

**The Importance of Avoided Deforestation:
Integrating International Forest Protection in U.S. Climate Policy
Panel introduction and questions by Aimée Christensen
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Panel Participants:

Fred Krupp, President, Environmental Defense Fund
Stephanie Meeks, Acting President, The Nature Conservancy
Russell Mittermeier, President, Conservation International
Jim Rogers, Chairman, CEO and President, Duke Energy
Kathleen Kennedy Townsend, former Lieutenant Governor, Maryland

Introduction

Thank you. We are here talking about the incredibly urgent challenge of climate change. Given the speed and scale at which we must address this issue, we urgently need both the protection of forests, which as we have heard can deliver short term significant climate benefits, and also US leadership on climate change. Passage of robust climate legislation that creates the first market for carbon from forest protection will help reposition the United States as a leader again, at least on one aspect of this issue, and will demonstrate U.S. commitment and strengthen our voice in the international negotiations. There was a time when the U.S. was a leader on the technical aspects of addressing climate change, when our policies were a test bed, and it is to the world's benefit if we can again be a source of experience on what can work and how best we can effectively address climate change.

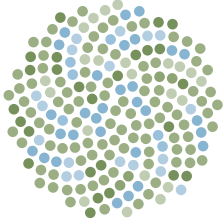
We are well served to talk today about what can work, about how to implement forest protection projects in a way that will benefit the climate, and to inform the international process. Everyone here has worked on this topic for years, whether on the policies, politics, or projects on the ground, so I look forward to an informative and lively conversation.

Questions for Fred Krupp

Environmental Defense has played a central role in structuring the cap and trade framework in US legislation as well as globally; as you have considered the role for avoided deforestation, are you concerned that the very benefit forests provide to the market – low cost – will undermine the market's role in mobilizing the transition we must make to a low carbon energy system?

I understand that you all are supporting a national level approach for the avoided deforestation framework. Arguably there are many other countries who would immediately take project-based action – why not bring them into the system now as well? Is this disagreement threatening our success on the Hill – clearly we need a strong, relatively united voice for international forests to protect the legislative provisions.

International politics of forests – valuing the assets developing countries have to bring to bear on the problem. Enable us to come to agreement post-2012 – addressing their needs, development, adaptation, valuing their assets.



Questions for Stephanie Meeks

The Nature Conservancy undertook the very first forest carbon projects starting over fifteen years ago. What can you share with us about the feasibility of reliable measurement, monitoring, and verification of forest protection reductions? The critics of project-based forest carbon reductions argue that leakage is a major stumbling block, and that such efforts really can't get us to the scale we need to reach in reducing emissions of deforestation.

Regardless of our varying positions on project-based and national-level programs, we need to better understand the different policies and tools we can use to protect forests. I wonder if you could share with us your experience such as with the Noel Kempff Mercado project in Bolivia in working with local communities there in protecting this asset. I understand that the project actually helped local communities to obtain certified land ownership.

Questions for Russell Mittermeier

Conservation International has a long history of working with local communities and governments to protect forests in developing countries. With the Government of Madagascar and local partners, CI contributed to the development of the first avoided deforestation project selected by the World Bank's BioCarbon Fund; given your experience, is it possible to have a robust climate change strategy that includes project-based forest protection?

We are hopeful that the US climate legislation will create perhaps the first source of significant payments [outside the voluntary markets] for the protection of forests – yet forests and other natural systems play a critical role in both development - poverty alleviation - as well as in adaptation. The 2005 Millennium Ecosystem Assessment found that over two thirds of the world's ecosystems are degraded and that this is threatening our ability to reach the Millennium Development Goals – we now have to pay for clean water and flood prevention and other services that nature used to provide for free. Should we, and if so, how can we redirect bilateral and other development dollars toward protection and restoration of our natural systems including forests?

Questions for Jim Rogers

As an electric utility facing climate change regulation, what role do you believe international forests should play for your own strategy and that for major emitters in the United States?

Some criticize forest inclusion in the cap and trade regime for fear that their low cost reductions will lower the carbon price to such an extent that it will no longer seed the transition to a clean energy economy that we expect and that the challenge requires. Is this a concern to you, and how can we help move that transition more quickly?

Questions for Kathleen Kennedy Townsend

Why do you think this hasn't gotten the attention it deserves given the win win nature of this?

Who do you think are natural supporters of this and how can we make the case?

- Evangelicals – protection of creation, adaptation & poverty
- Businesses: cost containment
- Environmentalists who want urgent action
- Poverty & development interests