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Responsible Asia Forestry and Trade

MEDIA BRIEF

Digging Deeper

Decoding REDD+

How will efforts to deal with climate change impact the forests of the Asia-Pacific region and the people who most depend on them? This is the second part in a series of media briefs produced to help regional journalists navigate what could become one of the great stories of our time.

REDD+ is a proposed mechanism to make forests more valuable living and healthy than dead or damaged. Its advocates believe it could help fix a lot of persistent problems in forest management. Its opponents fear it will make these things worse. It's too early to tell, but this brief covers some important lessons learned after decades of successes and failures in forest management, and it asks how REDD+ could benefit, or burden, Asia-Pacific's forests and the people who need them.

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Why should journalists cover forests and climate?

- Tropical Asia is collectively a **"biodiversity superpower,"** possessing vast natural capital crucial for the well-being of future generations.
- About 3.7 million hectares of natural **forests are destroyed every year** in the Asia-Pacific,* risking the stability of ecosystems, communities, economies and the planet's fundamental capacity to support life.
- Tropical forest destruction frequently involves **conflict between people**, often violent conflict.
- Forests have a critical role to play in reducing greenhouse gas emissions and **stabilizing the climate**. It is estimated that forest destruction results in global CO_2 emissions equal to the transport sector, or about 17 percent of total emissions.
- Ongoing international climate change negotiations have so far not produced the results that scientists and many policy makers argue are necessary to prevent catastrophic changes in the global climate. But efforts to reach agreement on the role of forests in addressing climate change are moving ahead much faster than other facets of the talks. This effort, known as **"REDD+"** is currently **leading the way in UN climate deliberations**.
- REDD+ (which stands for Reducing Emissions from Deforestation and Forest Degradation) is still a work in progress, and the future **impact of REDD+** on conflict, environment, and poverty could be either positive or negative. What emerges will be one of the **biggest stories** of our time.
- The **450 million people living in and around Asia-Pacific forests** have a stake in the success of REDD+. The extent to which they have a voice and a say in REDD+ will determine its success.

* *For forest data, see the Food and Agricultural Organization of the United Nations (FAO) State of the World's Forests (2009) and Global Forest Resources Assessment (2010)*

LESSONS LEARNED FROM FOREST MANAGEMENT, AND WHAT REDD+ MIGHT MEAN FOR THE FUTURE

A global initiative on REDD+ to protect forests as carbon pools might be the most encouraging outcome to emerge from this December's climate conference in Cancun, Mexico, the successor to last year's controversial talks in Copenhagen. If REDD+ happens, **a new global business of carbon conservation in forests could soon be worth tens of billions of dollars a year**. Like the rest of UN climate negotiations, everything about this issue is still in play and being contested. Whether REDD+ is a boon for forests and people – or a bust – depends on what happens over the next several years.

Decades of forest management in the Asia-Pacific region, much of it controversial and conflict-ridden, have produced many important lessons for the future. As REDD+ comes into play, how might it impact forest management in the region? Some important insights to this question were produced by a series of workshops on REDD+ held by the Center for People and Forests (RECOFTC) as part of the USAID-funded Responsible Asia Forestry and Trade (RAFT) program. The workshops focused on unresolved issues such as: scale, degradation, land-use planning, forest restoration, and environmental and social safeguards.

SCALE: NATIONAL, PROJECT, OR IN-BETWEEN?

The scale of REDD+ was a divisive issue early on in negotiations. Should all REDD+ activities count towards national-level databases, or should individual projects be permitted to sell carbon credits directly to wealthy countries? Project-level activities are already happening in Asia, particularly in Cambodia and Indonesia. These projects are only 'voluntary' to date – meaning that any carbon credits they produce cannot be sold to rich country governments, but they may generate substantial private sector investment, and demonstrate what methods will work once government-to-government sales are eventually allowed.

At climate change talks in Bonn, Germany, in August 2010, it was agreed that all countries should keep national accounts, but that this does not exclude project accounts from being kept and traded at the same time – meaning that 'nested' approaches are possible.

Credits, cowboys, and other money matters

The matter of scale raises questions of how to get started with REDD+ (Where? Who? How much money?). Some early controversies suggest the obstacles ahead. These also make for *great* stories.

