Open Letter to Members of the Green Climate Fund (GCF) Board

The GCF Board must refrain from approving more REDD+ funding requests. It should reject in particular two requests for so-called "Results-Based Payments" for allegedly reduced deforestation years ago: the Indonesian government supposedly reduced emissions from deforestation during the period 2014-2016, and the government of Colombia claims to have reduced emissions from deforestation during the period 2015-2016. It would be a shameful act if the GCF Board rewarded governments that continue to heavily engage in and promote large-scale deforestation.

It is important to recall that supposed reduction of emissions from reduced deforestation result from comparison of actual deforestation rates with baselines, derived either from hypothetical future deforestation projections or inflated past emission averages during peak deforestation periods. The majority of REDD emission reductions claimed must thus be regarded as paper reductions that bear little resemblance to the actual emissions that were avoided.

At its 26th meeting from 18 to 21 August 2020, the Board of the Green Climate Fund (GCF) will decide once more on funding requests related to REDD+. This approach that has dominated international forest climate policy in the past years has been a failure because REDD has been unable to tackle the problem it was supposed to solve: deforestation. Disregarding the mounting evidence that REDD is unfit for purpose, the GCF has become a major international REDD+ funder since 2019. It reserved US\$ 500 million for national governments in the global South that claim to have reduced carbon emissions from deforestation between 2013 and 2018. Despite evidence of increases in deforestation in the respective countries, the GCF Board already approved funding requests from the governments of Brazil, Ecuador, Chile and Paraguay. The current trend of increasing deforestation in all of these countries shows that the governments of these countries have either failed to take measures to reduce deforestation or have taken measures that miss the real drivers of deforestation. It would be irresponsible for the GCF Board to approve more funding for countries with rising deforestation.

Approval of the funding requests would ignore both the increasing deforestation rates in Colombia and Indonesia as well as the crucial role the governments in both countries play in this process. They continue to hand out concessions and provide incentives to private (inter-)national extractive, agribusiness and other industries that destroy forests and they plan and implement the infrastructure these industries demand.

Moreover:

1. The GCF is paying governments for supposed results arising from reduced deforestation in the past. These emission reductions are likely to exist on paper only: the governments of Indonesia and Colombia chose the period for which they claim reductions. They also set the reference levels against which actual deforestation is compared during the time they claim to have reduced deforestation. This opens the door for skilful manufacture of calculations that will result in an outcome that is favourable to the respective country. For example, by using inflated reference levels,

a country can calculate emission reductions from avoided deforestation even if deforestation rates are rising.

What is shameful is that the GCF accepts such games and allows governments to ignore the overall far more complex dynamic of the deforestation process in time and space. In Colombia, for example, the deforestation rate started to <u>increase</u> in 2016, reaching a peak in 2017. What did the government do in its funding request to the GCF? It decided to simply exclude the year 2017 from its calculations, focusing its request to the GCF only on the period 2015-2016. And while the Colombian and Indonesian governments make their requests and argue they deserve money because they reduced past deforestation, present deforestation in both Colombia and Indonesia is on the rise.

Arguably, if an emission entered the atmosphere in 2015 or 2020 makes little difference to the risk of climate chaos. This risk of a mere short delay in emissions as a result of REDD always has been and always will be a major difference between postponing emissions from deforestation by a few years and avoiding permanently a release of fossil carbon.

2. Tackling deforestation in a particular country should be done nation-wide to be minimally effective. This requires that governments are coherent in their policies to combat the real drivers of deforestation, which is not the case for Indonesia and Colombia. In Indonesia, for example, in order to speed up the economic recovery after Covid19, deregulation is on the top of the government's agenda. It aims to speed up 89 priority projects – a US\$ 100 billion investment – with tremendous negative impacts on forests and forest-dependent populations. One example of the deregulation policy is the Minerba Law (Mineral and Coal Mining Law), approved in May 2020 by the Indonesian parliament. In a country with 8,588 mining permits (2018 figures) already handed out, the revised law allows the size of the mining area to be unlimited, with automatic extension - without any auction or possibility to reduce the area. This change will benefit especially coal mining companies whose permits would otherwise expire soon.

