

The Walt Disney Company & CI: Commitment to Preserving Forests

In September 2009, The Walt Disney Company and Conservation International (CI) signed a landmark agreement through which Disney will provide financing for development of large-scale Reduced Emissions from Deforestation and Degradation (REDD) demonstration activities in Peru and the Democratic Republic of the Congo (DRC).

The new agreement—under which Disney will provide an initial contribution of \$4 million—represents the single largest corporate commitment to date in activities that reduce emissions from deforestation. In addition to the climate benefits, the program will protect high biodiversity tropical forests and provide long-term economic benefits for local communities.

the investment

The new Disney forest preservation commitment fits within the company's overall environmental leadership strategy, which was developed in collaboration with CI and announced in March 2009. Verified emissions reductions achieved through the multi-benefit forest carbon activities will complement Disney's ambitious goals for energy efficiency improvements and use of renewable energy.

Disney's investment will protect forests and safeguard natural environments in the Tayna and Kisimba-Ikobo Community Reserves in eastern DRC and the Alto Mayo Protected Forest (AMPF) in Peru. The sites are located respectively in the Congo Basin and the Amazon, two of the most important tropical forest regions in the world. The protection of these areas will not only prevent carbon emissions, but secure vital watersheds and habitat for a wide-variety of plants and animals, many of them threatened or endangered. These include gorilla (*Gorilla gorilla graueri*) and okapi (*Okapia johnstoni*) in Congo and the Andean spectacled bear (*Tremarctos ornatus*) and the yellow-tailed woolly monkey (*Oreonax flavicauda*) in Peru.

In addition to contributing towards global greenhouse gas emission reductions, the activities will provide direct economic benefits for local communities as well as secure critical ecosystem services that improve water and food security. The demonstration activities are aimed to provide models to help DRC and Peru develop the legal and financial framework,



REDD policy

REDD is expected to play a major role in emerging national and international climate policy frameworks. At the upcoming United Nations meetings in Copenhagen, REDD will be a major topic of conversation with parties to the climate convention seeking to agree on how REDD fits into the post-2012 global climate treaty. The U.S. House and Senate climate bills both contain strong provisions for REDD, and provide regulated companies with incentives to support forest conservation demonstration activities as one element of their strategies to reduce global emissions.

While Disney is supporting investment in REDD efforts on a voluntary basis, their leadership demonstrates to policymakers and other companies around the world the viability and value of high-quality efforts to slow tropical deforestation as a means to stabilize the Earth's climate.

The implementation of successful REDD demonstration activities, such as these supported by Disney, will have a catalytic effect in building support for the development of financing mechanisms to make sure that developing countries have the capacity to implement robust REDD incentive systems at all scales (i.e., through policies, programs and activities) that will achieve lasting emissions reductions and provide communities with social and environmental benefits.

as well as technical and institutional capacity, to support global efforts to mitigate climate change through the reduction of deforestation.

To provide assurance that these demonstration activities achieve real emissions reductions, protect biodiversity and provide benefits to local communities they will be independently validated under the rigorous requirements of the Voluntary Carbon Standard (VCS) and the Climate, Community & Biodiversity Standards (CCBS) – the world's leading voluntary standards for assessing these kinds of activities.

The funding will support a range of activities, including:

- Building a hospital and clinics to provide basic medical care;
- Increasing the cover of native trees on degraded lands;
- Ensuring the provision of water supplies to local communities;
- Operating and managing of small scale hydropower systems;
- Guiding the disbursement of future revenues or local people involved in community conservation.

corporate commitment

As public concern has escalated about climate change and other threats to the global environment, the bar has been raised for what constitutes leadership in the corporate world. Customers, employees and shareholders continue to expect companies to lead on sustainability even during the financial downturn.

CI works with corporate, government and civil society partners to mobilize private sector investment in forest conservation as a climate solution while benefiting local communities. Tropical deforestation is responsible for nearly 20 percent of global greenhouse gas emissions—more than all the world's cars, trucks, planes, and ships combined. The world cannot solve the climate challenge without protecting its remaining tropical forests and restoring forests on degraded lands.

Protecting forests is one of the most cost effective and immediate ways to reduce greenhouse gas emissions, and it creates multiple benefits for local communities. We help our corporate partners to address the major drivers of climate change—energy use and deforestation—while also conserving threatened biodiversity and creating sustainable livelihoods for vulnerable communities.

By making a commitment to protect the Tayna and Kisimba-Ikobo Community Reserves in eastern DRC and the Alto Mayo conservation area in Peru, Disney is demonstrating the business case for pursuing innovative climate solutions. Disney's commitment will prevent more than 900,000 tons of CO₂ from being released into the atmosphere over the next five years.



