

# Tropical Forests & Climate Change: REDD+ and Bottom-Up Innovation

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# General Context:

- Tropical deforestation ~11% of global emissions
- Brazil has reduced deforestation in the Amazon 70% from 2005-2013, avoiding 3.2 GtCO<sub>2</sub> emissions
- Brazil and REDD+ could provide largest mitigation progress by 2020



# The State of REDD+ Carbon Market:

- UNFCCC: REDD+ largely completed in Warsaw
  - Lack of demand for REDD+ ER's major barrier
  - Chances of new commitments by Paris is low
  - Public finance for performance-based REDD+ is growing
    - Norway, Germany, UK



# The State of REDD+ Carbon Market:

- California
  - AB-32 Sectoral REDD Offset Provision
    - Could begin regulatory process early 2015
    - Offset shortage with potential implications for fuel prices
    - Opposition to offsets could prevent action
    - Governor Jerry Brown's ambition



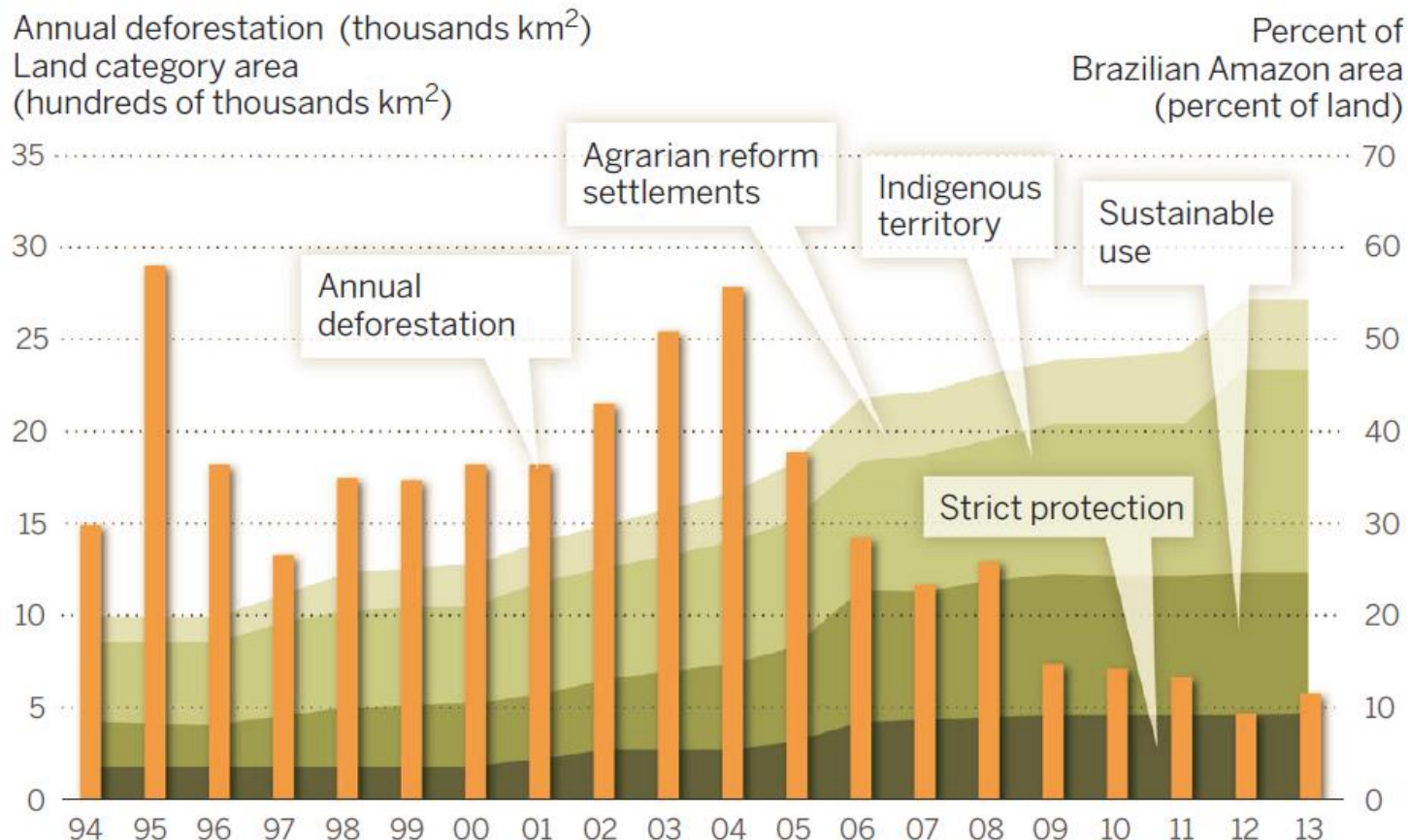
# How did Brazil do it?

