



Learning from REDD+: a response to Fletcher et al.

Arild Angelsen,^{1*} Maria Brockhaus,² Amy E. Duchelle,³ Anne Larson,⁴ Christopher Martius,³ William D. Sunderlin,³ Louis Verchot,⁵ Grace Wong,³ and Sven Wunder⁴

¹School of Economics and Business, Norwegian University of Life Sciences, P.O. Box 5033, N-1432, Ås, Norway

²Department of Forest Sciences, University of Helsinki, Latokartanonkaari 7, FIN-00014 Helsinki, Finland

³Center for International Forestry Research (CIFOR), Jl. CIFOR, Situ Gede, Bogor 16115, Indonesia

⁴Center for International Forestry Research (CIFOR), c/o CIP, Av. La Molina 1895, La Molina, Lima 12, Peru

⁵International Center for Tropical Agriculture (CIAT), Km 17 Recta Cali-Palmira A.A. 6713, Cali 763537, Colombia

Introduction

Although REDD+ is approaching its 10th anniversary, major impacts in terms of reduced forest loss are hard to document. Conservation practitioners and scholars are therefore increasingly asking why REDD+ has not delivered more tangible results. A recent Comment in *Conservation Biology* by Fletcher et al. (2016) addresses this question. We agree with Fletcher et al. that REDD+ has been hyped in some circles, which has created unrealistic expectations among policy makers and forest dwellers alike. Yet, we argue that Fletcher et al. put forward an incomplete interpretation of the evolving REDD+ concept and practice and wrongly place the responsibility for lack of progress on the principles of payment for environmental services (PES) and on reliance on market-based instruments (MBIs), in part based on their misunderstanding of the PES concept.

Potential answers to the question of why REDD+ has not delivered more tangible results fall into 4 categories: REDD+ has not yet been implemented at the scale needed to make a difference, REDD+ has evolved from the initial PES vision to a modified version of previous and largely ineffective conservation efforts, REDD+ has been blocked by powerful actors interested in maintaining the status quo, and REDD+ is conceptually flawed in its design as a PES and MBI scheme. Fletcher et al. fail to fully appreciate the first 3 problems, overemphasize the presumed flaws in REDD+ as a PES design, and prepare the ground for the rise and fall of the next conservation fad (Redford et al. 2013). We believe that REDD+, although troubled, is not dead.

REDD+ as a MBI

Initially, REDD+ was envisioned by most as integral to a global cap-and-trade carbon market. The proposal had 3 interlinked characteristics: result-based PES through REDD+ credits (certified emission reductions), funding from REDD+ credits sold in a carbon market, and REDD+ credits being used as offsets to comply with national emissions caps. This historic vision of REDD+ could appropriately be termed an MBI, but this vision no longer represents reality.

A global carbon market has not materialized and is unlikely to emerge. The Paris agreement failed to create the binding national caps needed to boost demand for global carbon trading. Approximately US\$10 billion of cumulative international pledges are mainly from multilateral and bilateral aid agencies (Norman & Nakhooa 2014). The amount is a far cry from the US\$10–15 billion per year called for to cut global deforestation by half (Stern 2006).

International REDD+ funding has evolved into a light form of result-based aid (Angelsen 2017), exemplified by Norway's International Climate and Forest Initiative (NICFI) and Germany's REDD Early Movers (REM) program. The Green Climate Fund, expected to increasingly finance REDD+, will also follow a nonmarket-funded, nonoffsetting model with elements of result-based payments. Tapping of global economic markets (Fletcher et al.) may remain but a minor funding source.

Several countries' nationally determined contributions include REDD+, and possible policies and measures for its implementation range from new protected areas to

*email arild.angelsen@nmbu.no

Paper submitted April 11, 2016; revised manuscript accepted November 27, 2016.

This is an open access article under the terms of the Creative Commons Attribution License, which permits use, distribution and reproduction in any medium, provided the original work is properly cited.

land-tenure consolidation and rural development. Sub-national REDD+ initiatives have also diversified substantially (Sills et al. 2014). More than 30 tropical federal states and provinces affiliated with the Governors' Climate and Forests Task Force are developing jurisdictional REDD+ programs. Most localized REDD+ projects are essentially integrated development and conservation projects and sometimes include added payments for verified emission reductions from the voluntary carbon market. This tiny segment represents about the only genuine MBI left. Innovative local-scale PES schemes never really took off because of a lack of predictable funding.

