

THE WORLD

Rain Forest Nations Seek Incentive to Conserve

Papua New Guinea and others suggest they be compensated for the benefits of green areas.

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Until recently, Michael Somare, the prime minister of Papua New Guinea, felt that global economic forces were pressuring him to cut down his country's lush tropical rain forest, the third-largest left in the world.

But Somare believes he has found a financial incentive to save his nation's forests, one that should be far more valuable to the world than hardwood timber or coffee plantations. Forests serve as natural air filters that suck up the greenhouse gases that are causing global warming.

Arguing that the rest of the world is benefiting from this natural wealth without sharing the cost, a bloc of developing countries led by Papua New Guinea and Costa Rica plans to make a novel proposition this week at a United Nations conference in Montreal on climate change: Pay us, and we can preserve our rain forests.

"In the rural areas of my nation, where 80% of the people live, the only real options for economic growth often require the destruction of natural forests ... in order to trade low-value commodities with the industrial powers. I call this eco-colonialism," Somare said in an interview last week.

"This is a recipe for failure — failure to preserve our biodiversity, pressure to release our people from poverty, failure to protect the world from the greenhouse effect," he added. "We need to develop a system that will monetize environmental services and capitalize sustainable development."

The proposal is preliminary, and some experts predict it will be bedeviled by the challenge of determining a fair-market value for nature, as well as international skepticism over whether nations such as Papua New Guinea can successfully shield their forests from illegal logging.

But the idea, which has begun to garner backing from prominent economists, could get more countries interested in joining a new worldwide pact to combat global warming once the current U.N. treaty, the Kyoto Protocol, expires in 2012.

"Right now, these rain forest nations are providing enormous environmental services to the rest of the world — biodiversity, reduced greenhouse gas emissions — and they are

not being compensated," said Nobel Prize-winning economist Joseph Stiglitz, one of a group of academics at Columbia University championing the proposal. "From the viewpoint of global economic efficiency, the best use for rain forests is to maintain them as rain forests."

Humans have already burned or chopped down one-third to one-half of the world's forests, according to estimates from the World Commission on Forests and Sustainable Development and other authorities.

Deforestation and other land-use changes accounted for as much as one-fifth of the excess carbon dioxide released into the atmosphere during the 1990s, according to the Intergovernmental Panel on Climate Change, hundreds of scientists who periodically summarize the consensus on global warming. Trees release sizable quantities of the gas when they burn or decompose.

Yet international efforts to address the causes of climate change have focused on trying to reduce the burning of fossil fuels by wealthy countries rather than on slowing deforestation.

Under the Kyoto Protocol, developed nations are required to reduce emissions of carbon dioxide, methane and other heat-trapping gases to about 5% below 1990 levels. The United States, the world's largest emitter of greenhouse gases, rejected the treaty, while every other major developed nation except Australia has signed it.

As an incentive to make reductions under the Kyoto pact, countries that slash greenhouse gas emissions can profit by selling "pollution credits" to countries that do not cut emissions enough. Such credits are currently valued at \$25 per ton of carbon emissions in Europe and are in high demand.

However, there is no similar incentive to reward rain forest preservation, despite the elementary scientific understanding that trees consume carbon dioxide during photosynthesis.

"If we do not recognize the economic value of these forests" in preventing global warming and preserving biological diversity, "they will be cut," said Carlos Manuel Rodriguez, Costa Rica's environment minister.

The group of 10 rain forest nations, which also includes Bolivia, Chile and Guatemala, is asking the U.N. to consider expanding the carbon trading market to reward land conservation.

Using existing carbon trading prices as a reference point, some economists have estimated that the rain forest nations over time stand to gain billions of dollars if they are allowed into the pollution credit market.

Some of the countries have indicated that if the proposal gains acceptance, they would

also commit to reducing their own greenhouse gas emissions — a concession that could alter the dynamics of future climate talks.

Past proposals to compensate countries for preserving rain forests sharply divided environmentalists. Some continue to be concerned that market-based schemes to solve global warming would allow rich nations to buy their way out of reducing greenhouse gases.

"It's sort of the moral equivalent of hiring a domestic. We will pay you to clean our mess," said Daniel Becker, director of the Sierra Club's global warming and energy program. "For a long time here in America we have believed in the polluter pays principle. This could become a pay-to-pollute principle."

Environmental groups in Papua New Guinea, meanwhile, question whether the government can stop the rapacious illegal logging that has plagued the country's rain forests in recent years. That concern is shared by some nations and nonprofit groups in Europe.

But many environmental organizations have begun embracing the idea of paying for the preservation of rain forests, arguing that the threat of global warming has become too grave to wait for perfect remedies.

"This is probably the single most interesting thing on the table" at the Montreal talks, said Peter C. Frumhoff, director of the Union of Concerned Scientists' global environment program. "We are in a different place, and we have to think anew. To leave out a huge source of emissions is just no longer realistic."