

REDD+ and Community Controlled Forests

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*Forest Sector Institutional Reform and REDD+ in
Ethiopia: Making Participatory Forest Management
Pro-Poor Carbon Sequestration Policy*

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Overview of Presentation

- Discuss economic rationale for linking village forests like in Ethiopia with REDD+
- Present some practical issues associated with bringing community controlled forests (CCFs) into REDD+

Stylized Facts: Forest Carbon

- Deforestation and degradation release sequestered carbon
- 12% - 20% of world carbon emissions from forests =» more than all air, sea, land transport emissions.
- About 31% of 2020 carbon emission reduction potential

Community Controlled Forests (CCFs)

- Lands with biomass that are formally or informally controlled by villagers
- About 30% of developing country forests much more in low-income countries like Ethiopia
- Many CCFs highly degraded Significant potential for improvement
- REDD+ can address such carbon sequestration

Key Post-Rio Progress

- Several regional (e.g. Brazil Amazon Fund, EU, WCI, California) initiatives
- Non-Annex 1 (i.e. developing country) **forestry** COP 13 in Bali (2007), COP 15 in Cancun (2010)

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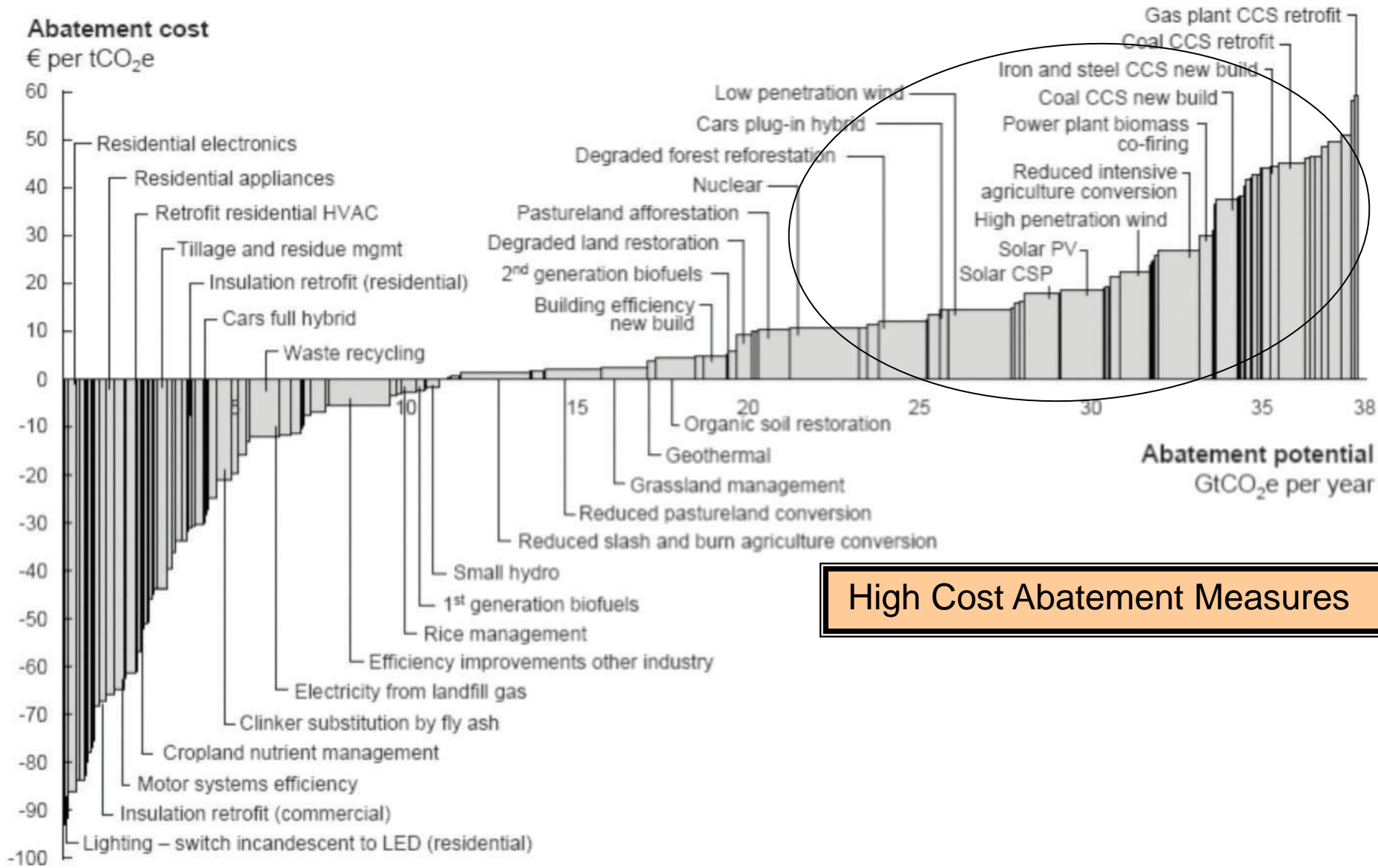
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REDD Economic Logic

