



Is REDD+ an idea whose time has come, or gone?

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- Previous international and national policies have, for various reasons, failed to prevent deforestation in developing countries.
- REDD+ incorporates some of these past policies, but also some innovations.
- Lessons from past experience will need to be taken on board and new alliances will need to be forged if REDD+ is to be successful.

Introduction

REDD+ has generated interest as a ground-breaking concept for saving tropical forests. Those in favour believe that REDD+ funds will be an incentive to keep forests standing and, in the latest permutation, REDD+, will also be an incentive to restore and perhaps even establish new forests. For those less in favour of the idea, it is the same old story about throwing lots of cash at forests as a be-all and end-all solution to deforestation and degradation.

This chapter poses the question: How much faith can we place in REDD+ to stabilise forest cover and store carbon in forests? The answer depends on

whether REDD+ is just a new incarnation of previous policies and practices that failed, or whether it is indeed truly innovative.

To answer the question we examine the issue from several points of view. First, we look at previous policies to slow deforestation and forest degradation and why they failed. Second, we describe what is innovative about REDD+. Third, we look at the lessons from failure that have been taken up by REDD+ and those that have not. Finally, we look at the overall prospects for REDD+.

Why previous policies failed

This section looks at three policy approaches that have been taken to preventing deforestation in tropical forests: the intra sectoral approach, the smallholder and poverty approach and the public spending approach. We then examine the ‘big picture’ causes of deforestation and degradation that were not (adequately) taken on board in these approaches.

Intra sectoral (forestry only) approach

Early policies and practices to reduce deforestation assumed that forest policies were at fault and had to be fixed. The fixes assumed that sustainable forestry was built on industrial forestry and profit. This meant that technical fixes took the form of guidance by international forestry and silviculture experts, and more sophisticated, finely tuned management plans, such as Tropical Forestry Action Plans (FAO 1985). Financial fixes took the form of changes in taxation, stumpage fees and pricing. These technical and financial fixes were accompanied by the introduction of reduced impact logging and bans on the export of logs, among other measures.

This approach failed to appreciate that factors outside the forestry sector (e.g., agricultural expansion, investment in infrastructure, changes in the demand for goods and services, and changes in prices and incentives throughout society) were driving deforestation (Kaimowitz and Angelsen 1998; Angelsen and Kaimowitz 1999).

Smallholder and poverty approach

A later phase of policies assumed that smallholders and poverty were driving forces of deforestation. Initially, policies elaborated or tightened laws and regulations to keep local people out of protected forests, and to restrict the kinds and amounts of forest products they could harvest and commercialise. Often, swidden¹ cultivation was prohibited. As time went on, poverty came to be seen as the underlying problem that needed to be addressed. Projects started to integrate livelihoods and poverty alleviation objectives with

¹ ‘Swidden’ is a place temporarily cleared for agriculture by cutting back and burning off previous growth.

conservation objectives (e.g., integrated conservation and development projects; see Chapter 18). Alternatives to swidden agriculture were encouraged (van Noordwijk *et al.* 1995) and local management was promoted (e.g., social forestry and community forestry programmes).

These policies slowed deforestation and degradation on a small scale and, in some contexts, resulted in alternative livelihoods and management systems (Palm *et al.* 2004). But, by and large, they did little to stem accelerating deforestation worldwide.

Public spending approach

From the mid-1970s to the mid-1990s, billions of US dollars from international (e.g., US \$5 billion from World Bank forest sector loans and bilateral funding) and national sources were spent to arrest deforestation in developing countries (World Bank 2009b). More than half the funds were targeted at east and south Asia (Lele *et al.* 2000). But deforestation accelerated rather than slowed, partly because of the shortcomings mentioned above. For example, the lending tended to pay little attention to threats external to the forestry sector (Lele *et al.* 2000). A review of the World Bank's forestry sector lending found that it focused on economic incentives and failed to pay attention to governance issues, which were a key factor in deforestation (Lele *et al.* 2000). In the late 1990s, the World Bank began to address the broader issues by making improvements in forestry governance a condition for structural adjustment loans (Seymour and Dubash 2000).

Why did previous approaches fail?

The three approaches to forest policy described above failed because they neglected to take the 'big picture' into account. Policy makers did not appreciate that the driving forces behind deforestation were deeply rooted and powerful, and could not be corrected by public spending and the policy approaches current at the time. The policies and practices did not take on board or give sufficient attention to:

- **Extra sectoral drivers.** In many contexts it is not the local people who are the main drivers of deforestation but powerful actors who extract timber and convert forest lands into silvicultural or agroindustrial plantations and other uses. The trend in the past 30 to 40 years has been toward large commercial actors in deforestation (Rudel 2007).
- **Political and economic drivers.** Deforestation can be driven by political and economic factors. These include accumulating capital and access to foreign exchange; the dominance of political and economic elites in making decisions on natural resource policies; and the comparative weakness of groups opposed to forest conversion. These drivers are closely related to corruption and other governance factors (see Chapter 13).

