



# THE FORESTS DIALOGUE

## Beyond REDD: The Role of Forests in Climate Change\*

A Statement from The Forests Dialogue

*The Forests Dialogue's Initiative on Forests and Climate Change agrees that:*

Of all the options for responding to climate change, forest-related mitigation measures are, in the short to medium term, among the most practicable and cost-effective. They also have very low opportunity costs and can make an immediate and direct contribution to sustainable development and rural livelihoods.

Deforestation and forest degradation produce about 20% of the world's greenhouse gas emissions. Yet the forests sector also has a unique ability to simultaneously reduce emissions, capture and store carbon, and lessen the vulnerability of people and ecosystems to climate change. Measures such as sustainable forest management, forest conservation, reforestation, forest restoration, afforestation, wood-based bioenergy generation, and the use of sustainably produced wood products as substitutes for emissions-intensive materials, therefore, should all be considered as part of the global approach to climate change mitigation and adaptation.

However, forest-based climate change responses should be designed as a complement, rather than an alternative, to strategies for reducing fossil fuel emissions. A strong focus on forests should diminish neither the need for clear emissions limits nor the climate change mitigation responsibilities of the Kyoto Protocol's Annex 1 countries.

Experience within the forest community has shown that, in the long run, a narrow focus on a single commodity—such as carbon—at the expense of wider forest values is unlikely to succeed. Moreover, a piecemeal approach to forests would risk undermining the social, environmental, and economic resilience of rural communities and could directly reduce their ability to adapt to climate change. To be effective, forest-based mitigation and adaptation measures must deliver sustainable development, build resilience in rural communities, and fully involve forest-dependent people, civil society, the forest workforce, and the private sector.

The implementation of measures for forest-based climate change mitigation and adaptation provides both opportunities and risks for Indigenous Peoples and other marginalized groups. The United Nations Declaration on the Rights of Indigenous Peoples is therefore of particular relevance and should be comprehensively applied in negotiations with Indigenous Peoples under relevant treaties and in recognizing their rights and tenure. Consistency with the obligations of countries under international laws on human rights, the environment, and trade is also fundamental.

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\* This statement is the product of a multi-stakeholder process developed and convened by The Forests Dialogue. It expresses the consensus view of more than 250 people from diverse backgrounds, who came together in various forums to debate, over a ten-month period, the role of forests in climate change and the policies being developed to foster that role. The process culminated in the Global Forest Leaders Forum in Washington, DC, United States on 17–18 September 2008. The Forum was attended by leaders of environmental and social groups, businesses, Indigenous Peoples' and forest community groups, trade unions, forest owners, governments, and international organizations.

## GUIDING PRINCIPLES

Five principles, described below, should guide forest-related post-2012 arrangements on climate change. To support these principles, a set of possible actions (presented in an annex to this document) has been formulated.

### ***1. Ensure that forest-related climate change options support sustainable development in both forest-rich and forest-poor countries.***

Forest-based strategies for climate change mitigation and adaptation must support sustainable development. This applies equally in forest-rich countries, where opportunities for climate change mitigation are high but the need for adaptation might be neglected, and in forest-poor countries, where attention might be paid to adaptation but not to the potential for mitigation. There will be no 'one size fits all' solution: countries should consider the full range of options and choose those that best complement their needs and sustainable development efforts.

If interpreted narrowly, measures to reduce emissions from deforestation and forest degradation in developing countries (REDD) are most likely to favor countries that have high deforestation rates and therefore the ability to achieve deep cuts in emissions by reducing such deforestation. Provision should be made, however, to also reward countries and communities that are already conserving, sustainably managing and expanding their forests, including high-forest, low-deforestation (HFLD) countries.

The most effective forest-based approaches will retain and enhance carbon stocks through such measures as sustainable forest management (SFM), REDD, afforestation, reforestation, the restoration of degraded forest lands, conservation, and the substitution of high-emissions materials and fuels with sustainably produced forest products. They will also increase the resilience of forests to the impacts of climate change and encourage communities to adapt to climate change.

In the past, many responses to climate change have been fragmented, uncoordinated, and contradictory and have led to perverse land-use outcomes. Forest-based approaches can and should be complementary and transparent. They should be fully integrated into poverty reduction strategies and macroeconomic development plans and promoted by uncomplicated financial mechanisms. Above all, they should support sustainable development; if they do not, they will be unable to deliver a significant or quantifiable reduction in deforestation. To boost investor confidence in the viability of forests as a mitigation and adaptation option, the successful experiences already gained in voluntary carbon markets should be fully utilized.

