REDD+'S STICKY WEB

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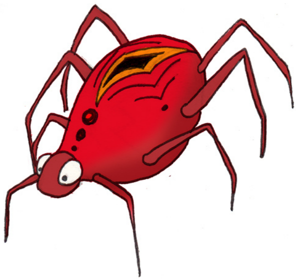
Dear reader, the Oxford Dictionary describes a fairy story as a tale that is "magical, idealized, or extremely happy" – but also as "a fabricated story, especially one intended to deceive". Fairy stories are used to convince others that all will end well, often for those that are honest or brave or just plain lucky. Fables are a similar kind of story, containing more explicit moral messages; they are used to instill particular ways of behaving in children and others. If REDD+ were to be published as a book, it could well be depicted as a collection of modern fairy stories and fables, designed to lure the unwitting and unwary into the complex world of REDD+, as this series of briefings shows…



"We do not really mean, we do not really mean that what we are about to say is true. A story, a story; let it come, let it go"[1]

Ananse the Spider is a character at the centre of many fables in West Africa and the Caribbean: in some places fables are actually referred to as 'spider tales' or 'anansesem'. Ananse is a funny, clever and articulate character, who appears at first to be very sober and unassuming, even a good Samaritan. But at the end of the day he is always discovered to be a merciless cheat, who ditches his victims without any sign of mercy (FoE Ghana, 2011).

For example, the Sky-God, Nyame, told Ananse he could become the owner of the world's stories only if he brought back Onini the Python, Osebo the Leopard, the Mmoboro Hornets, and Mmoatia the dwarf. He caught them all, through trickery of one kind and another, playing on their needs and desires – the python's vanity, the hornets' desire for shelter, and the dwarf's good manners. He caught the leopard like this: he dug a deep hole in the ground, and the leopard fell into it. Then he offered to help the leopard out with his sticky spider webs. But when the leopard got out of the hole, he was trapped in the webs and Ananse carried him away (Aardema, 2000).

"This is my story which I have related. If it be sweet, or if it be not sweet, take some elsewhere, and let some come back to me".[2]

1. Traditional Ashanti introduction to a story.
2. Traditional Ashanti end to a story.

What is REDD?

REDD stands for Reducing Emissions from Deforestation and Forest Degradation in Developing Countries. REDD is intended to facilitate the transfer of significant amounts of climate finance from developed to developing countries, in a collaborative effort to protect the world's forests thereby reducing greenhouse gas emissions from those forests. In its current form – 'REDD+' – it also includes measures intended to 'enhance carbon stocks' which means it could be used to fund monoculture tree plantations, even in place of old growth forests.

Will REDD+ financing lure countries deeper into debt?

REDD+ is moving forward rapidly because it successfully appeals to a range of needs and wants. The question is whether these needs and wants will be fulfilled. In addition, the language of REDD+ is cunningly constructed to make REDD+ funds sound like a much-needed gift.

Yet there are growing doubts about whether developed countries will really provide significant and predictable flows of finance in the long-term; and there is an additional risk that REDD+ may be yet another trap luring developing countries deeper into debt, if it includes non-concessional loans and loan guarantees. Put simply, this would be asking indebted developing countries to borrow yet more money to help mitigate and adapt to a climate change crisis that is not of their making. Assumptions have even been made about the promised financing including funds from developing countries themselves (EC, 2011).[3]

The World Bank's draft 'Mobilizing Climate Finance' paper demonstrates the fact that incorporating lending into climate finance may indeed be the favoured approach because it could 'leverage' further private finance whilst minimising the use of public funding. For example, this paper refers to the High Level Advisory Group on Climate Finance (AGF)'s assumption that "every $10 billion of paid in capital could be initially leveraged to support $30-40 billion of additional loans"[4] and goes on to say that "the repayments from these loans would support further lending of $3-4 billion per year over the longer term, assuming an average loan maturity of about 10 years. Finally, the income from nonconcessional climate lending could be used to further supplement the leverage achieved by a capital increase." (World Bank Group, 2011:38-39) On the basis of such calculations, developed countries could argue that they only have to contribute 20-25% of the total promised.

A UNEP report looking back to 2009 has also calculated that, specifically with respect to five bilateral finance institutions, 64% of actual climate finance transferred was in the form of concessional loans and 23% in the form of non-concessional loans. Grants accounted for just 7%.[5] This clearly shows that lending is emerging as a significant form of climate financing in general.

