

REDD Dreams



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Or REDD Nightmares?



Deforestation: 18 - 20% of greenhouse gas emissions

- For many developing countries, REDD is the most logical contribution to a climate regime
- PNG: Ask compensation for complying with conditions to reduce forest loss



Framework Convention on Climate Change (1992)

- Article 4.1 (d): Countries should “...*promote sustainable management, and promote and cooperate in the conservation and enhancement, as appropriate, of sinks and reservoirs of all greenhouse gases not controlled by the Montreal Protocol, including biomass, forests and oceans as well as other terrestrial, coastal and marine ecosystems.*”

REDD would function well IF

- It is combined with real and deep emission cuts
- Significant new and additional funding is provided
- Indigenous rights and local communities are protected
- Real forests are protected
- Equitable sharing is ensured between countries and with actors within countries
- Bad governance is addressed
- Emission reductions are real

So what do we do on planet earth?



There will be no agreement on emission reductions in Copenhagen

- Needed: At least 40 – 49% compared to 1990
- EU: 20% unless rest of the world joins In that case 30%. But this is not only domestic
- US: 0% (zero percent) by 2023 compared to 1990, in terms of domestic emission reductions, in case they succeed to adopt a law, which will be next year only

There will be no agreement on finance in Copenhagen

- EC/EU proposal: only 100 - 150 billion needed
- No recognition of ecological debt
- 40% by developing countries themselves (domestically)
- 40% carbon offsets, so less reductions
- Remaining 20% = contributed by all countries, either on basis of GDP or GDP and emissions
- Result: EU pays max 10 % only
- Full compensation for not converting forests into oilpalm plantations would cost between 2700 and 9000 billion USD per year

Two types of carbon trading

- Trading in Emissions: between two countries with binding obligations
- Trading in project-based credits, especially through Joint Implementation (between two country with obligations) and the CDM (between a country with and one without obligations): what is traded are the “extra” emissions that would not have occurred if the project that is financed would not have happened (the “baseline”, or “business-as-usual” situation)

The challenges of carbon offset projects

- Very hard to define what would have happened in business-as usual situation. Deforestation “baselines” are particularly hard to estimate.
- Carbon projects (CDM): as long as a private consultant has calculated that the project emits less than “business as usual” (baseline) one can claim a credit:
- Incentive for consultants to approve “extra” credits, as they profit from increased carbon trade, (e.g. Det Norske Veritas verifies PCF projects of its own clients, including Plantar). Several certifiers have been disqualified.

“Leakage” and other methodological problems



- Logging corporations, agro-industrial corporations simply move from a ‘protected forest’ to another side
- If consumption patterns are not changed there will always be leakage
- Tree plantations established on peat are a major source of carbon emissions
- Trees are per definition non-permanent

A Kyoto Forest (FSC Certified)



REDD is likely to promote monoculture tree plantations

- Biodiversity destruction
- Displacement of Indigenous peoples
- Rural unemployment, malnutrition and depopulation
- Destruction of rivers, lakes, watersheds
- Pollution by agrotoxics
- GM trees



REDD Realities in Paraguay



Paraguayan PES Experiment



- The Law on the Valuation and Retribution of Environmental Services, adopted in September 2006. Artificial Regulation adopted in 2007, real regulation being elaborated at the moment
- The Secretariat for the Environment has to annually value all Paraguayan environmental services
- Promotes biodiversity offsets for, amongst others, soy expansion. Forest conversion was already illegal since 2004 in Eastern Paraguay
- All credits can be freely traded in international carbon market. This conflicts with current government position

Main problems with the Paraguayan PES Law 3001/06

- The law stipulates that **all** owners of **land** and its natural components that generate environmental services **will have a right** to corresponding compensation for the provided services.
- There has been no calculation of the total budget this would require (compensation for soy: 1500 USD X 18M hectares = at least 27 billion USD per year)
- Most of the funding will come from biodiversity offsets: This provides a major incentive for the (governmental and non-governmental) conservation sector to allow and even promote destructive projects. Including CO2 emissions...
- THE PAY THE POLLUTER PRINCIPLE....

Additional problems with the Paraguayan PES law

- Paraguay has the most inequitable distribution of land on earth: The overwhelming majority of funds will go to large landholders.
- The law will frustrate land reform programs and ongoing land rights claims of Indigenous Peoples as it will increase the value of land.
- Specifically, it will stimulate the establishment of false private reserves that are set up to criminalize land occupations.
- The system will most likely be subject to serious governance problems: It is likely that politically influential groups will have far better access to the funds than politically marginal groups like Indigenous Peoples and small farmers



Pro-poor, rights-based and equitable REDD?

- Carbon markets and Payments for Environmental Services marginalize Indigenous Peoples, peasants, women
- Only large landholders with formal title will be able to compete in the carbon offset/PES market
- The carbon offset/PES market will increase land pressure and land prices, making it more difficult for IPs to get their land rights recognized and land reform plans to be realized
- Loss of local control, dependence on NGOs



REDD and Governance



- In PNG case, it concerned conditions to reduce illegal logging and corruption in the forest sector:
- Countries like Paraguay are still struggling to combat corruption
- REDD is paying compensation to comply with international and national law?
- REDD = The Polluter gets Paid Principle
- Deforestation is an indicator of bad governance

complications and questions

- How can we avoid REDD becoming an incentive for countries to postpone reducing deforestation now
- What if countries already banned deforestation?
- What are effective policies to reduce deforestation? How about peoples rights? How much money is needed? Respecting Indigenous Peoples land rights, and deforestation bans (= NOT access/use bans) are efficient policies.
- Is halting deforestation a Northern interest only?
- Forest carbon offsets: many problems with equity, accounting, leakages. Do we need to choose between the climate and forests? Will forests survive in a changing climate? When will we reach the tipping point?

Learning from success instead of paying for failure



Comply with the Framework Convention on Climate Change and Respect human rights, including the rights of Indigenous Peoples and women



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