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Food and Agriculture
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COVID-19 RESPONSE

INFO BRIEF

GLOBAL

THE COVID-19 CRISIS AND UN-REDD: CATALYSING FOREST SOLUTIONS FOR RECOVERY RESPONSES

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Forests are a core nature-based solution, critical to addressing the climate emergency. If deforestation is stopped and degraded forests are restored, they can provide approximately one-third of the carbon reduction needed to avoid the most severe impacts of climate change. The world's forests also act as shields, keeping humans safe from zoonotic diseases, such as coronaviruses. Their destruction can have devastating consequences not only for climate change and biodiversity loss, but also for global public health. One in three outbreaks of new and emerging diseases, such as HIV and SARS, are linked to deforestation and other land use changes. And yet, the cost of reducing deforestation to prevent the spread of zoonosis is substantially less than the economic and mortality costs of responding after the fact. REDD+ and the conservation and sustainable management of forests provide opportunities to both recover from COVID-19 and prevent future pandemics. The UN-REDD Programme is uniquely positioned to support delivery at the pace and scale required towards building a better, greener, more resilient future in developing forest countries.

THE COVID-19 PANDEMIC, DEFORESTATION AND THE CLIMATE CRISIS

The lack of collective action to address our warming planet and the climate crisis has made societies and economies more vulnerable to the pandemic than they should be. Slow progress in halting forest loss and degradation, along with increased pressure on primary forests for land-use changes and agriculture, is at the root of the emergence and spread of zoonotic diseases, including the coronavirus.

About a third of the world's population has experienced some type of lockdown in the past year, resulting in a massive social and economic shock across the globe. This has exacerbated and deepened pre-existing inequalities, exposing vulnerabilities in social, political, economic and natural systems and increasing the risk for future zoonotic pandemics. As a result, it is expected that half a billion people could be pushed into poverty. Developing countries are being particularly affected by the pandemic's economic and development setbacks. An estimated of 700 million people are already living in extreme poverty and 1.3 billion without access to basic needs. Those who rely on forests for their livelihoods are amongst the poorest people on the planet, and are disproportionately women. In most cases, where existing social safety nets are not enough to compensate for the income losses of informal labour, forests and ecosystems are immediate resources for subsistence livelihoods, posing increased pressure on forests and ecosystems.

Pressing economic needs to recover from the immediate shock of the pandemic are already risking existing efforts to halt the loss and degradation of forests and other ecosystems and to restore degraded landscapes. The pandemic has increased illegal activities, land grabbing and deregulation and resulted in a relaxation of environmental laws in forests landscapes and protected areas. Reverse migration from cities to rural areas as a result of the pandemic is already underway, with the additional return of millions of overseas migrant workers to their home countries. This reverse migration is putting increased pressure on forests and ecosystems as immediate resources for subsistence livelihoods.

The pandemic has brought into sharp focus the inadequacy of the global response to both the biodiversity and climate emergencies. Although there is increased awareness of the impact of deforestation and degradation on increased zoonotic diseases, a critical mass of nature-positive COVID-19 recovery packages has not yet emerged. And yet, forest conservation and restoration can create millions of green jobs to boost rural economics and provide long-term sustainable growth.

