

Submission of Switzerland, Liechtenstein, and Monaco

Addressing drivers of deforestation and forest degradation and robust and transparent national forest monitoring systems

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With this submission Switzerland, Liechtenstein, who share similar land-use legislation, as well as Monaco, in close cooperation within the Environmental Integrity Group, share our common views on issues identified in 1/CP.16, paragraph 72 and appendix II, in particular on *how to address drivers of deforestation and forest degradation and on robust and transparent national forest monitoring systems* as referred to in its paragraph 71(c). As specified in the Cancun agreements, SBSTA is to report back on drivers to COP18. The linkage between drivers and monitoring systems is instrumental because the causes of forest destruction need to be identified, tracked and the potential of these land-use activities to mitigate climate change can be assessed.

With this submission we would like to share our views on the role of monitoring land-use activities related to drivers of deforestation and degradation and how these can contribute to addressing the drivers and eventually to the mitigation of climate change. We also interpret the topic of the submission to include more than monitoring of drivers, and expand our analysis to the actions necessary to tackle them.

From our perspective, drivers include circumstances, activities and national and international demand and supply chains that lead to deforestation and degradation of forests. Therefore, the link between addressing drivers and monitoring systems entails a combination of political will and guidance, increased and innovative financing, accessibility of monitoring technology and training, carbon sensitive national planning across sectors, rigorous verification standards, and international cooperation.

Identifying land-uses and land-use change related to drivers

In developing countries the main land-use activities that prevail after forests are converted are intensive and subsistence agriculture, ranching and pastureland, and logging. Large, commercial agriculture and logging activities are currently the primary agents of tropical deforestation. These land-use activities can be sub-divided to include i.e. palm oil and soy production, commercial logging, illegal logging, mining, fuel wood and fodder collection, charcoal production, shifting cultivation, and infrastructure expansion such as urban and industrial areas and dams. The main land-use activities that cause tropical deforestation are distinct by region; prevailing activities in Asia and Africa are intensive and to a lesser degree subsistence agriculture and in Latin America are grazing and intensive agriculture.

Social and economic pressures may make deforestation inevitable; areas of what are today forests are being converted into other land uses¹. However, when resource use is well regulated and sustainable, the cycle of resource destruction can be turned around. In contexts of economic stability and growth, forests do not need to be plundered because their sustainable management is enabled through effective governance, forest tenure is secure, and trade in sustainable forest products is promoted.

The main drivers of deforestation are increasingly recognized to be economic and related to international markets.² The high value of food crops, soybeans, beef, palm oil, biomass for energy, and timber drives large-scale land-use change. Many drivers of **deforestation** originate outside of the forest sector.

In contrast to drivers of deforestation, drivers of **forest degradation** tend to be largely within the forest sector. Degraded forests have usually been logged for their most valuable timber species, and very often are the first step toward deforestation. A degraded forest is frequently used for i.e. firewood

¹ An alternative perspective, substantiated by WWF, envisions that on a global level it could also be possible to feed and fuel the world while limiting deforestation to close to zero:

http://assets.wwf.ch/downloads/living_forests_chapter_3_final_26_11_11.pdf

² http://www.ucsusa.org/assets/documents/global_warming/UCS_RootoftheProblem_DriversofDeforestation_FullReport.pdf

collection or charcoal production, or subsequently cleared for agriculture. An unsustainably managed forest sector can be considered a driver of forest degradation.

Monitoring and estimating emissions and removals from land-use activities related to drivers

Degradation is more difficult to monitor than deforestation, since both high-resolution imagery data and ground-truthing are needed. Degradation can mean loss of trees, shrubs, carbon, biodiversity, and soil nutrients. The flip side of degradation is monitoring and estimating removals from restoration, which includes such measures as protecting the degraded forest from future unsustainable extraction, taking actions to prevent fires, and replanting key species.

The role of developed country governments in addressing international drivers domestically and monitoring the trends of these drivers

- Monitor commodity flows, imports/consumption, and markets
- Foster responsible business conduct of their multinational companies operating abroad in activities related to deforestation and forest degradation (large-scale intensive agriculture, land-grabbing) through the promotion of i.e.:
 - OECD Guidelines for Multinational Corporations
 - UN Global Compact
 - ILO Guidelines for MNE
- Strengthen capacities and governance in developing countries through respective technical cooperation
- Monitor international leakage
- Reduce the negative footprint of national and international markets and trade through enforcement of laws and governance, developing and implementing sustainable and responsible procurement, and promoting credible certification;
- Address wasteful consumption
- Increase public awareness of companies and consumers buying and investing in food, fiber and fuel commodities and products to distinguish between them based upon their legality and sustainability, including their social, environmental and climate impacts or benefits
- Promote responsible finance, including consideration of taxes, subsidies, and investment.

