



German NGO Forum on  
Environment and Development



# **LIMITING CLIMATE CHANGE – PROMOTING BIODIVERSITY – PROTECTING HUMAN RIGHTS – ENSURING FINANCING**

Policy Paper on REDDplus

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Forum Umwelt und Entwicklung (German NGO Forum on Environment & Development) was founded in 1992, following the UN Conference on Environment and Development, and co-ordinates the activities of German NGOs in international political processes on sustainable development. Its legal entity is the Deutscher Naturschutzring (German League for Nature and Environment – DNR), the umbrella organisation of German nature and environmental NGOs.

klima-allianz deutschland (German Climate Alliance) is the broad alliance of more than 115 organisations active campaigning in the fields of environment, development, church, youth, animal welfare, consumer protection and trade unions for effective climate protection. The focal areas of klima-allianz are political lobbying activities, initiating and organising debates on energy and climate policy and joint events and activities such as the Alternative Energy Summit and the Global Day of Action to combat climate change. The Anti-Coal Campaign of klima-allianz is successfully resisting the building of new coal-fired power stations.

– Remember the environment – only print as much as you really need –

REDDplus stands for “Reducing Emissions from Deforestation and Degradation” and the role of conservation, sustainable management of forests and enhancement of carbon stocks in developing countries.

## **Core demands on REDDplus at a glance:**

### **1. Limiting climate change**

- Reductions via REDDplus in developing countries have to take place in addition to the necessary reductions in industrialised countries.
- Including REDDplus emissions credits in binding emissions allowance trading is to be ruled out.
- In order to strengthen self-responsibility, ensure permanence and rule out any transfer effects of emissions (leakage), REDDplus has to be integrated in national government programmes and strategies. Changes in forest cover have to be established at national level and need to form the basis of the allocation of funds. Furthermore, REDDplus has to be developed with a view to a broad impact so that all countries rich in forests have the opportunity to participate in it.

### **2. Promoting biodiversity**

- On a par with the protection of the forests as carbon sinks, REDDplus must contain the protection of ecosystem functions and establish special biodiversity goals in the national REDDplus strategy.
- REDDplus has to concede priority to the protection of natural/near-natural forests over other measures and rule out the transformation of natural/near-natural forests into e.g. plantations.
- Compliance with biodiversity safeguards in REDDplus strategies and projects must be systematically monitored and reported. Information has to be represented in a manner suitable for comparisons at international level.

### **3. Protecting human rights**

- The human rights of the local population have to be guaranteed (land rights, rights of usufruct, right to food and participatory rights) and systematically monitored and reported.
- REDDplus has to respect the right of indigenous peoples and local communities to full participation in REDDplus activities and development and decision-making processes.
- Revenue, advantages and improvements resulting from REDDplus activities have to be appropriately distributed.

### **4. Ensuring financing**

- REDDplus requires adequate, additional, transparent, long-term and predictable financing to support the developing countries taking part.
- In the long term, REDDplus financing ought to be performance-based.
- Also, it should not be possible to take the bulk of the REDDplus financial commitments into account in the financial pledges for biodiversity protection of 2008, since the two areas have to master different challenges.

# Introduction

If the forests are not protected and emissions from deforestation, forest degradation and changes in land use are not reduced, effective climate protection and limiting rises in temperature to less than 2°C will hardly be possible anymore. After all, deforestation and forest degradation, especially in the countries with tropical forests, are the cause of around 17% of global greenhouse gas emissions that harm the climate.<sup>1</sup> But without climate protection, forests and biodiversity will also sustain severe damage. Therefore, political solution strategies for the protection of forests, biodiversity and the climate have to be regarded as closely linked, and it has to be borne in mind that the conservation of forests needs to become economically more viable than the destruction of forests.

It therefore makes sense that in the context of the UN negotiations on climate change, a mechanism to protect the climate, what is known as REDDplus (Reducing Emissions from Deforestation and Forest Degradation and the role of conservation, sustainable management of forests and enhancement of carbon stocks in developing countries) is being debated and other international resolutions, such as the CBD (Convention on Biological Diversity) are being entered into this debate.

In a correspondingly designed REDDplus mechanism, we would then see an opportunity to protect the forests, the biodiversity of forest ecosystems and the areas that hundreds of millions of people live and work in, provided that certain criteria are observed. Furthermore, REDDplus can only be a sub-field of a more broadly conceived mix of political tools.

