

# Bioenergy, Forest Sustainability and Climate Change A Global Business View

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# Bioenergy, Forest Sustainability and Climate Change

- What's needed to drive sustainable bioenergy
- UNFCCC
  - The Road to Copenhagen
  - The 1992 Framework
- The case for optimism

# Driving sustainable bioenergy

- Experience and scale
  - Challenge of displacing incumbent fossil fuel
- Direct subsidy to buy down learning cost
- Regulatory intervention
- Global agreement changing private expectations

# WBCSD view

- Level regulatory playing field
- Clear policy framework conditions for a low carbon economy
- Innovative market mechanisms

Ecosystem externalities must become an integral part of economic planning and decision making – otherwise nature will always be treated as a second priority

# The Road to Copenhagen

- Who is in charge of creating a sustainable world?
  - Present institutions and processes not designed for transformational change
- IPCC election- Dr Pachauri
- Subsidiary Body on Implementation

# The Road to Copenhagen

- UNFCCC-Current status as of August informals
  - AWG-LCA Non-Paper

MITIGATION (paragraph 1(b)(vi) of the BAP):INDONESIA and BRAZIL proposed bracketing of paragraphs on biofuels, as well as on REDD and emissions displacement.
- Legal form of the outcome
- 200+ page negotiating “brick” with 2000+brackets

# The 1992 Framework

- Stocks versus flows
- LULUCF
- Flexibility mechanism
- Targets before rules



# Optimism?

- A real deal
- No deal
- A limited deal outside the UNFCCC
- An extension of the current protocol
- COP 15 into 2010
- Grand declaration without substance

From Björn Stigson

# China - US

- Domestic politics
- Complementary interests
- Mutual dependence

Thank you

## **Houghton Cascade**



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