



## When REDD+ goes national

### A review of realities, opportunities and challenges

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- The development of national REDD+ strategies has progressed. Common challenges include establishing appropriate national institutions that link into ongoing processes; ensuring high level government commitment; achieving strong coordination within governments and between state and non-state actors; designing mechanisms to ensure participation and benefit sharing; and establishing monitoring, reporting and verification (MRV) systems.
- The different agendas of actors involved in policy formulation at the national level reflect those at the international level. Conflicting interests could make it difficult to overcome the key challenges and hamper coordination, which could reduce efficiency in formulating and implementing REDD+ actions.
- Issues such as participation, land tenure and other reforms are key issues in developing effective REDD+. But it is unclear to what extent these are mere rhetoric or whether they represent genuine motivation to address such issues the context of REDD+.

## The politics of REDD+

Concerns about climate change at the international level have resulted in massive interest in tackling the drivers of deforestation and degradation. But REDD+ is also fast becoming a reality in national politics and on the ground. Despite the broad consensus over the role of forest emissions in global climate change, there is much less agreement over how emissions should be included as part of a global climate agreement and what national efforts are needed for REDD+ to make a difference.

Disagreements reflect different concerns and agendas. Concerns among developing countries with respect to an international REDD+ mechanism vary from the possible negative impacts on economic growth and loss of national sovereignty, to being left out of future compensation mechanisms because of the terms on which they will be established. Developed-country concerns range from the need to tap into the low-cost abatement potential of REDD+, to the environmental integrity and economic implications of including REDD+ within mechanisms such as international carbon markets. Critics in several areas have voiced concerns about potentially large financial flows leading to misuse, corruption, displacement of poor or indigenous people and possibly perverse incentives (Griffiths 2007; Lawlor *et al.* 2009). The result is a multitude of debates at different scales of what REDD+ could and should be.

Moving from the international to the national policy arena, we find a similar diversity in the debates. REDD+ strategies and policies are currently being formulated in a number of countries. Some REDD+ policy decisions are induced by international actors such as the UN-REDD Programme and the Forest Carbon Partnership Facility (FCPF) managed by the World Bank. Others derive from the design of Readiness Plan Idea Notes (R-PINs) and Readiness Preparation Proposals (R-PPs). Domestic REDD+ debates are similarly shaped by a variety of more or less powerful actors, operating at different scales and embedded among markets, hierarchies, coalitions, networks and the state. The debates are driven by a multitude of interests, strategies and 'beliefs'. To fully understand the outputs and outcomes of the REDD+ policy process, we must analyse the 'discourse, political interests and the agency of multiple actors' (Keeley and Scoones 1999; see also Hajer 1996).

This chapter first briefly describes the various agendas that have arisen in the global REDD+ debate. The main part of the chapter is a review of processes within REDD+ countries, with snapshots of the realities in Bolivia, Cameroon, Indonesia, Tanzania and Vietnam. We seek to address such questions as:

- What is shaping REDD+ at the national level, besides nationally translated international negotiations and debates?
- In which directions are the early national REDD+ strategies moving?

- What are the key challenges in developing and implementing such strategies and policies?

## The REDD+ game: Who is playing and why?

Political decision-making processes rarely produce optimal outcomes. They are not controlled by formal Weberian political and administrative hierarchies, nor do they follow neo-economic ideas of purely market-organised supply and demand. Rather, the process of public policy is embedded in a decentralised network of well – or less-well – organised interests and actors at multiple levels, both governmental and nongovernmental (Mayntz 1993; Schneider 2003). Policy making is not always solution oriented or evidence based. Policy making around REDD+ is no exception, whether internationally or nationally, and will not always lead to the most effective, efficient and equitable REDD+ policy decisions.

Formal discussions at the international level initially focused primarily on technical and methodological issues. However, few issues are purely technical and they have been rapidly translated into political bargaining. New issues, particularly related to the magnitude and sources of international funding for REDD+, have also moved high on the REDD+ agenda. At the international level, the REDD+ debate is commonly divided into a number of key areas of contention (see also Chapter 2; Angelsen 2008b; Meridian Institute 2009a):

- **Scope:** relative emphasis of deforestation and degradation *vs.* carbon stock enhancement; types of activities to be accounted for; forest definitions; inclusion of sustainable forest management; natural regeneration; and afforestation and reforestation;
- **Scale:** level of accounting and crediting to be recognised in an international agreement; sub-national *vs.* national *vs.* nested approaches;
- **Financial mechanisms:** funding sources and delivery mechanisms (different international funds *vs.* carbon market integration *vs.* hybrid solutions, such as auctioning Assigned Amounts Units); governance and institutional structure of international REDD+ finance; level of funding required to implement REDD+;
- **Reference levels:** criteria and procedures to use for establishing reference levels; ‘rewarding high deforestation’ by using historical baselines; interpretation of ‘national circumstances’; interpretation of the principle of ‘common but differentiated responsibilities’;
- **Participation of indigenous people and local communities:** type and extent of safeguards to be included and appropriate benefit-sharing arrangements; and
- **Co-benefits:** relative emphasis on climate benefits *vs.* co-benefits, in particular poverty alleviation and sustainable development.

