PRESS RELEASE

Institutional Set-up of REDD and the Involvement of the Private Sector
18:00 – 20:00, 15 December 2009
Room Monnet, Bella Centre
Copenhagen, Denmark

Experts from Asia and Europe discuss private sector involvement in REDD

Dr Rajendra K. Pachauri, Chair of the Intergovernmental Panel on Climate Change and Director-General of The Energy and Resources Institute, will speak at an official side event on “Institutional set-up of REDD and the involvement of the private sector” organised by the Asia-Europe Foundation (ASEF) with the support of the Government of Slovenia. The event will take place on Tuesday, 15 December 2009 from 18:00 to 20:00 in the EU Pavilion in the Bella Centre.

Negotiations on a post-Kyoto protocol include a new mechanism of Reducing Emissions from Deforestation and Forest Degradation (REDD). REDD is seen as vital to achieve emission reductions and preserve biodiversity in the future. For Asia and Europe, REDD can provide a new opportunity for developing a low-carbon economy, given the fact that its institutional design is well-prepared and enables the business sector to actively participate.

The event will address questions related to current barriers to the participation of the private sector in a future REDD scheme. It also aims to present some ideas of how these barriers can be removed as well as what the institutional set-up for the REDD under the UN Framework for Climate Change Convention (UNFCCC) could look like.

Together with Dr Pachauri, Mr Joszef Feiler, Senior Expert at the Ombudsman Office for Future Generations in Hungary, is expected to deliver remarks. The keynote speeches will be followed by a panel discussion and presentations by experts from the Asia and Europe on opportunities and challenges in designing REDD with the aim to ensure a broad participation of the private sector.

This side event will be followed by a press conference at 20:30 with Ambassador Dominique Girard, Executive Director of the Asia-Europe Foundation. It will take place in the room "Asger Jorn" which is located in Hall H of the Bella Center. For further information on the side event or the press conference, please refer to the appended concept and programme or contact us at:

Ms. Susanne Walleneffer, Project Executive, Intellectual Exchange
Asia-Europe Foundation (ASEF) I 31 Heng Mui Keng Terrace, Singapore 119595
Tel: +65 6874 9709 I Fax: +65 6872 1207 I Email: env@asef.org

Ms. Soh Lai Yee, Assistant Director, Public Affairs
Asia-Europe Foundation (ASEF) I 31 Heng Mui Keng Terrace I Singapore 119595
Tel: +65 9833 6674 I Fax: +65 6872 1206 I Email: laiye@asef.org
Main partners for the above-mentioned events:

**The Asia-Europe Foundation (ASEF)** promotes greater mutual understanding between Asia and Europe through intellectual, cultural and people-to-people exchanges. Through ASEF, civil society concerns are included as a vital component of deliberations of the Asia-Europe Meeting (ASEM). ASEF was established in February 1997 by the participating governments of ASEM. Since then, ASEF has implemented over 350 projects, engaging over 15,000 direct participants as well as reaching out to a much wider audience in Asia and Europe. [www.asef.org](http://www.asef.org)

**The Asia-Europe Meeting (ASEM)** now brings together 43 member states (Austria, Belgium, Brunei Darussalam, Bulgaria, Cambodia, China, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Indonesia, India, Ireland, Italy, Japan, Korea, Laos, Latvia, Lithuania, Luxembourg, Malaysia, Malta, Mongolia, Myanmar, the Netherlands, Pakistan, the Philippines, Poland, Portugal, Romania, Singapore, Slovakia, Slovenia, Spain, Sweden, Thailand, United Kingdom, Vietnam) plus the European Commission and the ASEAN Secretariat. [www.asemininfoboard.org](http://www.asemininfoboard.org)

**The Asia-Europe Environment Forum (ENVforum)** is a platform for dialogue and debate on sustainable development issues. It is:

- The only multi-stakeholder forum on environment between the two regions;
- A recognised reference point for Asia and Europe consensus on sustainable development;
- An interface between government and civil society for policy recommendations;
- An Asia-Europe network on sustainable development;
- A contributor to the agenda of the ASEM Environment Ministerial and other Asia-Europe Meeting (ASEM) fora;

The ENVforum was initiated in 2003 by the Asia-Europe Foundation and is co-organised with the Hanns Seidel Foundation of Germany, the Institute for Global Environmental Strategies of Japan and the United Nations Environment Programme. The Swedish Environmental Secretariat for Asia (SENSA) came on board as a co-organiser in 2006. The Korean Environment Institute (KEI) was a partner in 2008. For more information please visit [env.asef.org](http://env.asef.org).