Governments and citizens are struggling to integrate climate, environmental and development priorities into recovery packages. If not designed in a more holistic manner, there is a significant risk that socio-economic recovery efforts will result in increased pressure on forests and ecosystems. The European Commission has specifically called for a green recovery, putting biodiversity and climate change at the front and centre of its recovery efforts. The European Green Deal is expected to be an integral part
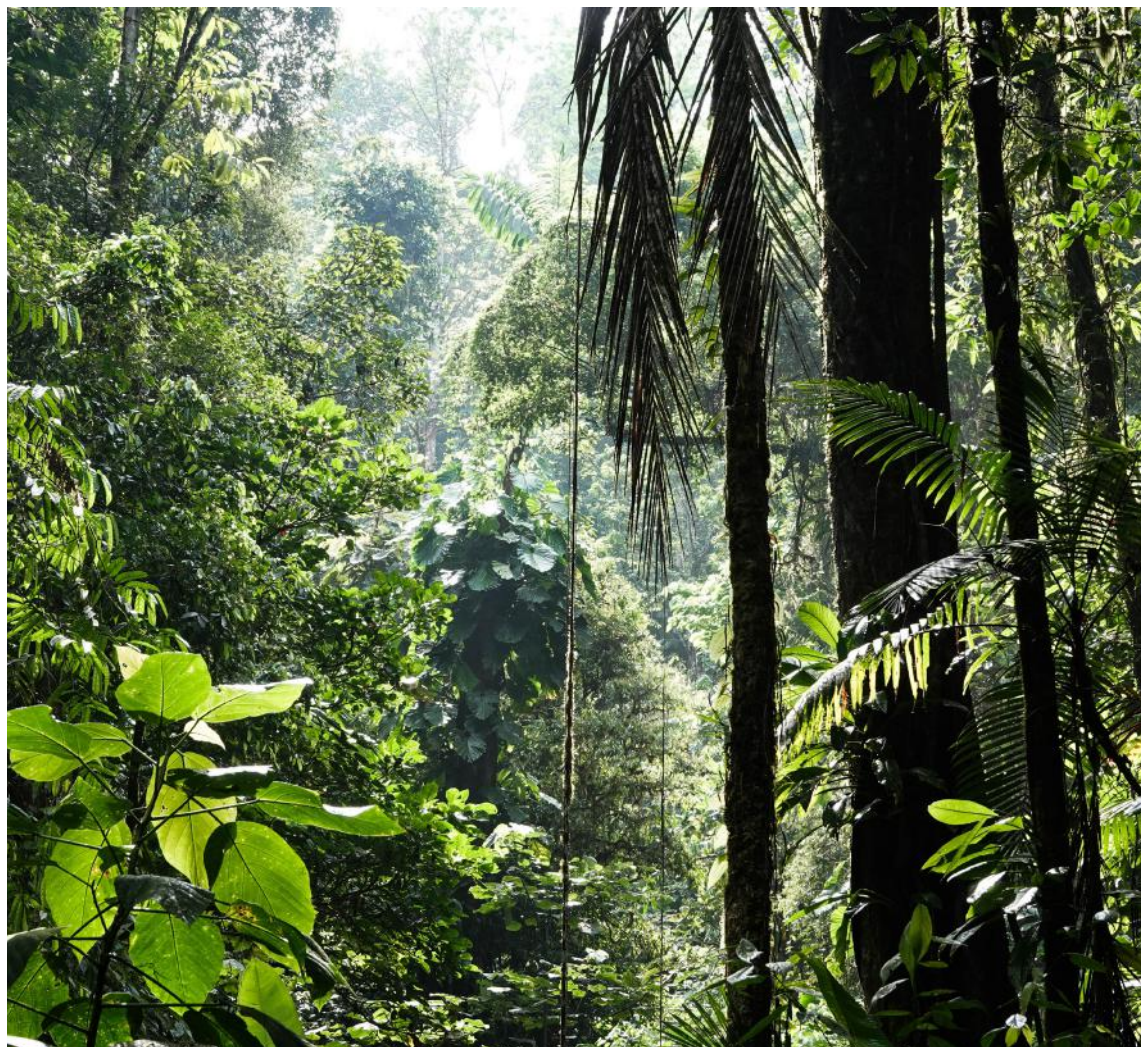
Photo: Alenka Skvarc

of the European Union's recovery plan and the centrepiece for delivering Sustainable Development Goals. The World Bank's approach refers to a green stimulus framework, and the IMF has called for utilising all available means to enable a green recovery, including public funding to promote green private finance and secure long-term commitments to low-carbon alternatives.

However, only 4% of initial COVID-19 recovery financial policies from G20 countries are, in fact, green, with any real potential to reduce long-run GHG emissions. The vast majority, 92%, are seen as climate-neutral, with 4% of them likely to increase emissions and exacerbate the climate crisis in the long-term.

FOREST SOLUTIONS CAN CONTRIBUTE TO STRENGTHENING THE RESILIENCE OF SOCIETIES AND ECONOMIES

Transitioning to low carbon, resilient economic models requires a rapid phase-out of fossil fuels in all sectors, as well as the maintenance and increase of carbon stocks stored in forests and other ecosystems. As a result of the pandemic, there is now an increased awareness of the urgent need for holistic, nature-based COVID-19 recovery policies. These policies must protect ecosystems and biodiversity and sustainably manage and restore forests in order to achieve climate, environment and development objectives. Evidence suggests that integrated

landscape approaches and increased sustainable land use practices reduce pressure on forests and other ecosystems by eliminating deforestation from supply chains. This, in turn, can contribute to achieving global climate, biodiversity and sustainable development goals, while mitigating the risk of future zoonotic pandemics.

Economies are largely dependent on nature, with $44 trillion of economic value generation – more than half of the world's total GDP – moderately or highly dependent on nature and its services. Together, the three largest nature-dependent sectors – construction, agriculture and food and beverage – generate close to $8 trillion of gross value added (GVA). Large economies have the highest amounts of GDP in nature-dependent sectors: $2.7 trillion in China, $2.4 trillion in the EU and $2.1 trillion in the United States. Yet, as nature loses its capacity to provide environmental services, including carbon storage and sequestration, these sectors could suffer significant losses. For instance, 60% of coffee varieties are in danger of extinction due to climate change, disease and deforestation. If this were to happen, global coffee markets – a sector with retail sales of $83 billion in 2017 – would be significantly destabilized, affecting the livelihoods of many smallholder farmers in developing forest countries.