In general, of course, it pays to follow the money. A recent and disturbing story to consider comes from Liberia, where "carbon cowboys" allegedly bribed Liberian forest officials in a deal that could have bankrupted the entire country. A similar story emerged in Papua New Guinea in 2009. Speculators and swindlers will naturally try to profit from the confusion of a new concept like REDD+. Journalists can help clarify matters and expose abuses.

There are many tricky issues when it comes to the question of scale. For instance, a good REDD+ project in one district does not ensure that loggers and their chainsaws won't just move down the road and go back to work, or that the REDD+ forest won't become an island in a sea of oil palm plantations (that's called "leakage" in REDD+ jargon). Because of this, many climate change negotiators prioritize the establishment of national accounting systems before REDD+ projects can be implemented. However, few national governments are ready, financially or institutionally, to manage REDD+ programs. Can the world wait for these to be implemented before going ahead with REDD+ activities? And as many journalists are well aware, the track record of existing institutions like forestry departments and courts of law have not been stellar to date in protecting forests and forest communities. How can we be sure that REDD+ would not simply reward the bad guys and continue the destruction of forests? Should all REDD+ money be funneled through the national government, or are there better ways to ensure that communities, local governments, and companies are rewarded for wise stewardship of forests?

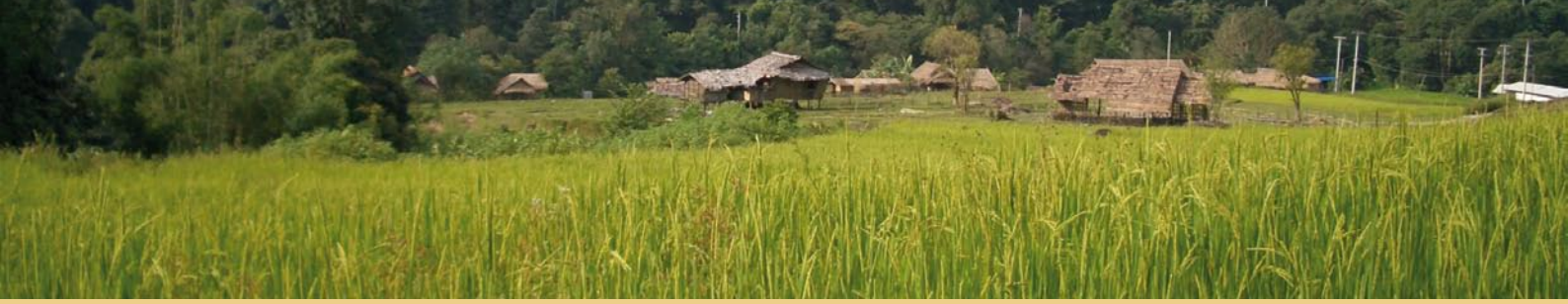
The scale question has led many to argue for a hybrid, or "nested" approach, which starts with sub-national or project-based REDD+ activities and then scales up to nationwide programs. The nested approach has the value of getting REDD+ going early with experiments, and speeding up the movement of money for forest protection. Sub-national projects could arguably increase local participation of a variety of stakeholders, including local people, and work through the problems that will inevitably arise before national programs are carved into law. A national REDD+ system that has learned from the ground up will arguably be fairer and more effective than one imposed from above.

Of course, the potential for conflict is rife: between national or state authorities and forest people; between donors and governments; between projects and countries competing for scarce climate money; etc. Journalists can help their societies to navigate this new forest terrain through balanced reporting of the different points of view and interests involved.

DEGRADATION – THE SECOND 'D'

REDD+ includes two Ds, standing for "deforestation" and forest "degradation." In many places, forestlands have been completely cleared and are no longer forests, becoming instead oil palm plantations, maize fields, or housing estates. REDD+ would try to reduce these trends, making it more financially feasible to keep land forested rather than converting it into other uses. But in many other places, the process toward deforestation has not reached the point of no return. The forests have been damaged by human activity, especially logging, but still support trees and other forest life. These are the degraded forests targeted by the second D in REDD+, and are in many ways more complex and difficult to handle.

Degraded forests are tricky for many reasons. The definition of "degradation" is contested, in part due to honest differences of science, and in part due to vested interests that would win or lose if a definition were made clear and accepted. Furthermore, assessing degradation can be very costly and technically difficult. Aerial photos of the same mountain ridge taken at different times can clearly demonstrate deforestation as a forest is cleared to become a rubber plantation. Assessing the positive impacts of a Reduced Impact Logging operation or a forest certification scheme in comparison to business as usual, on the other hand, requires people on the ground with certain skills, and ideally local people outfitted with such skills.



