



REDUCING EMISSIONS FROM DEFORESTATION AND FOREST DEGRADATION (REDD+) - MALAYSIA

International Technical
Seminar on REDD+

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REDD+

- There is global recognition of valuable services provided by forest - both rich and poor countries
 - Store and sequester carbon
 - Conserve the diversity of life
 - Protect soil and water resources
 - Source of useful products, drug and food
- There is also global recognition of the emissions from the loss and degradation of forests particularly tropical forests
- Incentives such as REDD ensure that forests are protected and managed to enhance its sequestration potential and carbon storage
- CDM only provides incentives for new and additional forests (A&R)
- REDD + allow developing countries to receive some payments for the value their existing forests provide



VOLUNTARY NATIONAL INDICATORS

“We remain committed to ensure at least 50% of our land area remain as forests as pledged in the Rio Summit...” (HE Malaysian PM)

- Pledge fulfilled but more efforts still needed
- Commitment on Renewable Energy, Waste



VOLUNTARY NATIONAL INDICATORS

- Malaysia adopting an indicator of a voluntary reduction of up to 40% in terms of emissions intensity of GDP by the year 2020 compared to 2005 level
- Conditional on receiving the transfer of technology and finance of adequate and effective levels from our Annex 1 partners



Issues remaining

Negotiations on REDD+ are still underway and there remains many unsolved issues eg:

- On the need for an assessment of the social and economic impacts, in particular on local and indigenous communities
- Environmental integrity - whether to exclude market mechanisms & offsets by developed countries
- modalities related to reference emissions levels , national forest monitoring and MRV.
- Availability of funds and broad ranging incentives to cater differing national circumstances
- Issues on additionality, leakage & accounting

FORESTRY in MALAYSIA

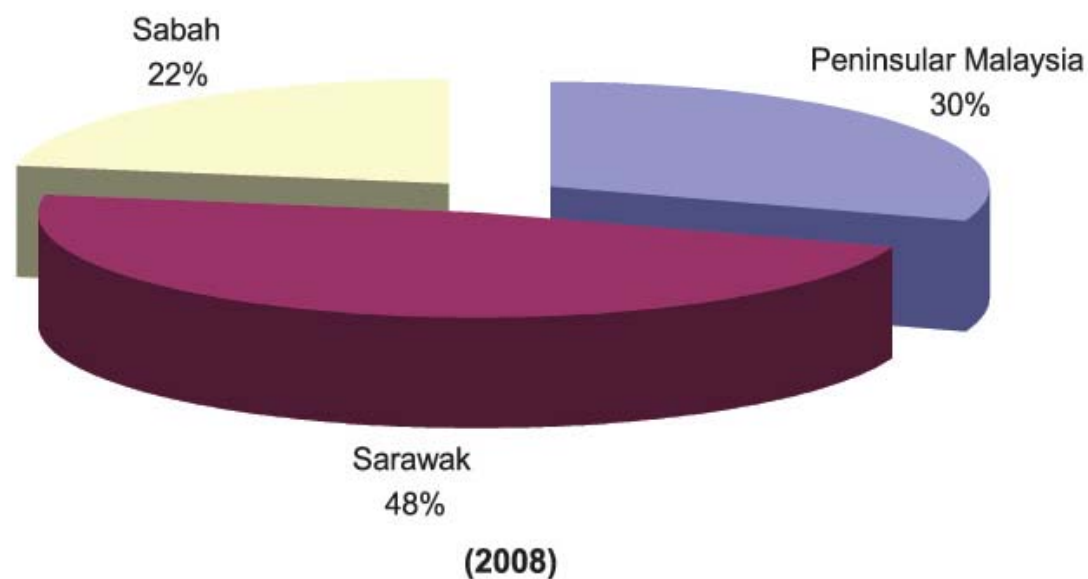
- ❖ Malaysia has relatively large areas of natural forest- More than 55% of land area (18.21 mil ha)
- ❖ Rel. large Permanent Reserved Forests- 14.4 mil ha
- ❖ Deforestation rates stable - confined mainly to statelands for planned development
- ❖ Malaysia practice RIL & SFM in forest reserves
- ❖ Implement Forest Management Certification
- ❖ Biodiversity remains high in logged over forests
- ❖ We have taken early action and invested in forest conservation measures
- ❖ These are +ve but like A&R CDM it may put us in a position of disadvantage for claiming incentives under REDD+

