

PRESENTATION GIVEN AT THE TRANSLINKS
PAYMENTS FOR ECOSYSTEM SERVICES WORKSHOP

JULY 20-23, 2009

BRONX, NEW YORK, USA

HOSTED BY

THE WILDLIFE CONSERVATION SOCIETY



This workshop was made possible by the generous support of the American people through the United States Agency for International Development (USAID) under the terms of the TransLinks Cooperative Agreement No.EPP-A-00-06-00014-00 to the Wildlife Conservation Society (WCS). TransLinks is a partnership of WCS, The Earth Institute, Enterprise Works/VITA, Forest Trends and the Land Tenure Center. The contents are the responsibility of the authors and do not necessarily reflect the views of USAID or the United States government.



REDD as a potential PES market in Gabon

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**Translinks PES meeting
Bronx NY, 20-22 July 09**



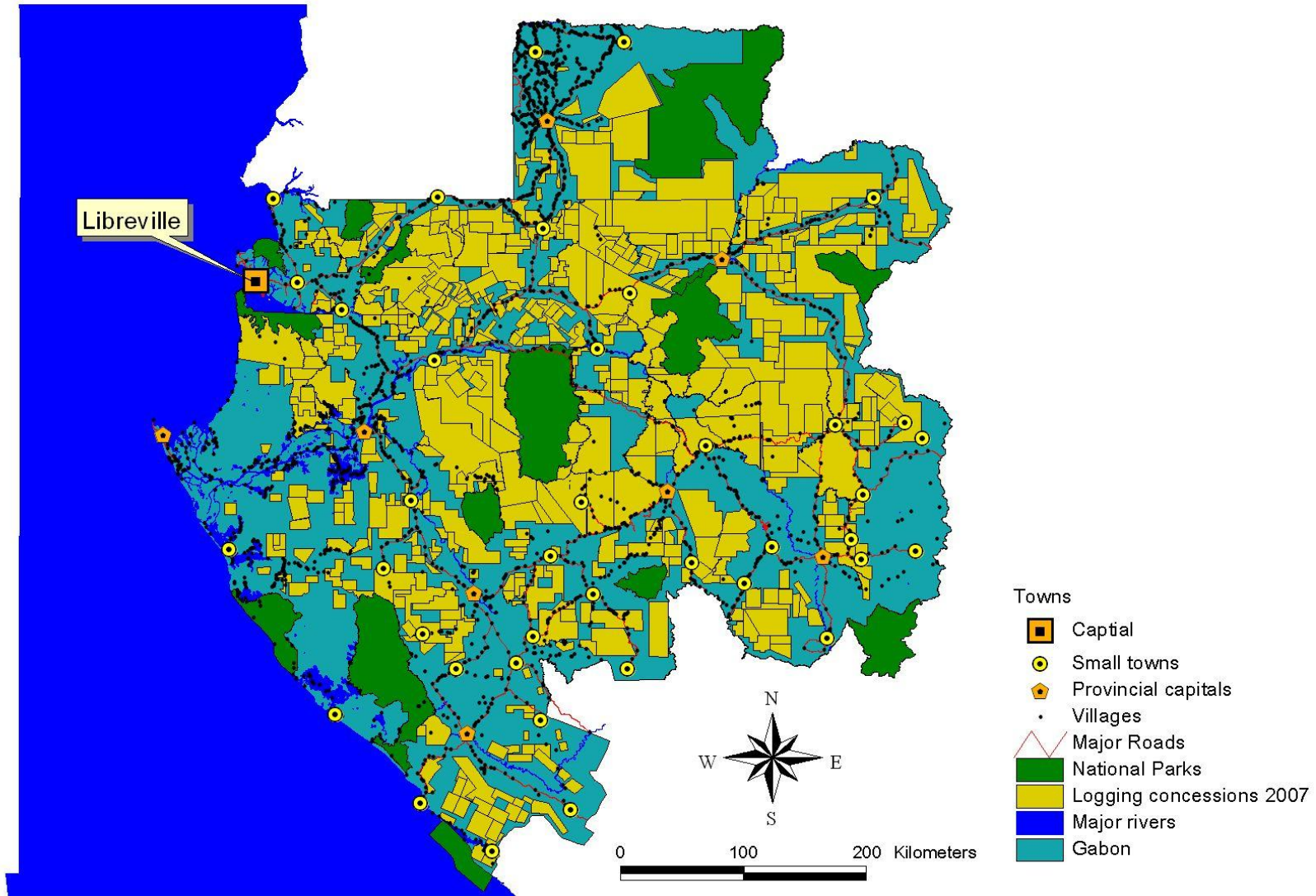
Gabon



- 22m ha of rainforest