These areas of contention have emerged because the main actors in the debate – governments in developed and developing countries, international organisations, NGOs, the private sector and local and indigenous groups – hold different positions. The positions reflect interests and goals that stretch far beyond climate goals, and they influence the key debates on the global REDD+ architecture and their potential outcomes. These include the direct economic benefits of participating in REDD+, concerns about cost efficiency and environmental integrity, national sovereignty, perceptions of fairness and social justice, and public relations and relationship with political constituencies (see Table 3.1).

To add to this complexity, questions are increasingly being asked about the linkages between REDD+ and broader climate change mitigation architecture, in particular nationally appropriate mitigation actions (NAMAs), the types of funding sources and mechanisms that could be used to support REDD+, and how MRV of both support and actions is handled (von der Goltz 2009).

The result has broadened the REDD+ debate to incorporate different agendas. This is seen in the expanding scope from avoided deforestation, through RED and REDD, toward REDD+, and proposals such as the ‘phased approach’ (Chapter 2), which in some ways relaxes the rules surrounding REDD+, enhancing participation and postponing some difficult decisions.

While debates about REDD+ at the national level are, in general, far less mature, many of the same actors are involved and similar drivers appear to dominate the emerging discourses. However, added layers of complexity need to be understood for how they may affect successful implementation. Finer disaggregation of actors such as governments is particularly important. They cannot be seen as one unit, but rather as a set of different actors with individual interests and an individual mix of drivers for their involvement in REDD+. The interplay between international, national and subnational actors is also an increasingly important issue. The following section outlines some of the important debates and issues in five early-starting REDD+ countries.<sup>1</sup>

## When REDD+ enters national politics

Snapshots from Bolivia, Cameroon, Indonesia, Tanzania and Vietnam (Boxes 3.1–3.5) outline key processes and challenges in national REDD+ processes. The case studies reflect ongoing debate and discourse in these countries among the different actors with interests in REDD+. These include: different government institutions at national and subnational levels; international, national and local environment and development NGOs; affected communities;

<sup>1</sup> In addition to being early starters, these countries were selected mainly because they are included in a global comparative research project on REDD+ by CIFOR and partners. Other countries might be equally or more advanced in their national REDD+ processes.

**Table 3.1. Interests in the REDD+ agenda and their influence on different actors' positions on some key aspects of REDD+**

Drivers	Influence on actors' positions on key REDD+ building blocks
Economic benefits	<ul style="list-style-type: none"> <li>• Drives many developing country governments with low deforestation rates and high degradation to expand the scope from avoided deforestation to REDD+</li> <li>• Drives conservation NGOs because of links to financing protected areas, biodiversity conservation etc., and to include forest conservation</li> <li>• Drives private sector positions on using systems based on markets and projects</li> <li>• May drive some local communities and indigenous people to engage with REDD+ because of the perceived benefits</li> </ul>
Cost efficiency	<ul style="list-style-type: none"> <li>• Drives many developed country government positions on the use of offsets and the interest in market-based systems for REDD+ (see FCCC/KP/AWG/2009/MISC.1, page 39), but also avoids transfers beyond actual costs of REDD+</li> <li>• Drives private sector positions on the use of project-based systems for REDD+, which may be easier than working through governments (IETA 2009)</li> </ul>
Environmental integrity	<ul style="list-style-type: none"> <li>• Drives opposition from anti-market NGOs to the use of offsets and market-based systems (e.g., Bullock <i>et al.</i> 2009)</li> <li>• Drives positions on the scope of REDD+ in relation to sustainable forest management including logging or conversion to plantations</li> </ul>
National sovereignty	<ul style="list-style-type: none"> <li>• Drives many developing country government positions on offsets, scale, safeguards relating to indigenous peoples and development of MRV systems involving third parties</li> </ul>
Fairness and social justice	<ul style="list-style-type: none"> <li>• Drives pro-market NGO positions on the use of social safeguards for co-benefits in REDD+ (e.g., The Nature Conservancy 2009)</li> <li>• Drives anti-market NGO opposition to offsets and market-based approaches</li> <li>• Drives local and indigenous peoples' concerns for the development of social safeguards and co-benefit approaches in project and programme design</li> </ul>
Political positioning , public relations	<ul style="list-style-type: none"> <li>• Drives some developed country government positions (e.g., the EU in relation to NGO lobby and desire to be seen as progressive; Bozmoski and Hepburn 2009) on use of offsets and market systems. Also a key impetus for developing country governments positions on co-benefits and socio-economic development</li> <li>• Positive public relations drives private sector interest in systems (e.g., standards) to demonstrate co-benefits</li> </ul>

the private sector; and international donor organisations. The snapshots give an indication of the different priorities given to specific policy issues.

