Country Submission for Revising Land Eligibility for CDM Afforestation and Reforestation (A&R) Projects

Background:

In accordance with the decision by the COP12/MOP2 in November 2006 at Nairobi ("Further guidance relating to the clean development mechanism" - paragraph 26), the CDM Executive Board has launched a call for public input on new procedures to demonstrate the eligibility of lands for afforestation and reforestation project activities under the clean development mechanism. The call for inputs is open from 1 January 2007 until 23 February 2007. The CDM Executive Board has also requested the secretariat to prepare a first draft of the new procedures for consideration by the A/R Working Group at its thirteenth meeting proposed to be held on 5th March 2007.

Present Status of CDM A&R Projects:

It has been about 6 years since the Marrakech Accords (UNFCCC, 2001) drafted the basic set of rules and modalities for CDM. As the Modalities and Procedures (M&P) for CDM Afforestation and Reforestation project activities have been finalized only three years ago at COP 9 (UNFCCC 2003: CDM A/R M&P), the success rate of methodologies is very low mainly because it will take time for project proponents to thoroughly understand the details and finer points thereof. There have been 12 rounds of baseline methodology submission, and a total of 32 methodologies has been submitted so far. Only five methodologies (Table 1) have been approved by CDM-EB. As compared to this, for non-forestry projects, 45 methodologies. In this group, there are 477 registered CDM project activities, and 47 still pending for registration. On the other hand, only one CDM A&R project activity has been registered so far (Table 2).

One of the main impediments to slow offtake of A&R projects is the elaborate process for proving the conformity with land eligibility criteria. The proposed "**Procedures to demonstrate the eligibility of lands for afforestation and reforestation project activities**" approved by EB26 (Annex 18) seem to be very cumbersome, unnecessarily elaborate, time consuming and demonstrating distrust in host country besides enhancing the project development cost. These negative characteristics of the procedures will further discourage the project developers of CDM A&R Projects. Therefore, there is need to demonstrate confidence in project proponents, and this can be done by simplifying the procedures. With keen interest in CDM A&R Projects, the Government of India proposes the simplified procedures for the purpose as contained in the country submission in the Annexure.

| Meth. No. | Title | Type ¹ | Country | Size (ha) | Expected CO ₂ removal /yr (in kt) |
|------------------------------|---|-------------------|----------|-----------|---|
| ARNM 0010 (ARAM 0001) | Facilitating Reforestation for Guangxi Watershed Management in Pearl River Basin, China (WBBioCF) | R | China | 4000 | 33 |
| ARNM 0007 ARAM 0002) | Moldova Soil Conservation Project (WBBioCF: Protoype C fund) | А | Moldova | 14949 | 132 |
| ARNM 18 ARAM 0003 | Assisted Natural Regeneration of Degraded Lands in Albania (WBBioCF: IBRD) | A/R | Albania | 5728 | 21 |
| ARNM 19 ARAM 0004) | Reforestation around Pico Bonito National Park, Honduras (WB BioCF) | A/R | Honduras | 2600 | 27 |
| ARNM 15 ARAM 0005) | Reforestation as Renewable Source of Wood Supplies for Industrial Use (Prototype C fund of WB) | R | Brazil | 11683 | 92 |

Table 1: CDM A&R Methodologies Approved So Far

¹A- Afforestation, R- Reforestation

| Registered | Title | Host | Other | Methodology | Reductions** | Ref |
|------------|---------------------|---------|---------|-------------|--------------|------|
| | | Parties | Parties | | | |
| 10 Nov 06 | Facilitating | China | Italy | AR-AM0001 | 25795 | 0547 |
| | Reforestation for | | Spain | ver. 2 | | |
| | Guangxi Watershed | | | | | |
| | Management in Pearl | | | | | |
| | River Basin | | | | | |

** Estimated emission reductions in metric tonnes of CO₂ equivalent per annum (as stated by the project participants)

INDIA

Country Submission from India

PROCEDURES TO DEMONSTRATE THE ELIGIBILITY OF LANDS FOR AFFORESTATION AND REFORESTATION PROJECT ACTIVITIES

1. Project participants shall provide evidence that the land within the planned project boundary is eligible as an A/R CDM project activity following the steps outlined below.

(a) Demonstrate that the land at the moment the project starts is not a forest by providing transparent and complete information that:

- The land is below the forest national thresholds (crown cover or equivalent stocking level, tree height and minimum land area)* adopted for definition of the forest by the host country under decisions 11/CP.7 and 19/CP.9 and communicated by the respective DNA; and
- ii. The land is not temporarily unstocked as a result of human intervention such as harvesting or natural causes such as fire or insect damage or is not covered by young natural stands or plantations which have yet to reach a crown density or tree height in accordance with national thresholds and which have the potential to revert to forest without human intervention.

(b) Demonstrate that the activity is a reforestation or afforestation project activity:

- i. For reforestation project activities, demonstrate that on 31 December 1989, the land was below the forest national thresholds (crown cover or equivalent stocking level, tree height and minimum land area) for forest definition under decision 11/CP.7 as communicated by the respective DNA.
- ii. For afforestation project activities, demonstrate that the land is below the forest national thresholds (crown cover or equivalent stocking level, tree height and minimum land area) for forest definition under

^{*} Forest Survey of India (FSI) has developed a methodology for converting the strip/ linear plantations taking into considerations species, diameter and developing regression equation between diameter and crown cover by which Trees Outside Forest (TOF) have been notionally converted into 70% crown density. A suitable improvement in the methodology to obtain notional 10-30% crown cover could be developed on this basis. In light of above proposal India proposes to revise its definition of forest as given in attached Annexure 1.

decision 11/CP.7 as communicated by the respective DNA, for a period of at least 50 years.

2. In order to demonstrate steps 1 (a) and 1 (b), project participants shall provide one of the following verifiable information:

(a) Aerial photographs or satellite imagery complemented by ground reference data; or

(b) Ground based surveys (land use permits, land use plans or information from land registers); or

(c) If options (a) and (b) are not available/applicable, project participants shall submit a written testimony which was produced by following a participatory rural appraisal (PRA) methodology.

Annexure 1

(See footnote to page 3)

Annexure to Country Submission from India on "Procedures to Demonstrate the Eligibility of Lands for Afforestation and Reforestation Project Activities"

Proposal to Revise Country Forest Definition for CDM AR Projects

In the light of several changes proposed for determining the eligibility of land for CDM A&R Projects {EB 22 (Annex 16) through EB26 (Annex 18) which was later put on hold by the COP12/MOP2}, India feels that it needs to revise its definition of forest as communicated to CDM EB by DNA in respect of CDM A&R Projects.

Taking into account practical considerations, the Government of India proposes following revised country definition of forest for CDM AR Projects:

| Tree crown cover value between 10 and 30 %: | 15% |
|---|----------|
| Land area value between 0.05 and 1 hectare: | 0.05 ha |
| Tree height value between 2 and 5 meters: | 2 meters |