- 1.3m people
- Largest population of forest elephants
- Gorillas, chimps, manatee, mandrill etc
- Deforestation rates low (0.05-0.16%), but degradation due to logging significant given area involved (12m ha production forests, 3+1m ha APs, 6m ha community zone)
- WCS works in two main landscapes - Ivindo-Chaillu Forest Landscape and Congo Basin Coast



Gabon





How could REDD help conservation in Gabon?

- Financing PA's
- Promoting more sustainable logging practices
 - Maintains value of forest as forest, so keeps opportunity costs of conversion to non-forest high
 - Potential wildlife + biodiversity co-benefits

How could REDD help conservation in Gabon?





How could REDD help conservation in Gabon?

- So, four questions:
 - Do we have a product?
 - Do we have buyers?
 - Can we overcome transaction costs?
 - Can REDD produce co-benefits?

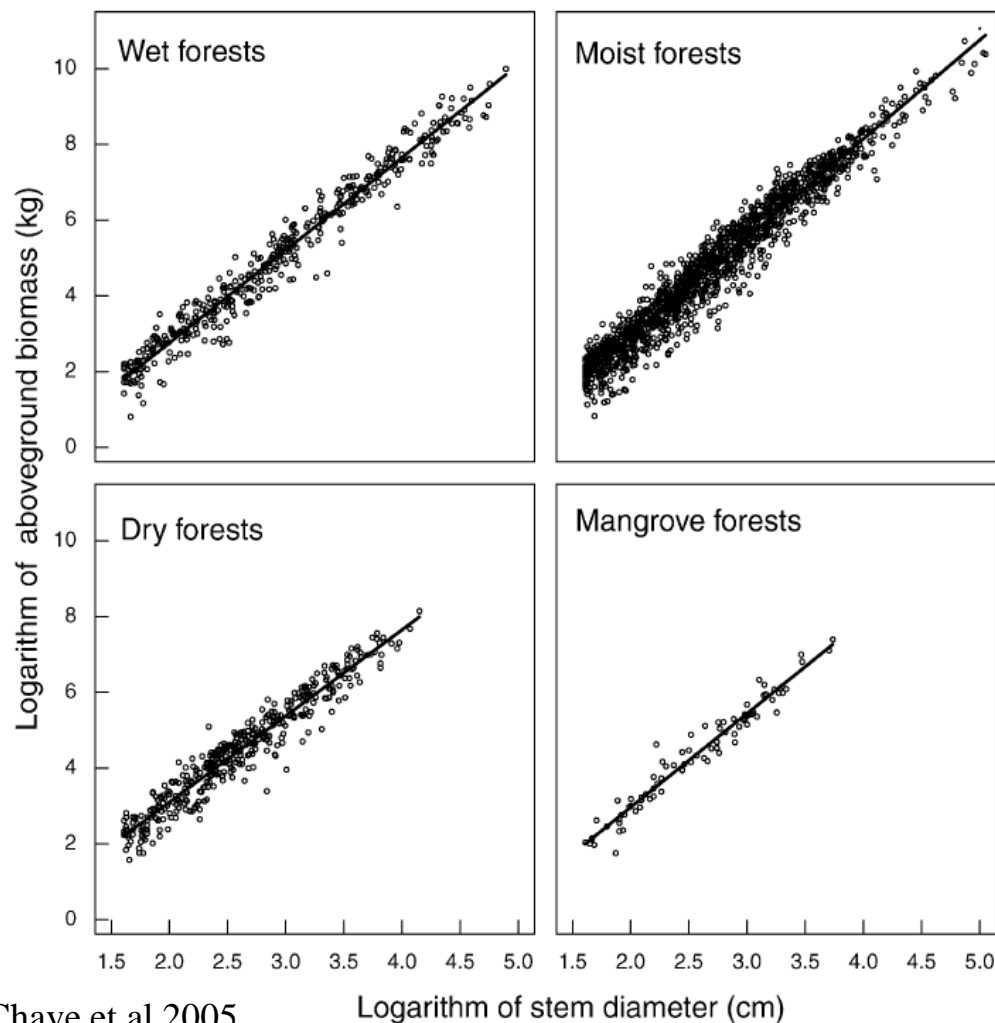
Do we have a product? - Hell yeah!