### ***2. Tackle the drivers of deforestation that lie outside the forests sector.***

Factors such as expanding agriculture and livestock production, infrastructure development, population growth, urbanization, market distortions, and global demand for agricultural products and biofuels underlie most deforestation and therefore most of the carbon emissions caused by deforestation.

The processes that promote these factors are often well understood but the inter-sectoral engagement mechanisms required to tackle them are lacking. Often, governmental policies, programs, and subsidies are sector-specific and directly and negatively impact the health, integrity, and sustainable management of forest resources.

Perverse incentives that encourage the clearing of land that would otherwise have remained as forest should be identified and removed and positive incentives for landowners and forest-dependent people to retain their forests provided.

### ***3. Support transparent, inclusive, and accountable forest governance.***

If forest-based activities are to help in climate change mitigation and adaptation, barriers to improved governance must be identified and processes established to empower the disenfranchised, including Indigenous Peoples. Such efforts should be supported with mitigation measures in consumer countries to promote the use of legally and sustainably produced forest products. Encouragingly, several countries have already initiated progressive forest governance reform processes. A systematic connection between such reforms and the establishment of credible programs for REDD and other forest-based approaches to climate change, however, still needs to be developed.

Post-2012 arrangements cannot directly prescribe measures for improved forest governance. They should, however, include provisions for tracking and reporting on progress in forest governance as it pertains to the effectiveness of forests in delivering emissions reductions. This would have the additional benefit of accelerating improvement in the overall governance of the forests sector.

### ***4. Encourage local processes to clarify and strengthen tenure, property, and carbon rights.***

The rights to and tenure of forests are often poorly defined and, in particular, the rights of customary owners are seldom given full recognition. Indigenous Peoples, forest owners, the forest workforce, and local communities are now additionally concerned that their rights to control and benefit from forest-based carbon will be nationally and internationally unacknowledged. This, in turn, will reduce their ability to manage and use their forest resources and to retain their cultures, traditional knowledge systems, and territories. Clarifying carbon rights when basic property rights are still unclear looms as a major challenge.

Poorly designed forest-based climate change mitigation measures could undervalue proven traditional and local knowledge systems and the experiences accumulated by customary owners in sustainably managing their resources over many generations. The importance of mapping and securing the tenure, property, and carbon rights of Indigenous Peoples, family forest owners, and local communities, and devising effective mechanisms for the distribution of benefits, cannot be overstated. In addition, future national climate change mitigation regimes must ensure the ability of those groups to conserve and enhance their carbon-related assets and guarantee them the freedom to choose whether and how they trade their carbon rights. Mechanisms to engage and build capacity among local stakeholders so they can participate effectively in decision-making are of fundamental importance.

**5. Provide substantial additional funding to build the capacity to put the above principles into practice.**

Whatever financial mechanisms within the post-2012 arrangements on climate change are ultimately agreed, it is essential that governments, multilateral institutions, and donors, in close partnership with stakeholders in recipient countries, invest in capacity building, at all levels, for forest-related climate change mitigation and adaptation. Recipient countries should take the lead in defining the kinds of support that are needed and donors should improve their coordination to ensure that the support they provide is complementary.

For capacity building to be useful, governments must implement policies that encourage forest-related climate change mitigation and adaptation measures. While immediate investment is urgently required, capacity building is a long-term process and requires consistent support over many years. Investments that assist the development of forest rights and livelihoods are likely to be efficient and effective in promoting climate change mitigation and adaptation.

## CONCLUSION

Those who met under the auspices of The Forests Dialogue on Climate Change understand that although individuals, communities, and nations have made widely divergent contributions to the increasing concentration of greenhouse gases in the atmosphere, solving the problem will require a unified global response. Equally, while solutions to climate change must respect national sovereignty and contribute to national development, they must also respect human rights.

The Forests Dialogue on Climate Change recognizes that REDD and other climate change mitigation and adaptation measures will only achieve lasting results if they are adapted to conditions on the ground and help meet the needs of local people. By providing adaptability and supporting livelihoods, sustainable forest management offers an efficient win-win solution. It can ensure healthy and productive forests, underpin robust rural livelihoods, and deliver a wide range of products and ecosystem services that societies demand. It can also be an economically, environmentally, and socially effective way of addressing climate change globally.

