**Comments from the Government of Norway on the potential for including international, sector-based offset credits in California’s Cap-and-Trade Program.**

Reference is made to the Staff White Paper from California’s Air Resources Board of 19 October 2015, ARB’s workshop pf 27 October, and the subsequent invitation to comment on the potential for including international, sector-based offset credits in California’s Cap-and-Trade Program for the third compliance period, starting in 2018.

Norway would like to commend California for its longstanding global commitment to addressing climate change. Norway would also like to welcome California’s efforts to potentially include international, sector-based offset credits in its Cap-and-Trade Program, in addition to making deep cuts in domestic emissions. Through this initiative, California will continue its global leadership on climate change, and will send a powerful signal to tropical forest states and countries, forest landowners and many others that jurisdictional REDD+ can be successfully incorporated into a Cap-and-Trade Program. This will also be important as regards the international cooperation on climate change, as it could help advance REDD+ globally. California's determination to insure environmental integrity and insist on strong environmental, social, and fiduciary safeguards are particularly useful in this context. The adoption of the REDD+ safeguards under the UN Framework Convention on Climate Change (UNFCCC), that implementing countries are required to set up safeguard information systems, and provide a summary/report on how the safeguards have been addressed and respected, have been key to the legitimacy and broad support of REDD+. Due to their potentially catalytic effects, California’s efforts also hold strong potential to contribute to reductions of emissions from tropical forests beyond whatever credits might be accepted for compliance. Addressing REDD+ at a national scale, with implementation at a subnational scale as an interim measure, is also important for the long term/transformative effects of REDD+ contributing to broader sustainable development. California's approach of insisting that jurisdictional REDD+ collaboration be coordinated with and sanctioned by natural authorities is crucial in this regard.

Since 2007, Norway has made tropical forest protection a priority in Norway’s climate change strategy. Tropical forests are among our most ancient ecosystems. They are indispensable to the livelihoods of hundreds of millions of people, as well as the habitat of half to one third of the world’s terrestrial plants, animals and insects. These forests are also crucial for global, regional and local water supply, both cleaning water and influencing precipitation patterns. In addition, they are an enormous carbon sink, which can provide one third of the cost effective climate change mitigation that the world needs over the next 15 years, to stay on a two degree-warming pathway. Reduced tropical deforestation has also a number of significant other benefits, ranging from safeguarding biodiversity and watersheds, to providing food, shelter, and cultural identity to hundreds of millions of poor and vulnerable people.

Norway has therefore pledged up to 3 billion NOK a year to help save these forests while improving the livelihoods of those who live off, in, and near the forests. Through good partnerships with key forest countries, Norway has contributed to significant advances in the development of a REDD+ framework under the UN Framework Convention on Climate Change (UNFCCC). The last parts of this framework will now hopefully be adopted at COP21 in Paris, and provide a good basis for enhanced implementation both before and after 2020. This year, Norway will fulfil its 2008-commitment to contribute one billion USD to the Brazilian Amazon Fund in recognition of Brazil's outstanding results in reducing Amazon deforestation over the last decade. These emission reductions are equivalent to half of US greenhouse-gas emission in 2013.

Based on these experiences, Norway is confident that emission reductions from deforestation in partner countries are measurable, can be reported, and verified, and that appropriate safeguards can be put in place. Together with the rest of the world, Norway is looking to California for leadership when it comes to climate change. Norway would be delighted to work with the Air Resources Board in California to explore this option further.

Oslo, 16 November 2015