- Shift from normal to reduced-impact logging can reduce immediate biomass losses after 1 rotation by 30-50% (Putz et al 2008 - NB % of loss, not % of total biomass)
- Carbon sink effect of 1.5 T CO₂e/ha/yr (Lewis et al 2009) - deforestation/degradation both reduces standing biomass and absorption rate
- White 2009: Improved logging and PA's in Gabon could produce 45m TCO₂e/yr of avoided emissions worth \$645m/yr (= \$43/ha/yr over 15m ha)
- Lescuyer 2006: Ivindo NP (3000km²) could generate 2.2m tC/yr of avoided emissions worth \$22m per year in avoided degradation credits (= \$73/ha/yr over 300k ha)
- Strassburg et al 2008: Gabon could receive a combined incentive of \$1-400m/year (= \$13/ha/yr over 22m ha)

Do we have a product? - Not so fast...

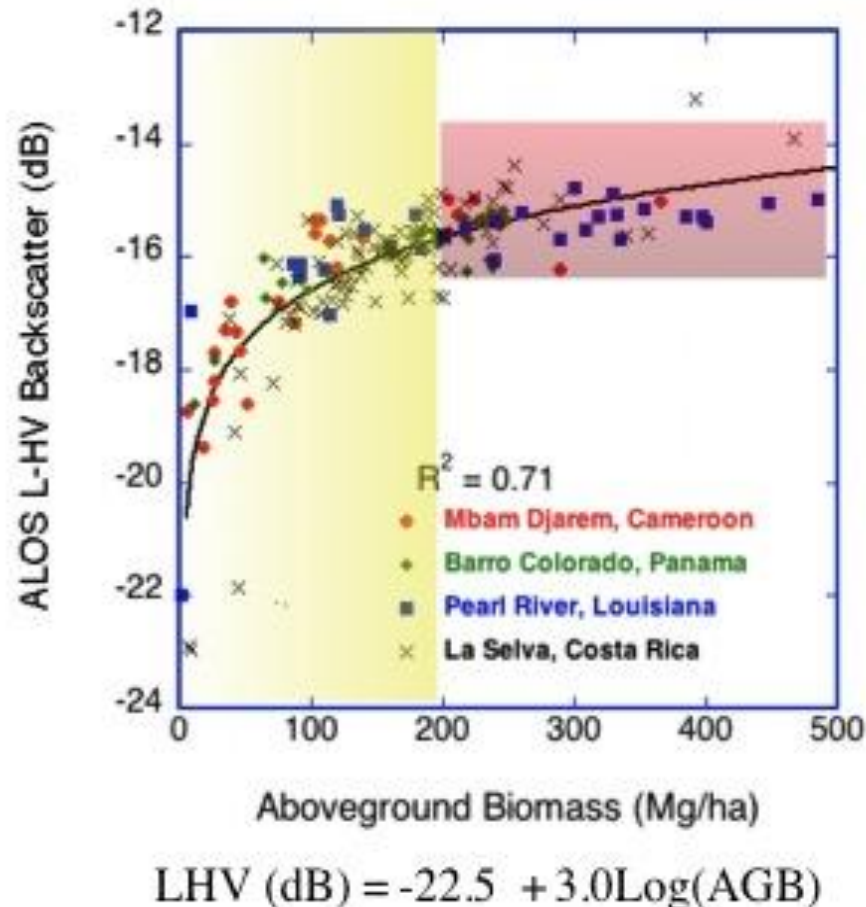
- Problems of additionality and transaction/monitoring/buffering costs not sufficiently evaluated in existing studies
- Virtually no data from CA, let alone Gabon, so studies are based on extrapolation from other continents
- Most existing field data is poor quality, biased or otherwise difficult to use
 - Botanical plots - high quality, but few and avoid gaps, target diversity
 - Forest inventories - incomplete sample, often poor quality and difficult to verify
 - Combination of ad-hoc studies - limited/uneven coverage of forest types
- Data on timescale of more than one rotation virtually non-existent
- Remote sensing not yet up to the task