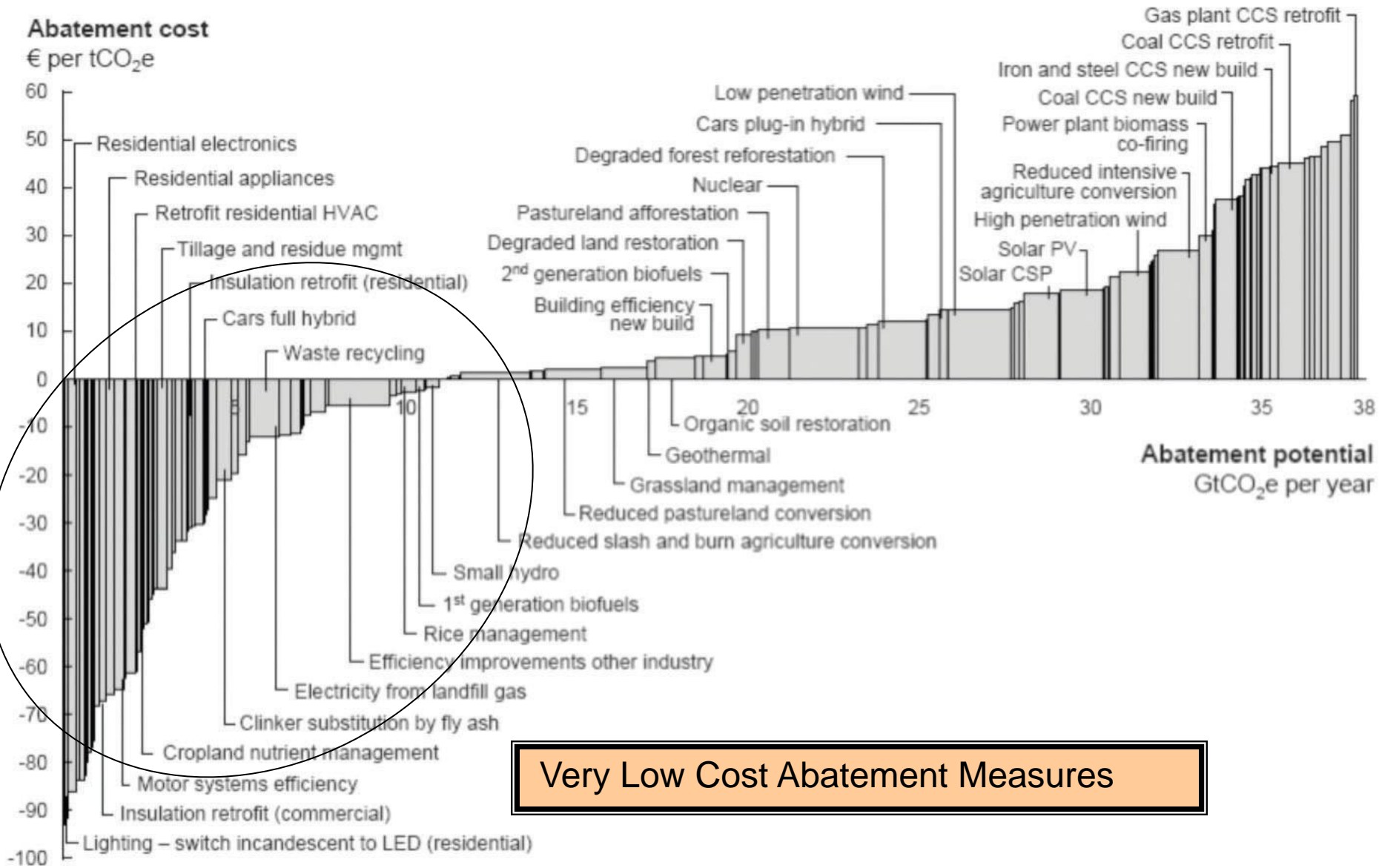
- What is given up (i.e. the **cost**) of avoiding deforestation and degradation is low
- Often overlooked is the high additional carbon **benefit** from reducing degradation in CCFs through better management

McKinsey and Co. (2009)



Note: The curve presents an estimate of the maximum potential of all technical GHG abatement measures below €60 per tCO₂e if each lever was pursued aggressively. It is not a forecast of what role different abatement measures and technologies will play.

