



THE PRINCE'S RAINFORESTS PROJECT

"The task is to review, develop and propose practical mechanisms that acknowledge the true value of the eco-system services provided by the world's remaining rainforests. These solutions need to provide credible incentives to host nations, and to local communities, and must out-compete the drivers of rainforest destruction."

HRH THE PRINCE OF WALES

25th October 2007





CLARENCE HOUSE

The world faces a rapidly approaching climate change crisis as a result of the loss of eco-system services provided by the remaining old growth tropical rainforests. Unless we can work energetically towards finding an equitable means of paying rainforest countries for the vitally important “public utility” services they provide to the rest of the world, we will have lost a very substantial part of the battle against catastrophic climate change.

Put simply, the true value of the rainforests to the world community is not understood and, somehow, we have to find ways of putting a price on them which makes them more valuable alive than dead.

Following urgent representation from deeply concerned tropical forest experts, I have established my Rainforests Project to draw together a major international private, public and N.G.O. partnership to address this issue and identify and develop solutions. I certainly do not underestimate the immense difficulties and complexities associated not only with deforestation, but also water, agriculture and governance. However, encouraging indications of support have been received from many quarters and have confirmed my belief that there is widespread and mounting concern about this issue and a general wish to see practical steps to tackle it.

I could not possibly face my grandchildren – or yours – unless I knew that I had grasped the opportunity to try to do something to ensure they have a reasonable future.

A handwritten signature in black ink, appearing to read "Charles", with a long horizontal flourish underneath.



The Prince's Rainforests Project

Climate change is accelerating. Unless we act now, experts predict that within the next decade the Earth's habitability for mankind will be affected irretrievably. Tackling tropical deforestation is one of the most significant and cost effective actions we can take now in the fight against climate change.

Protecting the rainforests will also safeguard the livelihoods of some of the poorest people on earth who depend on them.

The Prince's Rainforests Project is drawing together people from governments, business and NGO's to help find practical solutions.

The Project comprises three main workstreams: establishing a **value** for the global "public utility" services provided by the rainforests; identifying ways to raise the **revenue** for these services and working with the rainforest countries to develop **transfer** mechanisms which are sustainable, equitable and verifiable.

These workstreams will be supported by a communications programme to raise awareness and test developing conclusions.

"We need to shun timidity and be bold in what we seek to achieve. Every day that we fail to act on avoiding tropical deforestation makes the achievement of overall climate change goals more difficult, and puts at risk the lives and livelihoods of millions in every part of the world. We must devise solutions that are national and supra national in scope. And we must recognize that solutions must ultimately be capable of being integrated within the global financial system, whether through existing carbon trading systems, or parallel vehicles."

HIS EXCELLENCY BHARRAT JAGDEO,
President of Guyana.
October 2007.



Tropical Rainforests

Where and what are they?

Tropical rainforests lie at the heart of the world, straddling the equator in a green belt.

They occupy around 5 per cent of the Earth's land surface, an area the size of Australia.

The tropical rainforests are home to over half the world's species of plants and animals.

Around 1.4 billion of the world's poorest people depend on these forests for their livelihoods.

Tropical rainforests are present in 40 countries with a third of the remaining coverage in Brazil and 20 per cent in Indonesia and the Congo Basin.

What do they do as global utilities?

The world's tropical rainforests act as giant global utilities; regulating our climate, storing vast amounts of carbon, conserving soil and water and generating rainfall.

The Amazon forests alone provide storage for over half the Earth's freshwater, releasing 20 billion tonnes of water into the atmosphere every day.

Without rainforests continually recycling the world's water, droughts, famine and disease would become more widespread.

The rainforests' enormous biodiversity is only beginning to be understood as are their benefits to medicine. So far we have only learned to use 1 per cent of tropical forest plants, but already 25 per cent of medicines originate from them.

What's happening to them?

Since 1950, more than half of the world's rainforests have been felled and burned and the rate of destruction is increasing. In the time that it takes to read this brochure, rainforests the size of New York's Central Park will have been destroyed.