- **Corruption and other governance factors.** Weak governance in many developing countries opens up rent-seeking opportunities from extracting timber and converting forest land to other uses in defiance of national forest protection laws. Weak governance also fosters corruption, which is often positively correlated with deforestation (Koyuncu and Yilmaz 2009). Other governance factors that drive deforestation are a lack of financial transparency and accountability, insufficient capacity for forest management, overlapping mandates of ministries responsible for resources, and perverse incentives. For example, subsidies for developing plantations in Indonesia encouraged overharvesting of logging concessions and clearing of 'degraded' natural forests (Barr *et al.* in press).
- **Forest transition.** Forest transitions (the transitions from a forest where cover is initially high, through deforestation to a stage where forest cover stabilises and may even be partially restored; see Box 1.2) are evident in many countries. Forest transitions are not an outcome of carefully considered planning, policies and practices, but are the outcome of evolving land use patterns related to stages of economic development (e.g., Curran *et al.* 2004; Mather 2007) or scarce forest resources (Rudel *et al.* 2005).
- **Suppression of rights.** For centuries governments have asserted ownership and control over forests, often neglecting the rights of forest peoples. Heavy-handed state control, lack of respect for customary forest management practices, insecure tenure and conflict destabilise forest management systems. Some studies clearly show a relationship between insecure forest tenure and deforestation (e.g., Elmqvist *et al.* 2007).

REDD+ as a new approach

In some ways the REDD+ approach marks a radical departure from the past. The new features respond to a new perception of forests as assets that need to be protected, the commodification of carbon, the emergence of performance-based payments and the huge amounts of money involved.

Forests as assets to be protected

What is most distinctive about REDD+ is not so much the idea itself, but rather the context in which it is emerging. A seismic shift has taken place in the role of forests in socio-economic development. For millennia, forests have been viewed as a sacrificial biome – an ecological asset that could be depleted for the 'greater good'.

But, in the late 20th century, a new paradigm emerged to challenge this, growing out of concerns about the effects of socio-economic development on forests, including their extent and biodiversity, and the cultural survival of forest dwellers (see the upper arrow in Figure 4.1).