Designating further large forest conservation areas while considering social criteria, import bans on illegally logged and traded timber, changes in consumption patterns involving the intensive use of land, lowering the demand for non-sustainably produced timber and agricultural products (especially also in industrialised countries) and the expansion of near-natural and sustainably used areas of forest continue to be indispensable for a comprehensive conservation of the forests. Only if the perpetrators of deforestation at national and international level are addressed, especially the increasing demand for timber and agricultural products and evolving infrastructural measures, will REDDplus be able to develop an impact. Political instruments to combat corruption, designation and recognition of indigenous territories and the support of

settlers and small farmers together with sustainable land use and adaptation to climate change serve the long-term effectiveness and success of REDDplus.

In order for REDDplus to contribute to this sustainable development strategy in the long term, through capacity development at national level and the creating and strengthening of institutions, developing countries have to be enabled to develop REDDplus as an integral element of national government programmes. To establish a functioning national, institutional and strategic infrastructure for REDDplus in the countries and give due consideration to the different capacities in the developing countries, it is recommendable to carry out the implementation of REDDplus step by step, in three phases:

**Planning (Phase 1):** Establishment of institutional and technical capacities to develop a national REDDplus strategy: planning, stakeholder consultation; pilot projects to test suitable measures

**Preparation (Phase 2):** Implementation, initial implementation and monitoring of REDDplus strategy and measures, and in co-ordination with this, demonstration projects

**Realisation (Phase 3):** Complete implementation of the measures for emissions reduction in the context of the national REDDplus strategy, performance-based international financing

National REDDplus strategies have to be developed at cross-sector and inter-ministerial levels in order to be able to consider all (national) perpetrators of deforestation and achieve greater acceptance among the various authorities and ensure political coherence. In co-operation between the authorities and institutions and the local population, it is essential for all relevant stakeholder groups – especially indigenous peoples, small farmers, settlers and others – to be involved in capacity development and the planning processes right from the start as well as continuously throughout the entire duration of the projects.

**REDDplus has to limit climate change, promote biodiversity, protect human rights and ensure financing!**

<sup>1</sup> Different specifications for CO<sub>2</sub> emissions from deforestation and forest management. The 4th Assessment Report by the Intergovernmental Panel on Climate Change (IPCC) of 2007 states a share of 17.4%, while van der Werf et al. (2009, CO<sub>2</sub> emissions from forest loss) state a significantly lower level of global emissions from deforestation and forest degradation of around 12% on the basis of IPCC methods and updated statistics. Taking the destruction of peat soils, e.g. in Indonesia into account, according to statements given by van der Werf et al., the CO<sub>2</sub> level is 15% world-wide.

# Demands on REDDplus

## 1. Limiting climate change

### Additionality

REDDplus has to be conceived with a view to the savings in emissions in the forest sectors being generated in addition to those in other sectors, such as energy, transport and others. REDDplus has to be run in addition to the reduction commitments of the industrialised countries and must not replace them.

Including REDDplus emissions credits in binding emissions allowance trading has to be ruled out. Otherwise there will be a danger of REDD certificates flooding emissions trading with cheap certificates owing to the insufficient reduction commitments of the industrialised countries and thus making its climate protection effect and its ecological integrity questionable. Carbon-intensive investments in the industrialised countries, such as coal-fired power stations, would then continue to be economically attractive. This would support the devastating carbon-intensive economy for decades, and the necessary ambitious reduction goals would be missed. This is why we explicitly back the EU resolution to rule out any inclusion of REDDplus in the EU emissions trading system for the time being.

## 2. Promoting biodiversity

### Integrating biodiversity goals and safeguards

REDDplus bears both opportunities and risks for the conservation and promotion of biological diversity. If the REDDplus set of regulations is wrongly designed, this could result in grave disadvantages for forest conservation and hence also the climate: e. g. through the transfer of land use activities from carbon-rich forests to other ecosystems, the increasing degradation of forest ecosystems owing to insufficient crediting regulations and the transformation of natural forests or other valuable ecosystems into plantations and secondary forests with poor structures and biodiversity. Rather, a REDDplus mechanism has to promote the conservation of biodiversity and make a contribution to reducing the destruction of habitats and the fragmentation of forests, the regenerating and restoring of the original forest ecosystems and the expansion of the forest areas and a stronger integration of them into networks. Also, land use planning is required that rules out any de-

### Permanence and transfer

Deforestation prevented by the REDDplus measures and emissions reductions have to be permanent and must not be spatially transferred (leakage effect).

It is therefore important to integrate REDDplus measures in a **national strategy** or, where these do not exist yet, conduct sub-national (demonstration) projects as an interim solution in the context of a co-ordinated super-ordinate national strategy.

Generally, based on a national reference value, reliable control systems should ensure that the country-specific changes in emissions caused by deforestation and damage to forests are monitored, measured and reported. In a transitional phase, sub-national reference values can serve the development of national systems.