Role of developing countries related to monitoring drivers

- Address drivers across sectors and land-use activities i.e. agriculture, grazing land management, mining, and biofuels
- Include addressing drivers in multi-sectoral low carbon development planning;
- Tackle problems of weak institutional capacity and coordination, accountability, transparency, and public participation through harmonizing land use policies across different sectors, including agriculture, mining, public infrastructure and forestry;
- Reform ineffective legal and governance frameworks, including establishing monitoring systems to track drivers and clarifying land use rights and responsibilities;
- Provide and regularize private and community land titling and then monitor these areas
- Dissemination of agricultural, ranching and sustainable forest management technologies that improve efficiency
- Governance and law enforcement regulating trade of timber, plants, and NTFP
- Improve national capacity to monitor and prevent national leakage as well as sub-national capacity to comply with national legislation, monitoring and reporting

Positive trends in the forest sector

There are fundamental transitions already underway in the forest sector and REDD+ resources and efforts must seek to contribute to these. To name a few:

- forest tenure by local communities and indigenous groups has increased 3 times in 12 years³ for example Mexican forests are 80% community-owned
- globally, 11% of total forest area has been designated for conservation of biological diversity
- strengthened forest policies and institutions and increased participatory decision-making on the rise
- improved access to state-owned forests for the rural poor

³ <http://www.hedon.info/docs/ImplicationsOfDeforestation.pdf>

- changes in demand for and supply of forest products, for instance improved regulation of tropical timber markets
- certification of sustainable forest management and products
- growing value of forest ecosystem services
- increase in PES systems
- at national level: creation of protected areas, logging bans, PRS: access to land and markets for the poor
- improvement in networks to fight fires and bettering current management mechanisms

Toward more effectiveness in addressing drivers

Since drivers have many causes, they must be addressed and monitored in an integral way. It is not enough just to declare forests protected areas. According to recent forest science studies from CIFOR⁴, Mexico, and others, strict protected areas were less effective at maintaining forest cover than areas where locals were able to make their own economic decisions on land-use and participated in the sustainable use of their forests. The issues of tenure, social, and economic development must therefore also be confronted, and the argument for community or private stewardship is strong.

Agriculture is definitely the sector that is most closely associated with deforestation. Over 83% of new cropland areas in the tropical zone came at the expense of natural forests over the 1980-2000 period. The strategy of simply increasing agricultural production per hectare and believing this will lead to less deforestation is also incomplete. Simply using more fertilizers, capital and mechanization ignores the factor of productivity relative to inputs and does not account for ecosystem services of environmentally, socially and economically sustainable agricultural systems⁵. Finally, restoring fertility of degraded lands, which existing in most countries offers a preferable alternative to deforestation and land-use conversion.

The REDD+ mechanism, if financing is sufficient, could develop the capacity to bridge the sectoral gap between forestry and agriculture. Providing robust and transparent information on and monitoring the forest and agriculture sectors together is already a reality in some countries and it is one of the future goals of the convention.

Conclusions and Recommendations

- drivers of deforestation and forest degradation should be analyzed and addressed in an international context of demand and supply of commodities
- developing and developed countries have different roles with respect to drivers and cooperation is inevitable
- intensive, large-scale agriculture is a main driver of deforestation globally
- dissemination of agricultural, ranching and sustainable forest management technologies that improve efficiency is a cross-sectoral strategy to diminish drivers
- monitoring plays a key role in identifying and tracking drivers, as well as assessing the effectiveness of measures to address them
- support is needed to reinforce national capacity to monitor and prevent national leakage as well as sub-national capacity to comply with national legislation, monitoring and reporting
- effective governance, regulation, law enforcement, certification, and incentive programs are part of a strategy to address drivers

⁴ http://www.worldgrowth.org/assets/files/WG_REDD_Indonesian_Case_Study_Report_3_11.pdf

⁵ http://www.iddri.org/Publications/Collections/Idees-pour-le-debat/ID_1010_pirard%20trever_agri-deforestation-EN.pdf