Anthropogenic emissions of greenhouse gases have been identified as the main cause of global warming and climate change. As one climate change mitigation option, the Clean Development Mechanism (CDM) under the Kyoto Protocol has created the global warming mitigation opportunities that allow Bangladesh to receive investments from developed countries wishing to offset their emissions of greenhouse gases. Bangladesh has a special interest in strategies for combating global warming because its large areas to be planted represent a potentially large carbon sink. The high rate of deforestation contributes a large carbon source. To properly assign carbon credits in the forestry sector of Bangladesh, a number of important issues and uncertainties need to be resolved. Definition of the accounting method and the means of crediting forest reserve establishment are two important issues. Reforestation offers opportunities for carbon credits for the uptake in forest biomass. Current accounting rules, however do not account for carbon stored in forest products. Forest management has been proposed as a global warming response option for the bigger benefits in the short-term while the afforestation/reforestation can give credits in the long-term. Reforestation can be the greatest option offered by Bangladesh for mitigating climate change in the first commitment period. Under the current rules, avoided deforestation does not give any credit in the same commitment period. Slowing deforestation also can be an important option in the second commitment period. The paper discusses the compatibility of the CDM and global response opportunities in Bangladesh; the opportunities of the Bangladesh Forestry Sector to mitigate the climate change; issues to be settled for carbon credits; the implications of the forestry options for different land uses as well as forest management with carbon benefits. The paper finally discusses the future policy options of the forestry sector of Bangladesh to mitigate the climate change and to obtain carbon credits.

Keywords: CDM, Climate change, Forest management, Land-use change