

Summary

REDD+ entered the global scene 10 years ago to great fanfare, with the promise of building a 'wooden bridge' towards a carbon-neutral economy. By making standing trees worth more than dead ones, the concept of reducing emissions from deforestation and forest degradation and enhancing forest carbon stocks (REDD+) was expected to be a quick, cheap and easy way to lessen the climate impacts of land-use change.

While it has not been quick, cheap or easy, REDD+ is still a valid idea, more so now than ever. Recent findings show land-oriented climate solutions – primarily those protecting and restoring the world's forests – could deliver more than one-third of the cost-effective mitigation needed to keep global warming below 1.5°C by 2030. Yet land-oriented climate solutions receive only 3% of climate funding, less than a tenth of what could be considered a fair share.

New warnings about the potentially disastrous consequences of rising GHG concentrations in the atmosphere bring the reality of climate change into sharp focus. But the combined national commitments under the Paris Agreement together fall far short of achieving the 1.5°C goal, placing the world on track to a temperature increase of 3.0-3.2°C by 2100 – with some countries in the fast lane towards 5°C. And a growing chorus of climate deniers in major emitting countries is influencing the global debate in alarming ways. The resulting noise risks drowning out voices of reason.

The title of this book has an intended double meaning. In 2007, REDD+ was envisioned as a catalyst for transformational change towards lasting climate mitigation in the forest and land use sector. Direct incentives – payments to forest-rich developing countries – were meant to be a game changer. And yet REDD+ itself – understood as the aggregate of the initiatives and policies aiming to achieve reduced emissions from forests in developing countries – has been transformed over the past 10 years. If it is to deliver on its promise of transformational change, REDD+ needs to adapt to a shifting landscape that includes a new global climate

change architecture, changing global politics, and shifting expectations from donors, REDD+ countries, private sector and local communities.

Transforming REDD+ continues our close examination of REDD+ progress since 2008. We point to critical issues and suggest how to move forward to make forest-based mitigation effective, efficient and equitable. Our goal is to be constructive critics: *critical*, because the world cannot afford policies and initiatives that don't help reduce emissions; and *constructive*, because if the world fails to reduce emissions from deforestation and forest degradation it is unlikely to reach the 1.5°C (or even 2°C) target.

Through the Global Comparative Study on REDD+ (GCS REDD+), the Center for International Forestry Research (CIFOR) and partners have tracked REDD+ progress, taking a researcher's critical distance while also providing recommendations, information, analysis and tools for those in policy and practice. *Transforming REDD+* is based on 10 years of GCS REDD+ research and almost 500 scientific publications from the project, but also draws on the wider literature, on partner contributions and on policy debates at global, national and subnational levels.

Since 2007, over 50 countries have initiated REDD+ strategies, many subnational governments have made formal commitments to reducing deforestation, and more than 350 REDD+ projects and programmes have been implemented across the tropics. We now have experiences and data – even if far from perfect – that enable us to make preliminary conclusions about the design, implementation, progress and impacts of national and subnational REDD+ initiatives.

The fourteen chapters of this book are divided into four parts: finance and other key building blocks of REDD+, analyses of national politics, syntheses of impact assessments of national and subnational policies, and local REDD+ initiatives, and finally, a review of four evolving initiatives critical to achieving REDD+ as an objective.

In the first part, we start by noting that to be effective, efficient and equitable, REDD+ needs a clear theory of change – a road map to transformation. We review diverse theories offered by various actors in the REDD+ debate, each with their own perspective on how to reduce emissions from deforestation and forest degradation. We also highlight critical uncertainties around results-based payment, the lynchpin of the REDD+ theory of change. While initially conceived as a way to incentivise countries, forest owners and forest users to conserve forests, the nature and level of compensation and the exact beneficiaries remain unclear.

A global carbon market – of which REDD+ was to be an integral part – never materialised. Finance for REDD+ has been provided by only a small group of countries and multilateral institutions, and readiness funding is drying up. The funding debate should acknowledge that REDD+ countries and communities

have shouldered much of the cost of putting REDD+ into practice. Results-based payment has not been the driving force it was expected to be, due to a lack of finance and other challenges, including questions of what to pay for, whom to pay and how to set reference levels. We note that results-based systems are at risk of bias through 'cherry picking' of numbers, and suggest ways to remedy this through a clearer rule book and institutional checks and balances.

Data and information are key to rational planning and policy design, implementation and evaluation. But the generation and use of information can be politicised by powerful agents of deforestation and forest degradation. We highlight both opportunities and challenges around information-driven change throughout the REDD+ policy process. National forest monitoring systems will need to address participation, transparency, accountability and coordination to counteract the differences in the capacities, resources and powers of various stakeholders.