Confusion often arises because REDD+ is interpreted differently across stakeholders. The rhetoric of result-based payments has survived, but the dominant practices in international finance, national policies, and on-the-ground actions diverge. As practiced today, REDD+ cannot be considered a generic MBI.

Dominance of Business as Usual

The key idea of REDD+ as a global PES system was to make forests more valuable as carbon sinks than as suppliers of agricultural land and unsustainably harvested timber. Forest conservation faces strong economic and political opposition and this opposition has led to continued forest exploitation. To some REDD+ was and still is a buy-out of business-as-usual interests. Yet, in the real world REDD+ ran into the same problems as previous conservation initiatives.

We agree with Fletcher et al. that to keep the politics out would be steering away from the underlying causes of problems and would hinder implementation of solutions that lead to transformational change. If more attention had been given to the political economy of deforestation and governance challenges, REDD+ might have yielded better results by now. Yet, we also observe some evidence demonstrating incipient mobilization of forces to effectively contain business-as-usual interests, including use of command-and-control tools rather than incentives, to which REDD+ has certainly contributed (Brockhaus et al. 2016).

Challenges of PES

The challenges to create a well-functioning PES system include defining the service (i.e., emission reductions by setting realistic reference levels to ensure additionality), generating enough demand (market or public sources), clarifying resource rights of service providers, establishing needed institutions (rules), and avoiding perverse incentives (Wunder 2013). The PES approach has been less universally viable than mainstream REDD+ actors had initially hoped.

Fletcher et al.'s critique seems based on an incomplete understanding of PES because they claim: "... to function as market mechanisms, payments must provide at least as much revenue as the extractive markets they replace, covering not only opportunity costs of extraction but also the social and environmental costs that this extraction externalizes." They argue that payments must be "in excess of the revenue" and conclude that "market-based conservation is thus a contradiction in terms." However, the PES logic does not suggest that extractive companies (or local forest users) have to be compensated for the external costs they cause. For example, a palm-oil company may damage local watershed protection through deforestation. This is a potentially significant cost to local people but not a direct benefit to the company. True, companies may ignore such costs (uncompensated externalities) and thus boost their profits. Yet, Fletcher et al. present their case as if the company gets an additional benefit from imposing such costs on others and therefore needs more compensation, beyond the loss of company revenue. In fact, a company would not need to be compensated for the loss of its full business-as-usual profits; it would only need to be compensated for the loss of profit related to switching to more environmentally benign practices. This represents the opportunity cost of forest conservation, which PES must cover.

Fletcher et al. also argue that "[t]he problem is even more fundamental for conservation markets like REDD+ that seek to directly offset (and are therefore funded by) extractive activity itself. . . ." This argument suggests REDD+ would be funded by those destroying forests through carbon markets offsets, which would lead to erosion of the funding base over time. First, even if the funding base really were eroded, should one worry? If all forest-destroying activities were capped or taxed out of business, the need for REDD+ would vanish. Second, a potential global carbon market would be fed by demand from many capped emitters around the world, not just forest-destroying ones. Third, revenues from these capped companies to pay for REDD+ credits are not generated just from ignoring environmental costs; rather, they are generated through innovation, development of new technologies, skilled labor, etc.

The Succession of Conservation Fads

Redford et al. (2013) consider REDD+ the latest in a long series of conservation fads: "Recognizing fads and thinking of them as learning opportunities is part of accepting that the practice of conservation has a culture, just like all other practices." They urge conservationists to become "reflective practitioners who sift through multiple good ideas, test those that are appropriate, and share . . . results." We (and probably Fletcher et al.) agree.

Arguably, conservation actors may have vested interests in launching fads to push for quick, often unrealistic solutions. Donors, policy makers, and conservation and development organizations may repeatedly create new silver bullets to maintain optimism and justify continued funding. Lund et al. (2017) argue that “REDD+ resembles longstanding dynamics of the development and conservation industry, where the promise of change becomes a discursive commodity that is constantly reproduced and used to generate value and appropriate financial resources.” Likewise, researchers push and debunk fads in successive research-grant and publication cycles.

