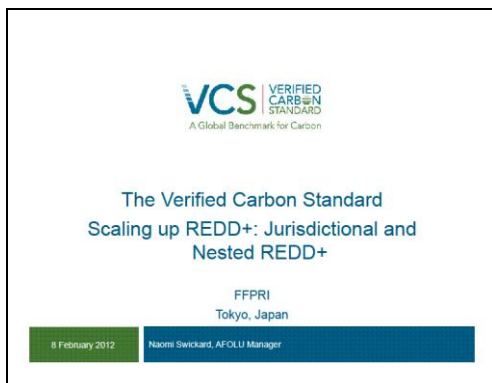
(1) スケール・アップのためのアプローチ

（天野） セッション2は、REDD プラスのデモンストレーション活動が今までどのように実施され、どういう知見を得てきたかということに触れられる。また、REDD そのものは最終的に National レベルあるいは Sub-National レベルでの事業になっていくが、そこにどう結び付けていくのかについてという話を伺いたい。

The Verified Carbon Standard

Scaling up REDD+: Jurisdictional and Nested REDD+

Naomi Swickard (VCS¹)



I am going to start with a quick overview of the VCS just for those of you who are not familiar. Then I will talk a bit about scaling up and how we can move from project activities to into more jurisdictional and larger scale approaches to REDD+.

¹ <http://www.v-c-s.org/>

The Verified Carbon Standard (VCS)

- Established by leading NGOs (IETA, WBCSD, The Climate Group, WEF) to provide a rigorous, trustworthy and innovative global standard and validation and verification program for GHG offsets
- Managed by the VCS Association
 - Non-profit headquartered in Washington, DC, South America office in Santiago, Chile, representative in Bangkok, Thailand
 - Single focus – to develop and manage the platform (i.e., no consulting, no meth development, no validation/verification, no project development)
 - Funded through VCU levy (USD \$0.10 per VCU) and foundation grants
- AFOLU Steering Committee largely credited with bringing in land-based activities into the carbon market

VCS logo and date: 25 February 2012

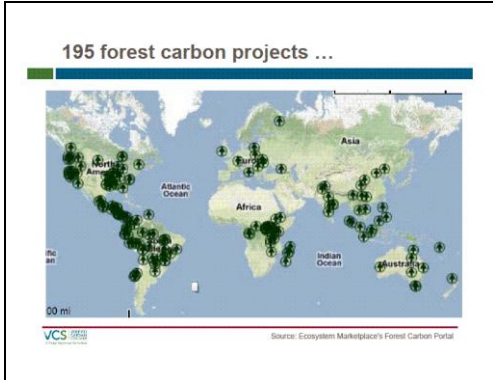
VCS Project Statistics

- Registered projects
 - Over 700 registered projects (21 AFOLU projects)
 - Registered AFOLU projects in Indonesia, Malaysia, India, Colombia, Guatemala, Belize, Peru, Brazil, Kenya, Uganda, Tanzania, Australia, Canada
- Volumes
 - Over 79 million VCUs issued (~4.6 million from AFOLU) from 720+ projects
 - AFOLU pooled buffer account holds over 1 million buffer credits

VCS logo and date: 25 February 2012

The VCS was established by a number of leading NGOs² to provide a rigorous and trustworthy standard for the voluntary market. We are managed by the VCS Association in Washington DC. We are also working on opening an office in Santiago, Chile.. We are a non-profit organization and we really have a single focus. We run the program for developing an offset project in the voluntary market. We are not involved in any consulting or project development work.

In terms of where we are at in the market, VCS has about 700 registered projects so far with a volume of close to 80 million tons. The VCU³ is a voluntary carbon unit that stands for 1 ton of CO₂. Those come from a number of different types of projects, about 5 million tons from the agriculture and forestry sector, and another 1 million tons that we have in the AFOLU⁴ pooled buffer account that manages permanence risk for AFOLU projects.



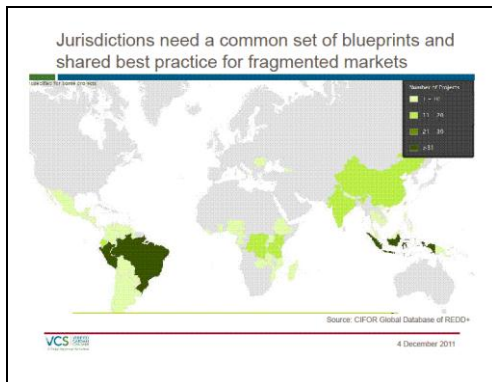
This map is from Ecosystem Marketplace and it lists 195 different project activities that are moving forward at this time. These are all at very different stages: some of them are very preliminary, while others have already issued credits under the VCS, for example. There are a large number of project activities moving forward on the ground now. We have seen significant leadership in the REDD space by project activities that have helped to establish that REDD can work on the ground

