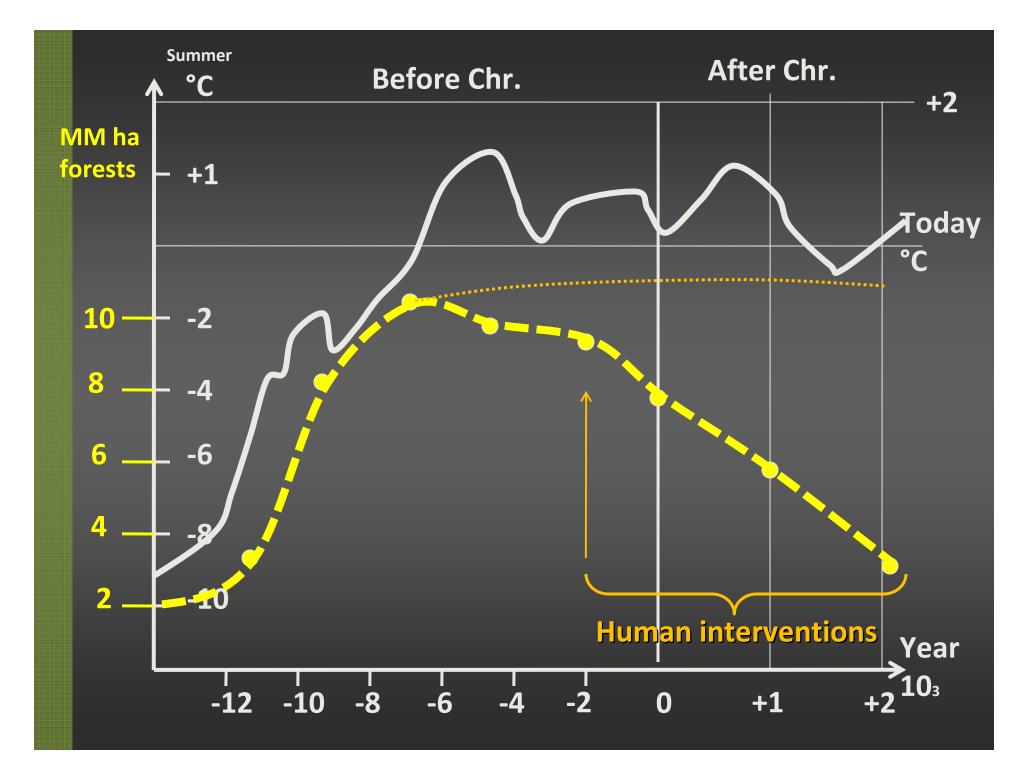
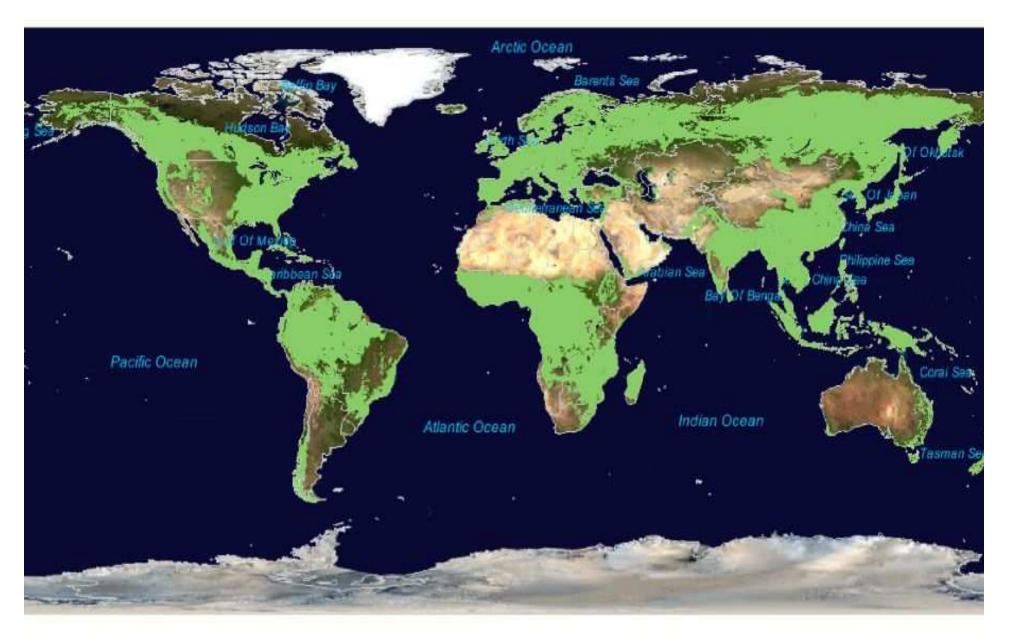