The five countries differ in important ways. They cover different stages on the forest transition curve (see Box 1.2). Bolivia could be considered as being early in its forest transition, with more than 50% forest cover and relatively medium rates of deforestation (FAO 2007). Indonesia, Tanzania, Cameroon and Vietnam all have forest cover on 40% to 50% of their land, but Indonesia has had much higher rates of deforestation during the past two decades. Tanzania and Cameroon have lower rates, but above average rates of tropical deforestation, while Vietnam has reported an increase in overall forest cover (although deforestation is still occurring at subnational levels).

The governance systems also differ, but all have gone through or are in the midst of decentralisation processes, except Cameroon, where decentralisation is still in a very early stage). Tanzania has a long history of decentralised planning. In Indonesia, this process has been underway for a decade but is facing challenges, especially in the forest sector. Bolivia began a decentralisation process in the 1990s but has seen recent changes toward market sceptical governance systems, which will also affect its position in international REDD+ debates. Vietnam is in a process of decentralisation, but power and planning authorities have not yet fully arrived at the local level. The country's governance structure still remains rather centralised, but efforts to empower local communities are underway.

### **Box 3.1. REDD+ realities in Bolivia**

Peter Cronkleton and Bernardo Peredo-Videa

Although Bolivia was an early starter in national REDD strategy development, institutional and political shifts have significantly reoriented the country's policy. Since 2006 Bolivia's government has advocated a strong role for forests in international climate change negotiations. In early 2008, Bolivia submitted an R-PIN to the Forest Carbon Partnership Facility developed by a technical committee consisting of representatives of the National Climate Change Programme (NCCP) in collaboration with NGOs and civil society. Toward the end of 2008, the government of Evo Morales more forcefully asserted policy positions that questioned the regulatory power of markets and the underlying capitalist logic supporting such market beliefs.

In 2009, the government's stronger policy orientation dramatically changed the course of the national REDD strategy and shifted institutional

responsibilities for REDD. The government's new position rejected participation in market-based REDD mechanisms; instead, the strategy will rely on fund-based approaches. This stand provoked some criticism from departmental and municipal governments that had anticipated benefits from REDD markets.

Developing a coherent national REDD process under the new institutional structure will be a challenge because responsibility for climate change and forests has been split between ministries. The Ministry of Environment and Water is the focal point for REDD, specifically through the Vice Ministry of Environment, Biodiversity and Climate Change, where the NCCP is now housed. Forestry issues are under the mandate of the Ministry of Rural Development and Lands through the Vice Ministry of Forest Management and Development. The roles and jurisdictions of participating agencies are not entirely clear, and much effort will be needed to avoid contradictory actions, replication or intra-agency conflict. As of mid-2009, the NCCP, restaffed after the institutional shift, was working to define responsibilities and programmes in alignment with the government's strategy.

Progress in defining forest property rights is facilitating policy making. Bolivia's 1996 tenure reform law formally recognises indigenous communal properties (TCOs), and a new forestry law promoting sustainable forest management recognises some rights of private and communal landowners to forest resources. Nevertheless, work remains to finalise reforms and consolidate new property rights.

There are also initiatives to implement subnational REDD demonstration activities. A prominent one is the 'Subnational Indigenous REDD Programme in the Bolivian Amazon' organised by the NGO FAN and the national indigenous federation CIDOB. The high-profile role of CIDOB reflects its long history as a representative organisation, but also the fact that indigenous people control substantial forest area. The initiative, funded by the Moore Foundation and the Dutch and Danish governments, will involve 6 million hectares in three TCOs, six municipal governments and national agencies responsible for forest monitoring. Bolivia also hosts the Noel Kempff Project, one of the world's early avoided deforestation projects, funded by the private sector and implemented by The Nature Conservancy.

The final scope and design of the Bolivia REDD strategy are uncertain, but the government's commitment to smallholders and indigenous people gives reason for some optimism.

