Global Climate Politics in the Congo Basin
Unprecedented Opportunity or High-risk Gamble?

Korinna Horta, CGGA Center for Global Governance & Accountability, Washington D.C. and Lisbon, Portugal

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1. Introduction

The destruction of tropical forests contributes between 15–20 percent of the greenhouse gases generated by human activity. Thus, initiatives to reduce deforestation and the degradation of forests – known by the acronym REDD (United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries) – are considered to be vital if unacceptable risks of dangerous climate change are to be avoided.

The idea is that compensating developing countries for slowing their rates of deforestation represents cost-effective and near-term opportunities that would not only help protect the world’s climate, but also generate a host of co-benefits, such as the conservation of biodiversity and generation of income for economic development.

The Congo Basin forest – the second largest in the world after the Amazon – covers 700,000 square miles in six countries and contains a quarter of the world’s remaining tropical forest. Donor governments consider Congo Basin countries, including the Democratic Republic of Congo, the Republic of Congo, Cameroon, Gabon, and others, to be prime candidates for REDD, and national governments in the region are eager to seize the opportunity. Multiple REDD-related initiatives have already been launched in several Congo Basin countries, all of which have substantial deficits when it comes to governance and respect for human rights.

REDD opens up political space to address questions of governance, corruption, land tenure, and the rights of indigenous peoples. If REDD is to succeed, it will have to make progress on these complex political and social problems. Unless governments in the region commit to effective reforms, the risks represented by an implementation of REDD include massive land speculation, eviction of indigenous and other forest-dependent populations, loss of traditional knowledge systems, and outright fraud and corruption as vested interests seek to cash in on lucrative carbon deals. Last but not least, there would be further increases in CO₂ emissions, as ill-conceived schemes to protect forests are likely to fail.

2. Stabilizing world climate

The scientific view that has now been endorsed by world leaders from both developing and developed countries is that the increase in global average temperature above pre-industrial levels ought not to exceed 2º Celsius if potentially catastrophic climate change is to be avoided.¹

¹ Statement by the Major Economies Forum on Climate and Energy, L’Aquila, Italy, July 9, 2009.
Forests play a vital role in the global carbon cycle, as they store about half of the world’s terrestrial carbon. When forests grow, they take up carbon from the atmosphere and store it in trees and soil. Tropical forests are particularly good at this, sequestering about 50 percent more carbon than non-tropical forests. But the world’s great tropical forests are disappearing at faster annual rates than in previous decades, with approximately 10.4 million hectares having been lost each year between 2000 and 2005.  

Stabilizing the climate by protecting forests could generate multiple benefits. Forests are home to an estimated 1.2 billion people worldwide, they store most of our planet’s terrestrial biodiversity, and play a key role in the hydrological cycles that determine the quantity and quality of water.  

Keeping forests standing has an additional positive feedback loop, as both biodiversity and water are critical for increasing our resilience in the face of climate changes already underway.

At its Climate Change Conference in Bali in December 2007, the United Nations Framework Convention on Climate Change (UNFCCC) recognized that viable solutions to climate change must include a mechanism to reduce emissions from deforestation and forest degradation, that is, REDD. At the bilateral level, US legislation moving through Congress is also likely to have significant provisions for the purchase of offsets, principally from forests. REDD, it is believed, has the potential to make a substantial contribution to relatively low-cost and near-term climate mitigation measures.

### 3. Considering perverse incentives

International climate negotiations prior to the Bali conference had not ignored the influence of forests on the climate, but had taken the well-intentioned decision to concentrate on the primary goals of reducing emissions from fossil fuels and of moving countries toward a low-carbon path. For example, the Clean Development Mechanism of the Kyoto Protocol includes carbon credits for reforestation projects but has no mandate to address avoiding deforestation of existing forests, largely because of two unresolved issues:

i) Leakage, which refers to the problem when protection of one forest area leads to deforestation elsewhere in the same country or abroad. For example, if timber exports are reduced in one country to meet forest protection goals, logging companies may simply shift their operations across the border or across the globe.

ii) Permanence, as the term indicates, refers to the length of the period a forest is protected.

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3 *Millennium Ecosystem Assessment 2005*. 
Then there is the problem of establishing a country’s baseline deforestation rate. This baseline represents the average annual deforestation rate over an agreed historical period. In most REDD proposals, the magnitude of emission reductions is assessed by comparing actual deforestation rates against this baseline, which is also referred to as a reference scenario.