REDDplus has to be applicable with a broad impact so that all countries are able to participate and a risk of transfer of deforestation beyond country frontiers can be countered.

gradation of the forests or further loss of biological diversity. The specific biodiversity goals and safeguards ought to be established in the national REDDplus strategy.

REDDplus must not reduce forests to their role as carbon sinks but above all also has to promote the protection of ecosystem functions and biological diversity (safeguards for biodiversity). REDDplus strategies and projects must comply with the safeguards for biodiversity and systematically monitor and report this aspect. Information has to be represented at national level allowing for comparisons to be drawn (cf. Annex).

### Giving priority to natural forests

The conservation of natural and near-natural forests ought to be given priority in REDDplus support for developing countries since much carbon is stored in these ecosystems and a high and valuable biodiversity can be found, such as e. g. in the tropical forests of Africa, Southeast Asia and Latin America.

Giving priority to natural forests means that other activities are only to be supported by REDDplus once the natural forests are safeguarded from deforestation on a long-term basis. In this manner, hotspots of biodiversity and conservation areas are to be conserved and developed simultaneously. The concept of High Conservation Value Areas (HCVA) and the methodology that the Carbon and Biodiversity Atlas of UNEP's World Conservation Monitoring Centre is based on offer a good expert basis for the selection of areas of considerable importance as carbon sinks and for biodiversity.

### **Quality criteria for forests**

In order to maintain environmental and climate integrity, REDDplus requires significantly improved crediting rules as well as clearer definitions and quality criteria for forests compared to the LULUCF mechanism of the first commitment period of the KYOTO Protocol. Here, a distinction at least has to be made between natural and near-natural forests on the one hand and plantations on the other. Transforming (modified) primary forests into plantations and other forms of land use with REDD monies has to be ruled out. Plantations only store carbon temporarily, and in comparison to primary forests, they only make a very limited contribution to climate protection and to biological diversity.

### **Sustainable forest management**

Pressure on forests is set to grow since area required and the demand for products from the forest is continuing to rise owing to the forecast continuing population growth to a level of 9 billion people by 2050. This increases pressure to use (natural) forests or even transform them into areas for other forms of use. REDDplus has to consider these developments with a responsible,

sustainable management of forest areas and do justice to the right to food security and the safeguarding of livelihoods for the local population. Except for their traditional use by the local indigenous population, primary forests should be excluded from any use. Exceptions could arise if appropriate use appears to be necessary to meet the needs of the local population in particular and/or counter the threat of transformation.

Owing to an insufficient definition of sustainable forest management, systems have to be selected that can ensure sustainable forest management.<sup>2</sup> Full participation, also in advance, of the local and indigenous population and safeguarding land rights have to be guaranteed.

### **Extending forest area**

The enhancement of carbon stocks in forests by (re-) afforestation has to serve, first and foremost, the near-natural, endemic restoration of forests and take place in degraded forest areas.<sup>3</sup>

### **Criteria for regional priorities**

REDDplus support also has to focus on those areas that store only a comparatively small amount of carbon but are of greatest importance to the conservation of biodiversity, such as savannah forests. Furthermore, REDDplus measures should not result in the degradation or loss of other natural non-forest ecosystems, such as grasslands or marshlands.

Criteria like the adaptability of a forest ecosystem or the relevance of an ecosystem to a country's adaptation to climate change as well as risk assessment and risk management regarding the perpetrators of deforestation ought to be considered in setting regional priorities for REDDplus support.

## **3. Protecting human rights**

### **Social protection regulations**

Globally, around 1.6 people live directly and indirectly on and in the forest. REDDplus must not result in these people being driven from their land or the local population's sustainable use of forests being disproportionately restricted. REDDplus has to fully guarantee (human) rights, contribute to improving the legal situation of the local population and maintain and improve the livelihoods of the people depending on the forest.

National REDDplus strategies have to recognise and protect the traditional land rights and rights of usufruct of local communities and indigenous peoples. They have to pursue a human rights-based approach setting out from the international conventions on human rights and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the rights of indigenous people and local communities enshrined in it. Guaranteeing land rights and rights of usufruct requires

2 Cf. CBD Ecosystems Approach and UNFF.

3 Cf. in particular the concept for Forest Landscape Restoration (GPFRL), which has developed principles and guidelines on this: [http://www.ideastransformlandscapes.org/media/uploads/File/a\\_avspecial\\_learning\\_from\\_landscapes.pdf](http://www.ideastransformlandscapes.org/media/uploads/File/a_avspecial_learning_from_landscapes.pdf)

a comprehensive establishment of today's and historic rights as well as existing or past conflicts.

