



Making REDD Work for the Poor

The Socio-economic Implications of Mechanisms for Reducing Emissions from Deforestation and Degradation

IUCN on behalf of the
Poverty Environment Partnership (PEP)

Background Paper structure

1. Introduction

2. Reduced Emissions from Deforestation in Developing Countries

3. Forests and Poverty Linkages

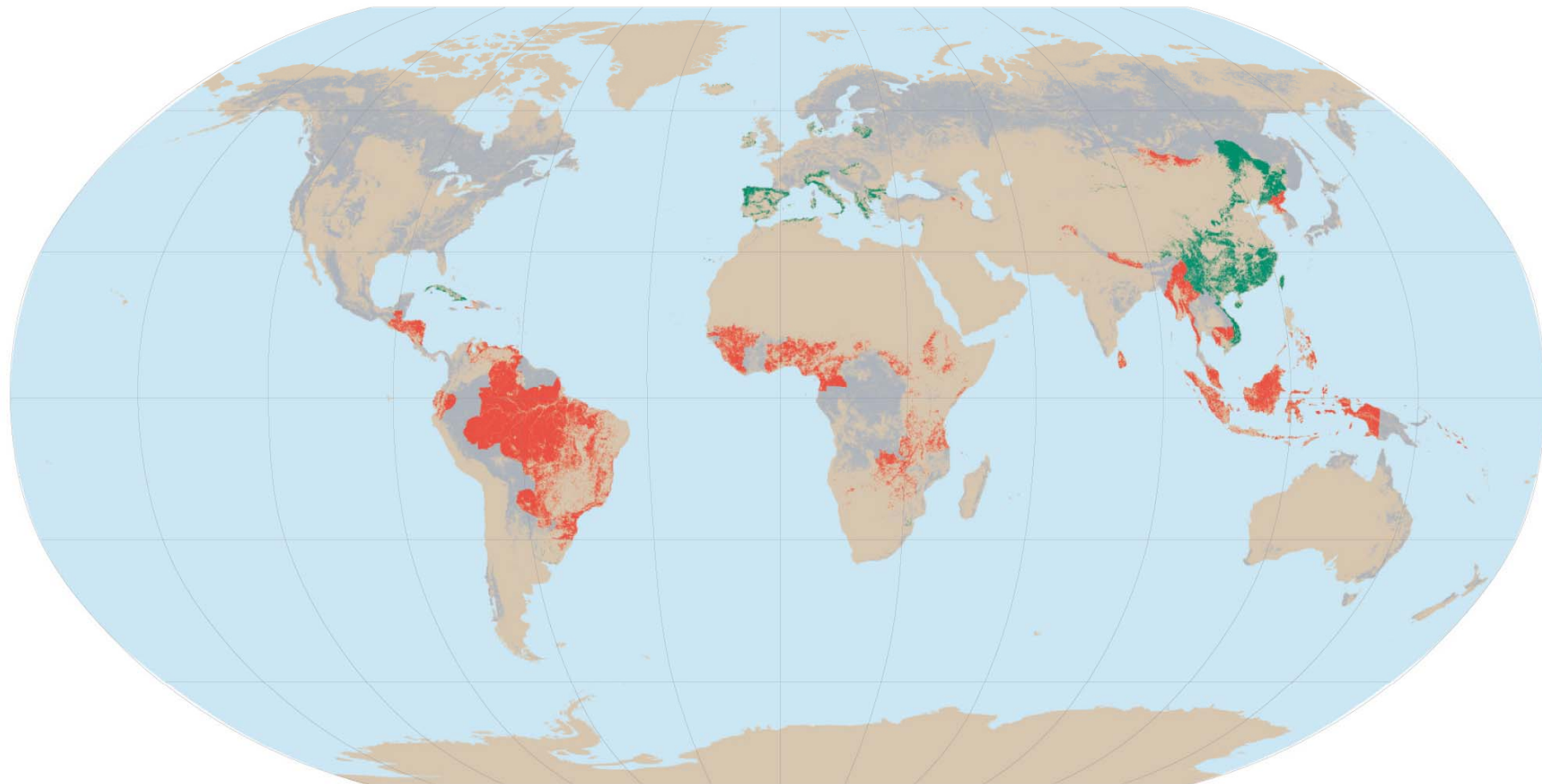
4. Lessons from Relevant Experience




- Carbon Finance (CDM and voluntary)
- Payments for Ecosystem Services (PES)
- Large-scale land use policies
 - Forestry
 - Protected areas
 - Agriculture

