



Presentation by Frances Seymour
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Dear Colleagues

It is quite an honor to be invited to address you, and to share the stage with such a distinguished panel.

Jan Heino has asked me to make a presentation on how CIFOR is working with other members of the collaborative partnership on forests to enhance inter-sectoral collaboration, the provision of alternative livelihoods, and economic incentives, to reduce deforestation and degradation.

This corresponds to “Message 3” of the CPF Strategic Framework for Forests and Climate Change.

But before I do that in the brief time available, I feel a responsibility to report to you on the results of a conference on climate change hosted by the University of Copenhagen just last week as part of the preparation for the UNFCCC COP15 in December.

The latest news from the world of climate science is bad and getting worse. New data and analysis since the 4th IPCC report suggests that climate change is progressing along the trajectories of the worst case scenarios.

There is broad agreement that we **MUST** contain global warming to less than two degrees Celsius, and that there is no way to have a chance of doing that without significant reductions in forest-based emissions.

Industrial emissions must be reduced dramatically in developed countries, AND we have to slow deforestation and degradation in the tropics. Otherwise, we cannot avoid catastrophic impacts that will affect the poor first and most severely. There is no longer an option of EITHER more industrial emissions cuts OR more forest-based reductions; it has to be both/and.

And even then, the scientists tell us, we risk sliding into positive feedback loops such as the one that would turn the Amazon rainforest into a savannah ecosystem. Such a conversion would release massive amounts of carbon into the atmosphere, and irreversibly remove forest sequestration as a mitigation option.

I'm sure many of you share my ambivalence about the opportunity to respond to this historic challenge. At last, forests are being appreciated for the value of their ecosystem services, and significant finance and political will are being mobilized to protect that value.

But we know better than anyone else how hard it will be to reverse current trends of forest loss without significant changes in the political economy of forest management, and without taking the risk of making some of the world's poorest people even worse off through our mistakes.

In particular, we are all increasingly aware of the risks related to REDD: our best efforts could prove ineffective, inefficient, or even inequitable. But in light of the latest climate science, the risk of no action is the biggest risk of all.

With those sobering words about high stakes attached to the challenge before us, let me now turn to my assigned topic: what are we doing at CIFOR and with others in response to all this, in particular in relation to enhancing inter-sectoral collaboration, the provision of alternative livelihoods, and economic incentives to reduce deforestation and degradation?

At CIFOR, we're working with many organizations represented here to implement our new strategy. The strategy is organized around six "research domains", each of which maps to an external policy arena or community of practitioners that we see as the clients for our research results.

The six research domains are:

- Enhancing the role of forests in **mitigating** climate change
- Enhancing the role of forests in **adapting** to climate change
- Improving livelihoods through **smallholder and community** forestry
- Managing trade-offs between **conservation and development** at landscape scale
- Managing impacts of globalized **trade and investment** on forests and forest communities, and
- Sustainably managing tropical **production** forests.

The first two of these research domains have particular relevance for **inter-sectoral collaboration**.

We know from a decade of research on the underlying causes of deforestation that most drivers of forest loss originate OUTSIDE the forestry sector. And unless those drivers are addressed, efforts to reduce forest-based emissions will not be successful.

Where I live in Southeast Asia, a huge challenge is managing trade-offs between commercial scale agricultural development and forest conservation. In particular, extension of oil palm plantations into carbon-rich peat swamps causes globally significant emissions.

In much of sub-Saharan Africa, extraction of wood for fuel is a key driver of forest degradation. In the Amazon, drivers of deforestation include extension of cattle ranching at the expense of forests.

Different regions, different drivers, but what they have in common is policies and markets in other sectors that are not sensitive to their impacts on forests and forest-based emissions.

At CIFOR, we are planning a global comparative research project that includes support to those developing national REDD strategies, to ensure that they adequately incorporate attention to the drivers that originate from the

agriculture sector, energy sector, and other sectors beyond the reach of instruments confined to the forestry sector.

In this effort, we look forward to cooperation with World Bank through its Forest Carbon Partnership Facility and prospective Forest Investment Program, and with UNEP, UNDP and the FAO in the context of the new UN-REDD initiative.