Of course, forest degradation and its causes and impacts are not a new story in the Asia-Pacific. Problems with weak governance, toothless policies, and state sanction of the powerful against local people will not disappear with the arrival of REDD+ money. What is new, and needs to be followed closely by journalists, is the potential of REDD+ to facilitate true reform of the forestry sector and real recovery of degraded forests, in a way that rewards responsible communities, companies and governments for doing the right thing. A key factor in realizing the potential of REDD+ will be the participation of local people, for example through "community carbon accounting" and other schemes that give people a stake and incentive in forest protection. REDD+ might actually make real participation more achievable, but it might also, conversely, make it even harder. Journalists should watch the impact of REDD+ on this aspect of forest management very carefully. Addressing degradation is largely about creating the right conditions and incentives for good forest management, where local communities have a very important role.

LAND-USE PLANNING

Land can be used in productive and destructive ways. When the priorities are broad, long term and integrated – for example taking account of carbon storage, biodiversity protection, enhancement of ecological services, and improvement in local livelihoods – the results can be dramatic and positive. China and Vietnam, to take two examples from the region, have taken important steps to increase forest cover in their countries. On the other hand, when short-term and narrow priorities of survival, profit, or economic growth overshadow longer-term interests, land use is changed in dramatic and often negative ways. How might REDD+ impact the larger question of how land is used?

Twisted incentives – rewarding devils, denying angels

Because some versions of REDD+ focus exclusively on avoiding future forest damage rather than past or future forest protection and enhancement, there is the risk of perversely rewarding bad actors for marginally good future behavior. For example, on the Indonesian island of Sumatra, major companies responsible for pulping ancient rainforests now want to be rewarded with carbon credits for setting aside a small fraction of their huge landholdings for conservation, while countries like Costa Rica and Nepal might be out in the cold as reward for their past solid records of forest protection. The "plus" sign on the end of REDD stands for rewarding good land stewardship that stores carbon in plants and soil. It would be good for journalists to remind their readers of this as the debate gets confusing and vested interests try to exploit the confusion.

Many lessons are emerging from research, pilot projects, and networking. The experience is hopeful but cautious: Yes, sustainable land use can be achieved and can make a difference, but the challenges are huge and remaining obstacles are many. Certain factors are indispensable, including:

- Informed and meaningful local participation;
- Fair and transparent incentives and benefit sharing for good land stewardship;
- Balanced and integrated planning, policies, and practices at all scales and across forest and non-forest sectors.

All of the above will require that journalists stick hard to their beats, monitoring and reporting on reforms in governance and policy, highlighting success stories and exposing failures. REDD+ will likely raise the stakes significantly – and perhaps change the game completely – in the way countries and people manage land in the region.

RESTORATION OF FORESTS

If REDD is about avoiding further deforestation and forest degradation in the developing world, what about efforts to actively improve the condition of existing forests and their capacity to store carbon? That is, what about forest restoration and other activities that help make forests healthy? That's where the "plus" comes into REDD+.

About 820 million hectares of forest worldwide are degraded. Rather than allowing degraded forests to be converted to other land uses like plantations or industrial agriculture, advocates of REDD+ say it could offer ways for communities, companies, and countries to rebuild forest health for a variety of good reasons in addition to carbon storage: biodiversity, environmental services, and local job creation. And importantly, forest restoration has great mitigation potential.

Unsurprisingly, lessons emerging from the momentum on REDD+ to date suggest the importance of many factors, such as: understanding why forests are degraded in the first place; devising financial incentives like Payment for Environmental Services that make healthy forests more valuable than cleared ones; learning from the experiences of community forestry and ways that forests can be successfully conserved, restored, and managed through participatory approaches and community-based institutions; policy support at different scales; and appropriate practices and technologies, such as Assisted Natural Regeneration.

> Though based on a simple idea, REDD+ in reality becomes much more complex. The right approach could be a win-win for forests and people, while the wrong approach could be a win only for some people, and a loss for forests and everyone else. It is the job of journalists to untangle the complexities of proposed forest projects and find out just who could win or lose, and why.

