



EUROPEAN FOREST INSTITUTE

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REDD and forest governance:

Supply and demand perspectives

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Presentation structure

- Why governance will be central to achieving REDD
- Key governance risks for REDD from climate perspective
- Key REDD risks for governance from forestry perspective
- Lessons from Forest Governance initiatives (FLEG/T)
 - Readiness
 - Implementation
 - Demand-side



Why law enforcement and governance?

- Forest governance: control over resource, legitimacy
- Reducing deforestation means addressing drivers
- Significant proportion of logging and land conversion is unplanned and illegal (industrial and poverty-driven)



Governance risks for REDD

- Poor law enforcement means ineffective land planning, lack of control over the resource
- Inequitable revenue distribution means poverty-driven activities are likely to continue
- Delivery and reputational risks mean reduced investor confidence and discounted credits
- Incentives need to be manifest at the right level (but mechanism designed by governments!)



REDD risks for governance

- UNFCCC limited mandate/focus
- Potential revenue size ('Resource Curse'?)
- Centralised management vs devolution of resource management
- Tenure questions: land, carbon?
- Time scales / political pressure
- Donor incoherence, inconsistency



Lessons from FLEG/T – readiness & implementation

- Legal clarity: Indonesian definition of legality (4 years..)
- Legitimacy of process: Ghana multi-stakeholder negotiating delegation
- Timescale: donor coherence / committment
- Independent (third party) verification
- Institutional capacity



Lessons from FLEGT – demand side

- Demand is at least 50% of the solution
- FLEGT Action Plan: public procurement, legality licensing, private sector initiatives
- Market price that reflects cost of 'good' production
- Complementary: not an alternative to tackling political challenges of supply-side
- Requirements: traceability, standards (certification), political will(ingness to pay), coherence across sectors



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