MALAYSIA : FORESTED AREA BY REGION

(Million Hectares)

Region	1990	1995	2000	2005	2006	2007	2008	2009e
Peninsular Malaysia	6.30	5.89	5.94	5.87	5.91	5.84	5.84	5.84
Sabah	4.44	4.52	4.42	4.36	4.34	4.32	4.30	4.30
Sarawak	8.71	8.50	8.20	8.07	8.07	8.07	8.07	8.07
Total	19.45	18.91	18.56	18.30	18.32	18.23	18.21	18.21

Source : FDPM, FD-Sabah & FD-Sarawak



MALAYSIA : PERMANENT RESERVE FOREST BY REGION

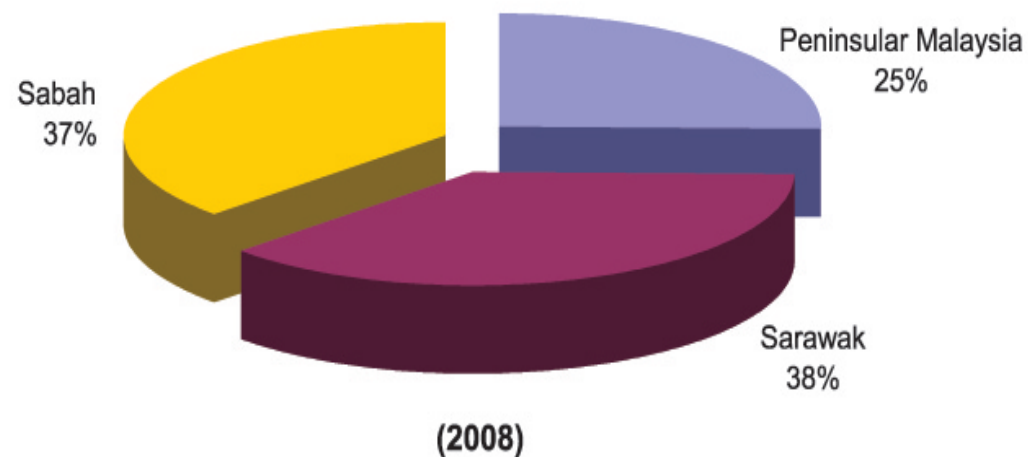
(Million Hectares)

Region	Protected		Productive		Total *	
	2008	2009e	2008	2009e	2008	2009e
Peninsular Malaysia	2.00	2.00	2.81	2.81	4.81	4.81
Sabah	0.61	0.61	2.99	2.99	3.60	3.60
Sarawak	1.00	1.00	5.00	5.00	6.00	6.00
Total	3.61	3.61	10.80	10.80	14.41	14.41

