

UN-REDD PROGRAMME



Facts and Recommendations

Building Natural Capital: How REDD+ Can Support a Green Economy

Country examples of the economic benefits of forests

- Non-timber forest products can generate four million person-years of employment annually, along with \$US14 billion in international trade and far more in local subsistence benefits.
- An estimated 13.7 million people were employed in the formal forest sector in 2011, jobs that will be threatened if forests are not managed sustainably. For example, in Ghana a 68 per cent drop in gross value of production is predicted between 2012 and 2020 if management is not improved.
- In West Africa, over four million women earn about 80 per cent of their income from oil-rich nuts collected from Shea trees that occur naturally in forests.
- Forests stabilize soils and prevent sediment accumulating in rivers and at dams. Sediment removal can represent up to 70 per cent of the operational costs of hydropower dams in the tropics.
- International ecotourism earned about US \$60 billion in 2009, and countries with biodiversity-rich forests protected by REDD+ activities could tap into this consumer demand to earn additional income.
- A 2009 study cited in the report found that a stimulus package in sustainable management of forests could provide up to 16 million additional jobs globally.

Nations linking REDD+ and Green Economy

- Indonesia plans to cut greenhouse gas emissions by 26 per cent by 2020 while maintaining annual economic growth of 7 per cent. The government is collaborating with UN-REDD to link REDD+ efforts with its goal of transitioning to a Green Economy.
- A 2012 study by UNEP and the Kenya Forest Service showed that deforestation in the East African nation's water towers deprived the economy of US \$68 million in 2010 through damage to sectors such as agriculture, outstripping the income from forestry by four times. This report has sparked efforts to create national forest resource accounting.
- Brazil's Acre region in 2010 introduced one of the first REDD+ laws to cover an entire state. Preliminary satellite monitoring shows that communities have largely refrained from deforesting since agreeing to maintain their forest estates in exchange for technical and financial support.
- Guyana's Low-Carbon Development Strategy makes specific reference to REDD+ as one of two goals in its transition to a Green Economy.

Key recommendations

- An enabling environment should be created through greater coordination between governments, international agencies and the private sector. Greater public sector engagement is needed, as public-private partnerships will be essential to deliver REDD+ in a way that enhances social, environmental and economic benefits.

- Fiscal incentive frameworks that encourage harmful practices—such as fossil fuel and certain agricultural subsidies—should be harmonized with REDD+ and Green Economy objectives.
- REDD+ needs to give greater attention to non-carbon benefits to make a stronger case for forest conservation to policymakers, and needs to devise new ways for financing the protection of these benefits.
- Donor countries must fulfil their role in financing REDD+ as part of a mix of possible funding options. Creating the right enabling conditions and clear rules of engagement for large-scale private sector investment, on the basis of strong safeguards, is part of this responsibility.
- REDD+ must build support among a wider variety of stakeholders by ensuring equitable sharing of its benefits, thus increasing the sustainability and impact of the initiative. This includes local communities and forest-dwelling people.