- **Fear**
  - Of losing access to markets or credit; fines, jail
- **Money**
  - Positive incentives
- **Forestland Shortage**
  - Increase in protected areas/indigenous lands
  - Delays in new highways
- **Reduced demand**
  - soy slow-down
  - cattle intensification/herd reduction



# FORESTLAND SHORTAGE

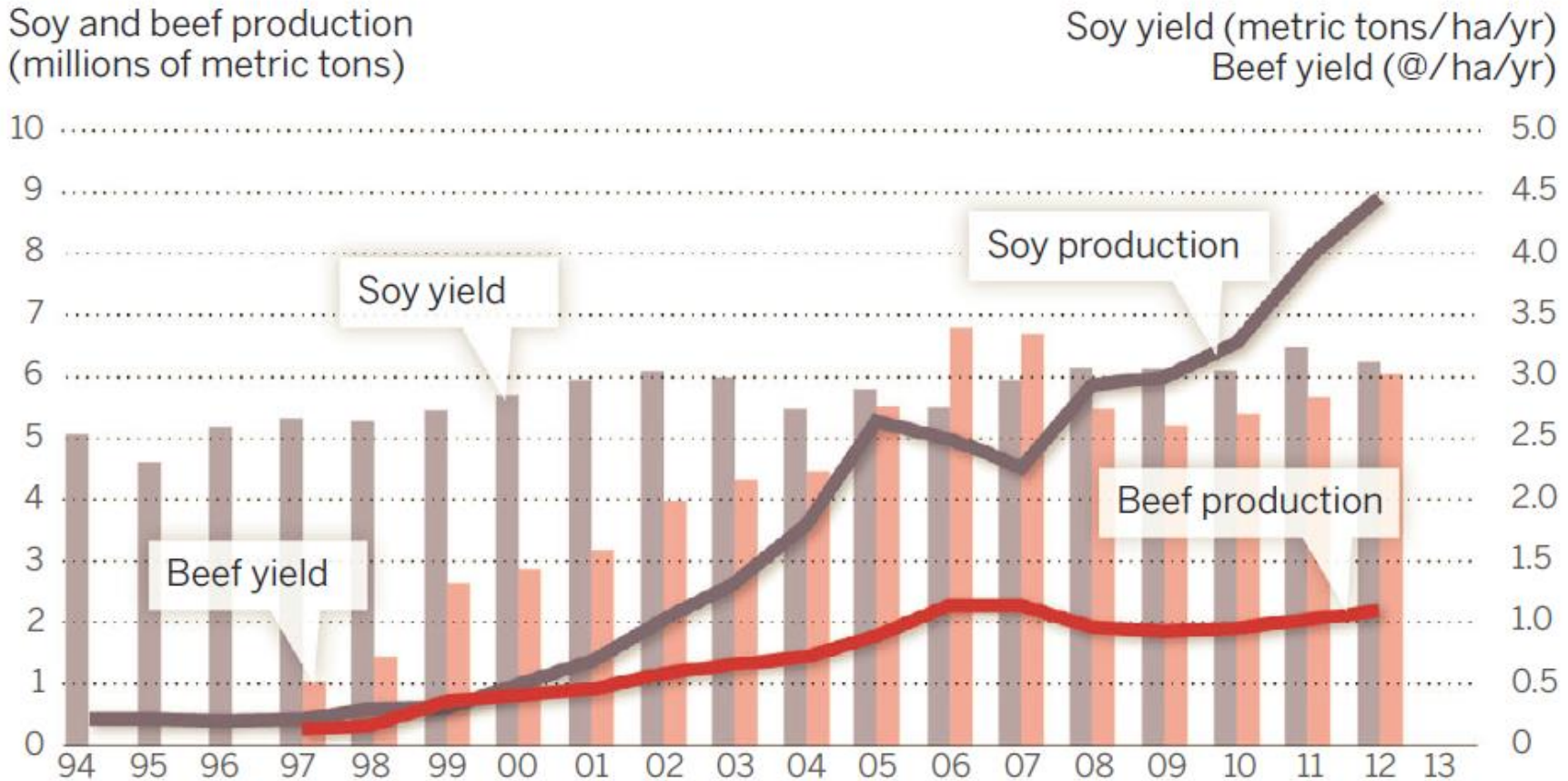
*New protected areas* ↓ *land speculation*





# REDUCED DEMAND

## *Doubling beef yields, soy retraction*



# How did Brazil do it?

- Fear ✓✓
- Money ✕
- Forestland Shortage ✓✓
- Reduced demand ✓✓





# Replicating Brazil's success:

## **Governors' Climate & Forests task force**

- 26 States & Provinces with 1/4<sup>th</sup> of the world's tropical forests
- Rio Branco Declaration: 80% reduction by 2020