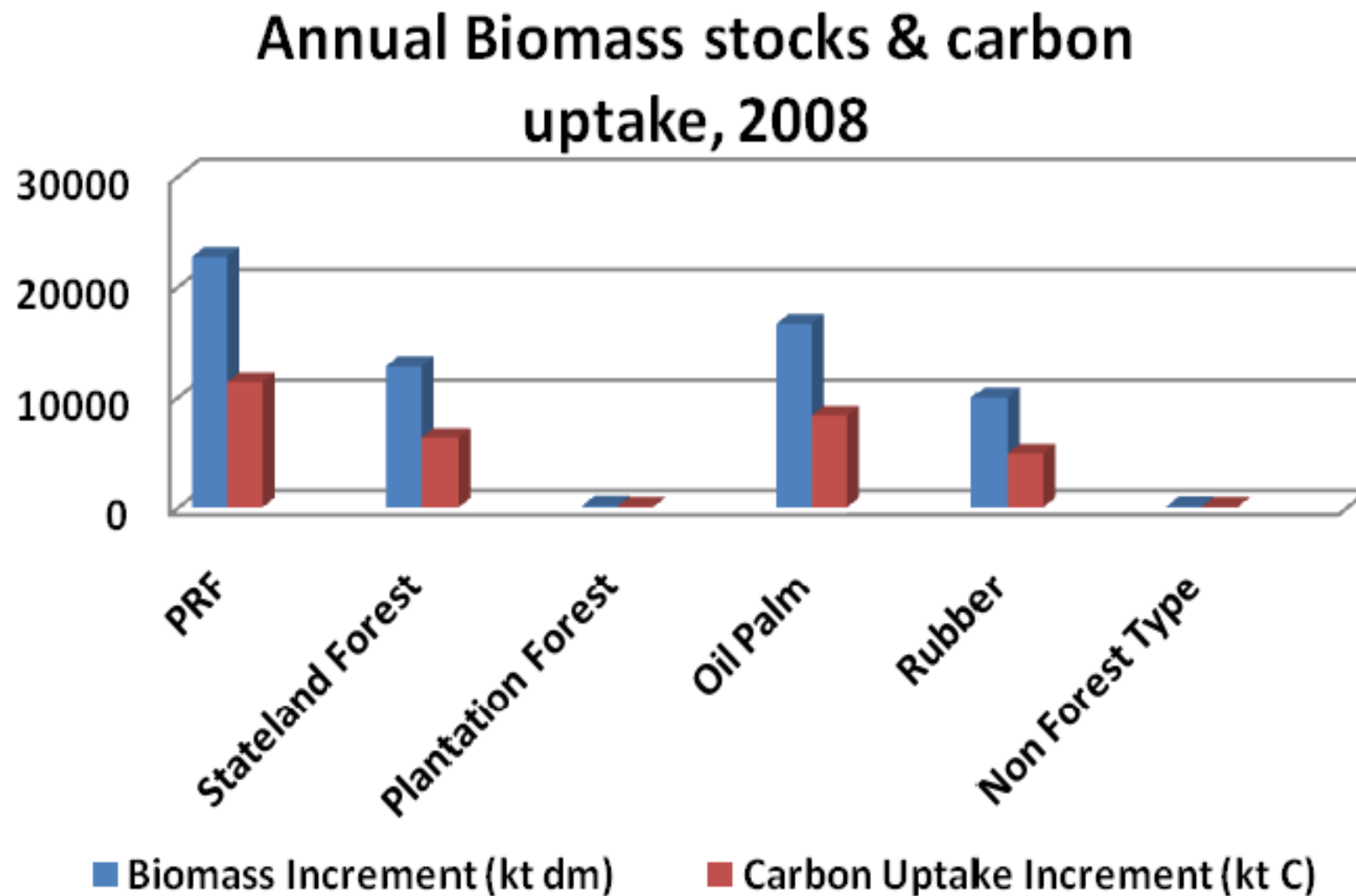
Note:

* Sum of Protected and Productive

Source : FDPM, FD-Sabah & FD-Sarawak



National Greenhouse Gas Inventory from Land Use Change & Forestry for Peninsular Malaysia