² Non-Governmental Operations

³ Voluntary Carbon Units: Represents emission reduction of 1 metric ton of CO₂

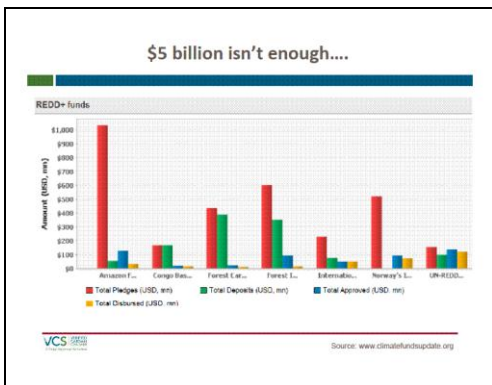
⁴ Agriculture, Forestry and Other Land Uses

and that we have methodologies for accounting for carbon.



At the same time, there is significant development at the jurisdictional scale. There has been significant progress made in number of jurisdictions and we need to bring these two scales together. Project activities need to be able to fit underneath the umbrella of sub-national and national scale accounting. We also see a number of emerging markets that may lead to somewhat of a fragmented system. As we all know, the agreement in Durban progressed to some extent, but without an agreement, there are very few clear rules in place for REDD+. . We are unlikely to see a real agreement until 2020, which means that a fully operational system may not be in place for several years after that.

At the same time, we see the potential for domestic offset systems moving forward and potentially allowing international credits, for example in Japan, perhaps in the future in Korea, and the Australian market is really gearing up. Australia has set out that international forestry projects may be eligible after 2015. That means over the next few years, the system internationally looks quite fragmented and may consist of a number of different systems of rules. This makes it potentially very difficult for a jurisdiction that needs to develop a REDD program that can fit into these different markets. We need a common set of blueprints. We need a common set of requirements and a pathway for project and larger-scale accounting that allows countries to move forward sooner. We know that we cannot wait until 2020 to advance REDD, and to be able to reduce emissions, and stop the conversion of forests.



In terms of funding, this information is a bit out-of-date, but what has been committed so far is not going to be enough to achieve the scales of REDD+ that we are all hoping can emerge from this system. This graph shows the amount that has been pledged versus the amount that has actually been deposited, approved or dispersed for REDD around the world. It is obvious that a lot of what has been committed has not come through yet. It is also obvious that the total amount of funding is nowhere near what is needed. It is not going to come close to the \$18 to \$26 billion that is needed annually just to halve deforestation. How do we create a mechanism that can incentivize the private sector? Because very clearly we will need that investment in order to make REDD successful.

Benefits of a Nested System

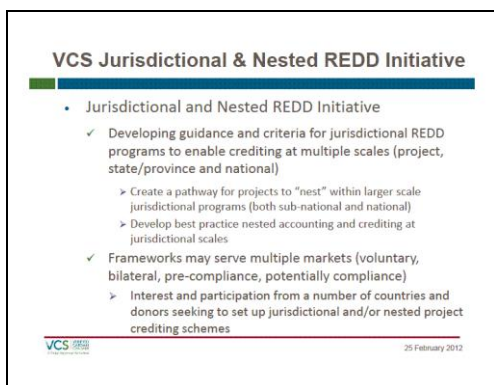
- Builds on project experience and provides pathway for recognition of 'early action'
- Increases scale:
 - ✓ Sub-national and national accounting ensures environmental integrity, full leakage accounting, ensures credits 'add up' across the entire jurisdiction
 - ✓ Increases emissions reduction potential
- Increases funding availability for REDD+ implementation:
 - ✓ Donor funding will NOT be sufficient
 - ✓ Nesting is likely more attractive to private sector

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Next, I will talk about the nested approach or why a nested type of system might be more attractive to the private sector and important for REDD as we scale up. Nesting really refers to the ability to account and possibly credit at multiple scales. For example, there may be a project activities within a sub-national or national accounting scheme that can account for reductions at those different scales, both from project activities as well as from policies and programs that are implemented at the government level. A nested system is also structured in a way that can help to direct benefits to where those emission reductions are occurring.