How can the GCF Board award US\$ 100 million of REDD+ funding to a government that actively promotes deforestation on such a massive scale? Arguing that this is how REDD works – paying for past (supposed) results, while ignoring present increases – is a thinly disguised admission of political expediency over willingness to acknowledge that in such a case, the fault lies with the mechanism. The result in either case should be an end to the Green Climate Fund wasting more money on REDD.

3. One of the most problematic impacts of the REDD+ experience on the ground in the past 10-15 years is what it has done to forest-dependent communities. REDD+ projects and programmes have blamed the main caretakers of tropical forests for the problem of deforestation, restricting or even forbidding their traditional practices in the forest – while those responsible for large-scale deforestation continue their destruction virtually unhindered.

Unfortunately, the GCF apparently opted to follow and even reinforce the false narrative of REDD+. Juan Chang, deputy director of the GCF declared in a recent

interview that: "if we look at REDD+ as a transition in which you're providing sustainable livelihoods as opposed to unsustainable activities, then there is a point where you do not depend on the payments that REDD+ provides to sustain your livelihoods and keep the forest. That should be the end goal" In other words, Chang sees forest dwellers as those who are to blame for deforestation. He defends a vision where REDD+ should change these forest dwellers' "unsustainable activities" into "sustainable" ones. If that "should be the end goal", what about the real drivers of deforestation? Executives of palm oil conglomerates, mining giants, cattle barons, oil corporations, financial speculators or the politicians who benefit from granting the concessions and providing the licenses needed for this large-scale deforestation – in other words, the key players in the large-scale deforestation game, are not driven by "payments ...to sustain your livelihoods". They are driven by greed that will remain unaffected by a payment of 5 US-dollars a tonne of CO2 for reduced emissions.

In fact, all REDD+ projects funded by the GCF have a strong focus on forest dwellers. For example, the main program to be funded with the REDD funding approved to the government of Brazil in 2019 is called "Floresta+". It is about supporting small-scale farmers, indigenous peoples and traditional communities for protecting the Amazon forest. Besides the fact that these communities are already doing that, these communities have not seen any support from this programme yet. Meanwhile, deforestation has been increasing since 2014 and is out of control since 2019, when Jair Bolsonaro assumed the Presidency. The latest deforestation figures indicate a 34% increase in the period August-2019-July 2020, if compared with August 2018-July 2019. What's worse: the government itself is actively promoting deforestation. It has undermined its own state agencies that should protect the forest; it promotes deregulation of environmental rules; and it has been conniving with the logging companies' and big farmers' crimes of invading protected areas, including the territories of indigenous peoples and other forest-dependent communities. Paying out the full US\$ 96 million of a REDD "results" payment to the government of Brazil while deforestation is skyrocketing also puts the GCF's credibility at risk.

Hiding behind the argument that this is how REDD is supposed to work is but a lame excuse. If that is really how REDD is supposed to work, it is time to scrap the idea and even more important for the GCF to stop funding such a poorly designed mechanism!

4. Another ignored and extremely concerning on-going trend is the increasing surveillance, intimidation, persecution and criminalization in both Colombia and Indonesia of those who expose their governments and the role they play in promoting deforestation and conniving with social and environmental crimes.

According to Global Witness, <u>Colombia</u> is the most dangerous country in the world for land and environmental defenders, with 64 people killed in 2019. In Indonesia, activists are increasingly suffering from surveillance, intimidation and arbitrary arrests by state security forces. The situation is particularly worrisome in <u>West-Papua</u>, rich in tropical forests with timber, minerals, metals and fertile lands for private and state actors to profit from. In this extremely militarized area, forest destruction has been out of control for years, including the period of 2014-2016 that was elected by the Indonesia government in its GCF funding request. Communities and their supporters suffer constantly from violence, arrests, destruction of property,

internal displacement, intimidation and death threats, further aggravated in times of Covid19.

