

Short WORKSHOP REPORT FORM

Number and title of workshop: Opportunities and threats of REDD+ - Why we need an active anti-corruption community when 15-30 bn. US\$ might be invested to mitigate global warming.

Coordinator: Björn Hecht (GTZ)

Date and time of workshop: 13.11.2010, 9 to 11 am

Moderator: Bernd-Markus Liss (GTZ)

Rapporteur: Johanna Joerges (GTZ)

Panellists

- Tim Clairs, UNDP UN-REDD Programme, Senior Technical Advisor
- Aled Williams, U4, Coordinator of study 'REDD and Corruption'
- Grizelda 'Gerthi' Mayo-Anda, Environmental lawyer, Philippines, Founder of the Environmental Legal Assistance Centre - ELAC

Main Issues Covered

The international community under the UN Framework Convention on Climate Change (UNFCCC) is creating a mechanism to reduce greenhouse gas emissions from deforestation and forest degradation. The so-called REDD+ mechanism will provide an incentive for developing countries to protect, better manage and wisely use their forest resources and thus contribute to the global mitigation of climate change. With substantial financial pledges REDD+ could be the best thing that ever happened to the forest sector, providing benefits for the climate, for local people and biodiversity conservation alike. However, it is well known that corruption is widespread in the forest sector. Corruption is a major underlying cause of deforestation; it undermines sustainable management of forests and local livelihoods. Corruption might also jeopardize the objectives of REDD+. The objective of the workshop was to better understand these risks and what can be done about them.

Tim Clairs provided an overview of REDD+ and where it stands. He emphasised good governance mechanisms under REDD+ including free prior informed consent, capacity building, and transparent, equitable, and accountable management of REDD+ payments.

Aled Williams discussed the findings of a study on governance and corruption challenges in REDD+. He highlighted typical entry-points for corruption in the forest sector as well as potential corruption risks under REDD+. Tailor-made context-specific strategies need to be developed so that take into account existing knowledge on corruption risks and safeguards.

Gerthie Mayo-Anda contributed first-hand experiences of drafting a national REDD+ strategy from the Philippines. As in many countries, in the Philippines good laws are in place but enforcement is poor. It is thus crucial to strengthen accountability and local ownership of REDD+ projects by establishing stakeholder participation for strategy development,

implementation and oversight. She reminded that building institutional capacity of existing bodies is preferable over creating new institutions as this poses a risk of nepotism and rivalry.

Some 70 discussants from government, civil society, research institutions and donor agencies then shared their experiences and concerns. **Estelle Fach** from UNDP wrapped up the discussion and highlighted that there is already progress as governance concerns are high on the agenda of REDD+ preparation.

Main Outcomes

- Window of opportunity to mainstream anticorruption into the current development of REDD+ strategies at national level
- Several studies conducted (e.g. by UNDP, UNODC, U4 and CIFOR) – the knowledge needs to be brought to practice
- We can learn from the assessment of other financing mechanisms such as the Indonesian reforestation fund
- Multi-stakeholder involvement is needed at all stages, particularly the involvement of indigenous people and forest dependent communities
- REDD+ countries need capacity development, preferably approaches that provide both forest and governance expertise
- The opportunity for intersectoral linkage and learning among the climate, forest and anticorruption community provided through the workshop was appreciated and should continue
- The timeframe for REDD+ is very ambitious if one considers that improvements in governance require negotiation processes

Main Outputs

- Identification of possible corruption risks such as bribery by project developers to promote fraudulent REDD+ schemes or to skew national baseline data; public officials, politicians or organised crime extract rents from REDD+ revenues, double counting or fraudulent accounting, bribery to overstate avoided emissions or additionality of the project.
- Effects: Corruption facilitates large scale deforestation, distorts markets, creates insecurities for businesses and investment, resulting in lower employment and financial flows, reduces revenues for the public sector, and threatens the livelihoods of forest dependent people.

Recommendations, Follow-up Actions

- Important areas of action: mainstreaming anticorruption into REDD+ strategies, capacity development of local communities and implementing government agencies, cooperation with law enforcement agencies for REDD+ implementation, formalisation of ownership or tenure rights of forest users

Workshop Highlights (including interesting quotes)

- The threat exists, corruption can turn REDD into one more instrument to distribute power and money to a few, to undermine equity and justice and subsistence of local people.
- REDD must not be marketed as money but an opportunity for sound forest management.
- Bridging anticorruption and REDD+, in Indonesia training for judges on forest/REDD to tackle corruption cases.
- We need to cooperate – UNREDD has the global perspective and the link to national level.
- Linkages have to be made between sector specialists and anticorruption experts.
- To sustain the momentum for bringing the anticorruption lens in the national REDD+ strategies, the delegation from the Philippines will meet today to decide on a concrete agenda on how to move forward.