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*Note: The Forests Dialogue is an international collaborative platform and process driven by environmental and social groups, businesses, Indigenous Peoples' and forest community groups, trade unions, forest owners, and international organizations. Its mission is to promote sustainable forest management through a constructive dialogue among all key stakeholders. The Forests Dialogue's approach is based on establishing mutual trust, improving understanding on issues, and a commitment to change. This Initiative on Forests and Climate Change is the seventh and largest initiative convened by The Forests Dialogue since its inception in 1999. All materials related to the Initiative on Forests and Climate can be found at [www.theforestsdialogue.org/climate.html](http://www.theforestsdialogue.org/climate.html).*

## ANNEX: POSSIBLE ACTIONS

### *For negotiators within the United Nations Framework Convention on Climate Change*

- Ensure that post-2012 arrangements on climate change optimize the full climate change mitigation and adaptation potential of forests by providing effective incentives for SFM, REDD and the conservation of forest carbon stocks, and that all elements that might involve forest-based activities are mutually supportive.
- In post-2012 arrangements on climate change, provide large, stable, predictable, and long-term financial flows to maximize the role of forests in climate change mitigation and adaptation, particularly through their sustainable management and conservation.
- In post-2012 arrangements on climate change, include the carbon storage and mitigation functions of harvested forest products and wood-based bioenergy obtained from sustainably managed forests.
- Since some of the main drivers of deforestation lie outside the forests sector, make provisions in post-2012 arrangements on climate change for reporting on inter-sectoral engagement to tackle such drivers.
- Address forest governance processes for the effective implementation of climate change mitigation and adaptation measures and make provisions for the voluntary reporting of progress towards addressing nationally identified forest governance constraints.
- In forest-related post-2012 arrangements on climate change, ensure that carbon credits represent real, permanent, and verifiable emissions reductions and that reliable systems for measuring, monitoring, and accounting are in place to guard against leakage.
- In forest-related elements of post-2012 arrangements on climate change, ensure consistency with obligations under all social and environmental international conventions and recognize the rights to decent work for the forest workforce.
- In accordance with the United Nations Declaration on the Rights of Indigenous Peoples and the views expressed by the Committee on the Elimination of Racial Discrimination, ensure consistency with provisions on the free, prior, and informed consent of Indigenous Peoples.
- Ensure that forest-based arrangements on climate change adhere to the principles articulated in the non-legally binding instrument on all types of forests adopted by the United Nations General Assembly in 2007.
- Ensure that forest-related post-2012 arrangements on climate change achieve a balance between measures for climate change mitigation and adaptation and between forest-rich and forest-poor countries.

### *For the donor community*

- Build the capacities of countries, communities, Indigenous Peoples, forest workers, forest managers and forest owners to participate in forest-related climate change mitigation and adaptation measures and improve coordination with other donors to ensure that such support is complementary.

- Improve the consistency between and coherency of forest-related climate change mitigation and adaptation measures and other ongoing programs such as forests-sector reform, support for small and medium-sized forest enterprises, and forest certification.
- Ensure that funding to promote the role of forests in climate change mitigation and adaptation are disbursed and coordinated in ways that adhere to the spirit and intent of the Paris Declaration on Aid Effectiveness.
- Provide Indigenous Peoples, the forest workforce, and local communities with access to resources with which they can support their own processes for internal consultations, through which they can better define their positions and plans and participate in decision-making related to forests, rights and benefit-sharing.
- Ensure that credible measures exist to safeguard the livelihoods of those who might be adversely impacted, such as forest workers.
- Ensure that development aid policies and programs that target forest-related aspects of climate change achieve a balance between climate change mitigation and adaptation and between forest-rich and forest-poor countries.

#### *For financial institutions and investors*

- As part of an investment risk assessment process, evaluate the extent to which national frameworks for REDD and other forest-based climate change mitigation measures coordinate with and complement established country-level processes to strengthen and improve sustainable forest management.
- Ensure that financing for activities that might involve the conversion of forest to non-forest are consistent with climate change mitigation and adaptation policies and measures and national land-use planning.
- Exercise due diligence in determining that the rights of Indigenous Peoples, family forest owners, and local communities are respected and that forest financing schemes include access to benefits.

#### *For national governments*

- Ensure that forest-related climate change mitigation and adaptation measures build on and complement ongoing policies, activities, and land-use plans designed to promote the sustainable management and conservation of forests.
- In those circumstances in which REDD programs might limit existing options for the management and use of forests, develop schemes that adequately re-train or otherwise offer forest workers alternative and comparable livelihood options.
- Harness and strengthen existing multi-stakeholder governance-related processes (such as those that have been created through Forest Law Enforcement and Governance initiatives) to help: tackle the drivers of deforestation and forest degradation; define how forest resources might best be deployed in both climate change mitigation and adaptation; and design and implement long-term forest-related climate change strategies.