## Comparing REDD+ realities: What can we learn?

The country snapshots highlight common themes emerging in evolving REDD+ systems. Recurring issues are scope, scale and financial mechanisms, as debated at the international level, but the national focus tends to be much more on how and by whom REDD+ is implemented, and related benefit sharing. In this comparative analysis, we critically review those themes by highlighting some of the interests driving the national processes, and discuss the challenges associated with the trends in the emerging REDD+ realities.

### Box 3.2. REDD+ realities in Indonesia

Daniel Murdiyarso

The earliest step in the Indonesian REDD+ process was the formation of the Indonesian Forest–Climate Alliance (IFCA) before COP13 in Bali in December 2007. Supported by several bilateral donors (e.g., GTZ, DFID, AusAID) and the World Bank, the multistakeholder group built a national framework for long-term implementation and to identify outstanding methodological issues.

Indonesia took up the challenge to enhance its preparedness by developing policies and strategies to implement REDD+ at the national level by engaging with multilateral initiatives, such as the Forest Carbon Partnership Facility and the UN-REDD programme.

These early efforts, particularly during the IFCA process, have led to the establishment of a regulatory framework and national institutions, including the National Council for Climate Change (NCCC) under the President's Office and the REDD Committee under the Ministry of Forestry. But their performance and effectiveness, in relation to their authority and coordinating roles, are untested. The commitment of the different government agencies involved is dependent on – and often limited by – the formal mandate they have. Coordination across government agencies, coordination between central and local governments and improvement of institutional capacity remain huge challenges for Indonesia, which started decentralising relatively recently.

In the meantime, three regulations dealing with REDD+ project development, implementation and issuance of permits were enacted to ease the way for project developers, investors and hosts to start crafting their project idea notes, even though the regulation dealing with benefit sharing was contested by a variety of stakeholders including local governments, and might be revised. Since then, a number of pilot projects have been recognised. They



have been developed in protected areas in Central and East Kalimantan provinces with the involvement of the central and provincial governments. However, the government has failed to acknowledge numerous projects initiated by local governments, local NGOs and private companies/financiers, which can potentially implement REDD+ effectively. This is partly because of the late arrival of the regulatory framework and preparedness of institutions to implement REDD.

The largest challenges faced by project developers are related to capacity in implementing the projects. During the preparedness phase, 2009–2012, Indonesia will have to address issues related to the rights and responsibilities of local communities, land tenure insecurity faced by smallholders and forest rent enjoyed by large landholders. This is particularly crucial to ensure equal distribution of forests and carbon benefits. Strengthening tenure systems and clarifying property rights can improve forest governance and raise the incomes of local communities. Nevertheless, some NGOs (e.g., AMAN, Sinar Resmi) have expressed concern that REDD+ could further marginalise forest-dependent people and those with customary rights. Large-scale land acquisition remains a threat to smallholders with no formal legality.

Building capacity in implementing methods to assess carbon stocks (C stocks) and their changes over time to establish reference levels is also crucial. Cost-efficient MRV of C stocks will eventually improve benefits for project hosts. Although there will be a national-level carbon accounting system, known as NCAS, much needs to be done regarding data harmonisation and sharing protocols across participating agencies, the so-called information nodes. The infrastructure for data flow from central to regional and local nodes does not exist. As NCAS is top-down and technology intensive, there is a need to accommodate the participation of local communities in monitoring C stocks with more appropriate technology. Resources available from public funding during the preparedness phase should go toward improving the skills and bargaining position of local communities.

## **Institutions and links to ongoing policy processes**

In most cases international organisations are the primary drivers of activity surrounding REDD+, particularly in relation to the FCPF (in around 40 countries, and all five countries in this chapter), and to a lesser extent to UN-REDD. New institutions that have developed alongside these processes include steering committees, national working groups and councils for climate change. These are often housed within forestry departments, or form subgroups of ministries mandated to deal more broadly with climate change

issues. The countries' processes are also very similar: The main policy tools are the FCPF R-PIN, to qualify for the process, and the R-PP, to detail how finance will be used. Such approaches have had varying levels of success: there are still few R-PPs and some countries, such as Panama and Papua New Guinea, have suffered major setbacks because processes moved ahead too quickly. These strong international drivers and the standardisation of processes raise questions about the degree to which country ownership is being achieved within evolving REDD+ processes.

### **Box 3.3. REDD+ realities in Vietnam**

Minh Ha Hoang Thi and Pham Thu Thuy

The Vietnamese government emphasises that REDD and REDD+ should enhance sustainable forest management, biodiversity conservation and forest carbon stocks, all within current environment and socio-economic development strategies. Since being selected in 2008 as a participant in FCPF, Vietnam has built a REDD road map, which proposes the country's central highlands and the northern central provinces for REDD pilot projects, because of their high rates of deforestation and high density of minority groups. In September 2009, the UN-REDD Programme, supported sharing early lessons learned among ASEAN members to build capacity, especially in countries in the Lower Mekong Basin. It will also establish the central highlands province of Lam Dong as a REDD pilot site.