Obviously, it is very important when you start thinking about these different scales and emission reductions happening within larger frameworks that there is a way to ensure that those emission reductions add up, that there is no double counting, and that system can be designed in a way that

ensures environmental integrity is maintained at the higher scale. A nested system can be built on the experience that has already been achieved in project activities. It helps increase scale to larger scale accounting, which we know is necessary in order to ensure effective accounting for leakage, for example. It also is possible that a nested system will help to incentivize private sector engagement. There are ways within that that you can reduce the risk to a private sector investor, particularly where they can have a direct relationship with an ongoing project activity.



The VCS, recognizing this need and the lack of real detailed requirements or policies on how to create a nested system, started a new initiative called the Jurisdictional and Nested REDD Initiative. We are working to develop guidance and criteria for these jurisdictional scale REDD programs to enable crediting at multiple scales. When I say jurisdiction, I mean an administrative unit at the national level, at a sub-national level, for example state or province. In some cases, a jurisdiction could also be an ecoregion within a country.

This initiative will help to create a pathway for nesting projects into larger scale accounting, and hopefully will help to develop what is best practice for these types of systems. This framework could potentially serve a number of different markets, including voluntary markets. It may also help to establish for jurisdictions a pathway towards transitioning to an eventual UNFCCC⁵ Framework a number of other pre-compliance or compliance markets.

⁵ United Nations Framework Convention on Climate Change : 国連気候変動枠組条約

Current thinking

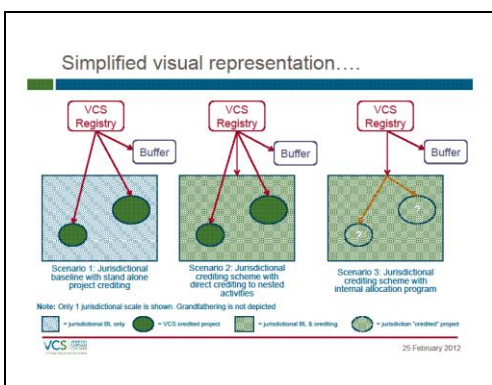
- Multiple accounting and crediting pathways to give flexibility
 - Scenario 1: Project crediting only (with jurisdictional baseline)
 - Scenario 2: Jurisdictional and project crediting
 - Scenario 3: Jurisdictional crediting only
- “Nesting” can occur at multiple scales
 - Project within jurisdiction
 - Subnational jurisdiction within national jurisdiction

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Our current thinking is that this type of nested framework has a number of different potential crediting pathways. The first is where you have project crediting only within a larger scale baseline. The benefit there is that where a jurisdiction is not quite ready to move to full sub-national or national scale accounting, it is still very important that a consistent baseline is used across project activities. The risk we have right now is that you have a number of different activities in a similar area, and they are all independently setting baselines, they are all independently assessing leakage, there may be an overlap in some of project or leakage areas, or it may create inconsistencies in baselines that are in the same region. This would allow a jurisdictional baseline to be established that all the project activities could use.

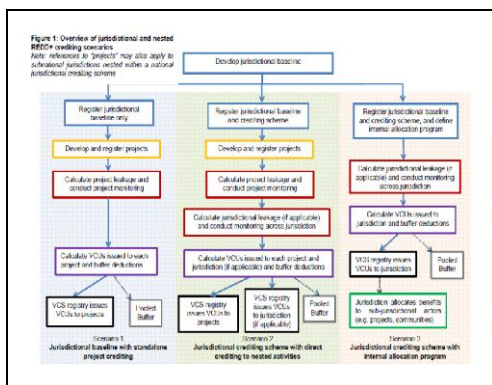
The second scenario is a more fully nested system, with crediting and accounting at multiple scales, including at the project level as well as the national or sub-national level. This would allow crediting directly at those different levels as well. Nesting can really occur at multiple scales, for example, a project within a sub-national jurisdiction within a national jurisdiction.

The third scenario is where there is jurisdictional crediting only. For some jurisdictions, there may be an interest to account and credit only at the jurisdictional scale rather than allowing direct crediting to project activities. That does not mean there are no nested project activities, but rather those project activities are credited or benefits are allocated from the higher level jurisdiction.