**The Europe-Asia Policy Forum (EUforAsia)** is designed to target relevant stakeholders in Asia-Europe affairs and policy-making with information on contemporary issues regarding EU-Asia. The briefing series is part of the EU-Asia Policy Forum that aims to enhance EU-Asia cooperation and awareness on issues of mutual interest such as sustainable development, regional integration, governance and other hot topics. Main partners are the International Institute of Asian Studies (IIAS), the Asia Europe Foundation (ASEF), the European Policy Center (EPC) and the Singapore Institute for International Affairs (SIIA).
Institutional set-up of REDD
and the involvement of the private sector

Asia-Europe ENVForum Track II Series
official side-event at UNFCCC COP15

Panel discussion
Copenhagen, Denmark | 15 December 2009
18.00 – 20.00 pm
Room Monnet

CONCEPT

Objective
The Asia-Europe Foundation together with the Government of Slovenia will organise an official side-event on “Institutional set-up of REDD and the involvement of the private sector”. The event will address questions related to the current barriers to the participation of the private sector in a future REDD (Reducing Emissions from Deforestation and Forest Degradation) scheme and present some ideas of how these can be removed as well as what the institutional set-up for the REDD under the UNFCCC (UN Framework for Climate Change Convention) could look like.

Background
The 2008 ASEM Summit in Beijing acknowledged the contributions of reduced emissions from deforestation and forest degradation to reduce greenhouse gas emissions and highlighted the need for a long term strategy to combat climate change. Deforestation in the tropics is believed to account to almost 20% of global greenhouse gas emissions. In South-East Asia, Malaysia and Indonesia are among the countries with the highest rate of deforestation. Europe, on the other hand, is keen to reach an ambitious agreement to cut greenhouse gas emissions in Copenhagen. The current provisions under CDM (Clean Development Mechanism) do not include carbon reductions from avoided deforestation or forest degradation. At the COP (Conference of Parties) 13 in Bali it was decided to work on a mechanism to include emission reductions from forests under the REDD scheme. Currently, the details of such a mechanism are being negotiated and will be further discussed during the COP15 in Copenhagen at the end of this year. How the institutional set-up of the REDD mechanism will look is likely to have a substantial impact on the involvement of the private sector in the carbon trading scheme, and will thus also affect the livelihoods of people as well as develop a new industry segment in both Asian and European countries.

With the support of the European Commission

Partners of the Asia-Europe Environment Forum

Partners of the Europe-Asia policy forum

With the support of the European Commission
Involvement of Private Sector

One of the biggest challenges faced in the process of designing the REDD mechanism is to ensure a broad participation of the private sector, which is crucial in two ways: To make the global carbon market work and live up to the expectations of the climate change community, and to ensure sufficient funding of the mechanism from the start as well as to make it sustainable in the long term. A number of potential obstacles to the participation of the private sector have been identified, such as the issue of governance in the countries concerned, the approach (national vs project-based approach), the regulatory framework, standards for risk management, providing incentives for pioneer projects, among other points of disagreement.

To ensure participation of the private sector in the long-term, the level of trading will be decisive. Both a national and a project-based approach appear to have a number of weaknesses, thus the idea of a combined ‘hybrid’ approach could be worth considering. Current proposals for a hybrid approach try to close the gaps between a national vs a project-based approach. So far, such a hybrid approach suggests it is more attractive for the private sector and seems to allow for greater overall flexibility.

Key Questions

In the discussion, experts from Asia and Europe involved in designing the REDD and the participation of the private sector might address the following questions:

- How can a hybrid approach help to address issues such as permanence, leakages, risk management, etc.?
- What are the practical issues of implementing a hybrid approach and how can the complexity of such a system be facilitated?
- How would the question of responsibility for implementation in an REDD hybrid approach be solved in the international framework?
- What kind of institutions will need to be in place to ensure effective interaction with the private sector?
- What is needed from the private sector to successfully implement REDD?
- Are the financial incentives provided by global initiatives such as UNREDD, Worldbank, etc. sufficient and what is needed as a longer-term strategy?
- What are successful governance models in tropical countries in Asia for the REDD mechanism and what incentives do they provide to the private sector?
- What is the potential role of the European Emission Trading System as market for carbon emissions from REDD and how is the EC planning to create incentives for the private sector?
- In order to manage risk, what are the options for the insurance sector to enter the carbon market as a major player?