The road map starts with strengthening coordination among ministries; one of the main constraints identified to implementing payments for environmental services (PES) and REDD in Vietnam were overlaps between the mandates of different ministries and weak cross-sectoral coordination. The Ministry of Natural Resources and Environment is the national focal agency for climate change activities in Vietnam, whereas governmental capacities for REDD are seated in the Department of Forestry at the Ministry of Agriculture and Rural Development (MARD). Although mandate division between the two ministries is clear and could potentially ease coordination, it may create difficulties in making any cross-sectoral action happen.

REDD in Vietnam is managed by a Climate Change Mitigation and Adaptation steering committee under MARD. A REDD National Network and working group have been established to enable the wider participation of stakeholders. The ongoing consultation process to plan REDD has only included central government bodies, with few consultations in the pilot areas or other sections of the public. Indigenous people, including ethnic minorities, however, are often at the centre of the discussions because it is recognised that the success of REDD projects depends on the application of

lessons from earlier upland programmes on how to empower indigenous people. International organisations support this interest, especially those that have been actively involved in REDD consultation, networking and method development processes, such as JICA, World Agroforestry Centre, CIFOR, Winrock International, GTZ, RECOFTC and SNV. Yet the government seems to perceive these activities, especially those driven by international and national NGOs, to be opposing government-led REDD activities.

The REDD strategy proposes that payments be channelled to three groups: forest-dependent rural communities, natural resource management boards and local forest protection and enforcement agencies. Disbursement of payments to communities will be linked to inventory work and REDD success. The plan is for payments to be directed toward officially recognised groups (so far only government bodies) even at the community level. Nevertheless, it is unclear whether the benefit-sharing mechanism developed by the government will be based on performance or fixed payments. Vietnam lacks supportive policies, mechanisms and tested guidelines to achieve an effective, transparent and practical payment system to individual households. Several actions are planned to tackle these challenges with support from donors such as Norad, GTZ, USDA and the EU.

Other challenges, as noted in Vietnam's R-PIN, include the lack of tenure clarity, lack of money for tenure allocation programmes, high opportunity costs for land conversion and limited data on deforestation trends because of the lack of coordination and technology within the governmental departments. Data on deforestation trends in Vietnam are lacking and inaccurate for many reasons, including fragmentation of existing monitoring systems across government departments; application of low-resolution remote-sensing data in forest cover mapping; weaknesses in forest cover reporting systems from the local to the national level; and inconsistent use of forest classification systems between forest inventory cycles. Discussions underway include plans for local community groups to conduct monitoring to feed into national statistics (to be audited by the national REDD group) once tenure allocation to minorities has taken place.

Harmonisation of REDD+ with other environment and development strategies has emerged as a theme both in the snapshots presented here and in other REDD+ countries. Options for ensuring harmonisation are raised formally in many REDD+ planning documents. Existing laws, regulations and policy instruments are being proposed for implementing REDD+. The countries discussed in this chapter are at very different stages with respect to how such harmonisation could work; compare, for example, Bolivia and

Indonesia. The level of activity on REDD+ compared with other aspects of climate change also indicates some disparity between REDD+ and other mitigation sectors. This may raise the risk that REDD+ is not well integrated into broader climate change strategies if and when they emerge.

Pilot projects and demonstration activities are the preferred approach for learning how to develop REDD+. However, confusion is evident in how these can inform future national REDD+ programmes or how 'parallel' approaches, as discussed in the case of Bolivia, link to national approaches. Institutions and a framework to ensure lessons learned from pilots in the countries have not been observed.

### **Box 3.4. REDD+ realities in Cameroon**

Denis Sonwa and Peter Minang

The Cameroon government has expressed strong interest in engaging in REDD+ activities, but related processes are still at a very early stage. Cameroon is also participating in Congo Basin submissions and the Coalition for Rainforest Nations (CFRN). An R-PIN was submitted in 2008, and in June 2009 a 'REDD cellule' was established to coordinate preparing the R-Plan. The committee is headed by the national focal point for the UNFCCC. Cameroon hosts a Central African Forest Commission (COMIFAC) REDD+ pilot project supported by the German Development Bank (KfW) and implemented by GTZ. A new pilot project on payments for environmental systems, implemented by the national Centre for Environment and Development (CED), has also started.

