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REDD: Protecting climate, forests and livelihoods

REDD: key terms

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Deforestation is a global issue. Beyond its destructive impacts on biodiversity and the livelihoods of forest-dependent people, it is a major driver of climate change and accounts for roughly a fifth of global greenhouse gas emissions. The bulk of carbon dioxide emissions come from deforestation in just seven tropical countries, including Brazil and Indonesia.

REDD — 'reducing emissions from deforestation and degradation' — could offer a way forward, as IIED's growing body of REDD research and reports reflects.

What is REDD?

Put very simply, REDD involves some kind of incentive for changing the way forest resources are used. As such, it offers a new way of curbing CO2 emissions through paying for actions that prevent forest loss or degradation. These transfer mechanisms can include carbon trading, or paying for forest management.

There is as yet no formal mechanism for REDD with international recognition under the Kyoto Protocol, but voluntary REDD projects are starting round the world. It is becoming clear that to be effective, payment needs to be tailored to address specific national and local drivers of deforestation over time.

How does **REDD** work?

As a concept, REDD is simple. Funding rewards good forest management in developing countries and makes poor forest management, such as indiscriminate unenforced logging, less profitable than the sustainable alternative.

REDD, as currently conceived, involves payments to developing countries that will prevent deforestation or degradation that would otherwise have taken place. The source of this funding can be from carbon trading, where actors in industrialised countries offset their own emissions by transferring funds as carbon credits to developing countries. Or it can be some other mechanism such as a trust fund, which does not depend on offsets.

The payments then, in principle, go towards actions that enable developing countries to conserve or sustainably use their forests (say, through more appropriate harvesting of wood and other forest products), when they might otherwise not have been able to do so.

This points to one of REDD's potential advantages, particularly at a time of volatile global economics: it can be cheap in comparison to other mitigation activities, such as carbon capture or renewable energy. Although the point is arguable, leaving forests more or less alone can bring benefits for very little cost.

Tropical rainforests are, next to ocean reefs, the richest ecosystems on Earth. Worldwide, forests are also home — or a treasurehouse of resources — to some 70 million people, according to the Food and Agriculture Organization of

the UN. Managing forests sustainably so they serve the people dependent on them, continue to house an extraordinary range of wild plants and animals, and meet the global imperative to sequester carbon, is now a matter for urgent action.

What are the challenges of REDD?

A range of political and technical challenges stood in the way of REDD's recognition by the Kyoto Protocol. But the Coalition for Rainforest Nations ensured REDD re-emerged as an issue at the 2005 Conference of the Parties (COP) to the UN Framework Convention on Climate Change, in Montreal.

At the 2007 COP in Bali, REDD became a key element in the Bali Roadmap, the action plan for negotiating a new climate regime by the end of 2009. By 2008, at the most recent COP in Poznań, Poland, REDD had become the centre of heated debate.

Those promoting REDD see it as a means of supporting forest conservation and a low-cost mechanism for reducing carbon emissions. Critics argue that industrialised countries must not be absolved of their domestic responsibilities to cut carbon dioxide emissions.

There are concerns, too, about the negative impacts REDD payments might have on forest-dependent communities, primarily through further weakening of their land and resource rights. There are also potential and complex links with agriculture. Limiting the expansion of agriculture could have impacts on the supply of food and other agricultural products.

To be effective as mitigation, REDD projects have to meet a number of stringent criteria. They must avoid 'leakage', for instance — where conservation in one area simply shifts deforestation to another. REDD projects and programmes also need to be 'additional' – that is, they must lead directly to reductions in deforestation and degradation that would not have happened simply as a result of wider changes in the economy. A project baseline needs to be established to measure progress in reducing greenhouse gas emissions.

Land tenure and forest governance are also key factors that will determine the success or failure of any REDD initiative, and the mechanisms by which payments and benefits are shared will be critical.

So what appears to be a relatively straightforward solution to climate change – paying to keep forests standing – is much more complex than it appears at first glance. Because REDD is inseparable from the highly complex social, economic and biological realities of forests today, it remains controversial.

Current action on REDD

REDD initiatives are proliferating. Here are a couple of examples.

In 2008, the UN set up the UN-REDD programme, a collaboration between the UN Food and Agriculture Organization (FAO), the UN Development Programme (UNDP) and the UN Environment Programme (UNEP), and including a multidonor trust fund.

Norway has contributed substantially to the programme, and a raft of developing countries — Bolivia, Democratic Republic of the Congo, Indonesia, Panama, Papua New Guinea, Paraguay, Tanzania and Vietnam — have joined the first phase. Officials hope it will be agreed formally at the 15th COP in Copenhagen, Denmark, in 2009.

REDD is happening here and there across the globe, with varying levels of success.

The Juma Sustainable Development Reserve Project in Amazonas, Brazil's biggest state, has got off to a promising start as the Amazon's first REDD project that has been independently validated. The Juma project is part of the wider Bolsa Floresta programme – now making payments to more than 6000 families in 14 threatened conservation areas, covering over 10 million hectares.

Bolsa Floresta has four main ways of making payments – one dispersed through a purpose-designed debit card system run by a mainstream bank – which create a balance of incentives that make a pledge towards zero

deforestation economically palatable at family and community level.

REDD: key terms

REDD The acronym stands for 'reducing emissions from deforestation and forest degradation'. This issue was first placed on the agenda of the 2005 international climate change negotiations. At that point the agenda item was called 'reducing emissions from deforestation in developing countries and approaches to stimulate action'. As a result, this is the name of the decision on REDD agreed at the 2007 UN Framework Convention on Climate Change (UNFCCC) in Bali, Indonesia (decision 2/CP.13). Decision 2/CP.13 acknowledges that forest degradation also leads to emissions and needs to be addressed when reducing emissions from deforestation. The 'DD' in REDD now stands for degradation and deforestation.

REDD + Along with the separate decision on REDD (see above), REDD is included in the Bali Action Plan (decision 1/CP.13) as a component of enhanced action on mitigation (curbing emissions). Parties to the UNFCCC have agreed to consider policy approaches and positive incentives on issues relating to REDD in developing countries and *the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.* It is this last clause on the role of conservation and sustainable management that has added the '+' to the REDD discussion.

REDD baseline An expected, or business-as-usual, emission of carbon dioxide from deforestation and forest degradation in the absence of additional efforts to curb such emissions — used as a benchmark against which emissions reductions can be measured.

REDD conditions To deliver real reductions in carbon dioxide emissions, REDD must satisfy the following conditions.

additionality Proof that any reduction in emissions from a REDD project is genuinely additional to reductions that would occur if that project were not in place.

no leakage Leakage is a reduction in carbon emissions in one area that results in increased emissions in another. A classic example is where curbing clearfelling in one region of forest drives farmers to clearfell in another.

permanence The long-term viability of reduced emissions from a REDD project. This is heavily dependent on the forested area's vulnerability to deforestation and/or degradation.

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