Malaysia and REDD+

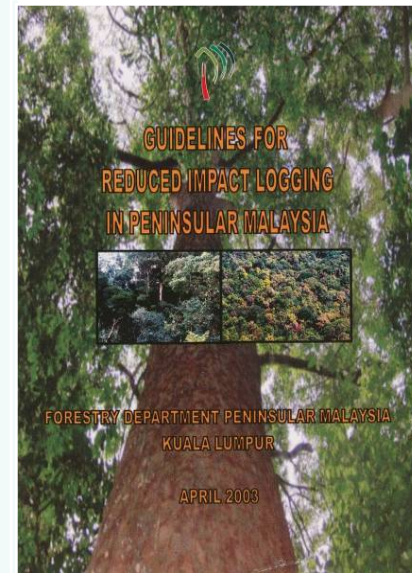
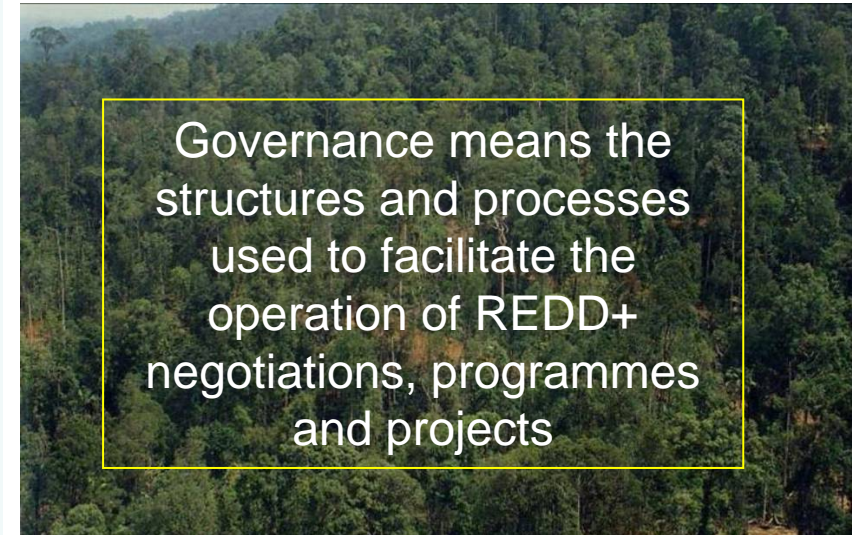
- Malaysia supports REDD as there are real benefits for forest conservation & good forest management
- Recent It > +ve on the finance pledged by developed countries particularly on REDD+ issues.
- Recognition of bilateral / multilateral on REDD+ among Partners > developing countries like Malaysia able to express views and choose bilateral partners, taking into account our unique national circumstances.
- Interested in implementing REDD+ Readiness and Pilot Projects focus on SFM and forest conservation



Positive Local circumstances

GOVERNANCE:

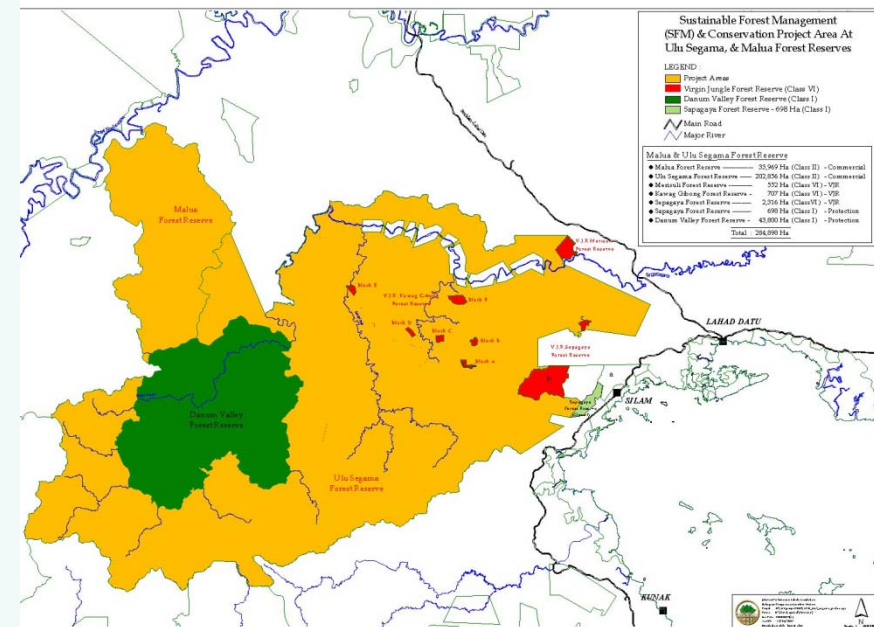
- Clear policy, law/regulation and governance in-place
- A signatory to the Declaration for Indigenous People (UNDRIP)
- Most forests are state owned
- Coordination of Federal-State Government through National Land Council
- Commitment of federal and state governments remain high – i.e. financial ability to carry out forestry programs and work forces
- Low risk REDD investment country
 - Accountability to any received financial assistant
 - Financial mechanisms in-place