The main drivers of deforestation and degradation in Cameroon are land conversion for agriculture and logging. In an institutional environment which has excellent policies on paper but limited enforcement, expectations are high that REDD+ can reduce deforestation and degradation by providing alternative incomes. However, clarity is needed on who will bear which REDD+ costs and how they will be compensated. However, in a forestry sector with both legal and illegal logging, some resistance to the implementation of REDD+ can be expected. As with other countries in the Congo Basin, Cameroon is receiving great interest from Asian logging companies.

Indigenous people's rights to land and trees is one issue needing clarification, because of overlapping and conflicting customary and statutory rights. National and international NGOs have limited influence in forest policy making, but they have been very active in highlighting the rights of

communities and voicing environmental concerns (e.g., on the construction of the Chad Cameroon Pipeline). Civil society organisations have also been active in REDD+ capacity-building activities.

As in other countries in the Congo Basin, Cameroon faces difficulties in terms of capacity (human and technical) for MRV across all levels. Proposals suggest participatory MRV at the local level. Lessons on planning and implementing management plans in community forests can provide insights that could be useful in MRV. The CED is already working with indigenous people to use GPS technology to map forest landscapes. The ASB consortium has generated relevant basic ecological information and economic analyses (opportunity costs and tradeoffs for REDD) of deforestation and land use and land cover change analysis for the humid forest zone of Cameroon. The Centre National de Cartographie and forest department could be useful in generating some basic information, but in general the country needs support in for improved MRV.

The current forest tax payment scheme is viewed as a possible financial distribution mechanism that can provide lessons for future REDD+ benefit sharing, with its 50–40–10 principle: 50% of the income goes to the national administration, 40% to the communal office and 10% is directly managed by rural communities living around the logging area.

Coordination across ministries is a precondition for successful REDD+ implementation. The Ministry of Environment and Protection is in charge of climate change and the Ministry of Forests and Wildlife is in charge of forest management; both are represented in the REDD cell. But the exclusion of ministries such as Finance, Agriculture, Mining and Planning could lead to cross-ministerial conflicts and limit the potential for success. The multistakeholder steering committee of the project REDD-KFW-GTZ-MINEP-COMIFAC can serve as an example for future coordination.

## Coordination and commitment

Coordination and level of government commitment emerges as a key challenge in all cases, with coordination between ministries a particular focus in national REDD+ processes. Coordination between international and national actors and between national and subnational actors features less prominently, although this will be key for REDD+ success (Chapters 5, 9 and 14).

**Government commitment and coordination.** High level commitment to REDD+ and strong cross-sectoral coordination are likely to be prerequisites for

successful REDD+ implementation. Some governments have made REDD+ a priority with strong involvement from key ministries such as finance, while in others, ensuring meaningful participation from important sectors such as agriculture and mining is proving difficult. In many cases there appears to be limited high level commitment for REDD+. Forest Commissions and other agencies that represent the country in the UNFCCC or FCPF push for REDD+, but there is limited support at Cabinet level.

There have been significant efforts to enhance coordination in most cases, with the establishment of cross-ministry coordination processes for REDD+. However, changes in government policies (e.g., decentralisation or new institutional structures established for dealing with climate change) may cause coordination problems. For example, responsibilities for climate change and forests are split between ministries in many countries. These divisions may be exacerbated by differences in interests between different parts of government. Even within ministries, REDD+ may lead to tensions, for example, between production and conservation branches, where REDD+ could be construed as a threat to business as usual.

Similar issues play out between different levels of government. The case of Indonesia illustrates the ongoing challenges in authority and power sharing between central and local governments.

### **Box 3.5. REDD+ realities in Tanzania**

Pius Z. Yanda

At the international level, the Tanzanian government is calling for an approach to REDD+ that 'establishes a pathway to engage in voluntary nationally appropriate mitigation actions (NAMAs) by developing countries in the context of sustainable development' (FCCC/AWGLCA/2009/MISC.1/Add.4). Tanzania sees a strong alignment between REDD+ and national development goals, including poverty reduction. The emphasis is on developing an inclusive approach to REDD+ that takes into account national circumstances in terms of scope of emissions sources included, baseline setting and capacity to monitor, report and verify. There are concerns, however, that little is known about the demand side of carbon markets and REDD+ could end up like the Clean Development Mechanism (CDM), which has yielded few benefits for the country so far. Safeguards need to be created to ensure price stability if markets are used. Other sources of financing will be required to support REDD, particularly in the short term.