## **New York Declaration on Forests**

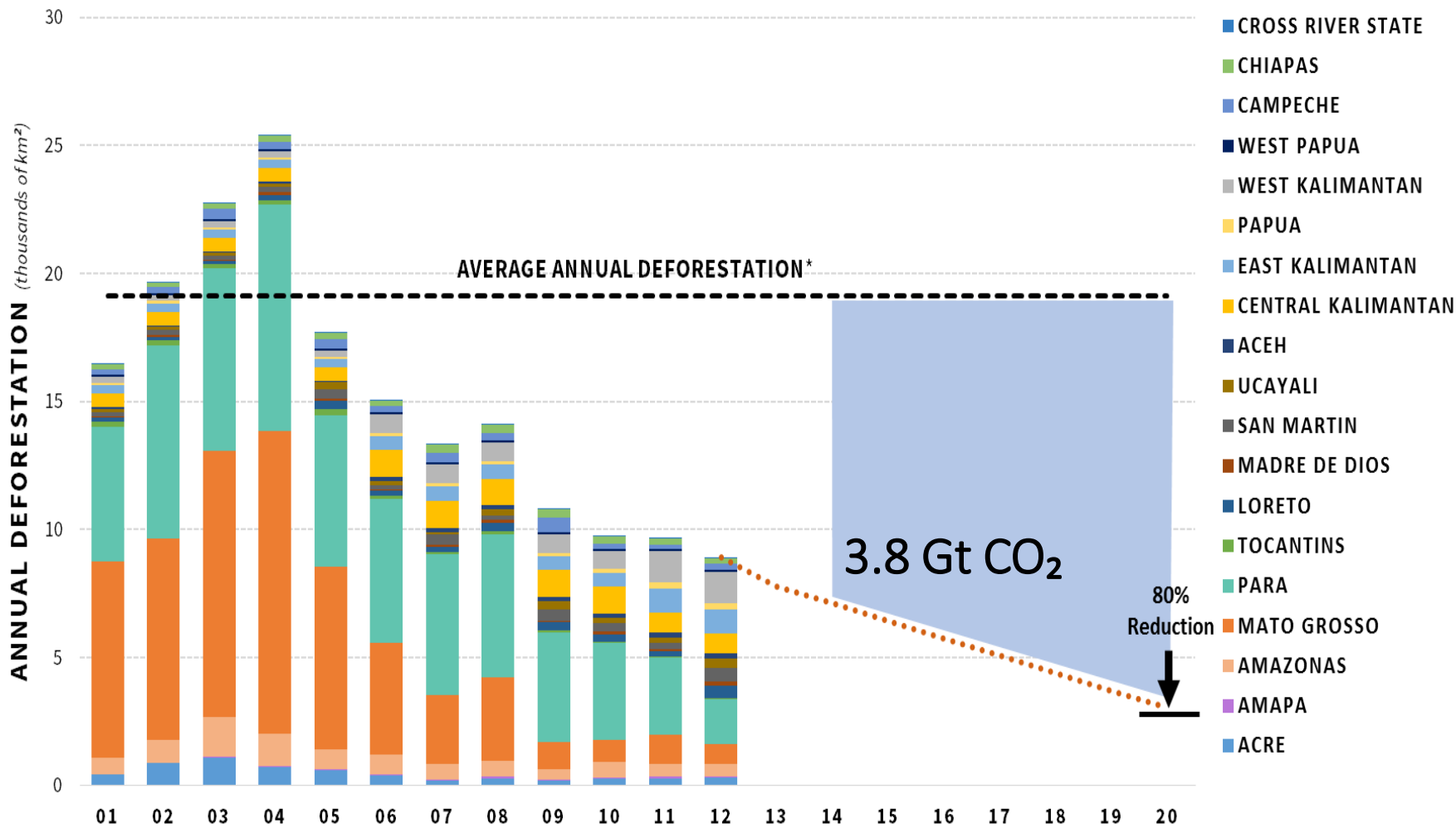
- Halve deforestation by 2020; end it by 2030
- 150 B hectares of new forest by 2020; 350 by 2030

## **“Zero Deforestation” commitments**

- Unilever, Wilmar, Cargill, Proctor & Gamble, Mars, Consumer Goods Forum



# Rio Branco Declaration Implemented



# Potential Game-changers:

**China announces curbs on commodity imports  
from deforesters**

**Company partnerships with GCF states and Provinces**

**California launches REDD+**



**Earth  
Innovation  
Institute**

# Conclusion:

**UNFCCC: demand for REDD+ ER's low**

**Brazil moving ahead without a market**

**Other countries could follow, especially  
subnationally**

**To seize near-term opportunity:**

- **Shared deforestation targets for governments & companies**
- **California**
- **China**

