

Policy options for mainstreaming forest-based mitigation measures in EU rural development

Valentino Piana (EWI)

Session 3 – Strategies for mitigation of and adaptation to climate change

RomaForest2011

Present and future role of forest resources
in the socio-economic development
of rural areas

Rome, 23rd-24th June 2011



Rete Rurale
Nazionale
2007.2013



MINISTERO DELLE POLITICHE AGRICOLE
ALIMENTARI E FORESTALI








Climate change

Climate change will arguably raise as a cross-cutting issue in many - if not most - policies of the EU, including programs and funding related to e.g. energy, transport, research, infrastructure, urban and rural development.

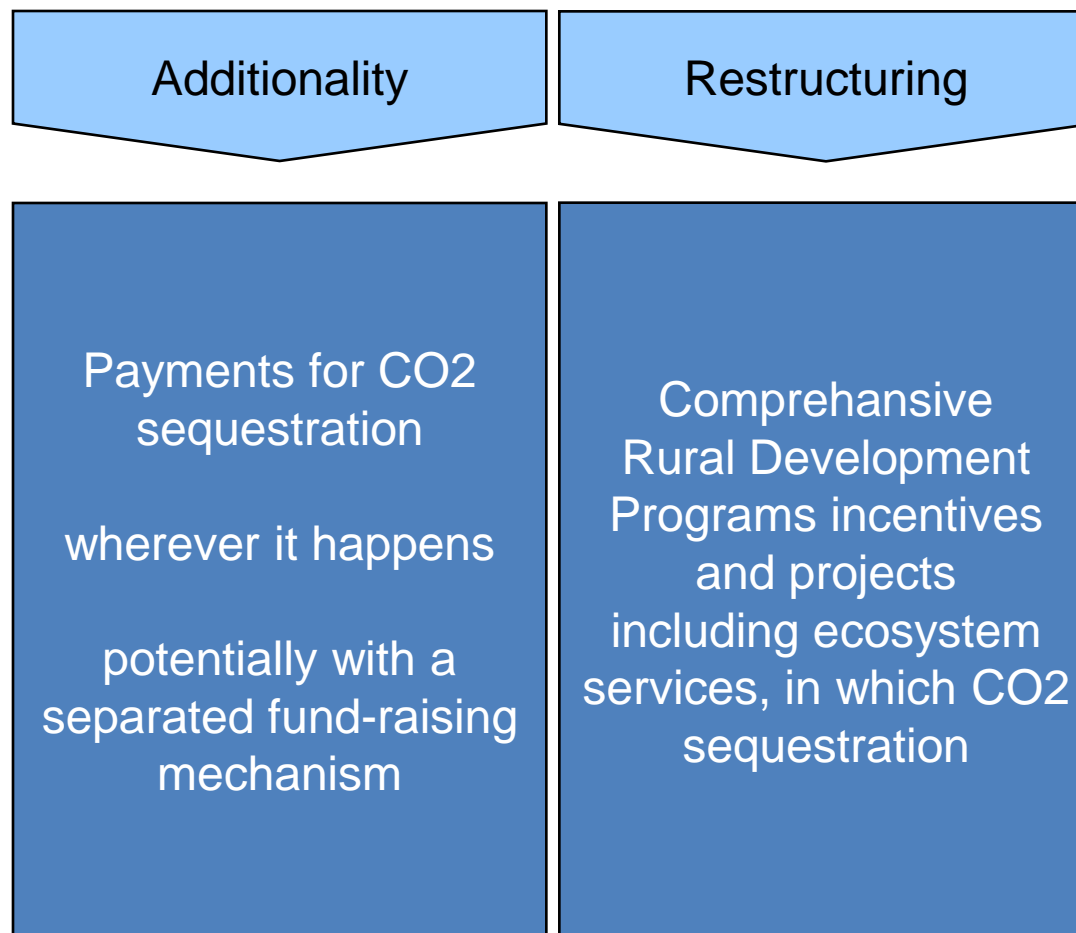
It is already one of the most mentioned “new challenges” for the future of CAP.

So the issue becomes: how to structure forest-based mitigation strategies at EU, national and sub-national levels in the context of sustainable rural development.

Policy options - an exploration

-  ***1. How to mainstream mitigation policies: additionality or restructuring?***
-  ***2. Sector-specific or standardised carbon price?***
-  ***3. Pay for stocks or for land-use change and quality?***
-  ***4. European or tropical forests as “loci” for mitigation?***
-  ***5. Price or non-price signals and policies?***

1. How to mainstream mitigation policies: additionality or restructuring?



1. How to mainstream mitigation policies: additionality or restructuring?

	Additionality	Restructuring
Advantages	Simple, faster, MRV robust, successful as feed-in tariffs, avoids war for resources in RDP	Safer results, builds on existing channels of funding, involve more stakeholders, larger and more explicit co-benefits, territorial integration
Disadvantages	Possible incoherence with price signals in RDP and other policies, expensive MRV	Depends on institutional time windows, can be too slow

MRV = Monitoring, reporting and validation systems
RDP = Rural Development Programs

2. Sector-specific or standardised carbon price?

	Sector-specific	Standardised
Advantages	Strong signal, as feed-in tariffs, possibly differentiated between mountain, rural and urban areas	ETS price, cost-effectiveness across sectors (energy, aviation), long-term coherence
Disadvantages	Temporary incoherence across sectors, subject to lobby	<ul style="list-style-type: none">•Price possibly not attractive to investors / incumbent•Can lower the price of carbon, hampering change in other sectors•requires high binding emission reduction commitments

ETS = Emission Trading System

3. Pay for stocks or for land-use change and quality?

	Stocks	Land-use change and quality
Advantages	Inventories (more or less) available, no need of time-series, simple and fair	<ul style="list-style-type: none">• Rewards positive changes and how well the land provides ecosystem services• focus on degraded land, areas at hydro-geological risks, etc.
Disadvantages	Measurement resolution not sufficient, huge cost or extremely low price	Need of satellite and on-site monitoring, with time-series

4. European or tropical forests as “loci” for mitigation?

	European	Tropical
Advantages	Local constituencies in favour, easy monitoring, funds for recreative and touristic sites	Faster CO ₂ sequestration, UNFCCC commitments, defense of biodiversity
Disadvantages	Difficulties in getting carbon credits	

UNFCCC = United Nations Framework Convention on Climate Change

5. Price or non-price signals and policies?

	Price	Non-price
Advantages	Powerful if price changes are large and if there are no technological and behavioural barriers	<ul style="list-style-type: none">• Typical of post-modern economies (advertising, reputation, labelling, ...)• Suitable to influence sector dynamics
Disadvantages	<p>Monetisation of environment</p> <p>Possibly expensive</p> <p>Political resistance</p>	<p>Innovative</p> <p>Need monitoring in effectiveness</p>

An example of comprehensive package with price and non-price measures

The Green Learning Curve