Do we have a product? - Not so fast...



- None of these trees from CA
- Largest is 156cm dia. = up to 5% of CA trees and 10-20% of biomass are in bigger trees
- All large trees are Dipterocarps
- Logged trees tend to be the bigger ones
- Measuring height helps - but very little existing data

Do we have a product? - Not so fast...



- Satellite signals saturate above 100-150 T biomass/ha
- Gabon is in the 2-500 range...
- Potential for combination of different imagery to produce more precise measures - still v. controversial
- Probably 2-5 years off at best

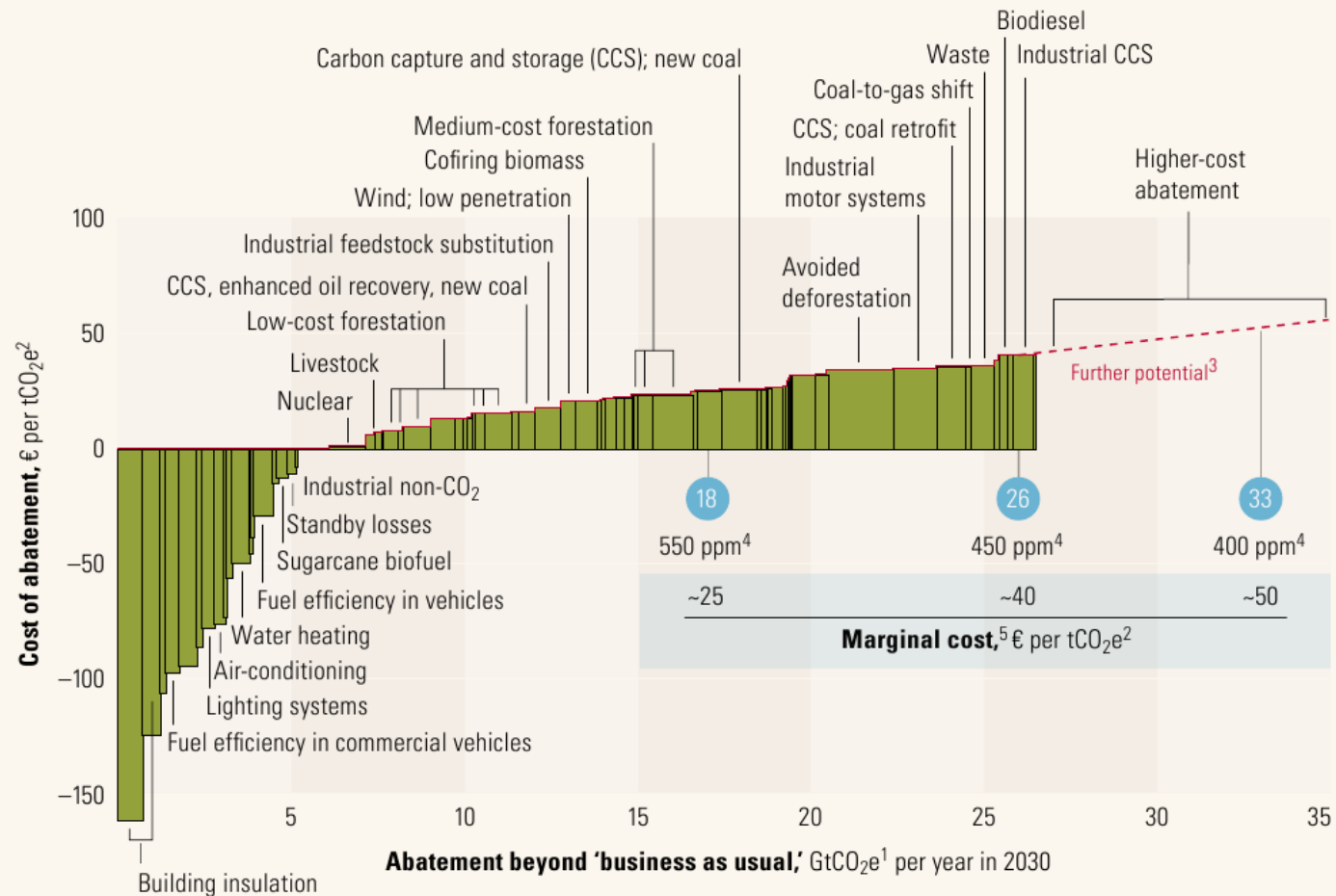


Do we have buyers?

- Probably - strong momentum towards REDD(+)
- Cannot meet the "2 degree" limit to climate change without addressing deforestation/degradation
- Existing voluntary market - but likely to be rapidly superseded
- Forest carbon remains one of the more expensive ways of reducing emissions
- Many hurdles remain, unlikely that a full-blown mechanism will be established for several years

Do we have buyers?

● Approximate abatement required beyond 'business as usual,' 2030



Can we contain transaction costs?