In many parts of the world they are being cleared for agriculture, pasture, logging or mining, or simply to provide woodfuel for burgeoning populations. Increasingly deforestation is enterprise-driven rather than the result of subsistence agriculture – a function of growing global demand for soya, palm oil, beef and timber. The problem is exacerbated by our growing demand for biofuels.

At the current rate of deforestation tropical rainforests will be largely exhausted by mid-century.

Why does it matter?

When rainforests are cut down and burnt the huge amount of carbon they store is released into the atmosphere as carbon

dioxide. The 2006 Stern Report estimated that the share of CO2 emissions caused by deforestation is larger than that contributed by the entire global transportation sector and is second only to energy generation.

New technologies to slow climate change are emerging but are unlikely to make a significant contribution in the short to medium term. In addition to being vitally important in its own right, stopping deforestation buys us valuable time to allow these technologies to be developed.

It is not an underestimate to say that if we lose the rainforests, we lose the fight against climate change, critically endanger the world's biodiversity, fundamentally weaken the world's eco-system and dispossess some of the world's poorest people.

"Rainforests are our earth's greatest utility – our planet's lungs, thermostat and air-conditioning system. Tropical rainforests are being cut down because the world is not paying for these services. So, communities that depend on the forests must make their living in other ways. Let me point out: reducing emissions from deforestation is undeniably possible!"

SIR MICHAEL SOMARE,
Prime Minister of Papua New Guinea.



The Opportunity

Rainforest nations

Rainforest nations are often in the unenviable position of having to balance the livelihoods of the rural poor with the interests of agribusiness, requests from foreign governments and the concerns of the International Aid Community.

At the heart of the problem is the fact that the forests are presently worth more dead than alive.

After forty years of initiatives that have failed to curb deforestation, many now recognize the need for new ideas while accepting that the laws of supply and demand will always overwhelm solutions that are not supported by practical regulation and built upon the sustainable use and management of the rainforests.

New momentum

A number of recent commitments signal the willingness to look at new solutions.

- The Brazilian Government has announced the creation of a voluntary fund to protect the Amazon and the adoption of national targets to curb deforestation. Meanwhile the State of Amazonas is providing incentives to local communities to protect their forests.
- The Governors of the Aceh, Papua and West Papua provinces in Indonesia have pledged to conserve their rainforests and have appealed to the international community to provide financial incentives for them to do so.

- Guyana has offered to put its rainforests under the protection of the international community in exchange for compensation to forgo deforestation.

Lord Stern, IG Patel Professor of Economics and Government at the London School of Economics, has estimated that preserving the rainforests is one of the most cost effective ways of fighting climate change.

While the Kyoto Protocol and European Emissions Trading System (ETS) have been successful in developing a market for carbon emissions worth over \$60 billion a year, neither includes the protection of standing forests within their mechanisms.

For the first time a group of thirty rainforest nations (The Coalition for Rainforest Nations) has formally offered to conserve their forests in exchange for access to international markets for emissions trading and payments for eco-system services; and, following a two year consultation process, the recent COP-13 United Nations Framework Convention on Climate Change in Bali agreed to support Reducing Emissions from Deforestation and Degradation (REDD) mechanisms.

Although debates continue about how to price living forests, how to measure deforestation, how to develop sustainable employment in the forests and, critically, how to motivate local communities to make solutions work on the ground, the door is open and

government and international institutions are starting to respond.

- Norway has committed about US\$500m a year for five years to reducing global deforestation.
- The World Bank has launched its Forest Carbon Partnership Facility (FCPF) which will pilot projects using a system of policy approaches and performance-based payments.
- Mandatory and voluntary markets are emerging in the USA, Australia and New Zealand, all of which explicitly provide for a wide range of forest-based credits.

What can we do?

There is a new momentum across the world to slow and stop the destruction of the rainforests. Many organisations are working to find ways to address the problem and to pay the rainforest nations for the vital "public utility" services which they provide.

The Prince's Rainforests Project intends to act as a bridge to facilitate dialogue between these interests and to identify and develop practical solutions within the next eighteen months to two years.

If you would like to help in any way, please contact a member of the team whose details are on the back of this brochure.

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