

## INDIA

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### Submission by India on AWG-LCA REDD-plus Financing Issues

#### **Enhanced action on mitigation, Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (AWG-LCA)**

Views submitted by India on modalities and procedures for financing results-based actions and considering activities related to decision 1/CP.16, paragraphs 68–70 and 72 (*Decision [–/CP.17] Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention, paragraph 69 (Advance unedited version)*)

Government of India proposes following elements that it considers essential for financing results-based actions to be included in the modalities and procedures for the purpose:

1. Definitions: The terms which are being used in the AWG-LCA and SBSTA text on this agenda item, like deforestation, forest degradation, conservation of forest carbon stocks, sustainable management of forests, enhancement of forest carbon stocks, national forest reference/emission reference level, and others should be clearly defined.
2. Participation: Developing countries may undertake voluntarily the activities mentioned in paragraph 70 of decision 1/CP.16, and claim incentives for results-based actions following due modalities and procedures agreed by Parties for the purpose.
3. Unit for assessing deforestation: All developing countries voluntarily participating as per paragraph 2 above shall use the same unit of area in multiples of 1 hectare for assessing deforestation.
4. Unit for assessing forest degradation: Participating developing countries shall use the same unit of dry biomass in metric tonnes lost or extracted in a forest area for assessing forest degradation.
5. Unit for assessing conserved forest carbon stocks: Participating developing countries shall use the same unit of dry biomass in metric tonnes conserved or stabilized in a forest area for assessing conserved forest carbon stocks.
6. Unit for assessing enhancement in forest carbon stocks: Participating developing countries shall use the same unit of dry biomass in metric tonnes added in a forest area for assessing enhancement of forest carbon stocks due to management interventions.

7. The resultant effect of actions leading to emission reduction, removal or conserved/stabilized forest carbon stocks will be expressed in units of metric tonnes CO<sub>2</sub>eq.
8. Scope of accounting: Forest carbon stocks of the entire country will be compiled at the national level, and will comprise such stocks corresponding to the i) forest cover of the country, and ii) trees outside forest (ToF) in the country. Selection of ToF will be optional for a developing country.
9. However, ToF once accounted for in the First Accounting Period (FAP) shall continue to be accounted for in the subsequent Accounting Periods (APs) also.
10. Similarly the extent of forest cover accounted for in FAP shall continue to be accounted for in the subsequent APs also.
11. Duration and beginning of FAP will be determined by the Parties.
12. For FAP, accountable anthropogenic greenhouse gas emissions by sources and removals by sinks resulting from reported forest cover and ToF (if elected) shall be equal to anthropogenic greenhouse gas emissions by sources and removals by sinks in the FAP less the reference level (RL)/reference emission level (REL) agreed by the Parties for the developing country Party.
13. RL/REL of a developing country Party will be expressed in metric tonnes CO<sub>2</sub>eq.
14. RL/REL for a developing country Party shall be fixed in an open and transparent manner following the procedure agreed by Parties for the purpose, which will include independent expert review by UNFCCC of the proposal of RL/REL submitted by the developing country Party.
15. All anthropogenic activities resulting in emissions or removals<sup>1</sup> will be accounted for in the FAP to compute net emissions or removals at the national level.
16. Countries may use their own methodologies to measure emissions from forest degradation, till a common methodology for the purpose is agreed by the Parties.
17. Incentives in terms of money per unit of reduction effected due to reducing emissions from deforestation and/or forest degradation will be determined and fixed in advance by the Parties.

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<sup>1</sup> Activities mentioned in paragraph 70 of decision 1/CP.16

18. Incentives in terms of money per unit of removal effected due to conservation, sustainable management of forests and enhancement of forest carbon stocks will be determined and fixed in advance by the Parties.
19. Incentives in terms of money per unit of stabilized/conserved forest carbon stocks due to conservation and/or sustainable management of forests will be determined and fixed in advance by the Parties.
20. Minimum price of one unit of CO<sub>2</sub>eq for i) emission reduction, ii) removal and iii) stabilized/conserved forest carbon stocks will be fixed as agreed by the Parties.
21. Stabilized/conserved forest carbon stocks will be incentivized using non-market based mechanism.
22. Accounts will be compiled at the national level, and submitted by the developing country Parties on voluntary basis to the UNFCCC.
23. Incentives will be directly disbursed by the UNFCCC to the national governments, who without delay and in an open and transparent manner further disburse the same to various stakeholders including the local communities within the country.
24. The host country will decide on benefit sharing among various stakeholders including local community. However, it shall be done in accordance with a set of guidelines that will be developed and finalized in an open and transparent manner involving all stakeholders including civil society, marginalized groups and women.
25. Incentivized units of reduced emissions, and removed/conserved forest carbon stocks will be preserved for a period to be agreed by the Parties.
26. Proportionate distribution of resources between 'REDD' {(a) and (b) of paragraph 70} and 'plus' {(c) to (e) of paragraph 70} activities of decision 1/CP.16 should be ensured. Requirement for undertaking Phase III results-based actions should be carefully worked out as the amounts required would be much higher compared to those for Phase I and Phase II actions.
27. Market-based approaches to be developed for incentivizing removals and emission reductions shall be separate from the CDM market.

28. Resources from the Green Climate Fund can be used for incentivizing activities mentioned in paragraph 70 of decision 1/CP.16, and undertaken by a developing country Party in the manner as agreed for the purpose by the Parties.

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