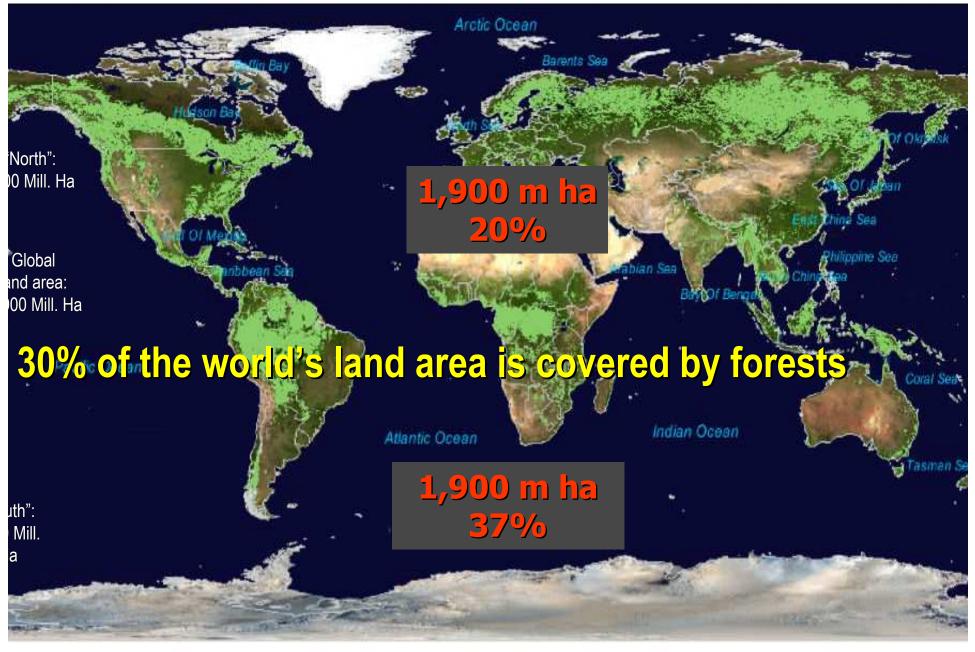
FINANCING REDD+ A couple of slides to clarify A missunderstanding

Jürgen Blaser jblaser@intercooperation.ch 3 September 2009 cooperation





All present has a past: the world's forests, 6000 years ago



Panta rhei: the world's forests, today



A fact not to forget.....

4 countries possess half of the world's forest area;

- 10 countries possess two thirds of the world's forest area;
- The forest area of 15 countries adds up to three quarters of the world's forest area;
- The other 198 countries possess only 25% of the world's forest area.

| | Forest area (million ha) | Cumulative forest area (million ha) | Relative to total forest area (%) | Cumulative relative figures (%) |
|---------------------|-----------------------------|---|--------------------------------------|---------------------------------------|
| Russia | 851 | 851 | 22.4 | 22 |
| Brazil | 543 | 1394 | 14.3 | 36 |
| Canada | 244 | 1638 | 6.4 | 43 |
| USA | 226 | 1864 | 5.9 | 49 |
| China | 163 | 2027 | 4.3 | 53 |
| Australia | 154 | 2181 | 4.1 | 57 |
| DRC | 135 | 2316 | 3.6 | 61 |
| Indonesia | 104 | 2420 | 2.7 | 63 |
| Angola | 69 | 2489 | 1.8 | 65 |
| Peru | 65 | 2554 | 1.7 | 67 |
| India | 64 | 2618 | 1.7 | 69 |
| Sudan | 61 | 2679 | 1.6 | 70 |
| Mexico | 55 | 2734 | 1.4 | 72 |
| Bolivia | 53 | 2787 | 1.4 | 73 |
| Colombia | 49 | 2836 | 1.3 | 74 |
| Other 198 countries | 964 | 3800 | 25.4 | 100 |