The World Economic Forum's 2020 Global Risks Report ranks ecosystem and biodiversity loss and collapse as one of the top five risks in the coming decade. This underscores how forests and other ecosystems are essential to business in all sectors. Forests underpin and regulate the climate on which the global economy relies. Similarly, forest solutions can leverage large-scale financing for long-term de-carbonization of rural economies in developing forest countries. Transitioning to sustainable food and land-use business models could be worth up to $2.3 trillion and provide more than 70 million jobs by 2030. Furthermore, avoiding further deforestation could boost the global economy by at least $40 to $80 billion per year.

However, current trends in climate finance that support efforts to halt or slow deforestation are alarming. Since 2010 only $3.2 billion US of global climate finance is estimated to have been invested in climate action in the forests and land use sector, compared to $256 billion in multilateral and public funding commitments to climate mitigation overall. Of the global climate finance that has materialized, a significant proportion has been deployed or committed to advance REDD+ preparatory, implementation and results-based actions.

Local coffee farmers participate in a coffee training demostration near Dung Kno, Di Linh, in Lam Dong Province, Vietnam. Photo: UN REDD Programme

A mitigation and results-based forest solution, REDD+ aims to incentivize developing countries to reduce emissions from deforestation and forest degradation, conserve forest carbon stocks and sustainably manage forests. Over the past decade, forested developing countries have designed a diverse array of innovative policy, implementation, financial, monitoring and reporting instruments to enable results-based national or subnational implementation of REDD+ actions. These advancements include significant progress in strengthening forest governance and monitoring systems that enable emissions reductions as the basis for accessing results-based climate finance.

Supported by a robust, comprehensive and proven framework for implementing and monitoring policies and on-the-ground measures, REDD+ offers forest solutions that could be deployed in COVID-19 socio-economic recovery efforts, at the pace and scale required in developing forest countries. Accelerating forest solutions through REDD+ in support of COVID-19 recovery efforts could have the potential to significantly transform rural economies, while simultaneously improving the livelihoods of women, men, boys and girls. This would then serve to catalyse integrated, greener, more resilient, inclusive, sustainable forest solutions, while reducing the risk of future pandemics.

UN-REDD PROGRAMME SUPPORTS COUNTRIES IN DEVELOPING AND IMPLEMENTING FOREST SOLUTIONS FOR A GREEN RECOVERY

For more than a decade, 70 developing forest countries have been engaged in results-based efforts to reduce emissions by addressing the drivers of forest and ecosystem loss and degradation, with a goal to accessing results-based financing to further support environmental and sustainable development. Well-designed national and sub-national REDD+ policies and measures constitute robust, operational policy instruments that not only help participating countries achieve climate mitigation objectives, but also provide a unique opportunity to deliver COVID-19 recovery efforts that enhance social

and ecosystem resilience and significantly reduce the risk of future zoonic pandemics.

Since 2008, the UN-REDD Programme has supported over 65 of these countries in designing national and sub-national REDD+ policies and on-the-ground interventions, as well as facilitating the identification and establishment of financial arrangements to capture and manage results-based financing. The UN-REDD Programme has been instrumental in strengthening national forest monitoring and GHG accounting systems and structures, as well as in fostering social and environmental resilience, while promoting social inclusion, gender equality, and the realization of human rights for local communities and indigenous peoples. The highly participatory and inclusive REDD+ preparatory processes, supported by the UN-REDD Programme, have led to policies that improve rural livelihoods and foster greener, more resilient, sustainable and productive forests and rural landscapes.

The UN-REDD Programme has also played a strategic role in facilitating the identification of financial needs and opportunities for on-the-ground implementation and policy level transformations. Recently, the UN-REDD Programme's agencies have capitalised on readiness efforts to support countries in securing and channeling results-based payments for REDD+ under the Green Climate Fund. This makes the Programme uniquely positioned to support the design and delivery of COVID-19 recovery efforts in developing forest countries at the scale and pace required to transform rural landscapes into better, greener, more resilient and productive economies and livelihoods.

In countries like Colombia and Costa Rica, where market-based incentives to reduce forest loss and degradation have been implemented for several years, public and private resources from fossil fuel tax revenues have been leveraged to invest in forest solutions including conservation, restoration and improved land management. If similar market-based incentives were deployed in 12 other diverse countries, approximately $1.8 billion could be raised each year between them to be reinvested in forest solutions.

