Integrated REDD+ accounting frameworks

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Outline

1. Meeting objectives
2. National REDD+ accounting frameworks
3. Integrating Reference Levels (RLs)
4. Integrating Measurement Reporting and Verification (MRV) systems
5. Addressing leakage
6. Addressing reversals
7. LEAF Decision Support Tool
Objectives

To provide guidance on the design and establishment of national-level REDD+ accounting frameworks

(i) How will the national REDD+ accounting framework be structured?

(ii) What decisions need to be made to integrate subnational activities into a national level REDD+ accounting frameworks? And

(iii) How and at what levels should incentives be distributed?
National REDD+ Accounting Frameworks

A system of rules which:

• Allows accurate estimates of national-level emission reductions to be created

• Defines how crediting and incentive allocation will occur

• UNFCCC requires REDD+ MRV and RL to be reported at the national level, but allows for subnational as interim step
National REDD+
Accounting Frameworks

Two main choices:

• national-level implementation or

• integrate existing and future sub-national initiatives

Established through a REDD+ decree or similar
Integrating Reference Levels (RL)

**Reference level:** A benchmark for assessing performance in reducing emissions, expressed in tons of carbon dioxide equivalent per year.

![Graph showing historical, projected, and actual emissions with and without REDD+ credits.](image-url)
Integrating Reference Levels (RL)

• In Viet Nam RL work has been initiated at subnational and national levels.
• Where methodologies differ, these RLs could:
  – Cover different activities (deforestation, degradation, conservation, forest management, and carbon stock enhancement)
  – Cover different carbon pools (live biomass, deadwood, litter, soil carbon and harvested wood products)
  – Use different methods (linear historic projections vs. adjusted projections) for estimating future emissions
  – Use different years and different resolution imagery for historical analyses
Integrating Reference Levels (RL)

Questions:

- Will sub-national RLs be over-written by a national RL?
  - Or can sub-national RLs be ‘cut out’ from a future national RL?
- Do significant gaps exist in RL methodologies (pools, gases, activities)?
  - If so can they be reconciled? How?
  - What minimum standards need to be established to ensure future RLs are harmonized?
# Integrating Reference Levels (RL)

## Comparison of RL approaches

<table>
<thead>
<tr>
<th>National</th>
<th>Sub-national</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalizes on economies of scale</td>
<td>May be higher in accuracy and sampling intensity</td>
</tr>
<tr>
<td>Simplifies accounting structure</td>
<td>Could be difficult to harmonize with other RLs</td>
</tr>
<tr>
<td>‘One size fits all’</td>
<td>May cover more gases, pools, or activities</td>
</tr>
<tr>
<td>Creating a wall-to-wall RL may take a long time</td>
<td>Better linked to sub-national activities</td>
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Integrating Measuring Reporting and Verification

Forest carbon measurement:

Combines an analysis of remote sensing data with field-data collected from inventory plots
Integrating MRV

• MRV systems are being developed at sub-national and national levels
• MRVs may differ in:
  – Which activities, carbon pools and gases are included
  – Field sampling intensity
  – Field plot size/shape
  – Accuracy of allometric equations
  – Resolution of remote sensing imagery
  – Techniques used to analyze remotely sensed imagery
Questions:

• Will sub-national MRV systems be overridden by a national MRV system?
  – Or can sub-national MRV be ‘cut out’ from a future national RL?

• Do significant methodological gaps exist in current forest carbon measurement approaches?
  – If so can they be reconciled? How?
  – If MRV systems are allowed at the sub-national level what minimum standards need to be established to ensure compatibility?
## Integrating MRV

<table>
<thead>
<tr>
<th>Comparison of MRV approaches</th>
<th>National</th>
<th>Sub- national</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalizes on economies of scale, cheaper to implement</td>
<td>Likely to occur with higher sampling intensity and resolution</td>
<td>‘Cutting out’ MRV could be difficult to justify to UNFCCC</td>
</tr>
<tr>
<td>Single methodological approach</td>
<td>‘Cutting out’ MRV could be difficult to justify to UNFCCC</td>
<td>Tailored to relevant pools/gases/activities, and likely to be more accurate</td>
</tr>
<tr>
<td>May not cover all gases, pools, or activities relevant at sub-national level</td>
<td>Tailored to relevant pools/gases/activities, and likely to be more accurate</td>
<td>Expensive to establish and repeatedly measure</td>
</tr>
<tr>
<td>Simplifies accounting structure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Centralised</td>
<td></td>
<td>Greater stakeholder involvement</td>
</tr>
</tbody>
</table>
Addressing Leakage

Leakage: The displacement of GHG emissions from one geographic region to another due to a project's activities.

E.g. A logging ban in Dak Lak...

...leads to increased logging in Lam Dong
Addressing Leakage

Options for addressing leakage:
1. Track displacement through a detailed MRV and accounting system
2. Set guidance for estimating leakage and deduct relative percentage from crediting
3. Set a flat rate leakage on all activities, or flat rate leakage for specific activities
Addressing reversals

Reversal: A situation where a given area releases emissions above the RL

An unexpected severe fire in Nghe An releases many tonnes of CO₂
Addressing reversals

Options for addressing reversals:

1. Pooled buffer
2. National fund to compensate successful projects or subnational jurisdictions in case of national underperformance.
3. Projects or jurisdictions provide compensation in the case of a reversal.
4. Insurance for REDD+ projects or subnational efforts.
5. Do nothing and leaving the risk entirely on the project or subnational jurisdictions.
Decision Support tool: Integrated REDD+ accounting frameworks

Describes decisions to be made in creating a REDD+ National Accounting Framework, with a focus on:

1. National REDD+ accounting framework structure;
2. Integrating subnational and project level activities into a national level REDD+ accounting framework;
3. How and at what levels incentives should be distributed; and
4. What procedural decisions need to be made by whom.
THANK YOU!