When delivery fails, the intervention itself usually gets the blame, as exemplified by Fletcher et al. Yet, outcomes from conservation interventions depend not only on generic tools in isolation but also on their design, implementation, application time, institutional environment (e.g., transparency and rule of law), and other contextual variables. Rather than labeling recently developed tools as inherently good or bad, conservation professionals need more empirical evidence to devise and sustain recommendations for what works under which circumstances. This resonates with calls for more flexible, evidence-based policy making (Schindler & Hilborn 2015).

Are all of Redford et al.’s (2013) fads necessarily debunked failures? All 9 fads they discuss are meant to strengthen people-oriented conservation. Several of them—community-based conservation, PES, and landscape approaches—remain firmly in the current conservation toolkit. One could argue that REDD+, the most recent alleged fad, has been informed extensively by people-oriented conservation. Discourses on REDD+ stress the need for direct payments to forest users based on both effectiveness (creating pecuniary incentives) and equity (compensating those who shoulder the conservation costs) (Luttrell et al. 2013).

Implementers of REDD+ clearly attempt to involve local people in REDD+ and to promote equitable outcomes. Such efforts range from prioritizing social safeguards (free, prior, and informed consent), benefit sharing, and leveraging multistakeholder forums at several jurisdictional levels to land tenure and governance reforms and granting indigenous organizations control over their own territories and REDD+ initiatives. Most subnational REDD+ initiatives make eclectic use of multiple interventions (Sills et al. 2014), including some of Redford et al.’s 9 fads. Hence, do real-world REDD+ practitioners not already attend to Redford et al.’s (2013) call for reflective sifting through multiple ideas?

As it has been practiced, REDD+ has already served as a testing ground for multiple approaches—old and new.

Simply dismissing REDD+ as a debunked fad and doing so based on flawed arguments about PES and MBI, which are not centerpieces of REDD+ as it is currently practiced, impedes learning. Pointing instead toward single, one-dimensional solutions—such as the devolution of rights to local people (Fletcher et al.)—will only prepare fertile ground for the rise and fall of the next fad.

Acknowledgments

This research is part of CIFOR’s Global Comparative Study on REDD+ (www.cifor.org/gcs). The funding partners that have supported this research include the Norwegian Agency for Development Cooperation (Norad) [Grant no. QZA-16/0110 No. 1500551], the International Climate Initiative (IKI) of the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) [Grant no. KI II 7 - 42206-6/75], and the CGIAR Research Program on Forests, Trees and Agroforestry (CRP-FTA) with financial support from the CGIAR Fund Donors.

Literature Cited

- Angelsen A. 2017. REDD+ as result-based aid: general lessons and bilateral agreements of Norway. *Review of Development Economics* 21:237–264. DOI: 10.1111/rode.12271.
- Brockhaus M, et al. 2016. REDD+, transformational change and the promise of performance-based payments: a qualitative comparative analysis. *Climate Policy*: DOI: 10.1080/14693062.2016.1169392.
- Fletcher R, Dressler W, Büscher B, Anderson ZR. 2016. Questioning REDD+ and the future of market-based conservation. *Conservation Biology* 30:673–675.
- Lund JF, Sungusia E, Mabele MB, Scheba A. 2017. Promising change, delivering continuity: REDD+ as conservation fad. *World Development* 89:124–139.
- Luttrell C, Loft L, Gebara MF, Kweka D, Brockhaus M, Angelsen A, Sunderlin WD. 2013. Who should benefit from REDD+? Rationales and realities. *Ecology and Society* 18. DOI: 10.5751/ES-05834-180452.
- Norman M, Nakhoda S. 2014. The state of REDD+ finance. Center for Global Development, Washington, D.C.
- Redford KH, Padoch C, Sunderland T. 2013. Fads, funding, and forgetting in three decades of conservation. *Conservation Biology* 27:437–438.
- Schindler DE, Hilborn R. 2015. Prediction, precaution, and policy under global change. *Science* 347:953–954.
- Sills EO, Atmadja SS, de Sassi C, Duchelle AE, Kweka DL, Resosudarmo IAP, Sunderlin W, editors. 2014. REDD+ on the ground: a case book of subnational initiatives across the globe. Center for International Forestry Research (CIFOR), Bogor, Indonesia.
- Stern N. 2006. *Stern review: the economics of climate change*. Cambridge University Press, Cambridge, United Kingdom.
- Wunder S. 2013. When payments for environmental services will work for conservation. *Conservation Letters* 6:230–237.