The second part of the book looks at the national politics of REDD+. Reforming national policies and laws that conflict with the social and environmental goals of REDD+ was expected to be central to implementation. Yet while some policy reforms materialised, the goal of reducing emissions from forests still often plays second fiddle. Countries' Nationally Determined Contributions (NDCs) under the Paris Agreement reflect the latest national commitments towards climate change actions. We analyse how forests feature within them and discuss opportunities and barriers - in particular, around realising the potential contributions of forests, and improving the comprehensiveness of NDCs through clear forest sector commitments.

Coordination, often cited as the solution to many challenges, is in reality hampered by the conflicting interests attached to land and forest use. It is important to distinguish between coordination failures that can be addressed through improved coordination, and those that arise from fundamental differences in goals and interests. We review experiences and lessons learned, and possible solutions, such as collaborative multi-actor processes and forums.

Land tenure and the rights of indigenous peoples and local communities have been prominent on the REDD+ agenda since its early days. Implementation has resulted in some progress on tenure, but not enough to ensure a proper functioning of REDD+. And while institutional and legal reforms have been observed in countries such as Indonesia, Peru and Tanzania, concrete local efforts are often not backed up with sufficient national policy support and reforms.

Ten years in, the world is now asking what REDD+ has achieved through international finance, national policies, subnational programmes and local projects. Has it reduced deforestation and forest degradation? Has it helped improve local livelihoods and forest governance? In the third part, we seek to address these questions.

A review of the available evidence on policy impacts finds that national and subnational policies contribute to forest conservation, but their effectiveness is low on average, especially in the tropics. No particular policy instrument stands out as a 'silver bullet', but improving the coherence and complementarity of the policy mix across government levels can enhance the effectiveness of policies – both individually and in combination. For local-level initiatives, the few studies that focused on carbon/land-use outcomes show – on balance – moderately encouraging results, while the more numerous studies on well-being highlight small and mixed results, which are more likely to be positive when incentive components are included.

While REDD+ was initially focused on large-scale results-based financial transfers to national governments, new complementary initiatives have emerged. The fourth part of the book reviews four of them. Jurisdictional approaches to low-emission rural development hold promise, as they align REDD+, sustainable supply chain initiatives, domestic policy and finance across an entire jurisdiction. New analysis of progress made by 39 subnational states and provinces highlights that most are advancing towards meeting their formal commitments to reducing deforestation; they have done so through integrated jurisdictional strategies, robust multi-stakeholder processes, and quantifiable, time-bound targets.

Private sector zero deforestation commitments have emerged, but private finance has not yet reached expected levels. We explore the dominant approaches to zero deforestation and review progress made across five key forest-risk commodities (palm oil, cocoa, coffee, beef and soy). Challenges remain, and lack of information and transparency makes it hard to assess progress. Private sector initiatives must align with national government regulatory frameworks, wider corporate sustainability policies, and consumer country government regulations, if commitments are to be effective.

Agriculture, as the largest direct driver of deforestation, is being addressed through climate-smart agriculture initiatives. Can sustainable intensification of agricultural production, a key component of climate-smart agriculture, conserve forests? Positive forest outcomes cannot be taken for granted, as higher yields can incentivise agricultural expansion into forests; policies therefore need to incorporate forest-specific measures to promote land-sparing outcomes.

Enhancement of forest carbon stocks (the plus part of REDD+) has come in the form of forest and landscape restoration initiatives. A review of 154 restoration projects in Latin America found that funding sources strongly influence the goal, activities and size of projects. A major challenge is to change incentive structures in order to promote sustainable land stewardship and degraded land restoration. Few restoration projects track forest carbon impacts, and many projects do not include the establishment of reference levels or carbon monitoring in their activities.

In the concluding chapter, we note that REDD+ has not achieved what many actors expected a decade ago. Using a medical metaphor, we ask why. Was REDD+ the wrong medicine? Was the dosage too small? Has the disease progressed too far? Or, will the medicine work, given more time?

The pathways to halving emissions by 2030 are clear: end the world's dependence on fossil fuels, invest in renewable energy technologies, reduce emissions from agriculture and deforestation, and remove massive amounts of carbon from the atmosphere - in part by building natural carbon sinks through restoration and reforestation. But as global inequality grows, so does the gap between the political will to meet the challenge of climate change and the required actions to steer away from destructive business-as-usual patterns. Forest-based mitigation needs to be incorporated in national development and climate action plans, and mainstreamed across sectors and levels of government. It also needs strong political commitment, inclusive decision-making processes, committed funding from both developed and developing countries, and transformational coalitions. A positive narrative on how forests contribute to economic development and climate goals will support this.

In its first decade, REDD+ inspired enormous enthusiasm for change and - despite many challenges - has begun to deliver on its potential. What the next 10 years will hold for REDD+ and other climate mitigation initiatives remains an open question. Now, however, we have lessons to guide us on where to prioritise our resources, policies and actions, so that we can effectively protect and restore the world's forests.