5. Achieving pro-poor REDD

6. Conclusion – the REDD potential

Countries with large net changes in forest area 2000–2005



-  >0.50% decrease per year
-  >0.50% increase per year
-  Change rate between -0.50 and 0.50% per year

Drivers of deforestation

(Moutinho and Santilli, 2005)

- ***Direct:***

- Agriculture / plantations
- Mining / energy
- Logging
- Infrastructure

- ***Indirect:***

- Agricultural subsidies
- Infrastructure investment
- Unclear land tenure
- Weak government surveillance
- Demand for forest products

Potential REDD actions at a sub-national level (Chomitz *et al*, 2006)

- payment for ecosystem services
- funding wild fire prevention programs
- improving land tenure security
- enforcing regulations against illegal logging
- taxation of large-scale land clearance
- promotion of off-farm employment
- agricultural intensification in favorable areas
- strategic planning of road improvements
- supporting community-based forestry
- ... and a range of other activities / investments

Many questions about REDD

- Leakage: risk of simply displacing deforestation pressure to other areas?
- Additionality: how imminent is the threat? Would some forests be conserved anyway? Why reward inaction?
- What is the appropriate baseline for assessing REDD?
- Are REDD credits secure (e.g. from fire, disease)?
- National, programmatic or project-level REDD?
- Tradable credits or publicly-funded REDD?
- Integrate into the existing carbon market or create a new and separate REDD market?
- ***What potential impacts on the rural poor?***

Barriers to pro-poor REDD

- Weak / undefined land tenure
- Limited access to markets / information
- Elite capture and corruption
- High transaction costs of small-scale, participatory approaches
- Restricting access to forests could harm some forest-dependent groups
- Uncertain market demand for 'pro-poor' carbon
- Lack of standards / reporting to ensure poverty reduction benefits

Potential recommendations for pro-poor REDD: *National level*

- Ensure equitable cost and benefit sharing with local communities
- Facilitate participation of vulnerable stakeholders
- Recognize and strengthen local rights over forest resources
- Consider the full range of forest ecosystem services
- Strengthen incentives for integrated conservation and development
- Reduce 'perverse' subsidies for land-uses that emit carbon
- Protect access of rural communities to infrastructure and services
- Mainstream REDD in land-use plans and poverty strategies
- Strengthen capacity to plan, implement, monitor pro-poor REDD
- Reduce transaction costs (partnerships, bundling, diff. standards)
- Assess the social impacts of REDD early and often

Potential recommendations for pro-poor REDD: *International level*

- Raise awareness of links between REDD and poverty
- Agree principles, criteria and indicators for pro-poor REDD
- Develop tools to anticipate, monitor, address social impacts
- Test alternative financial mechanisms to support pro-poor REDD
- Promote REDD initiatives that maximize environmental synergies
 - Climate mitigation
 - Climate adaptation
 - Biodiversity conservation
 - Water management



Making REDD work for the Poor

Poverty and Environment Partnership (PEP)

- **Introduction:** Charles McNeill (UNDP)
- **The Poverty and Environment Partnership and REDD Working Group:** David McCauley (ADB)
- **PEP-REDD background paper:** Joshua Bishop (IUCN)
- **Key features of REDD:** Michael Dutschke (Biocarbon.net)
- **Forests, poverty and implications for REDD:** Leo Peskett (Overseas Development Institute)
- **Panel discussion:** Moderator, Charles McNeill (UNDP)
- **Next steps for PEP on pro-poor REDD:** Joshua Bishop (IUCN)

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Poverty and Environment Partnership (PEP)

- **Panel discussion:** Chair, Charles McNeill (UNDP)
 - **Kevin Conrad** (Coalition for Rainforest Nations)
 - **Lera Miles** (UNEP World Conservation Monitoring Centre)
 - **Marcus Colchester** (Forest Peoples Programme)
 - **Eric Bettleheim** (Sustainable Forestry Management Ltd.)
 - **Benoît Bosquet** (World Bank Forest Carbon Partnership Facility)
 - **Peter Minang** (World Agroforestry Center)
 - **Jan Borner** (International Center for Tropical Agriculture)
 - **Ian Kosasih** (WWF Indonesia)
 - **Maria Berlekom** (SwedBio)
- **Next steps for PEP on REDD:** Joshua Bishop (IUCN)

What is REDD?