Food security must not be worsened through REDDplus but ought to improve instead. Revenue, advantages and improvements resulting from REDDplus has to be fairly and appropriately distributed and respect the priorities of the local population as well as the indigenous peoples' right of self-determination regarding the forms of sharing use.

In order to guarantee these regulations on social protection, the population has to be fully involved in the development of the projects and programmes in a

culturally appropriate manner, be fully and appropriately informed already at the beginning of planning and be given sufficient time to form its own opinion and take part in decision-making. Indigenous peoples have a right to self-determination and hence to free, prior and informed consent.

In addition, independent implementation and complaint mechanisms ought to be developed at national and international level that actively provide information on options to raise complaints and support those concerned with their complaints.

## 4. Ensuring financing

### Effective financing

The financial support of REDDplus has to be oriented on effectiveness: This implies appropriate, additional, transparent, long-term and predictable support by the industrialised countries. This financial aid has to put the developing countries taking part in a position to implement long-term and effective government programmes and demonstrably achieve the national REDDplus or forest conservation and biodiversity goals.

The REDDplus architecture has to ensure transparency in order to make finance flows and their use traceable and minimise the risk of corruption and misdirection of finance at local level. National revolving finance mechanisms ought to contribute to the countries also being able to finance forest conservation of REDDplus measures in the long term. REDDplus should therefore support developing countries in establishing fund mechanisms with a democratic structure in order to thus ensure sustainable financial security.

### Plannable and balanced allocation

In order to confirm with the significance of REDDplus for global climate protection and forest and biodiversity conservation, the monies provided by the industrialised countries ought to be integrated in a balanced and long-term strategy for the use of funding. This would ensure an appropriate distribution of finance among the field of REDDplus, and REDDplus would be integrated in a balanced, inter-ministerial allocation plan for climate protection and adaptation to climate change. This enables planning security for REDDplus countries, which is of considerable importance especially in the field of natural resource management (participatory planning and implementation processes, settling issues of right to usufruct and land rights, establishing institutions and capacities, good governance, unexpected influence or changes in ecosystems, etc.).

REDDplus financing should not be exclusively included in the German Federal Government's pledges for biodiversity conservation of 2008, since the two areas have to master different goals and challenges. Therefore, financial commitments for climate protection, forest and biodiversity conservation must not be counted double in order not to jeopardise the credibility of Germany's international commitments and to meet the challenges.

### Performance-based financing as a long-term goal of REDDplus

Finance allocation ought to be oriented on the respective REDDplus phases and generally be performance-based regarding verifiable, demonstrable and permanent achievements (Phase 3). Initial and advance financing independent of performance is, however, to be ensured so that the countries participating in REDDplus can develop structures and take measures to enable performance-based financing (Phase 1). With proxy indicators for an approximation of criteria that are difficult to measure, performance-based financing criteria can be determined in the interim phase (Phase 2). The award of REDDplus funding should then be compulsorily tied to the implementation of the success criteria in Phase 3. In addition to the reductions in emissions that have been achieved, success criteria should also comprise criteria such as the protected forest area, promoting biodiversity, enhancing good governance or settling land rights and rights of usufruct.

# Annex

## Information systems for safeguards

REDDplus projects have to make a contribution to the development and establishment of an information system on the observation of safeguards.

### **Instructions for the 17th Conference of Parties to the Framework Convention on Climate Change 2011 in Durban, South Africa**

#### **Information system on safeguards, Paragraph 71 d) in connection with Annex II b) and Annex I FCCC/CP/2010/7/Add.1 <sup>4</sup>**

The development of a system for the provision of information on the safeguards represents an important element for the development of national REDD-plus strategies. The safeguards ought to be addressed and observed with an information system (Para 71 d). Such an information system has to be transparent and cost-efficient as well as providing for the participation of civil society, local communities and indigenous groups. The information provided by all those involved has to be publicly accessible, verifiable, comparable among countries and suitable for continuous monitoring. Existing information systems on forests and biological diversity (e.g. forest inventories, conservation areas and High Conservation Value Areas, threatened animal and plant species [Red Lists], types of indicator, ecosystem functions) and socio-economic aspects (e.g. registers of land rights and rights of usufruct) ought to be consulted.

The information should be collected by an independent central body or a committee and published in a suitable manner. If information provided or already available is not adequately considered, options ought to exist to raise complaints e.g. via an ombudsperson in order to ensure transparency and prevent any withholding of information.

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<sup>4</sup> <http://unfccc.int/resource/docs/2010/cop16/eng/07a01.pdf#page=2>