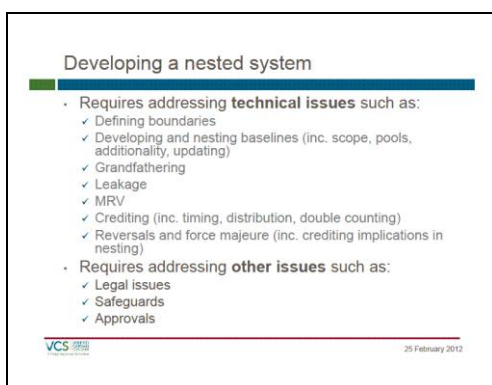


To give you a bit of a visual representation of this; if you look at the boxes, these represent the jurisdictional boundaries. The circles represent project activities. In Scenario 1, you can see

credits running from a registry to the project activities directly, but there is no crediting or accounting at the jurisdictional level. On the far end is Scenario 3, where accounting and crediting are both at the jurisdictional scale. There is an internal allocation to projects that may be credits, or other benefits. Scenario 2 is more complicated in some ways, and yet at the same time has the most potential benefit in terms of what a nested system can provide. Here you have the opportunity to credit at multiple scales, including jurisdictional and project activities and through using a consistent framework you are able to ensure that those different levels add up.



In terms of process, the system functions slightly different depending on the scale and the scenario that you are working with.



A nested system requires addressing a number of technical issues. The VCS Jurisdictional and Nested REDD Initiative has developed a set of technical recommendations on each of these. The technical recommendations are publicly available if you are interested in looking at the detail. We will have another version coming out soon as well.

There are ways to ensure, depending on the timing that these different systems emerge that we are still able to make sure that they align down the road. We have a number of other issues that have been dealt with in terms of leakage, crediting and reversals. One example quickly in terms of reversal and natural disturbances: the VCS operates quite differently than the CDM⁷ has with

⁷ Clean Development Mechanism: <http://cdm.unfccc.int>

afforestation and reforestation projects. CDM A/R projects had a term limit that has not functioned particularly well. As a result there are not very many CDM AR⁸ projects because of those limited terms.

The VCS developed a buffer approach to assessing permanence. The project risk is assessed using a tool, and a portion of credits are set aside in a buffer pool. Where there is a reversal, credits can be canceled from that pool to ensure that the credits that have been issued remain permanent. The jurisdictional scale is likely to use the same system. This would allow a credit or a portion of credits from the various jurisdictions to be put into a global pool that could then be used to cancel credits in the event of any reversal or natural disturbance that occurs in the jurisdiction.

JNRI expert committee participants...

- **Who is involved?**
 - ✓ Advisory Committee (23)
 - ✓ Public sector leaders from emerging economies, international organizations, civil society and private sector
 - ✓ Some overlap with FCPF
 - ✓ Technical Experts (14)
 - ✓ Secretariat (3)
 - ✓ VCS, Climate Focus, Conservation International
 - ✓ Peer review
 - ✓ Public consultation
 - ✓ Generously funded by Climate and Land Use Alliance (CLUA)

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Process and Timeline

- ✓ Advisory and Technical Committees convened in Q1 2011
- ✓ Technical Recommendations released Oct 2011, peer and Advisory Committee review Oct-Nov 2011, currently under revision
- ✓ Draft guidance and requirements to be issued for public comment by end of 1st quarter of 2012
- ✓ Final release in mid-2012
- ✓ Phase Two: Pilots, 2012-

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In terms of our process; we have put together an advisory committee of leading jurisdictions as well as technical experts to feed into this process. They are really overseeing the development of the requirements, along with a set of technical experts. We will also conducting a peer review and public comment coming up quite soon. I welcome the feedback from all of you on that process.

The JNRI was convened in early 2011. We released a set of technical recommendations in October, and are set to have another draft of that based on feedback that will be released probably by the end of this week. We are aiming to have the set of requirements issued by the end of the first quarter of 2011 with piloting beginning later in 2012.

⁸ Afforestation/Reforestation

More information...

- ✓ For more information see www.v-c-s.org
- ✓ To increase transparency a number of documents are available online:
 - ✓ JNRI Fact Sheet
 - ✓ Background scoping document
 - ✓ Summary of Technical Recommendations
 - ✓ More to follow...




Fact Sheet: Jurisdictional & Nested REDD+ in VCS: A process for developing, approving, and accounting for REDD+ activities in a jurisdictional context. The fact sheet provides a high-level overview of the process and the key elements of the VCS system. It is intended to be used as a reference document for project developers, investors, and other stakeholders involved in the REDD+ market.


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Verified Carbon Units (VCUs) and 'Tagging'

Core Elements



Additional Certifications Recognized by VCS



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Summary

- ✓ Project activities are leading the way, producing real emissions reductions and establishing a market for REDD credits
- ✓ Nested Jurisdictional accounting for REDD+ may be the best way to ensure sufficient ongoing funding for REDD+ activities at multiple scales
- ✓ Fragmenting markets means there is a critical need to ensure fungibility and consistency across national and regional systems and markets

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Thank you... Questions?

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For more information, you can see our website. There are a number of documents that you can review, including a fact sheet and the detailed technical recommendations.