But few tropical countries outside of Brazil have the capacity to monitor their own deforestation rates. Most tropical countries, including those of the Congo Basin, lack reliable data on deforestation as well as authoritative national institutions that can provide an accurate accounting for emissions. While satellite technology is helpful, especially when it can see through the dense cloud cover that commonly stretches over tropical forests, its results must be confirmed by research on the ground. The science becomes even more difficult when it comes to measuring forest degradation, which still lacks a generally accepted definition.

As initially conceived, REDD would have been limited to compensating countries according to their reductions of emissions when compared with “what would have happened anyway,” that is, the baseline. There would be room – and an incentive – to exaggerate future deforestation rates in order to qualify for higher compensation and countries with relatively lower rates of deforestation would feel penalized. Under this approach, Congo Basin forests, which cover 44.6 percent of Central Africa’s land area, would not be a priority. They have suffered smaller rates of deforestation than, for example, forests in the Indonesian archipelago, which continue to be ravaged by politically well-connected industrial interests, including the massive expansion of palm oil plantations to meet world demand for biofuels. In order to address this problem, REDD has now been expanded to REDD+, which also considers providing compensation for activities that contribute to conservation, sustainable forest management, and enhancement of carbon stocks.

4. Possible sources of REDD funding

Estimates for the annual cost of REDD reach from US$5 billion to protect 20 percent of endangered forests to $50 billion to protect two-thirds of forests. Even the higher cost estimates are considered to represent a relatively inexpensive way to address climate change in comparison with more costly transformations in our fossil fuel-based economies.

How would REDD be financed? Three main options are being debated.

5 Union of Concerned Scientists, Tropical Forests and Climate, Briefing No. 1, Cambridge, MA, September 2008.
i) Public-funding option: Since the accumulation of CO₂ in the atmosphere and global warming are the result of fossil fuel burning by industrial countries, many developing countries – among them the government of Brazil – argue for the establishment of a public fund that is supported by budgetary allocations from developed countries, which would be additional to and separate from development aid.

ii) Market-linked options: Other countries, such as Norway, think that relying on development aid-type donations is unacceptable and argue for the combination of a fund and market-based mechanism. They argue that markets are needed to mobilize the private sector and emphasize that a market mechanism requires a priori a collective commitment to deep emission cuts from developed countries. Norway proposes a system of using the income from the auctioning of emission rights in industrial countries to finance REDD.

The island nation of Tuvalu and others are proposing a levy on international aviation and bunker fuels to finance an International Forest Retention Fund.

iii) Carbon markets: Still others favor carbon market mechanisms as the most powerful tool to ensure that sufficient financial resources are generated to meet the enormity of the task. They believe that public funding allocations will always be insufficient and that only the private sector can mobilize the necessary resources. But carbon markets are being contested. There are concerns about leakage, that is, deforestation simply migrating elsewhere, which will inevitably occur as long as demand for global commodities continues to put pressure on forests. Since carbon markets allow industrial country emitters to continue polluting the atmosphere by acquiring offsets in developing countries, there is also a more fundamental concern that carbon markets will serve to delay the much-needed structural changes in developed countries to phase out the use of fossil fuels that addressing climate change ultimately requires. An additional fear is that endemic rent-seeking will lead to carbons credits that, in many cases, will not represent genuine reductions.6

The source of funds is one side of the coin, while questions of governance, transparency, and fairness with which these funds will be used in the recipient countries represent the other side and will be a challenge for the Congo Basin and other tropical forest countries.

5. Drivers of deforestation

Even substantial new funding for forest protection via REDD will be little more than a drop in a leaking bucket if the underlying causes of deforestation are not addressed.

These underlying drivers of deforestation often originate outside the forest sector. International markets for agricultural and forest products as well as minerals are the

leading causes of deforestation. Examples are palm oil plantations in Indonesia, soy plantations and cattle ranching in the Brazilian Amazon, and large-scale industrial logging and mining operations in Congo Basin countries. These activities are also linked to growing marginalization of vulnerable population groups. An example is the forced displacement of forest-dependent peoples from their traditional lands when agro-industrial activities expand into forest areas.

In the Congo Basin, industrial-scale logging – much of it illegal – and mining operations, often run by rogue groups, are also central to the political and economic structure of several countries and tackling them is a complex social and political task. Weak governance and inefficient institutions combine to ensure that benefits are reaped by small elites and their patrimonial networks. As difficult as it may be, these are the realities REDD will have to face if it is to help protect Congo Basin forests.

6. The challenge of governance

“Too often, Africa is regarded by industrialized nations as the world’s problem child, but on the critical issue of climate change my continent has the potential to be part of the solution.”7 Denis Sassou Nguesso, President of the Republic of Congo and the African Union’s spokesperson, brought this message on climate change to the gathering of about 100 heads of state at the United Nations in September 2009.