Voluntary efforts in REDD+

- **Shift2Neutral** signs agreement to certify carbon credits under the avoided deforestation program known as REDD+ with a group of tribal leaders in Sarawak Malaysia (Reuters, 6 August 2010)
- Shift2Neutral had “signed a deal with nine Malaysian tribal leaders to certify carbon offsets from a project aimed at preserving more than 100,000 hectares of tropical forest”.
- Jaringan Orang Asal SeMalaysia (JOAS) has conducted information sessions on REDD+ among its members and came to two clear points:
 - That REDD+ may involve and affect the lands and resources of indigenous peoples
 - That there is a need for more capacity building among indigenous peoples in Malaysia to understand REDD+
- **Sarawak** – Sarawak-chapter of the Wildlife Conservation Society (a US-originated non-governmental organisation) to look into the potential of REDD in the Anap Muput Forest Management Unit (25 August 2010). Concessionaire efforts.

ULU SEGAMA-MELUA PROJECT: 284,898 HA



- **Sabah** – Ulu Segama Melua Project (285,000 ha): REDD policy to incorporate voluntary market options, ensuring high carbon standards to allow for entry into compliance – no takers since there is no real deforestation issue

CURRENT EFFORTS

- Establishment of Task Force on REDD (January 2011).
- TF to discuss development of land use and forest cover for REDD in Malaysia:
 - TOR
 - Definitions > forest degradation
 - Main land use specifications
 - Technical geospatial data specification
 - Data depository, analysis and mapping
 - Establishment of Working Group on Geospatial Landuse and Forest Cover



APPROACH to REDD+

- Malaysia will participate in REDD+ mechanism > should complement national development
- Aware of conditionalities imposed by partners in voluntary market
- REDD+ awareness: Conduct “REDD+ Stakeholder Workshop” to enhance the level of understanding and awareness among policy makers at state level
- Readiness: Participation in REDD+ readiness phase to look at the possibilities to implement subsequent Pilot Project. Imperative to signal our seriousness in combating deforestation/ degradation and vision to be a global REDD player.
- Identification of strategically sized forest areas to be turned into project areas
- Control the landuse changes in PRFs and use Proposed PRFs as potential REDD project areas

APPROACHES TO REDD+ (cont.)

- Prioritise wetland especially peatland as REDD project areas as they possess higher carbon content and attract more value
- Develop appropriate compensation mechanisms to State for their opportunity costs (gazettement of water catchment areas and other protection forests) from REDD
- Increase Corporate Social Environmental Responsibility (CSER) Measures or Domestic REDD+ Mechanism to big corporation (Oil, gas & energy companies, Independent Power Providers etc.)
- Central Forest Spine and rehabilitation intensified
- Explore the possibility of Payment Ecosystem Services for smaller states like Malacca, Penang
- Develop a Malaysian REDD+ strategy

NATIONAL REDD+ STRATEGY

Geospatial Data & LULUCF WG

LULUCF WG

National Circumstances

- GIS Maps on LUC 1990-2007
- Drivers of FD
- Emissions REDD+
- Capacity building

Baseline

- Changes in Carbon Stocks
- National Reference Level
- National Emissions Reference
- Capacity Building

MRV

- Methodologies
- International Guidelines
- Adapt MAR for SFM
- National Carbon Accounting
- Verification
- Capacity building

