

Credibility of REDD and Experiences from Papua New Guinea

The concept that developed countries should pay developing countries not to deforest and thus reduce carbon emissions from deforestation and degradation (REDD) has been gaining attention over the last few years. Despite the lack of binding commitments from the recent United Nations Climate Change Conference in Copenhagen, the Copenhagen Accord acknowledges the value of REDD and intends to mobilize funds from developed countries to establish mechanisms to mitigate climate change, including REDD. There is still international support for REDD, but there are concerns whether such schemes are feasible. Whatever happens, there is a clear need to develop more effective, socially inclusive REDD methods.

The practical questions associated with implementing REDD are considerable. First, can forest change and degradation (and thus carbon changes) be measured and monitored? Second, can REDD schemes be implemented in the social, economic, and political climates of developing countries that are forested (i.e., poor governance, low transparency, and corruption)? Furthermore, will the benefits from carbon payments reach forest communities? Already, there are concerns that in some African countries REDD funds will merely support ongoing, poor forest management. Similar concerns have been raised about Peru and Indonesia. In fact, some local nongovernmental organizations (NGOs) think REDD may threaten forest communities' usufruct rights.

On a brighter note, some technical aspects of REDD look more achievable every day. There have been numerous advances in remote sensing of forest cover in the last decade, and carbon-sequestration modeling is becoming more accurate. Nevertheless, my experience in Papua New Guinea (PNG) suggests too much initial emphasis was placed on carbon accounting and valuation at the expense of community engagement, and this has derailed REDD efforts. The rush by some businesses, NGOs, researchers, and various political interests to establish pilot REDD projects and develop carbon markets has occurred with virtually no involvement or understanding of most of the forest communities. Consequently, in PNG we have seen the attempted development of unregulated carbon deals and preemptive trading.

Papua New Guinea makes an interesting case study of REDD for several reasons. First, PNG has been a leader in the promotion of REDD through international lobbying and voluntary forest-carbon projects. Moreover, in PNG all forest lands are under customary ownership, meaning that benefits from REDD could directly reach the forest communities. Thus, PNG may be able to offer the best example of how REDD could and should work. Emissions reductions are not the only goal of REDD; REDD should also further the permanent preservation of forested ecosystems and provide sustainable income for some of the world's poorest people. If PNG learns from their experiences of the last few years, these REDD aims could still be realized in PNG, and governments in other parts of the world could avoid the problems PNG encountered.

Papua New Guinea played a leading role in advancing the REDD agenda internationally. Costa Rica and PNG first introduced REDD into the Conference of the Parties agenda at COP11 in 2005. This introduction led to the decision of the United Nations Framework Convention on Climate Change in December 2007 to support the possible future inclusion of REDD in approaches to emissions reductions. Consequently, PNG is a priority country for REDD development for the UN and World Bank. Although PNG was leading on the global stage in the build up to Copenhagen, the carbon-trading scandals within the country eroded its international credibility.

In the absence of a national policy on climate change, and due to the lack of internationally accepted standards or mechanisms, REDD projects in PNG have been pioneered by the private sector. The rapid spread of these projects in PNG seemed connected to the lack of clear national policy or guidelines to identify the legal status of carbon ownership or the relevant roles of government agencies. This policy vacuum encouraged speculation, and the notion that customary ownership would allow preemptive buying of carbon rights from communities in the absence of state regulation, something that has led to confusion and exploitation of some rural communities. In PNG all the REDD focus was on money rather than on forest management. Carbon dealers implied fast money from carbon sales would flow to villagers as middle men raced to secure carbon rights from forest communities,

and this gold-rush mentality was encouraged by the PNG government, which forecast ludicrous incomes from carbon trading (up to US\$200 billion).

Within weeks of the UN Framework Convention on Climate Change's recognition of REDD in 2007 (even though REDD was little more than a concept), there were reports of villagers paying for valueless carbon certificates, and numerous carbon traders and project developers were attempting to buy carbon rights from isolated communities. Most of these deals were not legal in terms of free, prior, and informed consent. The media exposed problems with carbon trading in PNG, and their reports implied malfeasance through the preferential and premature allocation of carbon deals, conflicts of interest within the government and apparent forward trading of unverified carbon rights for nonexistent projects. These problems did not surprise those of us working on REDD in PNG. Many of us were concerned about the way REDD was being handled and were amazed at the influx of international companies willing to invest in carbon trading in PNG with little due diligence.

World Wide Fund for Nature (WWF) and other NGOs working in REDD community awareness have been threatened with violence and deportation by groups claiming powerful connections. These threats originated from purported landowner groups because they knew if the real forest-owning communities were well informed about REDD then their attempts to procure carbon rights over forest areas would be thwarted. Although this sort of behavior is nothing new in PNG, it reflects the fundamental lack of understanding that procedural transparency and clear resource ownership is critical for REDD. Unlike short-term extractive resources, such as timber, carbon credits should be sensitive to controversy and dubious claims because certification of forestry-carbon projects will depend on good long-term management with verifiable benefits for indigenous forest communities.

