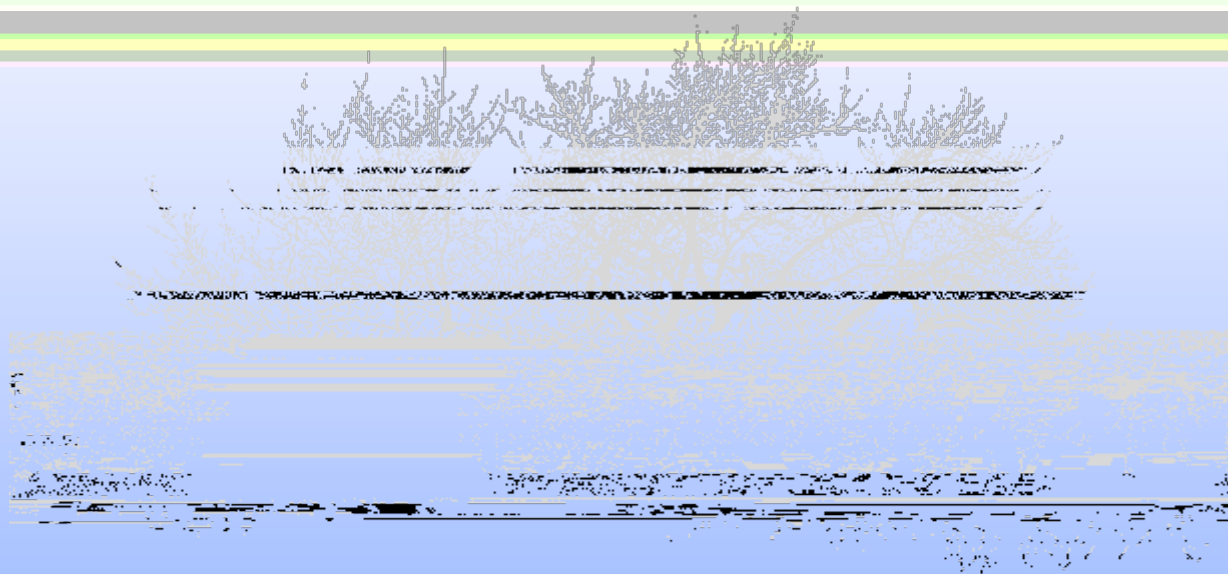


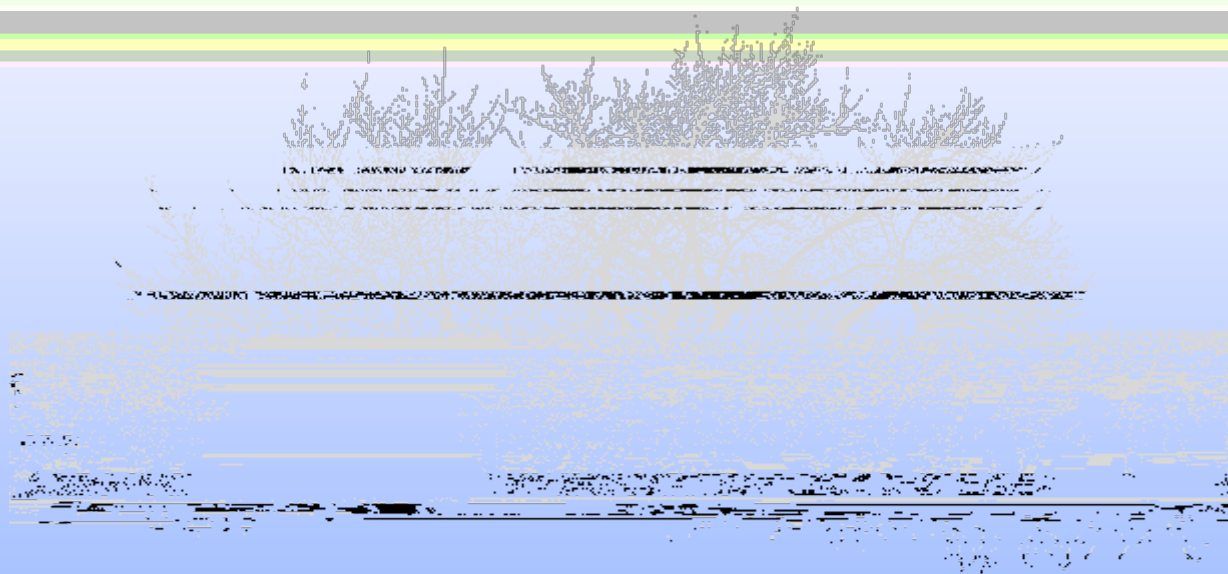
Making REDD work for the Poor: The socio-economics implication of mechanisms for reducing emissions from deforestation and degradation

A Poverty and Environment Partnership (PEP) side event



Forest facts

- 36% of human-induced C in the atmosphere is attributed to LUC
- Present contribution: 18%
- 12.3 million ha – net annual forest loss
- 1.2 billion forest-dependent people
- Wood-exporting countries show high coincidence in
 - Lower G1o groi1 1 Th (negBoxvET/31 Tf00rTT1 groi1 1 Th eo1du.c



