Wetlands International

Position on Decision -/CP.20 Lima call for climate action and its Annex on elements for a draft negotiating text

6 February 2015

About one quarter of all human induced emissions come from agriculture, forestry and other land use (AFOLU). A disproportional large part of these AFOLU emissions come from organic soils (peatlands) drained for agriculture, grazing, forestry or mining. This briefing provides recommendations to ensure that a new climate agreement provides strong incentives to reduce emissions from drained peatlands.

Recognition of mitigation potential in Technical Expert Meeting (TEM) on Land Use
The mitigation potential of peatlands was recognized in the June 2014 Technical Expert Meeting (TEM) on land use, land-use change and forestry by speakers from GEF, the Ramsar Convention on Wetlands and civil society. The resulting technical paper and its addendum highlight this potential and emphasize the special importance of peatland restoration. Peatland is found in at least 175 countries from the tropics to the poles and contains 30 per cent of the world's soil carbon, even when covering only 3 % of the world's land surface.

Restoration of peatlands is - as mentioned in the technical paper - indeed important for reestablishing the carbon sequestration capacity of peatlands ('removals by sinks'). But – and that is not yet commonly recognized - restoration achieves much more climate benefits by reducing the enormous emissions from drained peatlands ('emissions by sources'). A drained peatland loses its carbon ten times faster than an undrained peatland can sequester. A reduced rate of deforestation on mineral soil indeed leads to reduced emissions. A reduced rate of peatland drainage, however, leads still to increasing emissions, because the emissions from the newly drained peatlands add to the continuing emissions from already drained peatland. In order to prevent peatland emissions to grow, drainage of all hitherto undrained peatlands has to be prevented as the highest priority.

Emissions from drained peatlands can only be reduced by rewetting drained peatlands. Rewetting may focus on the recovery of the 'original' ecosystem. But alternatively rewetting may also be combined with the continuation of productive land use under wet conditions with so-called 'paludicultures'. There is considerable experience with peatland rewetting in various parts of the world.

This information is highlighted in the Wetlands International submission of opportunities with high mitigation potential, which we recommend the Secretariat to use to update the technical paper. Also the Convention on Biological Diversity and the Ramsar Convention on Wetlands urge for strong incentives for peatland conservation and rewetting. For the second commitment period of the Kyoto Protocol, Annex 1 Parties to the UNFCCC must account for peatland rewetting and drainage under Afforestation, Reforestation, Deforestation and Forest Management and may (and must if the activity was chosen in CP1) account for peatland rewetting under Cropland Management, Grazing Land Management, Revegetation and Wetland Drainage and Rewetting, if they chose the respective activities.

Need for capacity building
The technical paper section on Land Use also stresses the need for capacity-building in the land-use sector to prepare GHG inventories, strengthen geospatial information systems and put in place

consistent monitoring methods. Wetlands International underlines this necessity with respect to peatlands (organic soils). For several developed and developing countries peatland emissions constitute a significant part of their total emissions. However, these emissions are often *overlooked*, certainly when peatland only occupies a small area. This means that these emissions are often not included or underestimated in inventories, national communications and biennial reports, which frustrates incentives to reduce the emissions.

Lack of data or experience with methodologies, including with regard to peatlands, has often been used as an argument to insist that LULUCF accounting remains voluntary. However, the IPCC has recently updated and completed the methodological guidance in this area by adopting the *2013 Supplement to the 2006 Guidelines for National Greenhouse Gas Inventories: Wetlands* and the *2013 Revised Supplementary Methods and Good Practice Guidance Arising from the Kyoto Protocol*.. Furthermore, many data are either already available or can be collected *in time before new accounting rules for the land sector come into operation*.

Parties should be required to make adequate efforts to account for all significant emissions, removals, pools and gases, including those from peatlands. Wetlands International believes that many (both developed and developing) countries would benefit from capacity building on mapping their peatlands, estimating emissions and removals and preparing GHG inventories.

Capacity building on land use with the aim to work towards comprehensive accounting on key categories such as peatlands (organic soils) should be part of the discussions during the June 2015 session in Bonn.

Capacity-building for emissions reductions from carbon-rich lands and ecosystems can be incorporated in the section on Capacity building in the 'Elements paper for a draft negotiation text', e.g. under paragraph 59 'Capacity building' by adding the following text:

- Responding to the capacity-building needs in the land use sector, in light of a post-2020 more comprehensive accounting regime for the land use sector.

Comprehensive accounting

The disproportionally large current and potential emissions from peatlands imply that accounting for peatlands should become mandatory under the 2015 agreement, just like other lands with significant emissions and mitigation potential. This is crucial for Annex I countries, but also for developing countries through REDD+ and NAMA's.