Expected Outputs

- Fuel discussion in an open and direct manner about topics of relevance to Asia and Europe within the framework of the UNFCCC as the decision-making forum
- Provide input and food for thought to the ASEM process, especially the ASEM summit 2010 and the international climate change community
- Strengthened network between civil society, government representatives and the private sector in view of clarifying expectations from different sides
- Produce and disseminate a policy brief with recommendations from the panel discussion to the ASEM governments immediately after the event
Programme

Date: 15 December 2009, 18.00 – 20.00 pm, EU Pavilion, Room Monnet, Bella Centre, Copenhagen

18.00 pm Opening Remarks:

Mr. Andrej Kranjc, Head, Climate Security Service, Ministry of the Environment and Spatial Planning, Slovenia

Amb. Dominique Girard, Executive Director, Asia-Europe Foundation

18.10 pm Keynote Speeches:

Dr. Rajendra K. Pachauri, Director-General, The Energy and Resources Institute (TERI), and Chair of the Intergovernmental Panel on Climate Change (IPCC)

Mr. Jozsef Feiler, Senior Expert, Office of the Parliamentary Commissioner for future generations, Hungary

Followed by Q&A session

18.50 pm Presentations:
Moderator: Dr. Axel Michaelowa, Senior Founding Partner, Perspectives, Germany

Presentation 1: Expectations and suggestions from the private sector for REDD
Dr. David McCauley
Principal Climate Change Specialist
Climate Change Program Coordination Unit
Regional and Sustainable Development Department
Asian Development Bank

Presentation 2: Evaluation of current REDD proposals on the table with regards to incentives provided for the private sector
Dr. Charlotte Streck
Director and founding partner
Climate Focus, Netherlands

Presentation 3: Getting ready for REDD: Indonesia's case of policy and institutional framework of REDD
Mr. Fitrian Ardiansyah
Program Director Climate & Energy,
WWF-Indonesia, Indonesia

Presentation 4: REDD Plus for Sustainable Development - Lessons from APFED case studies
Mr. Masanori Kobayashi
Coordinator, Programme Management Office
Institute for Global Environmental Strategy (IGES), Japan

Followed by Q&A session

19.55 pm Closing remarks:

Dr. Ulrich Klingshirn, Director Hanns-Seidel Foundation Indonesia

20.00 pm End of side-event and networking reception

Contact: Ms. Susanne Wallenoeffer
Project Executive Intellectual Exchange, ASEF
Email: env@asef.org
Phone: +65-6874-9709
### About the organisers

#### Asia-Europe Foundation

The Asia-Europe Foundation promotes greater mutual understanding between Asia and Europe through intellectual, cultural and people-to-people exchanges. Through ASEF, civil society concerns are included as a vital component of deliberations of the Asia-Europe Meeting (ASEM). ASEF was established in February 1997 by the participating governments of ASEM. Since then, ASEF has implemented over 350 projects, engaging over 15,000 direct participants as well as reaching out to a much wider audience in Asia and Europe. [www.asef.org](http://www.asef.org)

ASEM now brings together 43 member states (Austria, Belgium, Brunei Darussalam, Bulgaria, Cambodia, China, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Indonesia, India, Ireland, Italy, Japan, Korea, Laos, Latvia, Lithuania, Luxembourg, Malaysia, Malta, Mongolia, Myanmar, the Netherlands, Pakistan, the Philippines, Poland, Portugal, Romania, Singapore, Slovakia, Slovenia, Spain, Sweden, Thailand, United Kingdom, Vietnam) plus the European Commission and the ASEAN Secretariat. [www.aseminforboard.org](http://www.aseminforboard.org)

#### Asia-Europe Environment Forum

The Asia-Europe Environment Forum (ENVforum) is a platform for dialogue and debate on sustainable development issues. It is:
- The only multi-stakeholder forum on environment between the two regions;
- A recognised reference point for Asia and Europe consensus on sustainable development;
- An interface between government and civil society for policy recommendations;
- An Asia-Europe network on sustainable development; and,
- A contributor to the agenda of the ASEM Environment Ministerial and other Asia-Europe Meeting (ASEM) fora.

The ENVforum was initiated in 2003 by the Asia-Europe Foundation and is co-organised with the Hanns Seidel Foundation of Germany, the Institute for Global Environmental Strategies of Japan and the United Nations Environment Programme. The Swedish Environmental Secretariat for Asia (SENSA) came on board as a co-organiser in 2006. The Korean Environment Institute (KEI) was a partner in 2008. For more information, please visit [www.env.asef.org](http://www.env.asef.org)

#### Europe-Asia Policy Forum

The Europe-Asia Policy Forum (EUforAsia) is designed to target relevant stakeholders in Asia-Europe affairs and policy-making with information on contemporary issues regarding EU-Asia. The briefing series is part of the EU-Asia Policy Forum that aims to enhance EU-Asia cooperation and awareness on issues of mutual interest such as sustainable development, regional integration, governance and other hot topics. Main partners are the International Institute of Asian Studies (IIAS), the Asia Europe Foundation (ASEF), the European Policy Center (EPC) and the Singapore Institute for International Affairs (SIIA).