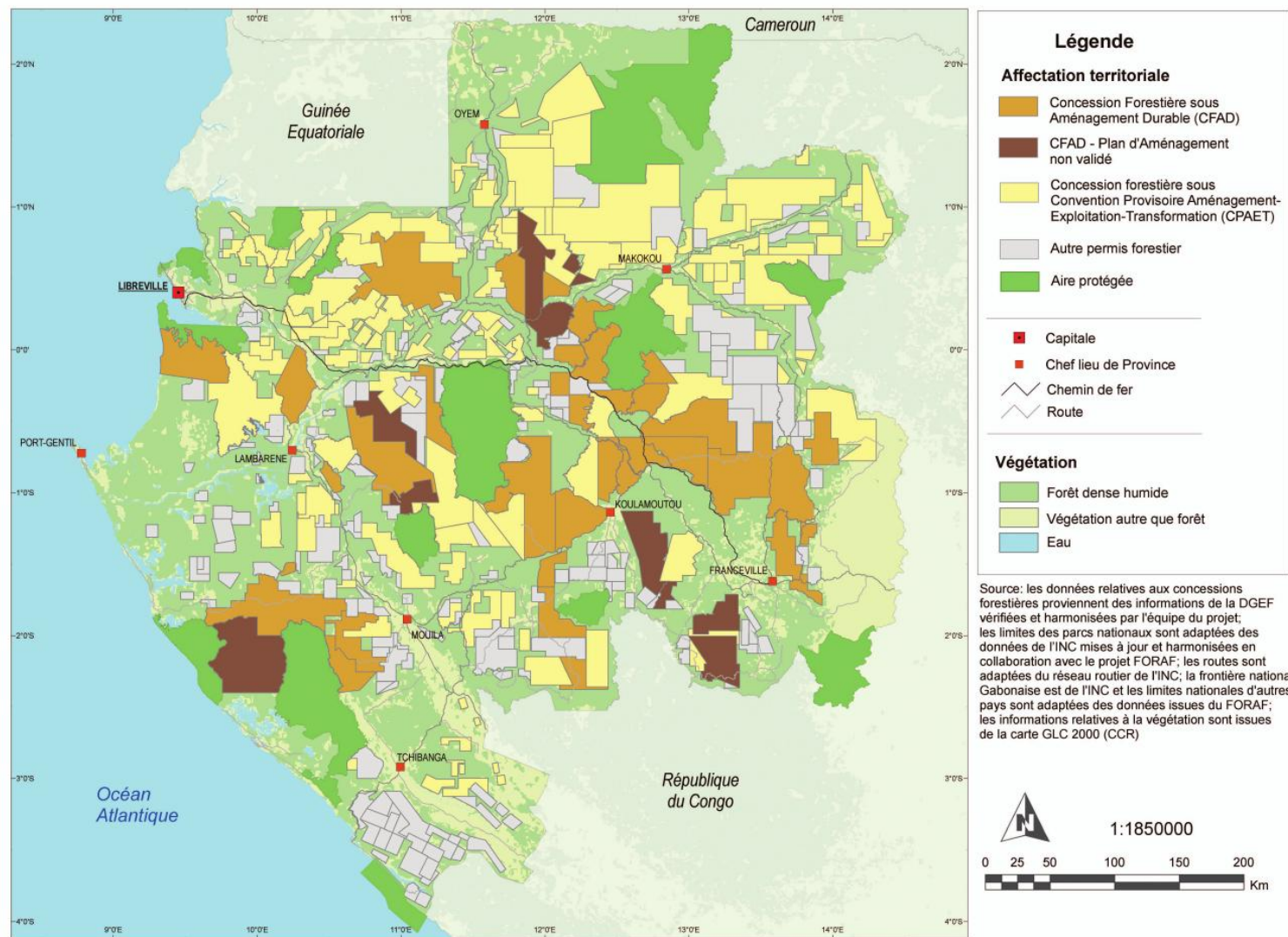
- Uptake of Improved Forest Management under Kyoto very low - due largely to onerous reporting requirements vs potential benefits
- Verification of emission reductions likely to be a major transaction cost
 - Conceptual frameworks exist, but no accredited methodology for evaluating degradation (VCS etc)
 - How do you separate the anthropic portion of the effect when so little basic science?
 - Degradation is such a small % of the total biomass that sample sizes must be high = verification expensive
 - Inter-annual variability can be a big factor (but need to separate out valid criticism from negotiating points)

Can we contain transaction costs?

- Forest management is mandated by law in Gabon since 2001 - but uptake has been slow
- Studies show that RIL and certification can increase profits, so why is uptake so low? Why will REDD make the difference?
- Adjusting to sustainable forest management will create winners and losers:
 - Potential losers may be obtaining significant rent from current (sometimes illegal) forestry practices - how to compensate without legitimizing their claims/practices?

Current logging in Gabon

CARTE 3 Situation des permis forestiers en 2008



Can we contain transaction costs?

- Net damage due to logging is a function of:
 - Number of trees harvested per rotation
 - Incidental damage when logging (inc edge effects)
 - Infrastructure - roads, etc
 - Rotation period
 - Abiotic factors
- Rotation period is especially important
 - Requires a significant portion of REDD payments be with-held for the length of the rotation (20-30 years)
 - Given high discount rates of both govt and companies, this may significantly reduce attractiveness of REDD/increase the potential cost of REDD



Can REDD generate biodiversity co-benefits?