Mandatory reporting and accounting of peatlands can be achieved by:

- Full activity- or land-based accounting of all managed lands, or
- More efficiently - a mandatory Wetland Drainage and Rewetting (WDR)-like approach (which is currently only available as a voluntary accounting activity for KP-CP2) that concentrates on accounting changes in the drainage status of organic soils.

Emissions from peatlands

Emissions from drained peatlands currently constitute 5% of total global anthropogenic greenhouse gas emissions, while drained peatlands only occupy 0.4% of total land area in the world. For several developed and developing countries peatland (~organic soil) emissions constitute a significant part of their total emissions. Over 50% of the total worldwide GHG emissions from peatlands are caused by only 2 countries, whereas 11 countries cover 80% of the total emissions, 19 countries 90% and 27 countries 95%. For some countries emissions from peatlands are much larger than from fossil fuels and cement together. To optimally use the mitigation potential of the land (Agriculture and LULUCF = AFOLU), countries should treat peatland as emissions hotspots.

To enable this:

- The agreement should in the section on **Mitigation** include that All Parties take into account mitigation and adaptation approaches for the integral and sustainable management of **carbon-**

rich ecosystems, such as forests, peatlands and other wetlands. Currently **paragraph 22** only refers to forests.

- **In paragraph 69, the potential of the reduction of AFOLU emissions should be recognised.** We support text included under:

> Paragraph 69, option 1 (d) Recognizing the importance of greenhouse gas emissions by sources and removals by sinks resulting from land use, land-use change and forestry activities for understanding mitigation contributions and progress in achieving targets, commitments and implementing actions;

- **The principles comprehensiveness and completeness should apply:**

The Convention and the 2006 IPCC Guidelines require that for all sectors emissions and removals are reported as the atmosphere sees. This should also apply to land use. Therefore all countries with significant emissions in the land use sector should include the sector in their INDCs. Once the land-use sector is included, comprehensiveness should apply. We recommend the following text:

- Parties' AFOLU reporting and accounting should **cover all significant sources and sinks, as well as all significant pools and gases** for which methodologies are provided in the 2006 IPCC Guidelines and its supplements as adopted by the COP. We support

> Section J. Par. 69, option 3 of Decision -/CP.20:
> Parties to include all major emission sources and sinks, pools and gases in their contribution;

- **Parties should explain the exclusion of major sources, sinks, pools and gases**. We recommend that when the explanation is 'lack of data' or 'lack of experience with methodologies', this should be addressed through capacity building on comprehensive AFOLU accounting, and not lead to immediate approval of exclusion. We support:

> Section J. Par. 69, option 3 of Decision -/CP.20:
> For major sources and sinks, pools and gases that are not included, Parties to include an explanation for their exclusion, and strive to include these over time.

When full comprehensive accounting is not yet feasible for certain Parties, we recommend that these Parties **focus on emissions hotspots.** These can be defined as 'concentrated emissions with large reduction potential', combining efficient MRV with environmental integrity. Peatlands (organic soils) are typical hotspots. We recommend that this approach is included in a technical discussion in Bonn in June 2015 on accounting for land use and land use change.

Finance:

- *Paragraph 34* refers to financing for forestry. Besides forested lands, there is a need for financing for other carbon-rich landscapes with high mitigation potential (and benefits for adaptation and sustainable development) that fall outside of the REDD+ Mechanism, including for the conservation, sustainable management and rehabilitation of non-forested peatlands.
- *Paragraph 38* refers to establishing a window under the GCF for REDD+, but there is opportunity here to broaden this window to other carbon-rich lands or ecosystems that fall outside of REDD+.
- *Paragraph 51* Under *Contributions under the legal framework*, it is indicated that funding for REDD+ should be adequate, predictable and sustainable. As in paragraph 38, there is an opportunity to broaden financial support to other carbon-rich lands or ecosystems that fall outside of REDD+, such as non-forested peatlands.

Other important principles to be included in a 2015 agreement:

- **Transparency, consistency, and comparability -** Accounting approaches for the land-use sector should be transparent, consistent, comparable, complete, and accurate in consistency with the

relevant principles (18-CP.8) of the Convention and IPCC guidance. We believe that for comparability the base year or period used for reporting and accounting should be historical and not projected, similar to the approach of other sectors. Every inventory should be internally consistent for all reported years in all its elements across sectors, categories, pools and gases. Once a source or sink is accounted, it should stay in.

- **Use of most recent IPCC guidance** - Parties should use the most recent IPCC guidelines and guidance including supplements as adopted by the COP, to ensure accuracy in inventories and accounts of emissions and removals. These guidelines allow countries to move to more accurate methods over time. Methodologies for assessing emissions and removals from peatlands are available in the Wetlands Supplement to the 2006 IPCC Guidelines, adopted in 2014.

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