President Sassou Nguesso intends to secure the participation of Congo-Brazzaville and other Congo Basin countries in international carbon markets and thereby gain access to potentially large financial transfers.

Unfortunately, President Sassou Nguesso’s rule exemplifies some of the problems faced by Congo Basin countries as a whole. He reconquered power by force following a brutal civil war in 1997 and was reelected twice since then under controversial circumstances. Countries in the region regularly occupy the bottom ranks of transparency and governance indexes measuring rule of law, human development, and corruption.8 On the latter, foreign mining, logging, and oil corporations cannot but be the willing enablers of pervasive corrupt practices. Yet little information on the routine nature of bribery becomes public in light of the fact that the practice of journalism in most Congo Basin countries is fraught with physical attacks and arbitrary arrests.

The risk-rating undertaken by COFACE, the French export credit agency, lists Congo Basin countries among those with the highest political and economic risks. As a result, we can safely assume that companies only invest in the region when they expect to earn spectacular returns on their investments.

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8 See, for example, Transparency International’s Corruption Perception Index (http://www.transparency.org) or the World Peace Foundation’s Index of African Governance (http://www.worldpeacefoundation.org).
In the context of very weak governance, such high-risk investments rarely contribute to improvements for local populations. The full story of the incalculable human cost of the extraction of natural resources and pillage in much of the region remains to be told.

7. Contestation of land tenure and indigenous rights

Increasing evidence from Brazil and elsewhere indicates that tenure reform, that is, placing control of forest resources into the hands of indigenous and other forest-dependent communities, contributes to local well-being and forest protection. Secure land rights reduce vulnerability to expropriation by outside interests.

However, the political will to recognize customary land rights has so far been largely lacking throughout the Congo Basin. Even where these rights of forest communities and indigenous peoples are recognized on paper, implementing the reforms on-the-ground remains a major challenge. Congo Basin governments claim an estimated 98 percent of their land area is covered by forests, as compared to 66 percent in Asia and 33 percent in Latin America.9

Congo Basin governments favor industrial-scale operations in logging, mining, and agriculture over community-scale forest tenure and local enterprises. In addition, their conventional approach to forest conservation usually compounds forest peoples’ problems, since restricted access to protected areas also restricts local access to the forest resources people have traditionally relied on.

Those most negatively affected are indigenous forest peoples. These ethnic minority groups have great difficulty in obtaining formal citizenship and thus have no legal status. While the unsurpassed knowledge that indigenous peoples have about forest ecosystems and their sustainable use is recognized in theory, this has yet to lead to improvements in the recognition of indigenous rights.

Although indigenous and forest-dependent peoples have had little access to information about REDD, some of their organizations have begun to address the issue. They express both hope about the unprecedented opportunity for forest protection represented by REDD, but also serious concerns that REDD might reinforce highly centralized, top-down decision-making that favors evictions and expropriations to capture lucrative forest carbon “reservoirs.”10

Effective measures to protect forests will have to address questions of land and resource rights of forest-dependent peoples, who most often are among the most vulnerable and

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marginalized populations in their own countries. In the Democratic Republic of Congo alone, an estimated 40 million people depend primarily on forests for their subsistence. Many of these communities are deeply impoverished. Recognizing their rights and sharing REDD resources with them to help them meet community needs, such as health clinics and schools, could go a long way in efforts to protect forests.

Representatives of indigenous communities and NGOs from the Congo Basin have met and discussed REDD on several occasions in 2008 and 2009. They have issued declarations calling for the reform of national legislation in Congo Basin countries to ensure recognition of the land rights of indigenous communities. They have also highlighted the problem of corruption, particularly in the forest sector, and called for the transparent management of eventual REDD revenues as well as the participation of the indigenous peoples themselves in the identification of projects meant to benefit them. In addition, they request that the REDD process be consistent with the commitments that Central African states have made when they ratified international conventions such as the 2007 UN Declaration on the Rights of Indigenous Peoples, which calls for the recognition of indigenous rights to the land and resources they have traditionally owned, occupied, or used.