At the national level, REDD+ discussions are rapidly leading to action. The Norwegian government has been a key driver of REDD processes, giving financial support of NOK 500 million (US \$90 million) over five years (2008–2012), with 20% of this given to the UN-REDD Programme in 2009. REDD+ is administered by a National REDD Task Force (established under the broader National Climate Change Steering Committee), which is in charge of developing a national strategy for REDD. A Trust Fund for REDD, a semi-autonomous National Carbon Monitoring Centre (NCCM) and new integrated methods to quantify co-benefits are proposed. There is an emphasis on linking these to existing policies and processes, including participatory forest management, fire management systems and sustainable harvesting.

Participatory processes are being used to develop the strategy involving stakeholder consultations at zonal, district and local levels. At the local level, the focus is on forest-dependent communities, particularly those that have been practising participatory forest management. Other stakeholders' engagements include consultation with public and private sectors. There will also be in-depth interactions with forest-dependent communities during the annual meeting of the network of forest-dependent communities in Tanzania (MJUMITA). NGO pilot projects are also engaging with rural communities in various parts of the country. One of these is the Tanzania Forest Conservation Group, which plans to implement REDD+ through the existing Participatory Forest Management institutions, with around 18% of funding going directly to communities depending on their performance in reducing emissions. All these interactions will provide inputs useful for the development of the national REDD+ strategy.

There are major challenges to overcome to develop a REDD+ strategy that contributes to the goals of sustainable management of forest resources and poverty reduction. The greatest challenges include:

- establishing baselines with a paucity of accurate historical data;
- developing internal benefit-sharing systems for funds that pass through government;
- overcoming land tenure issues particularly relating to poorly demarcated 'general land' that may leave villages susceptible to external investment pressures; and
- addressing drivers of deforestation while enhancing livelihoods of the rural communities that depend on natural resources for their livelihoods.

**State versus non-state actors:** The greatest tensions arise perhaps in differences in position between state and non-state actors. The main concerns are from civil society organisations over the risk of further marginalisation in terms of rights and tenure related to REDD+ and who will hold the power in terms of managing and distributing benefits. The state still dominates many of the current national REDD+ proposals.

Similar challenges are arising between the positions of the state and the private sector. This emerges mainly in the area of subnational versus national approaches to REDD+. In some cases, the state has yet to recognise subnational approaches, has been slow to develop regulations surrounding these approaches (only Indonesia has such regulations) or is actively opposed to market systems in which the private sector could feature more prominently (e.g., Bolivia). In some cases, subnational demonstration projects are being developed in parallel with national strategies. This may be partly due to international and local pressure to develop workable demonstrations, but it is unclear how coordination may work between national and subnational approaches, which could raise further difficulties.

There are also differences in the positions of international and state actors in the development of REDD+, which may raise difficulties for overcoming implementation challenges. For example, in the cases of Vietnam and Cameroon, it is implied that donor and international NGO interests surrounding the discourse on participation, benefit sharing and tenure security could undermine the development of national strategies for REDD+, unless carefully managed.

Regional and international coordination between governments that may be suppliers of REDD+ emissions reductions or not subject to emissions caps (e.g., regional trade in Asia affecting REDD+ implementation in Vietnam, or Chinese private sector interests in investing in logging operations in Cameroon) is a key issue that has seemingly received little attention as yet.

## **Benefit sharing and participation**

Participation and rights, particularly of indigenous peoples and local forest stewards, are among the most prominent issues in national REDD+ processes. These concerns have primarily been driven by international NGOs and national civil society organisations. They fear that existing efforts to preserve forests will not be recognised in REDD+ systems, that governments will retain financial benefits for themselves or, worse, that new risks will be introduced (e.g., incentives for much more heavy-handed forest protection related to REDD+). The country cases, especially Indonesia, Vietnam and Bolivia, highlight that these risks are real.



Formal processes for benefit sharing have not been discussed in detail in most cases, although different approaches are becoming apparent in national plans. One of the apparent tensions is over the role of government and non-government structures. For example, proposals in Vietnam and Indonesia have raised concerns about benefits either not reaching local levels or being allocated through ineffective government systems at the local level. But, as noted in Chapter 12, expectations about the magnitude of future REDD+ benefits and rents to share might well be unrealistically high.

An interesting trend is that in most of the countries, the focus of REDD+ is very much on forests, with benefit sharing, for example, being managed through existing community forestry arrangements or PES-type systems. There appears to be less discussion about the broader reforms that may be implemented under REDD+ (e.g., in agriculture or energy). These need to be considered in benefit sharing systems, as do their implications, such as their welfare effects. There is also a tendency to talk about 'payments' and channelling performance-related finance from national to local levels, whereas in fact many of the benefits and costs from REDD+ may be non-pecuniary.

