

Sinks in the CDM: After the climate, will biodiversity go down the drain?!



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Something is going seriously wrong. We are trying to protect the world's ecosystems from climate change. And now, on our first humble steps towards this goal we are about to create a subsidy system for mono-culture plantations – thereby turning wide stretches of land into biological deserts.

At COP-9, countries will have a last chance: the modalities are to be finalized for afforestation and reforestation projects under the CDM until 2012.

We should not forget that investing in sinks today will not help us to make deeper emissions cuts tomorrow. Also, using sinks instead of curbing emissions means adding more carbon to the 'active carbon pool'. That's why the German Environmental Minister Trittin is to be commended, when he says: "[...] I will urge the Federal Government not to buy emission credits from sinks projects and also to exclude them from the EU emission trading"¹.

Still, we have to get the rules right. Some sink projects will be done. At the very least, we must ensure that these projects are desirable with respect to biodiversity, local communities, and indigenous people – even

though they cannot be considered desirable from a climate point of view.

Browsing through the current negotiation text (FCCC/SBSTA/2003/10/Add.3) is like taking a ride through a 'house of horrors'. The "no need for specific sink rules" mantra echoes continuously thanks to the brackets inserted by Canada, Japan and others. Some more hopeful suggestions from Switzerland, Tuvalu, the EU, Norway and others are too sparse to make it a relaxed ride.

The frightening journey starts with a 'Deferring the reforestation baseline from 1990' proposal that would reward deforestation that has recently occurred and create perverse incentives for further deforestation. On 'permanence', Canada didn't hesitate to offer an absurd idea: According to their so-called 'insurance approach', it is fine if the sequestered carbon is re-emitted 10 years after a project has finished. Canada is aware of the fact that what they tabled won't fly. Thus, they are about to propose yet another version of its flawed "insurance" accounting scheme. The intention behind it seems clear, getting yet another negotiation chip by tabling yet another outrageous proposal.

On 'leakage', the EU, Norway and Tuvalu are to be congratulated for insisting that the

¹ Jürgen Trittin in a letter to the German NGO Forum, 14. March 2003.

definition of leakage exclude 'positive' leakage - otherwise, dodgy methods could be used to claim off-site carbon sequestration, while debiting any off-site re-emissions is rather unlikely. Clearly, the default assumption of leakage needs to be 100%, if significant sources of leakage can neither be prevented nor estimated.

Only Norway seems to apply common sense when it cautions against turning the Kyoto Protocol into a subsidy system for invasive alien species and GMOs. Let's hope that common sense is contagious because it will be helpful in clearing the remaining brackets on this text. For example, common sense would suggest the need for an exact geo-referenced physical location of all sinks projects in the CDM registry. Merely knowing the general region of a project might be sufficient for a windpark, but not for afforestation projects, unless of course the trees are genetically engineered to be distinctively turquoise.

Not yet mentioned is the single most critical issue for the negotiations on CDM sink modalities at COP-9. The animosity of some Parties to a meaningful *socio- and environmental impact assessment* looms large over the future of sink projects and ultimately the Kyoto Protocol itself. Latin American governments in particular (as opposed to local NGOs), are reluctant to discuss any international guidelines on how to assess the impacts of sink projects on the local environment and communities. Of course, Japan and Canada do not want these requirements either. However, the lack of an international minimum standard will induce the same 'race-to-the-bottom' that we currently observe for energy projects. If only the carbon price dictates which projects are implemented, no agro-forestry or landscape restoration projects will be able to compete against mono-cultures of fast growing (potentially genetically engineered) pulp & paper plantations. Even worse, the current debate is no longer about an environmental and social impact *assessment*, but only about rough, non-binding guidelines on what kind of

information on impacts should be reported, if any ("Appendix E"). This already-watered-down version of "Appendix E" is the absolute minimum of acceptable outcomes.

Nobody thinks that the job of sorting out the worst projects should be left to the NGO community – assuming we had the resources. To the extent which Greenpeace can do so, our success relies on media work; and if the public starts viewing the Kyoto Protocol as a subsidy system for millions of hectares of mono-cultures, then not only the plantations will be in trouble, but the Kyoto Protocol itself.

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