8. REDD-related donor initiatives in the Congo Basin

The 10 Congo Basin member states of COMIFAC (Commission des Forêts d’Afrique Centrale; Commission for the Forests of Central Africa) seek to coordinate national efforts on forest policy with the stated goal of ensuring the sustainable management of Congo Basin forest resources. At their meeting in September 2008 in Bangui, Central African Republic, the ministers in charge requested support from the international donor community to prepare for the region’s future participation in REDD and coordination of donor efforts through COMIFAC. More recently, they issued the Kinshasa Declaration (September 2009) calling on international climate change negotiators to include REDD+ in a future global climate treaty and proposing a phased approach to REDD initiatives in the Congo Basin. This approach calls for the building of local capacity and the
establishment of policy frameworks before launching activities of one or more REDD-finance mechanisms, such as forest carbon markets.

International donors have shown great interest in assisting Congo Basin countries to manage their forest resources and reap the benefits of REDD by participating in carbon markets or other UNFCCC-linked compensation mechanisms. In addition to existing forest-related initiatives, there is now a range of recent REDD-related programs.

Pre-REDD ongoing programs:

- The Congo Basin Forest Partnership is a non-binding partnership launched at the 2002 World Summit on Sustainable Development in Johannesburg, which cooperates closely with COMIFAC, with the objective to promote the conservation and sustainable management of Congo Basin Forests.
- The European Commission’s Forest Law Enforcement, Governance and Trade program includes Central Africa as one of its key regions, and has the goal of promoting sustainable forest management and the legality of forestry operations through governance reforms and capacity-building. Ultimately, FLEGT seeks to ensure that timber exported to the European Union only comes from legal sources.

REDD pilot programs:

- Congo Basin Forest Fund is a Norwegian-British initiative established in 2008 with the goal of assisting Congo Basin states in improving forest management and reducing rates of deforestation.
- The Strategic Program for Sustainable Management in the Congo Basin of the Global Environment Facility was launched in 2009.
- UN-REDD is a joint initiative by the Food and Agriculture Organization (FAO), the United Nations Development Programme, and the United Nations Environment Programme that was launched in 2008 with the objective of supporting REDD implementation.
- The Forest Carbon Partnership Facility (FCPF) was established by the World Bank Group following the 2007 UN Climate Change Conference in Bali.

9. Limited donor coordination

While some of these initiatives are still in preparation and full information is not yet available, some of their major themes appear to overlap:

- sustainable natural resource management
- national policy and strategy for REDD
- financing mechanisms
- methodologies for measuring, monitoring, and valuing forest carbon
• institutional strengthening and capacity-building

It is unclear if and to what degree any of these initiatives are prepared to address the underlying causes of deforestation, the equitable sharing of potential REDD revenues, land tenure, and other critical subject matters.

The effectiveness of REDD-related efforts cannot avoid being compromised by too many donors with different systems and policies. As problems with traditional development aid have shown, the proliferation of donors – each with their own rules and reporting requirements – places large burdens on already overstretched and often weak public administrations. In 2005 donor governments sought to address the problem by adopting the Paris Declaration on Aid Effectiveness, which was meant to harmonize their approaches, put developing country governments firmly in the driver’s seat of their own development policies (ownership), and align donor activities with national strategies.¹⁷

The multiple REDD-related donor initiatives for the Congo Basin seem to indicate that progress on implementing the good intentions expressed in the Paris Declaration remains limited.

The World Bank’s FCPF and UN-REDD have recently expressed the intention of working more closely together.¹⁸ But there may be institutional differences that will not be easy to bridge. For example, UN-REDD is obliged to uphold the United Nations Declaration on the Rights of Indigenous Peoples, which includes a provision for free, prior and informed consent (FPIC) of indigenous peoples before launching activities that will affect them. The World Bank Group has so far rejected FPIC while adopting free, prior and informed consultation – a much weaker provision.

10. The Forest Carbon Partnership Facility

The World Bank’s FCPF is the most advanced and prominent of REDD-related initiatives. It became effective in June 2008 and consists of two parts: a Readiness Mechanism to prepare countries for REDD, and a Carbon Finance Mechanism to test carbon finance transactions.

Initial funding goals of $185 million for the Readiness Mechanism are to: support the preparation of national reference scenarios of historical and potential future patterns of deforestation and degradation and their emissions; develop country-owned strategies for stemming deforestation and forest degradation; establish national measurement, reporting, and verification (MRV) systems for REDD.

The Carbon Finance Mechanism relies on an additional $200 million to pilot REDD carbon markets. The FCPF’s overall objective is to set the stage for a system of much larger financial flows and carbon markets for REDD in the future.\textsuperscript{19}

Six Congo Basin countries have joined the FCPF: the Democratic Republic of Congo, Cameroon, the Republic of Congo, Gabon, and more recently Equatorial Guinea and the Central African Republic.