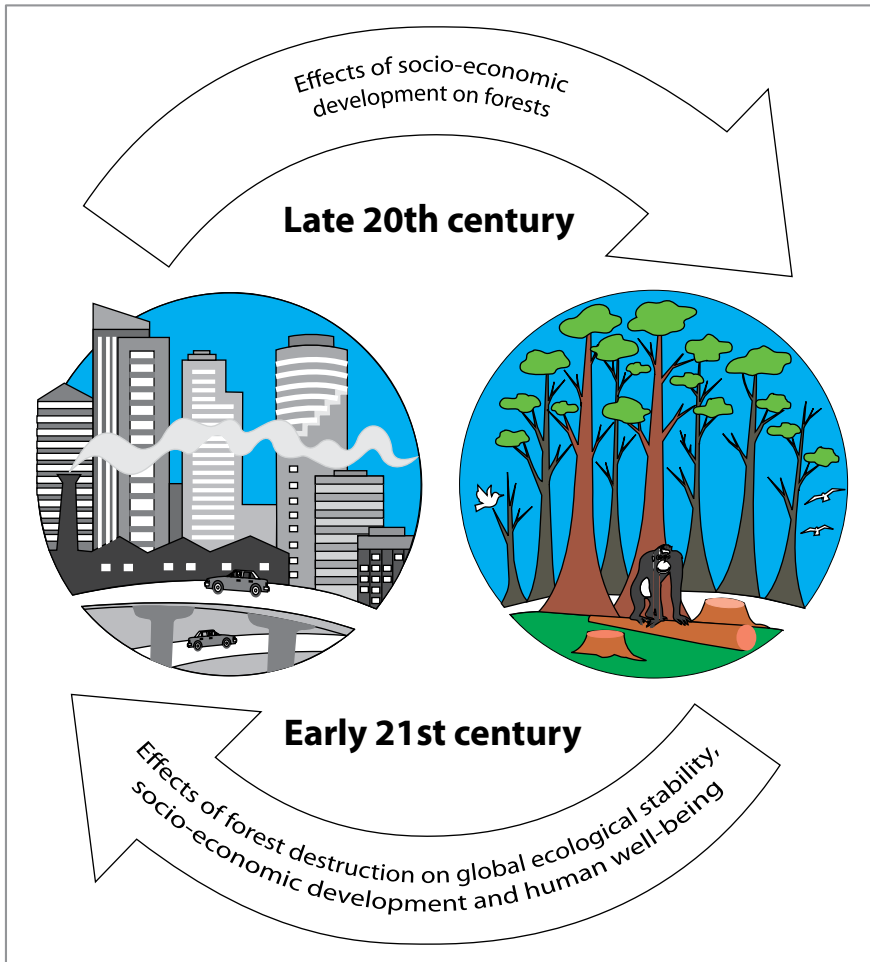


Figure 4.1. A paradigm shift in the dominant view of the relationship between people and forests

Currently, at the beginning of the 21st century, most of the world's forests have been transformed almost beyond recognition and the carbon sequestration functions of forests are under severe stress. Forests are now viewed (not just by ecologists but also by the general public) as biomes that have to be protected. The basis for concern is the potentially devastating effect of forest destruction on socio-economic development and human well-being (see the lower arrow in Figure 4.1).

The value of forest carbon

REDD+ means that forest carbon now has a value. Whereas carbon stored in forests had virtually no market value until recently, it is now traded in

voluntary markets, and might soon be traded in international carbon compliance markets. Including REDD+ in a post-2012 climate agreement may spur the establishment of global forest carbon markets even further. The inclusion of forests in carbon markets is related to the contextual revolution above. Forests are valued no longer just for their goods (timber) and the land on which they stand, but also for the essential environmental services they provide.

Performance-based payments

A key feature of REDD+ is that payments will be based on performance. Projects or countries will be compensated only if they prevent the release of forest-based carbon into the atmosphere (see p.18), where it is assumed that REDD+ payments will be increasingly performance based). Systems to monitor, report and verify (MRV) forest carbon are being set up to ensure that reductions and increases in forest carbon stocks are measured accurately and rewarded accordingly.

A lot of money is involved

The financing for protecting forests could be in the order of US \$2 billion to US \$10 billion a year in the early phases, and even more if REDD+ is included in international carbon markets (Meridian Institute 2009a). This scale of financing was unimaginable before REDD+. The links between deforestation and climate change mean that substantial new funding has been made available (see Dutschke and Wertz-Kanounnikoff 2008). These new funds give forests a chance to survive against the profits of further conversion (opportunity costs) that have been the bane of forest protection worldwide.

Real versus rhetorical change

As for the shortcomings in past anti-deforestation policies described above, we ask two questions. Which shortcomings have been noted by the mainstream designers of REDD+, leading to promising course corrections in dealing with forest destruction? And which of those flaws have gone unnoticed or ignored, and run the risk of being reproduced in REDD+?

Real change

The formulators of REDD+ policies and practices have learned from the failures of previous policies and are now looking at the causes of deforestation through a wider lens. Lessons taken on board include:

- Better silviculture and technology are important, but do not address the underlying causes of deforestation and forest degradation. REDD+ must address the wider issues.

- Smallholders and poverty can be important causes of deforestation, but are not the whole story. The 'policies and measures' in REDD+ implicitly recognise that the causes of forest destruction are not merely local (i.e., related to smallholders and their well-being) but also national.
- There is implicit recognition that public spending alone cannot be the basis for a thoroughgoing solution. Private investments at the local, national, regional and international levels are expected to be a dominant force in REDD+.

Rhetorical responses

Although REDD+ planners are paying more attention to the underlying causes of deforestation than their predecessors did, it is still not clear how REDD+ will overcome the forces that drive deforestation. In the Readiness Plan Idea Notes (R-PINs) and Readiness Plans (R-Plans) already submitted, some of the proposed solutions come across as rhetorical rather than real:²

- **Spending.** Inevitably, governments will need to spend some money to slow deforestation, but there is still a belief in many quarters that large disbursements are the only solution. This means that measures that involve no spending at all, or redirect current spending, (e.g., mobilising the political will to enforce laws against illegal logging or to enforce the existing rights of exclusions of those indigenous people who protect forests) get less attention. Although there will likely be a massive shift from public to private spending, it will be spending nonetheless.
- **Political and economic drivers.** National actors who favour forest conversion have historically been more powerful than those who support forest conservation. Although REDD+ planners are aware of this, there is nothing in their proposals that will change this disparity in power. For example, plans for large-scale clearing of forests for agrofuels and plans to keep forests standing exist side by side. Global investment in developing agrofuel fell dramatically in 2009 because of the world economic recession (Roberts 2009), but will probably revive as the recession eases.
- **Corruption and governance.** While REDD+ readiness plans stress the need to reform governance as a requirement for effective implementation, they do not set out clear plans for dealing with, for example, transparency and accountability, weak capacity, overlapping mandates of resource ministries and perverse incentives. Unfortunately, because the income streams from REDD+ are likely to be significant and the controls limited and ineffective, there will be many opportunities for corruption.
- **Forest transition.** In countries in the latter stage of the forest transition (e.g., Costa Rica, Vietnam), powerful structural drivers in socio-economic

