

# FORESTS AND REDD

November 2010, Cancún

*The United Nations Declaration on the Rights of Indigenous Peoples must be fully recognized, implemented and integrated in climate change negotiations. The best strategy and action to avoid deforestation and degradation and protect native forests and jungles is to recognize and guarantee collective rights to lands and territories, especially considering that most of the forests are located within the territories of indigenous peoples and nations and other traditional communities.*

People's Agreement, April 2010, Cochabamba

## Key messages

- Reducing emissions from, and ultimately halting, deforestation is vitally important but it is not a cheap and easy shortcut. It is better to move slowly than hastily agree on a flawed framework.
- Forest protection efforts must support transformational change in the forest sector, not business-as-usual approaches, as is currently taking place
- The rights of indigenous peoples and local communities must be fully protected and secure forest tenure is essential to forest protection and sustainable development
- All parties, including developed countries, must address the underlying drivers of deforestation, including unsustainable consumption of wood and agricultural products that result in deforestation
- Developed countries must provide significantly scaled up financial resources to developing countries through a targeted window under a new financial mechanism, fully accountable to and under the authority of the COP

After decades of failed interventions in the forest sector, REDD was offered as a transformation in the way forests are managed. REDD was to address the underlying drivers of deforestation while safeguarding biodiversity and protecting the rights of indigenous peoples and local communities.

However, as currently being implemented around the world, REDD is failing to live up to its promise and risks repeating many of the same mistakes of the past. Parties must correct course and set forest protection on the right path. Moreover, if developed countries fail to lead by reducing their own emissions tropical forests will be at serious risk from an ever-warming climate.

### Failed Promises

REDD policies and programs are being implemented in several fora, including the World Bank, UN-REDD and through emerging bilateral agreements. Current REDD programs are failing to support sound solutions: underlying drivers of deforestation are not being addressed and the rights of some of the most vulnerable people are not being recognized. For example, by classifying intact natural forests as "degraded land" Indonesia intends to use international climate funds to subsidize its palm, paper and biofuel industries to carry on deforesting. Such examples abound.

The wrong framework decision on REDD risks legitimizing current flawed REDD programs. The UNFCCC needs to affirm clear guidance, including an agreed goal to halt deforestation, ensure full funding and implementation of agreed safeguards and establish a fund for forest protection to set REDD on a course to achieve the goals of efficient and sustainable protection of the world's forests.

### Repackaged ODA

In Copenhagen, several developed countries failed to provide new and additional funding to protect forests. The 3.5 billion USD pledged for REDD+ policies and programs through 2012 is largely repackaged existing biodiversity aid and other official development assistance (ODA).

Developed countries have a legal obligation to provide new and additional finances for forest protection efforts. Simply re-branding their current, insufficient ODA funds as climate finance is unacceptable.

### Flawed definition of forests

The way forests are defined is crucial to whether REDD helps to preserve or destroy forests. The current definition under the UNFCCC fails to differentiate between forests and industrial tree plantations, creating a perverse incentive to deforest and plant tree plantations, which store a fraction of the carbon and very little biodiversity,

## Key issues for negotiations

- Parties must clearly endorse a fund-based forest protection mechanism and reject including forests in carbon markets.
- Parties must agree to fully operationalize sound safeguards by requiring robust provisions for measuring, reporting and verifying (MRV) all safeguards. The safeguards must be required, not merely supported and promoted. Subsidiary bodies can support this effort by developing guidelines for the MRV of safeguards. A mechanism for redress must also be constituted.
- Establish a window for forest protection financing under a new financial mechanism fully accountable to and under the authority of the COP. Forest protection financing cannot be based on offsetting.
- Parties should consider a target on halting deforestation and degradation with full financial support and an ambitious time frame and give explicit priority to the protection of natural forests.
- Recognise that addressing drivers of deforestation and degradation requires reducing the global consumption and demand for timber and forest land.

while claiming finance under REDD+ schemes.

### Carbon markets will not solve deforestation

Commodifying forests to generate carbon credits so that wealthy corporations in developed countries can continue polluting will not stop deforestation and further exacerbates the risks posed to forests from a warming climate.

Carbon markets do not reduce emissions but merely shift the burden of doing so from developed countries to developing countries. In practice, the Protocol's market-based mechanism, the Clean Development Mechanism (CDM), has failed. It is estimated that anywhere from 20 to 65% of projects do not result in real emission reductions.

Avoided deforestation was not included in the CDM or in the European Union's Emissions Trading Scheme (EU-ETS) because of insurmountable technical and methodological challenges, none of which have been solved to date.

The impermanence of forest carbon sequestration (the likelihood carbon stored in trees and soils is eventually released into the atmosphere) as well as international and intra-national emissions leakage (that logging moves to other places) make forests poorly suited to carbon market financing mechanisms. Determining additionality, whether a project would have happened anyway, has not proven possible.

Thus, allowing carbon stocks in the biosphere to offset rich countries' continued extraction of fossil carbon into the atmosphere will most certainly contribute to increased net emissions. There is no guarantee that the forests will always

stand, while the corresponding fossil emissions in the north are immediate and definite.

Carbon trading will not provide money for those forest protection activities that are most needed. The current emphasis on generating carbon credits from REDD+ is locking developing countries into expensive and futile exercises to 'accurately' measure forest carbon, instead of using limited funds to finance the policies and programs that will actually result in reduced deforestation in the short and long-term, like institutional reforms, law enforcement and developing alternative livelihoods. Simply measuring forest carbon will not save forests.

### The Way Forward

Carbon markets are failing to support the substantial shifts in the way forests are managed and conserved. Fund based mechanisms are a more efficient approach with far greater environmental integrity.

To reduce global emissions from deforestation, reliable and adequate funding is clearly needed. A fund based mechanism to support actions in developing countries to halt deforestation and forest degradation must be immediately established and fully funded by developed countries. Such funds must be in addition to existing overseas development assistance commitments.

Developed countries must also significantly reduce consumption of wood and agricultural products that drive deforestation. Existing policies and funding, including at the World Bank, should be reviewed in order to ensure coherence with the goals of protecting our forests, biodiversity and ensuring human rights.

#### ActionAid

Arab NGO Network for Development  
Asian Indigenous Women's Network  
Campagna per la Riforma della Banca Mondiale (CRBM), Italy  
Friends of the Earth International

#### Institute for Agriculture and Trade Policy

International Forum on Globalization  
International Rivers  
JS - Asia/Pacific Movement on Debt and Development (JSAPMDD)  
Jubilee South

#### Nord-Sud XXI

Pan African Climate Justice Alliance (PACJA)  
Sustainable Energy & Economy Network, Institute for Policy Studies  
Tebtebba

#### Third World Network

Unnayan Onneshan Bangladesh  
What Next Forum