- Large mammals can persist in well-managed logging concessions
 - ONLY if specific wildlife management practices are adopted = expensive
 - To what extent will improved monitoring of carbon translate into improved management of wildlife?
 - Even FSC is weak on wildlife
- Much less information on general biodiversity
 - WCS currently surveys only elephants and apes with any precision
- Virtually no information on aquatic ecosystems



Can REDD generate livelihoods co-benefits?

- In Gabon major cause of degradation is industry, not local people
- The state is democratically elected and will allocate benefits accordingly...
- Forestry companies have tried revenue sharing with new forestry code - results sporadic, not sustainable
- If REDD promotes more sustainable logging, that contributes to sustainable livelihoods, assuming high % of national employees
- In sections of our main landscapes, there are small numbers of people but who are heavily dependent on the forest



So what should WCS do?

- What are other NGOs doing?
 - Table by activity
 - Table by funding

Gabon strategy

- REDD probably represents the best opportunity in a generation to promote good forest stewardship
- First step: *Get some data on logging + carbon*
 - Initial focus on ecological data is non-threatening
 - Make a real contribution to the debate (and Gabon / COMIFAC's negotiating position)
 - Means we become a player in all things REDD in Gabon (and more widely in CA)
 - Working on carbon and forestry can create a positive relationship with companies
- Next steps:
 - Focus on measuring wildlife and biodiversity co-benefits? (High demand from FSC companies already)
 - Pilot project in partnership with a logging company?



Pilot study of effects of logging on carbon

- 1 year of funding from AFD
- First Second detailed before-and-after study of logging impact on carbon in CA
- Activities:
 - Field data collection in 1-3 logging concessions
 - Controls in NPs?
 - Training/capacity building
- Outputs:
 - Literature review on degradation aspect of REDD, focusing on how to measure in in a real world situation
 - Report of field study, focusing on implications for measurement
 - Methodology/proposal for wider logging + carbon study

Pilot study of effects of logging on carbon

- Pilot at TFF site in Monts de Cristal (July-September 2009)
 - 2 “pockets” of about 45ha each on opposite sides of a river
 - 1 will be exploited using Conventional logging
 - 1 with Reduced impact logging
 - 10 x 1ha plots in each, plus measure all trees over 70cm dbh in the pocket before + after = estimates of AGB + AGB change immediately post-logging
 - Collaboration with U Florida: measurement of logging damage, skidder trails, economic comparison etc
 - Tagging of trees will permit follow-up over long time scale



Pilot study of effects of logging on carbon

- Advantages of TFF site:
 - Sites v. close and v. similar, same forest type
 - Able to get some data rapidly
 - Collaboration with U Florida is great for capacity building
- Risks:
 - Possibility of bias as logging teams will know where the plots are
 - Forest already logged once 30 years ago
 - Not 'true' RIL or Conventional logging
 - Could be accused of exaggerating or minimizing differences
- Regarded very much as a test case (2-3 months effort) to validate methods + train a team before expanding to 'real world' sites

Pilot study of effects of logging on carbon

- Next steps (October onwards):
 - Circulate pilot results for peer review
 - Expand project to 1-3 "real world" sites
 - If possible 1 FSC company, 1 non-managed company in primary forest, 1 site in degraded forest
 - Choice of site is partly strategic, partly scientific (stratify by *C* levels using remote sensing)
 - Where possible have a control not-to-be-logged site in an adjacent PA
 - Will provide the data required to develop a detailed proposal for a pilot project - if that makes sense based on the results.



Gabon: scaling up?

- REDD probably represents the best opportunity in a generation to promote good forest stewardship
- Huge world-wide interest in REDD, many extremely intelligent, highly motivated, well supported individuals and organizations working on it - what can we do better?
- Need to play to our strengths - strong field presence (>20 sites across CA), institutional agility, world-wide network of experts
- Start by focusing on third-party validation, monitoring of biodiversity and/or livelihoods co-benefits?
 - Unique niche that plays to our strengths
 - Requires new expertise within WCS
 - Requires clever partnerships
 - Requires a significant investment - do it properly or not at all
 - Regional approach necessary



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