But inter-sectoral collaboration is also critical to the success of forest-based **adaptation** options. CIFOR is participating in the IUFRO-led initiative focused on helping forests adapt to climate change. A particular focus of our research in this area is to highlight the role of forests in helping **other** sectors adapt to climate change.

For example, most of us would not immediately think of the transport sector as a key stakeholder in maintaining forest cover. But in Indonesia, road travel is frequently disrupted by the floods and landslides that result from heavy rainfall events, and air travel is disrupted by the haze from forest fires during droughts.

As heavy rainfall events and droughts are expected to become more frequent and severe due to climate change, and intact forests are more resilient to such events, the transport sector has an interest in helping to protect the forest in order to keep planes, trains, and automobiles on the move.

Provision of alternative livelihoods is particularly relevant to CIFOR's research agenda related to small-scale and community forestry, and to managing trade-offs between conservation and development at landscape scale.

We all understand that if we expect forest users to change their behavior, we have to help them do so in ways that make them better off. Simply declaring hunting or shifting cultivation or small-scale timber production to be illegal can take away livelihood options from some of the world's poorest people, and usually doesn't work anyway.

Last year, CIFOR worked with the Secretariat of the Convention on Biodiversity to complete a study of the bushmeat trade in Central Africa. The study revealed just

how important bushmeat was to rural diets, and recommended reframing the issue from one focused on species conservation, to one focused on food security.

We need to reform the property rights and resource management regimes governing this and other forest products so that local communities have incentives for sustainable forest management, rather than incentives to exploit the resource to exhaustion before someone else does.

In Zambia, we've had a good experience working with the Forestry Department to improve livelihoods through small-scale enterprises in beekeeping, which provide incentives to protect the forest.

But we know that providing alternative income sources – as has been tried with the last generation of Integrated Conservation and Development Projects – doesn't work very well unless there is such a **direct link** between the income source and forest protection.

We have an urgent need to understand this link better, as the prospect of REDD payments to rural communities, in cash or in kind, has suddenly appeared on the near horizon.

At CIFOR, we're building on our research on Payments for Ecosystem Services or PES, and the circumstances under which they can be successful. We're initiating a global comparative research program on the first generation of REDD demonstration activities, with a particular focus on such payments.

We need to learn "what works" as soon as possible, so that the **second** generation of such projects can benefit from the mistakes of the first.

CIFOR's last two research domains – on managing the impacts of globalized of trade and investment, and sustainable production forestry – are particularly relevant to the issue of **economic incentives**. We know that people cut down trees, extract other forest products, and convert forestland to other uses because it is economically rational to do so.

The trick is to level the playing field with various policy and market instruments to make sustainable forest management a financially worthwhile option. Part of the answer is certainly to make breaking the law more costly: CIFOR is doing research on how to use anti-corruption and anti-money laundering laws as a way to target the big guys involved in forest crime.

Another is to give economic incentives to those forest-related companies who abide by the law and comply with the best social and environmental sustainability practices.

CIFOR is continuing to build on research initially supported by the ITTO to identify and support the implementation of such practices, such as Reduced Impact Logging. If implemented, those practices will have the added benefit of reducing the carbon emissions from forest degradation.

Let me close by confessing that this year, my colleagues and I at CIFOR are struggling to meet our ongoing commitments while also making a special push to support the many preparations for the climate negotiations at COP15 in Copenhagen in December.

As we have done in the last two years, CIFOR is working with other members of the Collaborative Partnership on Forests to host “Forest Day”. Forest Day provides a platform parallel to the negotiations for all of us interested in forests and climate to come together.

This year, after consultation with our Danish hosts, we are proposing a forward-looking agenda for Forest Day 3: What are the implementation challenges we will face in reducing deforestation and degradation no matter what the final shape of a post-Kyoto agreement?

As I said at the beginning of my remarks, the stakes for getting it right could hardly be higher.

We look forward to working with all you in addressing these challenges, and to seeing you all at Forest Day in December.

Thank you.