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DRC Demonstration Activity

Disney's commitment will develop two contiguous, community-based REDD demonstration activities at a single site in eastern Democratic Republic of Congo (DRC), which includes two government-sanctioned Nature Reserves comprising 3,370 square kilometers (1,300 square miles). The program is being managed by CI's Central Africa program in partnership with Dian Fossey Gorilla Fund International, which works directly with local non-governmental organization (NGO) partners.

climate change, social and biodiversity impacts

The DRC has the largest forest area in Africa, which comprises about sixty percent of the second largest tropical forest worldwide (after Amazonia). The country has an abundance of resource wealth, yet the population of more than sixty million people is one of the poorest in the world, and its people are highly dependent on forest resources such as fuel wood, bushmeat, and other non-timber products for their livelihoods.

This REDD demonstration activity can provide a sustainable revenue stream that will:

- Provide significant funding for local economic development, leading to poverty reduction and increases in human well-being;
- Provide funding for long-term and local management of these reserves, which will protect significant biodiversity such as the eastern lowland gorilla, eastern chimpanzee (*Pan troglodytes schweinfurthii*), forest elephant (*Loxodonta cyclotis*), and okapi; and
- Arrest deforestation and emission trends in the immediate area, helping to mitigate global warming.

Peru Demonstration Activity

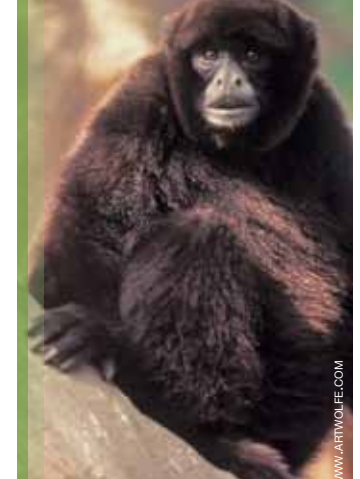
Disney's commitment to this demonstration activity aims to reduce deforestation on approximately 300,000 hectares (more than 740,000 acres) of pristine forestlands, held within the AMPF and its buffer zone, and to progressively restore degraded lands in several sub-basins of AMPF, such as in the Yuracyacu, Naranjos, Naranjillo, Aguas Verdes, Serranoyacu, and Rio Huasta sub-basins. CI has engaged with the local communities of the Alto Mayo since 2008 using conservation agreements to secure the protection of the forest while benefiting the local communities.

climate change, social and biodiversity impacts

The Alto Mayo watershed, located in northwestern Peru in the Region of San Martin, is an area of tremendous value for the conservation of biodiversity and freshwater resources. The watershed harbors many threatened plant and animal species found no where else on Earth, and forms part of the 14.6 million hectare (nearly 3 million acre) Abiseo-Cóndor-Kutukú Conservation Corridor. Runoff from the Alto Mayo forests gives rise to several major rivers which ultimately flow through the tropical forests of the Amazon Basin and provide a source of clean water for local communities.

Conserving the Alto Mayo via this REDD demonstration activity will:

- Help protect a variety of threatened or endangered species, including the yellow-tailed woolly monkey, the Andean titi monkey (*Callicebus oenanthe*), and the Andean spectacled bear;
- Reduce the historical deforestation rate by 30%; and
- Ensure the financial sustainability of more than 8,000 downstream families and about 35,000 regional inhabitants.



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DRC progress to date

Local communities organized as Congolese NGOs have been managing two biodiversity Nature Reserves for more than eight years; these two reserves were officially approved by the central DRC government in 2006.

Since 2003 local communities have developed and implemented the community-managed university, the Tayna Center for Conservation Biology. This government sanctioned university, which has graduated more than 200 students, is serving as the training center for the carbon demonstration activity. During 2009, more than 200 local scientists and traditional chiefs have already received four training workshops on technical aspects of REDD, government and international policy related to REDD, and the fundamentals of climate change. The demonstration activity is now ready to move into its formal phase in which the design documentation and monitoring protocols will be developed in order to validate and retire CO₂ emissions.

partners

Communities in and around the Tayna and Kisimba-Ikobo areas that are NGO members of UGADEC (Union of Associations for Gorilla Conservation and Development in Eastern DRC), Dian Fossey Gorilla Fund International, Government of DRC (Ministry of Environment).

Peru progress to date

CI has significant experience in Peru and elsewhere in implementing and monitoring the impacts of climate change mitigation. Working with a local partner, CI's team used both Landsat images and ground sampling work to determine the historical deforestation rate, the rate of CO₂ emissions within the site and potential for leakage. Local and municipal government agencies, such as the municipal water management agency of Nueva Cajamarca and community Watershed Management Committees, will be instrumental in coordinating stakeholder engagement and managing legal issues. CI Peru and its local partners have pioneered the implementation of conservation agreements to secure the protection of forest and the watershed and ensure that local communities benefit out of their conservation efforts.

This demonstration activity will contribute to the implementation of the Program for Conservation of Tropical Forest of the Ministry of Environment of Peru, and is likely to become a model for many other areas in the Andes region.

partners

Communities in and around the Alto Mayo national reserve; NGO partners including Association for Investigation and Integral Development (AIDER), Sociedad Peruana de Derecho Ambiental (SPDA), Asociación Ecosistemas Andinos (ECOAN) and Asociación de la Virgen de la Medalla Milagrosa (AVMM); Government of Peru (Ministry of Environment).



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