Trees bring shade to a cattle farm in Costa Rica
Photo: Alice Van der Elstraeten

UN-REDD PROGRAMME SUPPORTS COUNTRIES IN DEVELOPING AND IMPLEMENTING FOREST SOLUTIONS FOR A GREEN RECOVERY

Costa Rica's payment for environmental services program, first established in 1995, is a system of voluntary contracts through which a well-defined land-use practice likely to secure an environmental service is paid for if, and only if, the participants conduct the agreed upon sustainable land-use practice. The program prioritises benefits to women and indigenous peoples. Over the last five years, the PES program has been fully funded by the national carbon tax and water fee but, in the current economic downturn, the recent results-based payment from the Green Climate Fund for the country's REDD+ efforts is essential to sustaining the transfer of needed cash resources directly to impoverished groups to support their forest conservation efforts and livelihoods in the COVID-19 recovery phase.

Ecuador's Socio-Bosque program and Brazil's Floresta+ program follow similar payment for ecosystem service models that, together with Costa Rica's pioneering approach, provide a blueprint for publicly and privately-funded national cash-transfer programs. These can

serve as an essential tool for governments to protect and restore forests, thus providing protection from future pandemics, while also alleviating poverty and improving livelihoods and contributing to an inclusive and equitable COVID-19 recovery.

Indonesia is implementing a social forestry program funded, in part, by results-based payments for REDD+. The program aims to alleviate poverty, halt deforestation and end forestland conflicts by giving local communities the opportunity to manage forests themselves and to develop sustainable livelihoods. Because more than 74 percent of Indonesia's poor depend on ecosystem services for their livelihoods, depletion of these services would have drastic impacts on the poor while simultaneously widening the inequality gap. Indonesia's social forestry program is an example of how investment in locally-driven forest conservation and management can yield benefits for the climate and livelihoods, while also providing social protection against shocks like that of the COVID-19 pandemic.

The Community-based REDD+ Initiative (CBR+), delivered in partnership by UN-REDD and the GEF Small Grants Programme, is another model that has demonstrated results in delivering funding and technical support directly from global donors to forest communities, backstopped with UN quality assurance and existing country mechanisms and capacity. The CBR+ model presents the opportunity to turn global COVID-19 response funds into community grants at the grassroots leve l with three integrated impacts:

1. livelihood support, which is key for rural communities in forested landscapes, as communities grapple with the economic impacts of COVID-19;
2. support of forests and the prevention of deforestation, as reverse urban-rural migration driven by the COVID-19 pandemic increases pressure on forested landscapes through subsistence agriculture and fuel wood collection;
3. empowerment of communities to undertake culturally appropriate and landscape specific responses to address both the risks and impacts of this virus.

Similarly, the hundreds of millions of degraded ecosystems and under-managed landscapes worldwide, coupled with the hundreds of hectares pledged to ecosystem restoration under a diversity of international and regional initiatives, offer significant opportunities to enhance rural livelihoods and economies, including job generation and carbon sequestration potential. Ecosystem and landscape restoration can make a lasting contribution towards enhancing environmental and social resilience, with large scale restoration providing an estimated $84 billion US in annual economic benefits worldwide. Essentially, forests and other nature-based solutions can lift one billion people out of poverty and create an additional 80 million green jobs.

In spite of progress made through REDD+, recent data underscores that only 34 countries have fully developed national REDD+ strategies or action plans, and only 24 have been able to enact policy instruments. This highlights that actual policy and on-the-ground implementation remain both a challenge and priority. Further strategic, financial and technical assistance are urgent for countries to implement structural and long-term transformations to forest landscapes and rural economies.

One key priority is to further strengthen national capacities for sustainably monitoring high-quality emissions reductions and carbon sequestration. This would not only demonstrate the mitigation potential of forest solutions, but also unlock results-based financing. By October 2020, four countries have signed their Emission Reductions Purchase Agreements under the FCPF's Carbon Fund to access to results-based payments for emissions reductions achieved, while 14 country Programs have advanced to ER Payment Agreement. As of November 2020, eight countries have their Funding Proposals approved under the GCF's REDD+ results-based Pilot Programme, for US$496.8 million in results-based payments. Additionally, countries like Indonesia have already expressed a commitment to integrate climate and forest agendas in their financial stimulus packages and to reinvest results-based payments under the bilateral agreement with Norway into socio-economic recovery efforts related to the pandemic.

The ongoing COVID-19 pandemic has exposed an urgent need to invest in forests to build a better, greener and more resilient world. We need to find innovative solutions to environmental issues to strengthen societies and economies, not only to prevent future pandemics, but also to create sustainable, long-term growth.

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Food and Agriculture Organization of the United Nations

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