Procedures to demonstrate the eligibility of lands for afforestation and reforestation project activities under the clean development mechanism (COP/MOP2 decision; Further guidance relating to the clean development mechanism, -/CMP.2, paragraphs 25-26)

Submission by the Government of Japan

1. The purpose of the clean development mechanism is defined as "to assist Parties not included in Annex I in achieving sustainable development and in contributing to the ultimate objective of the Convention", in Article 12.2 of the Kyoto Protocol.

2. Afforestation / Reforestation CDM project activities could be carried out if a certain amount of land suitable for plantation is available. AR CDM, with participation of local communities and individuals, could contribute to mitigation of global warming as well as sustainable development of this planet as a whole, i.e. sustainable forest management including mitigation of deforestation, conservation of land and environment, and development of local area. When formulating guidelines on AR CDM, it should be noted that, based on above-mentioned viewpoints, implementation of AR CDM project activities be promoted, which would contribute to sustainable development of the developing countries. At the same time, relevant COP/MOP Decisions should also be fully considered.

3. With the guideline on land eligibility formulated at EB22 (annex 16), there was no specific problems recognized in relation to Marrakech Accord and the need to promote AR CDM. It might have been assumed that the revision of the guideline at EB26 was aimed at clarification, but there are concerns that the procedures become further complicated and strict which result in increased burdens to project proponents, and in consequence sustainable development through AR CDM would be hindered. The particular points of concerns are as follows;

In 1(a)iii of the revised guideline, "for a period consistent with common forest practices in the host country" was added. It is not quite clear what it means, and it is assumed quite difficult to generalize forest practices as even within one country there are several forest practices according to different conditions / environments

of the lands / regions. Project proponents would face much greater burdens if they are to be asked for definition of "common forest practices".

In 1(b) ii, it was added that "project participants should provide evidence that the land was below the national thresholds, for at least four single representative years". It is not clear on what basis four times was applied. Remote sensing data from satellites might be used for these demonstrations, but the data with certain degree of resolution are available only after 1982, and low resolution data after 1970's. Again, project proponents would face greater burdens.

In 1(b) iii, "The land has not been forest land at any time since 1 January 1990" was added. This addition is quite inappropriate as it goes beyond Marrakech Accord which defines eligibility for reforestation as "lands that did not contain forest on 31 December 1989". In addition, it is not defined how long the interval would be required for demonstrating "The land has not been forest land at any time since 1 January 1990", thus this rule could be applied in an unnecessarily and arbitrarily strict way as to require this demonstration, for example, every minute. This is another reason that this insertion is not appropriate. It should be avoided to formulate a guidance which includes articles with items which are not required in Marrakech Accord and other COP/MOP Decisions.

In footnote 3, IPCC GPG for LULUCF is referred to (4.1.2 General rules for categorization of land areas under Article 3.3 and 3.4, page 4.16), as the reasoning of the addition of 1(b)iii. It is understood that what IPCC GPG refers to is that if Deforestation occurs on a land where Afforestation / Reforestation has been carried out before, this land would be accounted for under Deforestation even though it is Reforested again and net removal is observed. It should be noted that in fact this reference is further followed by "However, because there is the need for continuous full reporting of lands subject to Article 3.3 and 3.4 activities, any carbon stock increases later in the commitment period on deforestation lands will be reported under the deforestation category". Although the definitions of Afforestation / Reforestation regarding AR CDM are based on the ones of domestic sinks in Article 3.3 of Kyoto Protocol, it is out of context to justify the addition of 1(b)iii by referring to this part of IPCC GPG.

4. In addition to the above-mentioned issues, there are some points for attention

as follows;

1 (a) ii and iv are added, in parallel with iii which is from the original guideline (adopted at EB22) as a sole requirement of not temporarily unstocked. It could be understood that the two new insertions are for clarification, but there is a concern that the burden of project proponents would be increased.

Plantation would be established on a land without seed sources, however, when a forest remains and grows for 20 years, for example, there would be concentration of seeds and/or seedlings formed in the forest, and it would be possible that the forest come to possess capacity to regenerate on its own. In such a case, eligibility under 1 (a) ii would be lost when AR CDM project activity is to be renewed and the baseline is to be updated after 20 years of its commencement. There is a need to consider how to deal with such a case.

5. At COP/MOP2, there was an argument that only with a clause of "lands that did not contain forest on 31 December 1989" there might be a perverse incentive to deforest plantations established since 1990 in order to implement an AR CDM project activity. This argument is not considered as a valid one, as it is not expected that deforestation would be encouraged with the original version of land eligibility guidance of EB22.