NGOs like Greenomics Indonesia have also expressed their concern that the low carbon economy will have to be paid for by loan financing: "the Indonesian national budget … is already under pressure in repaying interest and principal on foreign loans, financing subsidies and paying for routine government programs." (REDD Monitor, 2011)

Developing countries are wising up to this trick though, and current negotiations over climate finance are very much focused on the role that private finance should or should not play. Nego-

3. In 2009, for example, the European Commission calculated that € 100billion would be required by 2020. 38% of this would come from international carbon markets, 22%-50% from international public funding, and the remainder from private and public finance in developing countries (EC, 2011:7).
4. This discussion is in the context of potential capital increases for multilateral development.

tiations over both REDD and the new Green Climate Fund are deadlocked on this issue, which will now be fought out at COP -17 in Durban (TWN, 2011).[6]

Clever words and weak 'safeguards' may be used to disguise business as usual

Ananse would be proud of some of the REDD negotiators' skills with words: the language being used to describe the current version of REDD, known as 'REDD+', is deceptive.

'REDD+' is officially defined as "Reducing emissions from deforestation and forest degradation in developing countries, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries." (UN-REDD, 2010)

This seemingly unobjectionable language has actually been fought over tooth and nail because it broadens the definition of those who may benefit from REDD. This particular definition allows countries that have already conserved their forests and do not have high deforestation rates to be included. However, 'sustainable forest management' also brings in forest management techniques that can include clear-felling (euphemistically referred to as 'temporarily un-stocked' forests by the FAO (FAO, 2011)); and the 'enhancement of forest stocks', which means that plantation companies may also benefit from REDD+ (and may even do so by levelling old growth forest and replacing it with monocultures of crops such as oil palms.)

There are also doubts about the way in which the World Bank – which has ensured that it is leading on the implementation of REDD Readiness projects – is addressing the issue of safeguards with respect to indigenous peoples affected by REDD+. Many processes refer to the concept of Free Prior and Informed Consent (FPIC) yet very few actually allow enough time for the issues to be considered by the indigenous peoples and local communities in question. When people ask for more time, they are simply told they will lose out on the money if they do not 'consent' rapidly. It seems that REDD Readiness is being rushed through because of its money-making potential.

Again, negotiations over safeguards and REDD+ are obscured by tiny linguistic changes in the REDD+ texts. At COP16 in Cancun, for example, an original proposal about "monitoring and informing the Convention" about how safeguards are addressed and respected was seriously weakened by a proposal from Papua New Guinea that the words be changed to simply "sharing information". This small change to just five words did away with the need for governments to track their implementation of safeguards and report back to the UNFCCC. (The eventual text agreed was "providing information", which is still much weaker than the original version) (REDD Monitor, 2010).

Nevertheless, the REDD Readiness phase might provide an opportunity to develop binding safeguards for all forest policies, not just REDD+ policies.

Conclusion

Climate finance flows need to be publicly-financed, predictable, scaled-up, accessible to all developing countries and democratically managed, in order to foster an equitable and effective res-

5. The report was based on data provided by Agence Française de Développement (AFD), KfW Entwicklungsbank (Development Bank, Germany), Japan International Cooperation Agency (JICA), Nordic Environment Finance Corporation (NEFCO) and European Investment Bank (EIB) (UNEP, 2010).
6. The key points under discussion in Panama were: (1) diversity of source for REDD-plus finance, (2) the definition and scope of result-based activities and actions and (3) the linkage with the Green Climate Fund (TWN, 2011).

ponse to climate change. They should not be based on unreliable private finance sources, and must not include loans or loan guarantees.

The safeguards agreed in Cancun may be weak, but there is a clear mandate to elaborate more specific safeguards in national processes. It is very important that such safeguards are developed through a bottom-up process: too often, safeguards developed by international NGO processes have been inappropriate for local circumstances. There should be minimum norms, but the most important safeguards should focus on the need to develop binding local and national safeguards through a process that fully respects Free Prior and Informed Consent - with the right to say no to policies and projects - and genuine full and effective participation. The World Bank's Operational Policies must apply fully to the REDD Readiness processes.

Given the uncertainty about long-term finance, the best that Indigenous Peoples' Organisations can probably hope for is to take advantage of the current REDD Readiness processes as much as possible. These could be used to secure as many rights as possible and strengthen their overall position in national forest policy making, through effective participation in national stakeholder processes, and obtaining recognition for their territorial rights and the role their traditions and knowledge have played and continue to play in conserving and restoring the forests on their territories. Given the looming lack of REDD+ funds, the REDD Readiness 'opportunity' may be as good as it gets.

Biocultural protocols specific to REDD+, as being developed by the Indigenous Peoples' Biocultural Climate Change Assessment (IPCCA) initiative, could also play a key role, as they provide parameters for engagement within and among communities, and between communities and other actors, on the use of natural resources and associated knowledge.

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