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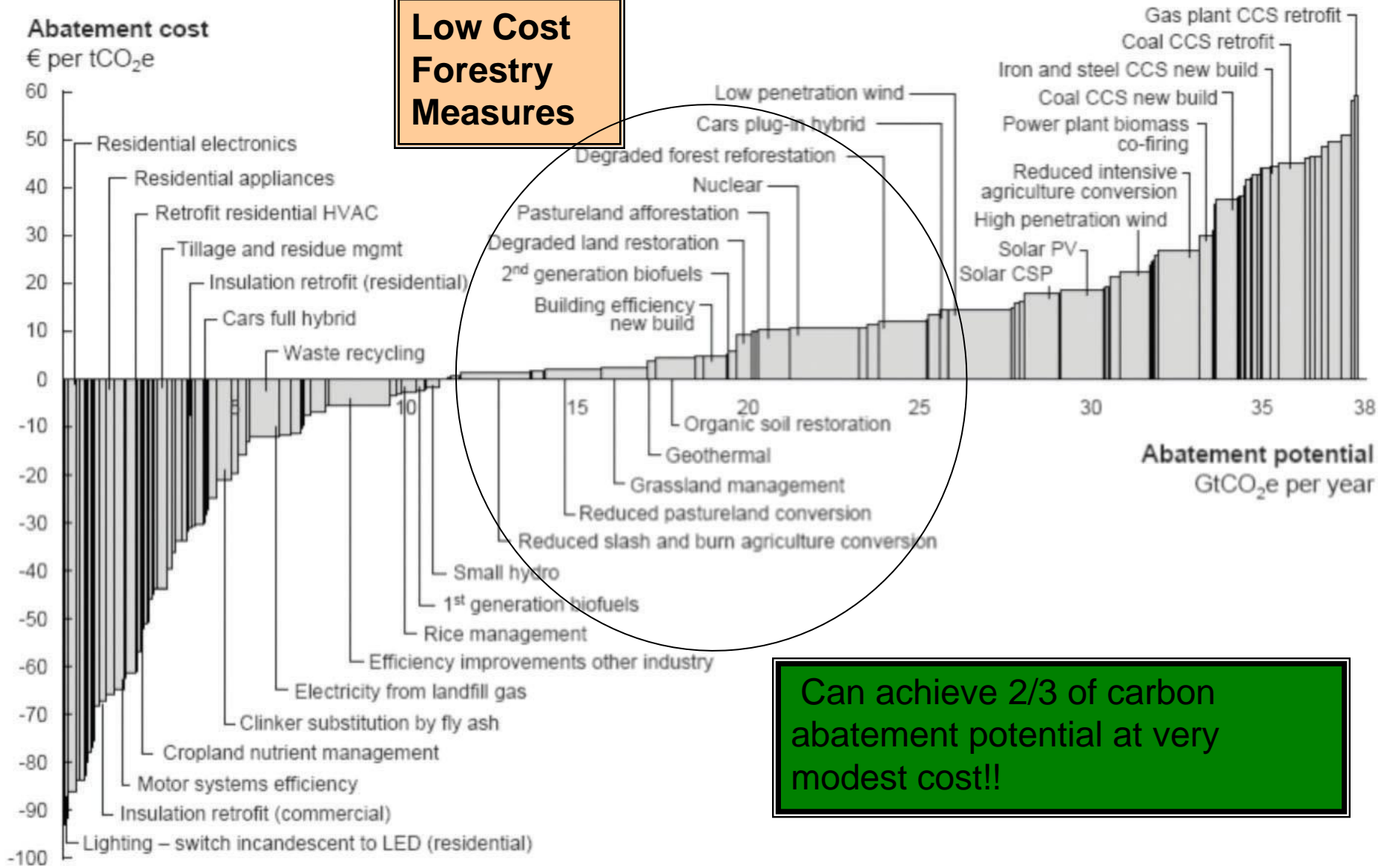


Very Low Cost Abatement Measures

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Low Cost Forestry Measures



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CCFs and the Economic Logic for Including in REDD+

- **Unclear:** Costs are low from local perspective. may be costs that are difficult to observe by analysts
- **Clear:** Upward potential for sequestration is enormous (e.g. in East Africa, South Asia)
 - High marginal benefits

Can CCFs Contribute via REDD+?

- Carbon benefits mainly in terms of reduced degradation or planting
- International experience suggests better management of CCFs does sequester more carbon currently under study
- The mechanism involves better collective action

Evidence on CCFs and REDD+ Contribution

- Chhatre and Agrawal (PNAS 2008) – **livelihoods and carbon not in conflict**
- Porter-Bolland et al (forthcoming Forest Ecology and Management) – **CCFs conserve better than protected areas**
- Nelson and Chomitz (2011)- **using fire data find CCFs conserve better than protected areas.**

Is REDD+ Good for CCFs?

- Opportunity to add value to low-value forests
- May be able to generate non-carbon co-benefits
- May be able to improve livelihoods and reduce poverty
- Disequilibriate fragile social systems?
- Possible loss of autonomy
- Unclear how to compensate villagers
- Possible asymmetries in knowledge/contracting ability. Fairness???

Including CCFs in REDD+: Many Questions to Answer

- How can additionality be demonstrated and what commitments would be accepted by communities?
 - Reduced grazing and fuelwood?
 - Planting?
 - Management for carbon? **Often unappreciated**
 - Adoption of technologies to reduce fuelwood use?

Other Practical Issues

- Distributional issues can disrupt communities. How to handle?
- “Permanence” and contract terms?
- Community-level or household level benefits?
- How to set compensation level?
 - Compensate for costs?
 - Free bargaining?
- What is the government role in use of REDD+ payments by CCF controllers?

Conclusions

- CCFs are too big to ignore Need to figure this out.
- REDD+ is open to crediting better carbon management
- Possibility to transform very poor rural economies in low-income countries
- Challenge has always been to add value to degraded LDC forests.
- Many complexities
- Do no harm!

Thank You!!!!