They are now in the early stages of preparing for REDD. The first step consists of preparing a Readiness Plan Idea Note (R-PIN), which is followed by an elaboration on what was initially called a Readiness Plan, but has since been renamed the Readiness Preparation Proposal.

The FCPF has established several criteria that should be included in the REDD readiness preparations, including consultations with and the participation of civil society and indigenous peoples. It also calls on countries to identify and address the drivers of deforestation and to ensure that national REDD strategies seek to obtain multiple benefits, including poverty reduction and benefit-sharing.

The Democratic Republic of Congo was one of the first countries to submit an R-PIN and will now undertake a full Readiness Preparation Proposal. An external technical review of the R-PIN, which is a requirement of the FCPF, expressed a strong sense that the document presented by the Democratic Republic of Congo was not owned by local stakeholders, that it shared 87 paragraphs with the R-PIN of another Congo Basin country, and that it was obviously prepared by foreign consultants without much local input.\textsuperscript{20} The external review also noted that questions of land ownership, resource use rights, and rights to revenues had not been addressed and that there was little discussion of forest governance. It added that the R-PIN did not provide data on indigenous peoples and other forest-dependent communities but stated that this information would be collected in the future.

Clearly, the crux of the problem is that the FCPF’s accelerated schedule to assist countries in rapidly putting together Readiness Plans or Proposals is not easily reconcilable with the critical need for broad participation and the strengthening of national institutions, which require a longer-term timeframe.

In addition, there is a lack of clarity of FCPF processes. Questions such as at what stage FCPF operations must adhere to World Bank environmental and social safeguards have yet to be answered. And it remains unclear when and how decisions are taken at key junctures during readiness formulation and preparation.


11. A poor World Bank record

The World Bank’s poor record in forest-related lending activities deserves closer examination. An internal evaluation report published in 2007 concluded that the Bank’s current incentive structure, which is targeted at the fast, low-cost processing of projects, does not fit well for forestry projects.21 Furthermore, the Inspection Panel, a semi-independent accountability structure within the World Bank, investigated World Bank forest-related investments in the Democratic Republic of Congo in 2007. Its report concluded that Bank lending had focused on industrial timber production and had largely ignored environmental and socioeconomic issues, including the approximately 40 million people in the Democratic Republic of Congo, who rely on forest resources for their subsistence.22

It is unclear what lessons the World Bank is drawing from these critical findings, but learning from previous experiences would obviously be of great benefit to ensuring the effectiveness of REDD. The Forest Carbon Partnership Facility must avoid repeating the mistakes of the past. However, the problems encountered in the initial document presented by the Democratic Republic of Congo may not be unique. An analysis carried out by the World Resources Institute in Washington, DC, and the Instituto Centro de Vida in Brazil found that initial REDD documents of individual countries paid little attention to who would benefit from REDD payments and to possible mechanisms to ensure that payments reach intended beneficiaries.23

12. An opportunity for engagement

In 2006 the Stern Review on the Economics of Climate Change urged that action to prevent deforestation should be taken as soon as possible to test methodologies and iron out any remaining technical and social difficulties.24 It also noted the need to involve local communities and to respect their informal rights and warned about corruption, rent-seeking behavior, and capture of benefits by national elites.

Improvements in all these areas in Congo Basin countries will largely depend on political and institutional reforms, such as more accountability of the public sector, more transparency in market transactions, and greater democratic inclusiveness.

Donor institutions must align their programs and move away from their frequently disjointed and dispersed efforts to assist Congo Basin countries. They must engage with Congo Basin governments in a coherent fashion to address the fundamental problems of governance, transparency, and resource rights, while ensuring that their own domestic policies and the investments of their globally active corporations do not contribute to pressure on forests in the Congo Basin and elsewhere. Under such a scenario, there is hope for progress on politically sensitive issues such as the legal rights to forests and the equitable distribution of REDD benefits. The need to protect forests as a vital component of addressing climate change throws into relief our mutual interdependence. The interests of forest-dependent peoples and those of the rest of the world are fully aligned.
Further Reading


Washington, DC, September 2009.

World Resources Institute / Instituto Centro da Vida. A Review of the First Round of
Readiness Plan Idea Notes (R-PINs) from the World Bank Forest Carbon

Abbreviations

COMIFAC Commission des Forêts d’Afrique Centrale (Commission for the Forests of
Central Africa)

FCPF Forest Carbon Partnership Facility

FPIC Free, prior and informed consent

REDD United Nations Collaborative Programme on Reducing Emissions from
Deforestation and Forest Degradation in Developing Countries

R-PIN Readiness Plan Idea Note

UNFCCC United Nations Framework Convention on Climate Change