The number of forest-carbon projects that have been established in PNG is hard to determine because forest ownership and the legal ownership of carbon resources are disputed. Different companies now claim to have "signed" the carbon rights to over 90 projects that cover more than 5 million ha, which is the majority of primary forest under threat of logging in PNG. Only one project, however, has a documented project design. But, even that project has not undertaken any ground-truthing and is subject to highly contentious land claims. Certainly, I have seen no projects that would meet any existing international standards for forest-carbon projects.

An effective national framework guaranteeing the permanence of forest-carbon projects is possible in PNG. The first and most obvious requirement is to lower the expectations for financial gain and work directly with communities to determine the value of their own resources. Rather than premature talk of REDD profits, some NGO

community-based projects aim to help villagers develop a resource map and compare options for exploitation of their forest resources. Projects with which WWF are involved in PNG stress that forest resources will only become more valuable over time—whether it be for the purpose of carbon sequestration, timber, or conversion to agriculture. The first challenges for communities are to resist the temptation to sign the first offer they are made, to make decisions on the basis of a range of land-use options, and choose to develop carbon projects that are certified under a national framework.

Communication with remote forest communities is essential for effective REDD projects. Although costly, a satellite internet link allows information, such as policy documents, landowner and company registration documents, media releases, and even forest imagery to be passed directly to communities. It also would allow communities to communicate directly with policy makers. In the last year, direct communications over the internet between forest communities at project sites with NGOs, media, and government agencies have revealed several attempts by third parties to sell illegally the carbon rights of community forests and allowed online training of community leaders in carbon-project design criteria and legal rights. Rather than having more meetings or assembling new committees or national climate bodies, the first step of future government REDD efforts in PNG should entail a commitment to improve communications with remote villages.

Papua New Guinea has started to show political will. The carbon-trading scandals within the PNG Office for Climate Change resulted in the suspension of senior officials and may lead to criminal investigations. These sorts of government actions are unprecedented in PNG. A restructuring of PNG's governance of climate change seems essential; the next moves will be viewed with interest in PNG and internationally.

Events in PNG have implications beyond regional politics and REDD. What is significant is the profound influence international standards can have on a developing country suspected of lacking the governance capacity or credibility to ensure the long-term, responsible forest management and fair distribution of benefits essential for REDD projects. Although much work remains to be done, actions in PNG to redress carbon governance contrast with the protracted efforts of NGOs and international agencies to improve the transparency of the governance of PNG's highly contentious logging sector for the last 25 years.

If REDD or some similar system is to work, it must be transparent, grounded in local communities, and not administered solely by national agencies or proxy agents. None of these conditions have been met by PNG's forestry sector in the past. The increased scrutiny of forest management and benefit flows required for REDD could mean that—for the first time in PNG—the PNG

government and the logging industry may need to implement internationally certified systems to monitor sustainability and legality. Recently, the PNG Forest Authority called for expressions of interest to develop better systems of forest governance, the industry initiated a seminal timber-legality tracking system and a major commercial logging operation expressed interest in pursuing certification by the Forest Stewardship Council (FSC) (albeit for only one concession).

There are grave concerns, however, about the fate of forests should expectations for REDD not be met in PNG. If the rapid returns promised by some private developers are not realized, disappointed community leaders may be more likely to participate in new forestry and agroforestry schemes. These new forestry agreements are plausible because many of the carbon developers roaming the country are also linked to other forest-resource interests. Similarly, given PNG's poor track record of sustainable forestry, REDD or REDD-plus (which includes sustainable forestry) schemes would need to be examined carefully and be open to public scrutiny. Moreover, by encouraging carbon-enrichment forestry (i.e., managed plantations), there is a danger that REDD-plus could reduce biological diversity (Putz & Redford 2009).

It is far too early to know whether REDD will work, but the lessons from PNG are clear. The technical issues

are solvable. But before—or at least concurrent with—conducting high-level work, the forest communities need to be informed fully of the effects REDD will have on their livelihoods and involved in decision making because the community's actions will determine the practicality of this type of carbon conservation. Multispectral remote sensing, international negotiations, and merchant-bank deals appear to offer a heady mix of new opportunities to star-struck forest ecologists and conservationists, but REDD will come to nothing if the system is not supported by the people who own and live in the forests. If the process is not rushed (it may take years, not months) and the PNG government is willing to accept international scrutiny and advice, forest governance and community benefits for the rural poor may finally be improved significantly, and REDD could deliver on some of its promise.

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