Forest Investment Potential for Climate Change Mitigation

| Deforestation rate\relative forest cover | Low forest cover countries | High forest cover countries |
|--|--|--|
| Countries with high deforestation rate | REDD: high/medium potential SFM: low/no potential Restoration: high potential A/R: high potential | REDD: high potential SFM: high potential Restoration: high potential A/R: high potential |
| Countries with low deforestation rate | REDD: low/no potential SFM: low/no potential Restoration: medium potential A/R: high potential | REDD: medium potential SFM: high potential Restoration: low potential A/R: low/medium potential |
| Countries with zero deforestation/ increasing forest area | REDD: no potential SFM: low potential Restoration: low/medium potential A/R: medium potential | REDD: no potential SFM: high potential Restoration: low/no potential A/R: low potential |

Financing Needs for Climate Change Mitigation

UNFCCC 2007 estimates for Non-Annex I countries by 2030

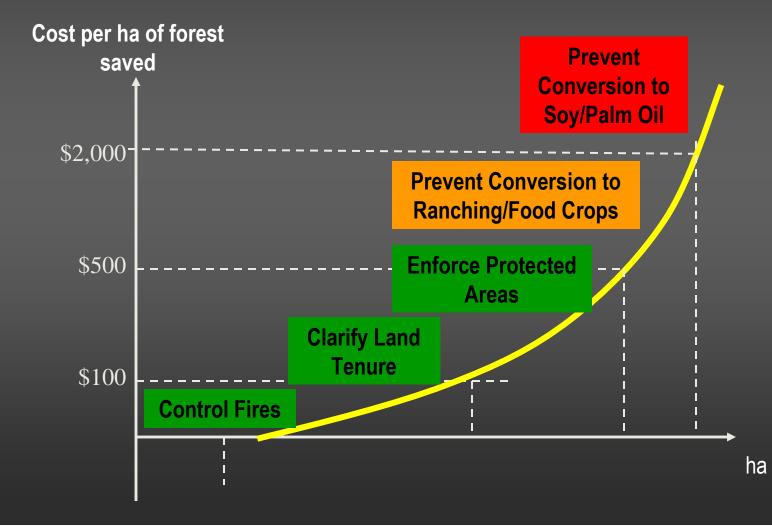
| ltem | | | | USD billion/year |
|-------------------------|-----|-------------|--------|------------------|
| opportunity costs for R | EDD | | | 12.2 |
| Investment needs | for | sustainable | forest | 8.2 |
| management | | | | |
| Total | | | | 20.4 |

Eliash Review 2008 estimates by 2030USD 17-33 bill./yearwhich could be covered byUSD 7 bill./yearREDD offsetsUSD 7 bill./yearOther sourcesUSD 10-26 bill./year

European Union

EUR 15-25 bill./year

➢ Price Carbon ≥ Opportunity Cost of land ➢ Low-hanging fruit seen as opportunity



Reducing Emissions from Deforestation and forest Degradation – REDD -

Central America & Mexico 3,1 MtCO2e/yr 2,5 MtCO2e/yr

South America 21,8 MtCO2e/yr 14,8 MtCO2e/yr Northern Dry Africa 1,2 MłCO2e/yr 1,0MtCO2e/yr

> Western & Central Africa 9,9 MtCO2e/yr 6,4 MtCO2e/yr

South SE Asia and Pacific 14,2 MtCO2e/yr 7,3 MtCO2e/yr

Eastern and Southern Africa 5,0 MtCO2e/yr 3,7 MtCO2e/yr

Other regions 2,8 MtCO2e/yr

2,0 MtCO2e/yr

Total potential REDDPotential REDD with an opportunity cost < U\$ 3,00</td>