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# Well Intended, Poorly Executed

# Can the Rainforests Be Saved Without a Plan?

#### By Christoph Seidler

The West wants to direct billions toward protecting forest lands, but the lack of any standardized rules and enforcement methods could lead to disaster. Experts warn that the wrong people might benefit from the money and argue indigenous peoples, not bureaucrats, should watch over the rainforests.

It would seem like fairly simple logic: If you want to help protect the environment, help save the forests. Huge amounts of carbon dioxide are stored in plants and the soil beneath them. So, clearing forests using slash-and-burn techniques only succeeds in releasing harmful CO2 and methane gas into the atmosphere.

Even if it is still difficult to precisely quantify the carbon footprint of deforestation, it would still only seem logical that there would be some sort of financial reward for protecting the forests. One mechanism, known as "Reducing Emissions from Deforestation and Forest Degradation," or REDD -- envisions a system that would allow industrialized countries to pay developing and newly industrializing countries to preserve large tracts of forest land. But a <u>newly published report</u> suggests that the REDD program might also give rise to its own set of problems.

The report was put together by the Washington-based Rights and Resources Initiative (RRI), whose partners include the International Union for Conservation of Nature (IUCN) and the Center for International Forestry Research (CIFOR). "The states have pledged heaps of money without agreeing to any framework or standards for REDD," RRI coordinator Andy White told SPIEGEL ONLINE. As White sees it, the fact that the world failed to reach a climate agreement in Copenhagen has meant that there are no rules or enforcement measures in place for properly implementing projects aimed at protecting forests.

Indeed, scientists at RRI fear that governments of developing and newly industrializing countries might be tempted to disregard the rights of local communities in order to get their hands on the money of investors as quickly as possible.

#### **Billions in Promises**

The amount of money involved is enormous. So far, there have only been pilot projects, but some industrialized nations have announced plans to devote very large amounts of money to protecting forests. For example, in Copenhagen, six nations -- the United States, Australia, Norway, Great Britain, France and Japan -- pledged to make approximately \$3.5 billion (€2.5 billion) available before 2012 for REDD-related projects. In the next few years, this figure could get even higher, particularly if more countries decide to join in the effort.

REDD is attractive to industrialized nations for a number of reasons. First, it helps them protect the environment more effectively. Second, it gives rich countries a chance to spare themselves from having to take unpopular domestic measures by investing in climate protection abroad. But a run on the forest-protection projects could destroy the CO2 trading systems that are already operating in places like Europe. A flood of cheap emissions certificates from REDD projects could drive the price of emitting greenhouse gases way down.

White and his colleagues fear that, as long as there are no uniform rules for the projects, the downpour of REDD-related funding might have problematic consequences. For example, they warn that the measures might lead to more corruption and to indigenous populations being deprived of their rights. For example, in the worst-case scenario, they fear that REDD funds could end up in the coffers of lumber companies that have managed to get their hands on forest licenses beforehand in some sort of shady way.

#### **Slim Chances for Universal Regulation**

Rules related to protecting forests are theoretically supposed to come as part of a larger global pact on

climate change. But ever since the chaos surrounding last December's climate change summit in Copenhagen, it's been anyone's guess whether such regulations will ever take shape. Given this state of affairs, France and Norway have announced that they will host meetings this year focused on hammering out framework conditions specifically for projects related to protecting forests. Although the meetings will not result in any system of universal regulation, they should succeed in getting key nations -- such as Brazil and Indonesia -- onboard. Still, White is convinced that only a coordinated approach for a REDD system will have any chance of bringing about positive results on the global level.

The main demand of the researchers at RRI are that, to the greatest extent possible, local communities be put in charge of looking after the forests rather than bureaucrats drawn from the administrative ranks. "The level of deforestation is the highest in government forests," Andy White says. On the other hand, he notes that the lowest wood-harvesting rates are found in areas administered by local inhabitants -- and that these rates are even lower than those in national parks. Likewise, White points to "encouraging signs of progress" in land-reform efforts in China and Brazil that benefit local groups.

Some of these efforts have met with apparent success. For example, there have been significant reductions in deforestation rates in the Amazon rainforest. During the climate summit in Copenhagen, Almir Surui, the chief of the Surui tribe in the western Brazilian state of Rondonia, advocated for allowing his people to be put in charge of their own forest. And, as he put it, since his tribe watched over the rain forests, it should also get the money for doing so. His tribe has come up with a 50-year plan aimed at allowing them to keep living in a traditional way within an intact forest.

## 'A Major Opportunity '

Andy White is calling for the forest protection issues to be resolved by the end of the year. As he sees it, REDD continues to present "a major opportunity." Likewise, many developing and newly industrialized countries continue to be interested in the approach. If nothing else, they still see it as an indication of how willing wealthier nations are to invest in climate protection.

But, as one example in South America shows, it's clear that there is only so much time left for negotiating. And in Ecuador, the government had been planning to forego tapping the enormous Ishpingo-Tambococha-Tiputini oilfields as long as it was adequately compensated for not doing so. The asking price was \$3.5 billion (€2.5 billion) -- or half of the estimated market price of the oil that could presumably be extracted over a 10-year period.

But a few days ago, President Rafael Correa expressed his displeasure at the current state of negotiations. As he put it, his country did not intend to let foreign powers impose their will on it. "What they want," Correa said," is for all of the little birdies in the entire Amazon region to live happy lives while the people there starve to death." The state-owned oil company Petroecuador is now reportedly preparing a tender for drilling in the oil reserves. The Chinese oil company Sinopec and its Brazilian competitor, Petrobas, are planning bids, according to the *Frankfurter Allgemeine Zeitung*.

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