

# Climate Change is Real

The world is finally waking up to the reality of climate change and its impact on our global environment. Through 2005–2007, the world as a whole endured two of the hottest years on record with temperatures well above long-term averages. This type of climate anomaly is being experienced in countries around the world.

## SCIENCE PANEL SAYS GLOBAL WARMING IS 'UNEQUIVOCAL'

3 February 2007

By ELISABETH ROSENTHAL AND ANDREW C. REVKIN

In a grim and powerful assessment of the future of the planet, the leading international network of climate scientists has concluded for the first time that global warming is "unequivocal" and that human activity is the main driver, "very likely" causing most of the rise in temperatures since 1950

*NY Times*

Increasing use of fossil fuels such as coal, oil and natural gas for energy and transport, industrial processes, agriculture and deforestation are major contributors to greenhouse gas emissions causing global warming.

Constructive but urgent action is required to reduce the amount of greenhouse gas released into the atmosphere. Climate change requires a range of responses:

- ✔ Raising awareness and capacity building
- ✔ Action from governments, business, the community and individuals
- ✔ A price signal for greenhouse gas emissions
- ✔ Shifting from fossil carbon to carbon from today's carbon cycle
- ✔ Decreasing deforestation and enhancing/creating terrestrial sinks
- ✔ Installation of sustainable, low pollution energy sources
- ✔ Promoting equitable (including across generations) patterns of production and consumption
- ✔ Adaptation to a changing climate.

The Carbon Pool is an Australian business at the forefront of developing constructive, sustainable solutions to reduce greenhouse gas emissions. Working with key stakeholders, The Carbon Pool plans to make a significant difference through innovative projects such as *Minding the Carbon Store*. Through leadership, innovation and collaboration, The Carbon Pool will continue to make an impact worldwide on the inter-related economic, social and environmental issues that impede human progress towards sustainability.

About 25 per cent of global greenhouse gas emissions come from deforestation, which occurs mainly in tropical, developing countries, but is also still occurring in Australia. Reducing

## CLIMATE PLAN: CIVILIZATION MUST RISE TO THE CHALLENGE

28 February 2007

UNITED NATIONS (AP) -- An international panel of scientists presented the United Nations with a sweeping, detailed plan on Tuesday to combat climate change...

*CNN International*

## LAST WARNING: 10 YEARS TO SAVE WORLD

28 February 2007

Scientists say rising greenhouse gases will make climate change unstoppable in a decade.

*The Sunday Times (London)*

## PM FLAGS CARBON PRICING PLAN

5 February 2007

PRIME Minister John Howard appears to be softening his opposition to putting a price on carbon emissions, saying market mechanisms, including carbon pricing, will be integral to any long-term response to climate change.

*news.com.au (Australia)*

emissions from deforestation in conjunction with reducing our reliance on fossil fuels and increasing carbon storage through regeneration of natural ecosystems is vital.

## Carbon trading

We are moving to a carbon constrained future. In 1997 the Kyoto conference adopted a strategy to reduce greenhouse gas emissions by creating an international emissions trading mechanism. Carbon trading is an economically efficient way to deliver reduced greenhouse gas emissions. As carbon pricing systems develop, reforestation and avoided deforestation projects can generate low cost carbon credits. Land and forest owners can then trade these to companies which have a higher cost of emission abatement. Setting a price on greenhouse emissions will see avoided deforestation and reforestation providing excellent environmental and economic opportunities for innovative players.

In developing nations, the system for carbon trading is the Clean Development Mechanism (CDM). Under CDM, developing national projects which reduce greenhouse emissions below a "business as usual" baseline can earn credits, provided the project is verified and approved. Avoided deforestation projects were excluded from the CDM under the Marrakech Accords.

However, recent proposals from the governments of Papua New Guinea and Costa Rica, to allow deforestation in developing nations to be accounted against national baselines for the Land Use Change sector, may see this issue revisited. In any case, voluntary carbon trading markets and various other emerging carbon trading schemes may give value to emission reductions from reduced deforestation in the near term.



## Avoided deforestation – part of the solution

While greenhouse gases from industrialised, developed economies come mainly from fossil fuel use, a substantial quantity of Australia's past emissions have come from land use change including deforestation. Deforestation results in greenhouse gas emissions from the burning and decay of cleared forest and woodland.

Deforestation is occurring around the globe to make way for agriculture and urban development and to produce timber. Approximately one quarter of annual global greenhouse gas emissions are from deforestation, primarily of tropical forests. Also, tropical forests are among the most biodiverse ecosystems in the world, and numerous species face extinction as a result of forest clearing and habitat loss.

Carbon trading means woodlands and forests can be protected in a cost-effective manner through generating offsets to greenhouse gas emissions. The Carbon Pool's *Minding the Carbon Store* project provides a working example of this. Other areas could be protected if protocols to account for this type of emission reduction are established under the United Nations Framework Convention on Climate Change (UNFCCC), and/or the Kyoto Protocol and/or national, state and informal markets.

Emission reductions from avoided deforestation are based on protecting the carbon that is already stored in vegetation, whereas credits from reforestation are based on absorption of atmospheric carbon over time. Both approaches offer considerable climate change, biodiversity and other environmental benefits. Both can be very cost-effective.

## An Australian opportunity

In 2004, the Queensland Government legislated to first "cap" and then end broadscale clearing of remnant vegetation by the end of 2006. The Carbon Pool saw an opportunity to retire clearing permits issued under the cap, and for emission offsets to be verified and approved under the Australian Government's Greenhouse Friendly™ initiative. Under a business-as-usual scenario, landowners would have taken the valuable development opportunity represented by clearing. Through the *Minding the Carbon Store* project, 12,000 hectares of native vegetation was protected and over 1.25 million tonnes of CO<sub>2</sub> emissions were avoided. At The Carbon Pool, the success of *Minding the Carbon Store* is only the beginning.