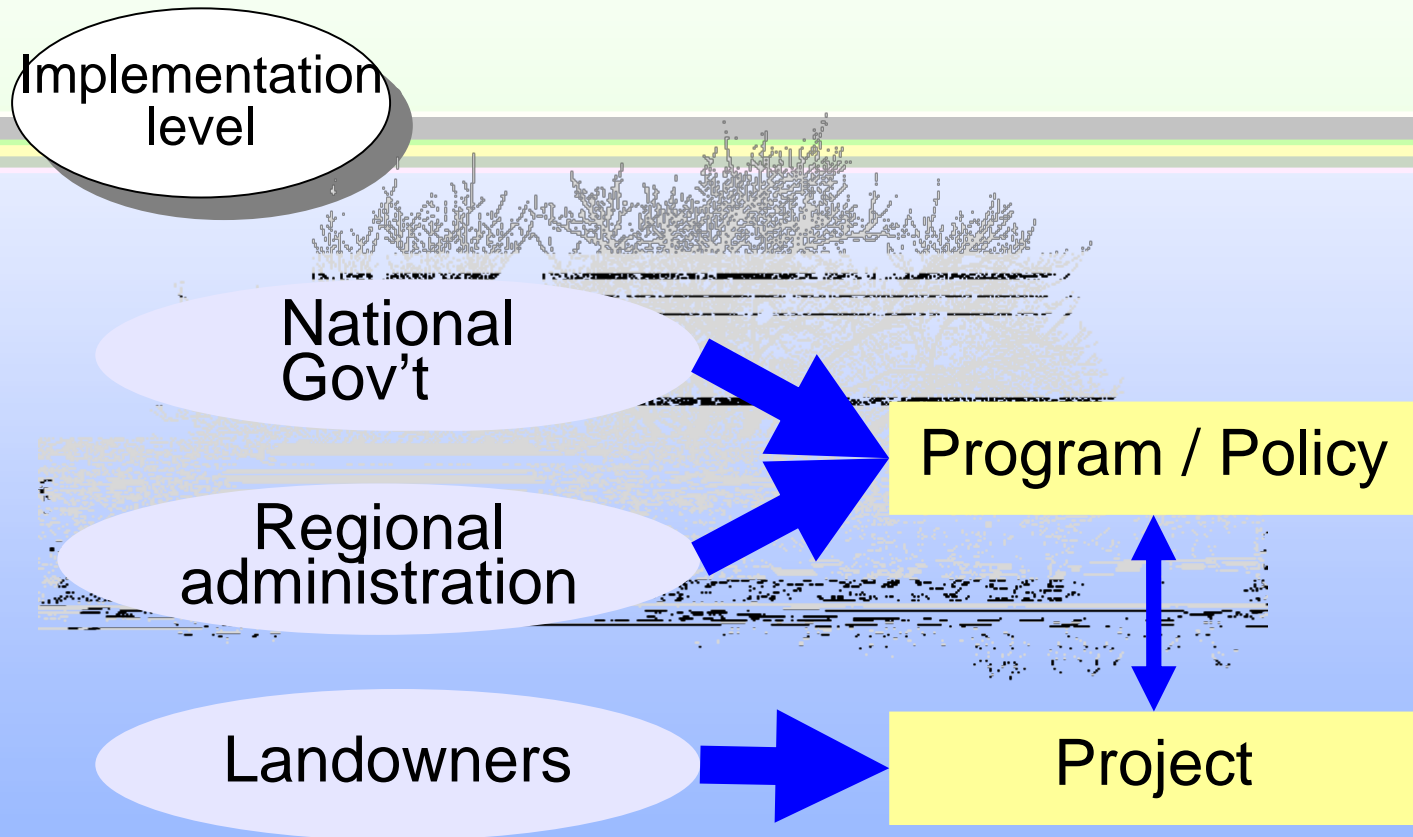
Scope – What activities to include



Scope

	A/R	D	FM
Africa	@		
CN / IN		@	?
S-E Asia	@		
Lat-Am	?		

Implementation level – How to integrate sub-national activities



Implementation level – How to integrate sub-national activities

Implementation level

State

Legislation, law enforcement, subsidy structure, national parks

Program

Tax incentives, specific subsidies, certification, PES schemes

Project

Change of LU practices, private conservation

Compensation – What it costs

10,000,000,000 US\$

Compensation

= Annual estimated costs
for reducing deforestation
by 50%

- Equivalent of the global market for cell ringtones
- Equivalent to one month of war in Iraq

Compensation – Who pays?

- Voluntary fund to be replenished by Annex A countries
- Credit sales toward Annex A commitments
 - Additional commitments for compensation with REDD credits
 - Capped market
 - Full integration into post-2012 carbon market
- Alternative financing sources
 - Tax on Kyoto Mechanisms
 - Aviation tax
 - ODA

Compensation



Readiness – What's needed for participation

- Political will
- Governance
- Public awareness
- Technical and administrative capacity
- Reliable inventory
- Baseline
- Target emission level
- Bilateral compliance partnerships
- Integral v1Cmw n lend aus



Readiness