REDD+ STRATEGY

Sustainable Financing

- National Conservation Trust Fund
- Incentives
- Fund Raising
- Communications and awareness

Institutional Framework

- Institutional Arrangement
- Legislation
- Gaps in Policy, Forest Managements etc

TF REDD+ Strategy

TF REDD+ Sustainable Financing

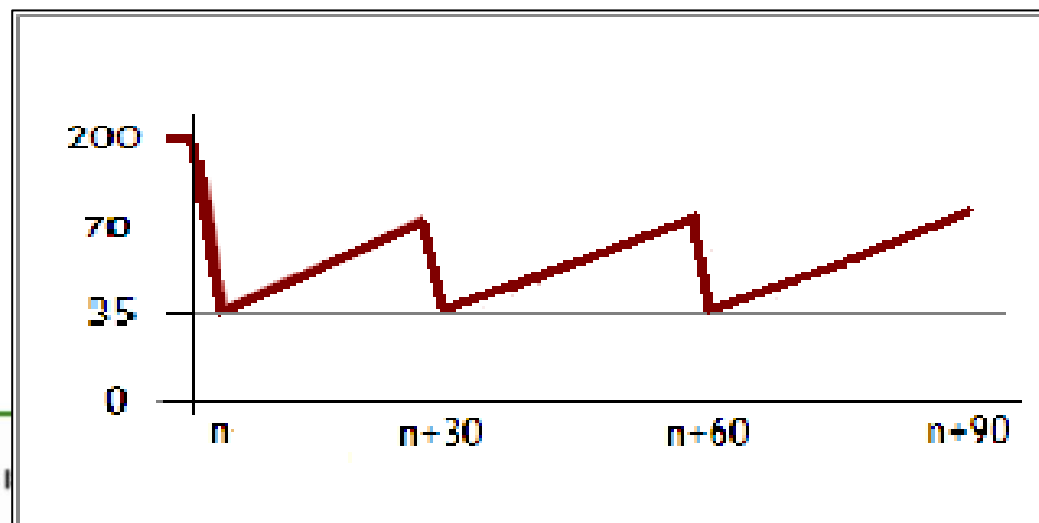
TF REDD+ Institutional Framework

Work Plan – National REDD+ Strategy

Deliverables			2011		2012				Coordinator(s)
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
National capacity building workshops		April							WWF & REDD Unit
Capacity building workshop on Good Practice Guidance	Mac								LULUCF WG
Establishment of Task Forces									REDD+ Unit
a. REDD+ Strategy		April							
b. Institutional Framework									
National Forest Degradation Workshop		June							TF on REDD+ Strategy
Land use maps			July						Working Gp on Data Geospatial & Forest Cover
Carbon change maps				Oct					LULUCF WG
Consultation workshop on Institutional Framework				Nov					TF on Institutional Framework
MRV Stakeholder consultation					Jan				TF on REDD+ Strategy
National REDD Accounting Workshop						April			LULUCF WG
National REDD+ Baselines						June			LULUCF WG
1st REDD+ Strategy Consultative Workshop							Sept		TF on REDD+ Strategy
Final Draft REDD Strategy								Dec	TF on REDD+ Strategy

Some Concerns

- Core issues remains that could influence participation in REDD
- SFM in Malaysia > additionality in enhancement of carbon stocks
- Forest conservation > meeting additionality criteria
- Negotiations may take path of AR CDM > high transaction costs & low carbon value
- Excessive demand but insufficient REDD funds



Carbon stock enhancement efforts cannot be adequately compensated through low C value under redd+

Conclusion

- ❑ Malaysia will continue to participate actively in the REDD+ negotiations
- ❑ Look forward to developing a mechanism that is effective and allows broad participation
- ❑ Hope to learn more through participation in readiness projects
- ❑ Also learn from other countries' experience
- ❑ Development of REDD+ strategy > enhance Malaysia's involvement in REDD+



Thank you
Terima Kasih