² This assessment is based on the Davis *et al.* (2009) review of 25 R-PINs, summaries of the R-PINs, three R-Plans, and comments on those R-Plans. The review focuses on governance issues related to tenure, inter-sectoral coherence, benefit-sharing mechanisms and transparency, and accountability in monitoring.

development are already stabilising forest cover and, to some extent, restoring forest. This trend raises important questions for REDD+ planners. First, could REDD+ activities be superfluous and yield no additionality, particularly if payments are made to protect forests that are not threatened? Conversely, if REDD+ could indeed speed forest transition to the stable stage, could this be achieved through macro structural instruments alone, rather than through intervention and investments at the site level?

- **Tenure.** Whereas international and national framers of REDD+ speak of the need to clarify and strengthen forest tenure, to date there has been little action on reform. When people living in forests have no tenure rights their leverage in formulating national policy on REDD+ is limited. This lack of influence could translate into a poor share of the benefits from REDD+, and negative consequences for the effectiveness of REDD+ (see Chapter 11).

Avoiding the mistakes of the past

We have seen above that REDD+ is being shaped by forces that move in opposite directions. On the one hand, there are new underlying conditions and policy responses that appear to lead in the direction of giving due attention to the drivers of forest cover change and to making drastic course corrections. We have seen that widespread concern about climate-induced ecological collapse is one driver behind the emergence of REDD+. Another driver is potential economic opportunity through forest carbon trading. There are two attributes of REDD+ that attest to the gathering political will to finally do something on the scale needed: performance-based payments and unprecedented levels of financing.

On the other hand although REDD+ planners have learned some important lessons from history, there is still a risk that some of the mistakes from the past will be repeated. REDD(+) readiness plans do not offer a basis for confidence that the most important lessons have been learned, or if they have, that REDD+ will successfully address the key drivers of deforestation. Big spending will be part of REDD+, but it is not clear how all this money will produce the intended results. International and national planning for REDD+ has so far failed to show how the political and economic drivers of deforestation, such as corruption and other governance factors, are going to be successfully overcome. The full meaning of the forest transition is not yet being addressed in REDD+. By and large people in forests tend to be rights-deprived and this bodes badly for the success of REDD+.

Is REDD+ an idea whose time has come, or an idea whose time has gone? At this stage, the jury is still out. What must be done to make sure that

the mistakes of the past are not repeated in REDD+? The solution has three elements.

First, REDD+ planners must learn from past failures in forest conservation and management. Climate experts, for example, who are heavily involved in making decisions about REDD+, may not have been involved in previous attempts to conserve and manage forests but need to take lessons learned from those experiences into account.

Second, political will needs to be considered: whose interests will it serve? The success or failure of REDD+ in arresting deforestation will be determined by the interaction between competing interests. It is impossible to predict which interests will prevail but we can speculate. Political will to make REDD+ successful could be mobilised if there is widespread acceptance that the cost of continuing business as usual is too high. But political will could also uphold business as usual. The lack of political will to reduce deforestation is one of the reasons why past policies have failed, and why REDD+ might also fail.

Third, because of the possible paralysis of political will, popular mobilisation could be the decisive factor for success. Public pressure often causes politicians to change course. To stop deforestation, stakeholders who might otherwise have little reason to interact will need to forge alliances: those who depend directly on forest resources (e.g., indigenous peoples); advocates for rights, cultural survival, poverty alleviation, and protection of biodiversity; parents across all classes, races, nationalities, and religions concerned about the world their children will inherit; and private investors and local governments that seek to benefit from forest protection. These alliances will counteract those who support forest conversion for conventional reasons (expansion of agriculture and pasture, infrastructure, timber extraction, mining) and for newer reasons (offshore food production by countries with limited agricultural land, energy such as agrofuels and the hydrocarbons underlying existing forests).

The future history of REDD+ will be the story not just of political will, but of a contest between opposing political wills, and of the way in which popular mobilisation and new alliances succeed or fail in guiding the course of this rivalry.