For all these reasons, we urge the GCF Board to refrain from approving further REDD+ funding requests, in particular the two requests on the agenda for its 26th meeting, submitted by the governments of Indonesia and Colombia.

17 August 2020

Signatories:

Aksi for gender, social and ecological justice JATAM Jatam sulteng Palu sulawesi tengah Kiara KRUHA Kaliptra Andalas Perkumpulan Hijau School of Democratic Economics Solidaritas Perempuan Solidaritas Perempuan mamut menteng kalteng SKP KAMe Save Our Borneo Walhi Papua Walhi Sumatera Barat Yayasan Pusaka Bentala Rakyat Censat Agua Viva Junta Acción por la Biodiversidad Bloque Oscar Alfaro	Indonesia Colombia Colombia Argentina Bolivia
Bloque Oscar Alfaro Associação de Capoeira Berimbau de Angola	Bolivia Brazil
Fórum Mudanças Climáticas e Justiça Socioambiental - FMCJS Sindicato dos Trabalhadores Rurais Agricultores e Agricultoras Familiares de	Brazil
Santarém	Brazil
Aliança RECOs - Redes de Cooperação Comunitária Sem Fronteiras Fundo Dema Grupa Feministas Huechuraba	Brazil Brazil Chile
Organizaciones y reducciones mapuche por el Bosque Ancestral e Itrofil Mongen	Chile
Asociación Conservacionista YISKI	Costa Rica
COECOCEIBA CONCEVERDE SAN RAFAEL DE HEREDIA Comercial "Abigaíl" Colegio de Arquitectos de El Oro ACCIÓN ECOLÓGICA Fundación Pro Defensa de la Naturaleza Comunidad 29 de diciembre Otros Mundos Chiapas/Amigos de la Tierra México Ofraneh	Costa Rica Costa Rica Ecuador Ecuador Ecuador Ecuador Guatemala Mexico Honduras
Frente en Defensa de la Tierra Puebla - Oaxaca Centro de Apoyo Rural - CEAR Water Justice & Gender	Mexico Peru Peru

Sociedad de Estudios Rurales y Cultura Popular - SER Paraguay Mulokot Foundation Suriname

Grupo Guayubira Uruguay

CLEAN (Coastal Livelihood and Environmental Action Network) Bangladesh India Aalamaram

Growthwatch India Nadi Ghati Morcha India India **Environics Trust** Digo Bikas Institute Nepal Federation of Community Forestry Users Nepal (FECOFUN) Nepal

Socialist Party Malaysia Malaysia

Centre for Human Rights and Development Mongolia Project SEVANA South-East Asia Thailand

Transparency International-Korea (TI-Korea) South Korea Ole Siosiomaga Society (OLSSI) Samoa

Synaparcam Cameroon Youth Volunteers for Environment Ghana Ghana

Soralo Kenya Missão Tabita Mozambique

Mazingira Network - Tanzania (MANET) Tanzania SUHODE Foundation Tanzania National Association of Professional Environmentalists Uganda

Witness Radio - Uganda Uganda Unión Universal Desarrollo Solidario Spain Down to Earth Consult Germany

Germany Forum Ökologie & Papier Oikos Italy Just Forests Ireland

RAREF Turkev The Corner House United Kingdom United Kingdom Hart Property

Biofuelwatch UK/USA Swift Foundation USA PLANT (Partners for the Land and Agricultural Needs of Traditional peoples) USA Earth Restoration USA Rainforest Rescue Germany

Salva la Selva Spain Focus on the Global South Thailand Global Justice Ecology Project USA Observatorio Latinoamericano de Conflictos Ambientales OLCA Chile

America Latina The Interamerican Association for Environmental Defense (AIDA) RECOMA - Red Latinoamericana contra los monocultivos de árboles America Latina Friends of the Earth International International

Global Forest Coalition (GFC) International **GRAIN** International World Rainforest Movement International