At a macrolevel, countries differ in their positions on market-based and fund-based systems. This is particularly apparent comparing Bolivia, which has rejected market-based approaches, and Indonesia, which have embraced a market approach. But these basic observations become more complicated when looking at the realities. The Noel Kempff Project, for example, is an operating market-based system in Bolivia. It is not clear how governments view the role they would play in implementing market-based approaches, but in countries such as Vietnam, current proposals would see a strong role for the state in terms of interacting with markets and channelling finances to in-country projects and probably in terms of interacting with markets, if market approaches are adopted; in Indonesia, however, the regulations appear to allow for more direct market interaction.

In the five countries discussed here, and in most REDD+ countries, significant emphasis is placed on participatory development of REDD+ systems. Processes and systems have tried to enhance participation, particularly in the development of national designs related to FCPF and the UN-REDD Programme. There have been some concerns about how representative these processes are, given that in some cases they have tended to be dominated by government representatives (e.g., Vietnam), have involved large numbers of external consultants (e.g., Indonesia) and have not been held in areas where REDD+ will actually be implemented. Nonetheless, in most cases there are plans to further develop consultation processes and build capacity at the local level.

## **Monitoring, reporting and verification systems (MRV)**

Data availability and technical capacities to measure and monitor emissions reductions are clearly a key issue for all countries. There is recognition that existing systems are inadequate and that capacity to develop and administer such systems needs to be enhanced. National systems under development are likely to take a long time to evolve to the level where REDD+ can be implemented with accuracy; consider the cases of Indonesia and Vietnam, for example. Cameroon faces major human capacity shortages.

The countries presented here are looking toward a role for participatory MRV approaches for carbon stocks, partly to increase participation and partly to improve MRV systems more quickly from the bottom up (see Chapter 8). Such approaches have been piloted in many countries, but they may only be applicable once land allocation has occurred (e.g., Vietnam) and with significant public investments in training and appropriate technology. Unresolved differences over forest definitions (i.e., which forest types are applicable under REDD+), which can significantly affect benefits and their distribution, are another key barrier that needs to be overcome in most countries before debates about implementing MRV can be carried out.

## **Moving ahead with REDD+ at the national level**

The approaches and associated challenges emerging across all countries involved in developing REDD+ are proving similar. Most prominent among these are the evolving institutions, and challenges relating to coordination and high level government commitment, benefit sharing, participation and MRV systems. Some of the main differences relate to government positions on international issues such as market-based and fund-based approaches and the rate at which they are moving forward in terms of ongoing policy challenges. REDD+ debates at the national level have also become embedded in political and institutional realities in the individual countries, and are therefore starting to gain unique national flavours.

Economic benefits are a key driver in national debates, with high expectations from many actors (including government, private sector, NGOs and communities), and competition for benefits despite a lack of clarity about what they will be (see Chapter 12). Fairness and social justice, a key impetus behind the positions of some NGOs, have also prominently entered national debates. International actors are a major impetus for REDD+ development at the national level and bring an additional set of interests, such as the need for cost-effective and rapid climate change solutions, which may arguably be less prominent without their presence. It is clear that the interests of powerful

actors with high expectations will have to be balanced to achieve effectiveness, efficiency and equity.

Despite some agreement on the main challenges to be overcome to make REDD+ a reality, these different drivers and positions of different actors may make this difficult. This is particularly the case surrounding the issue of coordination, where the signs are that the differences between actors are pulling the implementation of REDD+ in a number of different directions.

More fundamental is the question of how far the attention (or lack of attention) to certain issues is representative of action. For example, the issue of participation is getting high levels of attention in REDD+ processes and national strategies. This is welcomed from an equity standpoint, but the evidence from existing REDD+ processes suggests it is questionable how much participation is being achieved. From an environmental standpoint, the fact that the underlying drivers of deforestation (particularly macro-economic drivers) do not appear to be at the forefront of debates in the countries reviewed may also be an indication of interests and priorities detached from climatic core objectives of the REDD+ debate.

What is the prognosis for moving ahead with REDD+ at the national level? Progress may be slower than first anticipated in many countries given the coordination problems, uncertainty about what the international REDD+ architecture will look like, the power struggles that are likely to continue to emerge and the processes required to overcome those struggles. In the international debate, such issues have to some extent been dealt with by broadening the agenda to incorporate different interests and the development of compromise solutions that postpone decisions or transfer them to the national level, rather than resolving major differences. At the national level, where the realities of REDD+ implementation are much closer, this is not an option. To ensure that all actors needed for implementing REDD+ are engaged, difficult compromises will have to be made which may see narrowing of the application of REDD+, slowing down certain processes and finding innovative ways to balance different interests.