- ➔ In the preparation of national REDD plans, commission and disseminate fully independent assessments of the impacts of land use-related policies, programs, subsidies, and incentives.
- ➔ Support the substitution of sustainably produced forest products for emissions-intensive materials to increase carbon stocks and reduce carbon emissions.
- ➔ Use such assessments and other solid bases of evidence to make context-specific provisions for accountable governance, including: removal of subsidies that result in the conversion of forests; encouraging the pricing of forest products and services that reflect their true value to society; and strengthening strategic land-use planning and landscape-based planning.
- ➔ Clarify and formalize the rights of Indigenous Peoples, family forest owners, community forest owners, and other user groups to land, forests, and carbon.
- ➔ In accordance with the United Nations Declaration on the Rights of Indigenous Peoples, promote processes for the recognition of the rights of Indigenous Peoples to their lands, territories, and resources (including carbon assets).
- ➔ In accordance with the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, promote processes for the recognition of the rights of the forest workforce.
- ➔ As a basis for ongoing risk assessment, ensure that systems designed for monitoring deforestation and changes in carbon stocks include a participatory component that allows local communities, forest owners, and other key forest actors to report on positive and negative changes in forest governance.
- ➔ Anticipate that interested parties will require that future REDD carbon credits are credible and secure. Establish a demand for ancillary support from donors for effective REDD-related capacity building.
- ➔ Take measures to remove both production-based and consumption-based subsidies that drive significant deforestation and permanent land use change.
- ➔ Particularly in OECD countries and those with emerging economies, commission transparent, authoritative, and independent reviews of the impacts of domestic energy, agricultural, and trade policies on tropical deforestation in order to complement existing specific safeguards that, for instance, seek to prevent the import of illegal timber.

#### *For forestry and forest products companies*

- ➔ Promote sustainable forest management, including afforestation and reforestation, and the increased use of forest products as important climate change mitigation strategies.
- ➔ Promote efficiency and innovation in the use of key resources (raw materials, water, energy and chemicals) and foster continuous improvement based on setting and reporting on appropriate emissions reductions targets.
- ➔ Seek to conserve important biodiversity and cultural values and to optimize the social, environmental, and economic benefits of sustainably managed forests.

- ➔ Recognize forest certification systems that are based on third-party verification, independent accreditation, good governance, and transparency, and support efforts to expand their use.
- ➔ Seek out and respond to local sustainability expectations and concerns.
- ➔ Respect the lawful access and tenure rights of Indigenous Peoples and other forest-dependent people directly affected by forestry operations and proactively seek to resolve potential land disputes through dialogue, independent arbitration, or the legal system.
- ➔ Cooperate with organizations, governments, and other stakeholders to promote and develop sustainability in the forest products industry, including by sharing best practices and lessons learned and by adhering to international laws and conventions.

*For the non-forestry, private sector*

- ➔ Especially in the agricultural, livestock, and energy sectors, develop procurement policies to identify and avoid product purchases that encourage the clearing of natural forests.
- ➔ Adopt certification systems for agricultural products based on third-party verification, independent accreditation, good governance, and transparency, and support efforts to expand their use.

*For civil-society organizations in partnership with other stakeholders*

- ➔ Align with national processes to support, invest in, and facilitate capacity building among Indigenous Peoples, local communities, forest owners, and other forest actors so that they can actively engage in REDD preparatory activities as well as in the implementation of the full range of climate change mitigation and adaptation measures.
- ➔ Seek and respect the consent of Indigenous Peoples, small forest owners, and forest communities on the terms and conditions by which they wish to engage in forest-related climate change mitigation and adaptation measures. Do not presume to speak or act on their behalf.
- ➔ Develop and support capacity-building programs so that Indigenous Peoples, small forest owners, and forest communities can engage more effectively in dialogues and negotiations on forest-related climate change mitigation and adaptation measures.
- ➔ Ensure that adequate funding is available to support capacity building among forest stakeholders for effective participation in climate change mitigation and adaptation measures.
- ➔ Pilot-test arrangements to efficiently, effectively, and equitably reward forest managers for the provision of ecosystem services, including climate change mitigation.

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*The work of The Forests Dialogue is implemented by a Secretariat hosted at the School of Forestry and Environmental Studies at Yale University in the United States (F&ES). The Forests Dialogue is an autonomous network of individuals, governed by a Steering Committee comprising representatives of major forest stakeholder groups. The statements, reports, and findings of The Forests Dialogue do not necessarily represent the views of the F&ES Faculty or Yale University.*