Forest restoration by itself can provide many benefits for local people and countries as a whole. But REDD+ has the potential of multiplying these benefits. While a healthier forest ecosystem has many direct and indirect benefits (harvestable forest products, clean water, forage for pollinating insects, etc.), REDD+ could also increase local income and the incentive to maintain the source of these benefits. Moreover, the improved governance required by REDD+ for enhancing carbon stocks is just what is required to maintain and restore healthy forests for all the other good reasons. Clearly, for REDD+ money to come into play, forest countries will have to clarify the answers to many still unanswered questions, like: 'Who owns the trees?' 'Who owns the carbon?' 'What are the incentives and penalties for forest use?' and 'Who decides the future of the forest?'

SAFEGUARDS FOR REDD+ AND THE LESSONS FROM CERTIFICATION

Social and environmental safeguards will be essential for the success of REDD+. Cheating people and cutting corners with the environment will undermine confidence in the system and inhibit the transfer of money to poor countries for forest protection that is the driving logic of REDD+. Safeguards to protect local people and ecosystems from exploitation in the name of carbon will help ensure REDD+ is effective and sustainable.

Who owns the forest?

In Brazil, the Juma project rewards communities with direct payments from local government for good forest stewardship. In many Asia-Pacific countries, national authorities still claim ownership of the nation's forests, inhibiting a sense of local stake in forest protection. REDD+ "refocuses us on the question, who do forests belong to?" said Joseph Zacune, a climate and energy coordinator at Friends of the Earth. "In the absence of secure land rights, indigenous peoples and other forest-dependent communities have no guarantees that they'll benefit from REDD+. There's increased likelihood of state and corporate control of their land, especially if the value of forests rises." While REDD+ didn't create the problem of insecure rights, it affects ongoing efforts to address this issue.

The subject of forest certification offers lessons from the past with relevance for the future and REDD+. Forest certification standards like those of the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC), are designed to provide consumers with confidence that goods like wooden furniture are produced via good forest management standards. Certification can provide a premium value on such products, but more importantly, as major buyers increasingly set requirements, certification will determine whether or not a producer can even access certain markets. More than 80 percent of certified forest areas are located in Northern temperate countries, and more than half of the certificates issued in the global South are for plantation forests. The greatest need for improved management practices lie in natural tropical forests. These forests are, of course, the main focus of REDD+.

The lessons of certification relevant to REDD+ in the Asia-Pacific are many. Legal and institutional frameworks exist as a foundation for REDD+ safeguards, but much reform will be necessary. This will take time, partly because successful forest certification requires multi-stakeholder processes and consensus building. These processes are a big departure from more top-down development processes. The lessons from certification also demonstrate the limitations of relying on market mechanisms, which often fail to provide attractive incentives for improved practices. REDD+ advocates argue for setting up national REDD+ working groups comprised of economic, environmental, and social specialists to help guide the establishment of national safeguards that are locally relevant, applicable and enforceable. The injection of REDD+ could significantly advance ongoing efforts to improve standards. For example, improved forestry practices such as Reduced Impact Logging can substantially minimize the loss of carbon stocks. But these practices carry up-front costs that forest companies are often unwilling to meet. REDD+ could enhance the appeal of certification by offering a way to cover these costs. Moreover, indigenous peoples and local communities have long bemoaned the lack of transparency and participation in national development. REDD+ would require these good practices in order to be effective, potentially acting as an ally of reform.

The **Responsible Asia Forestry and Trade (RAFT)** Program, funded by USAID's Regional Development Mission for Asia (USAID RDMA), influences the development and implementation of the public policies and corporate practices needed to improve forest management and bring transparency to the timber trade in Asia. RAFT is managed by The Nature Conservancy and implemented with a catalytic group of NGO partners.
For more information: www.responsibleasia.org

RECOFTC's mission is to see more communities actively managing more forests in the Asia-Pacific region. During the past two decades, RECOFTC has trained more than 4,000 people from over 20 countries in devolved forest management: from national policy makers, researchers, and practitioners, right through to local forest users. Training services and learning events are complemented by on-the-ground projects, critical issue analysis, and strategic communication.
For more information: www.recoftc.org

The **Earth Journalism Network** is a project of Internews, the global media development organization, which aims to improve the quality and quantity of environmental coverage.
For more information: www.earthjournalism.org

Other briefs in this series:
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