- “Avoided deforestation”
- “Compensated reduction of deforestation” (IPAM)
- “Reducing emissions from deforestation and forest degradation” (World Bank)
- “Reducing emissions from deforestation in developing countries” (UNFCCC)

- PEP translation: “A conservation or sustainable land-use initiative that effectively mitigates a deforestation / degradation threat in a given area”

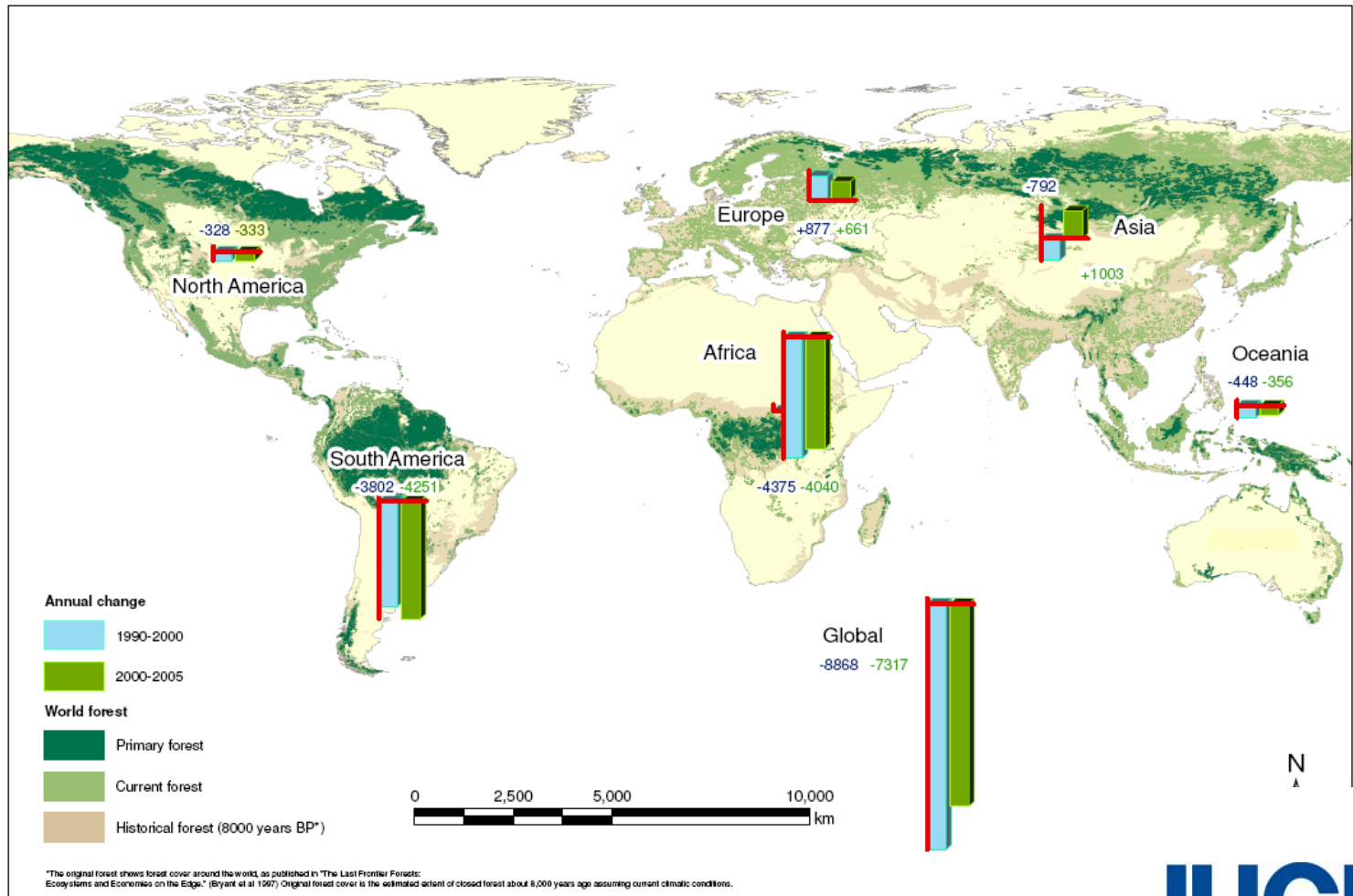
The rationale for REDD

- Deforestation and land degradation account for up to 25% of GHG emissions
- But REDD is currently ineligible for crediting under the Clean Development Mechanism (total US\$ 5.3 Billion in 2006)
- Reducing Emissions from Deforestation in Developing Countries (REDD) seems to be a cost-effective climate mitigation option
- REDD could offer significant co-benefits (biodiversity, ecosystem services, rural livelihoods)

Net annual change in forest area

Net annual change in forest area by region
1990 - 2005 (1,000 ha per year)

CBD Secretariat
November 2007



Forest fire events in 2006 (image produced for the CBD Secretariat by the Geography Dept of the U. of Maryland)

