

Annex Q: Verdens Skove, Forests of the World

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1. Overview of VS and time-line of Danish support

Verdens Skove or Forests of the World (VS) is a Danish environmental organisation that was established in 1982 under the name *Regnskovgruppen Nepenthes*¹ to promote conservation of tropical forests through advocacy and public awareness, and fund-raising in Denmark. Because of the nature of its work, a review of literature pertaining to carbon content of intact tropical forest ecosystems and carbon absorption by regenerating tropical forests was also done (see Annex D).

The first decade after the establishment of VS saw an explosive growth in global awareness of tropical deforestation and associated loss of biodiversity and forest-dependent human lifeways, including traditional knowledge and languages possessed by peoples indigenous to forested areas. These concerns were expressed in the formation of many new charities or drew existing ones into forest conservation work in the tropics. This was encouraged by aid agencies (starting with DFID in Cameroon in the mid-1980s) that began to finance major projects in and around tropical forest national parks.

This trend among donors also created opportunities in the field more generally of environmental education and community-based resource management (CBRM) in the tropics, and a number of charities specialised in this approach, including VS. Thus, in 1992 it began a project in Costa Rica (then as now among the most forward-thinking of countries in terms of human rights, biodiversity and sustainability), and expanded thereafter into Panamá (1996), Nicaragua (1999), Honduras (2000), and Bolivia (2008) (Anon., 2012; VS, 2020a). In the process, the work became less project-based and more programmatic in nature, while retaining its focus on climate-friendly, rights-based and poverty-oriented forest conservation.

¹ *Nepenthes* is the genus of the tropical (often montane) Old World carnivorous pitcher-plants.

The VS Bolivia programme took advantage of Danida's engagement there through the Sector Programme for Indigenous Peoples, Decentralisation and Popular Participation in 1998-2004 and Support for the Rights of Indigenous Peoples in 2005-2010 (Parellada *et al.*, 2010). The latter followed the release of the 2004 *Strategy for Danish Support to Indigenous Peoples*, the objective of which was “to strengthen the right of indigenous peoples to control their own development paths and to determine matters regarding their own economic, social, political and cultural situation” (Danida, 2004: 8). Thus, VS staff and their Bolivian collaborators were involved in a successful Danida-supported community land titling process, which redefined land ownership in favour of indigenous communities in much of the country.

After 2010, however, Denmark began to wind down its cooperation with Bolivia as the political environment there became more turbulent, and MFA effectively handed over community work to NGOs such as VS. Thus: "In 2013, Forests of the World (FoW) entered into a Framework Agreement with the Ministry of Foreign Affairs (MFA). The process included a desk assessment of Forests of the World (FoW) conducted by the Technical Advisory Services of the MFA in 2012. In Danida's RAM assessment in 2014, FoW did very well, receiving an overall score as number two out of 11 organisations with framework agreements. In 2015, FoW received an annual framework budget of DKK 15 million." (HNC, 2016: iii).

This framework contract was sufficiently generous to make VS largely (88%) dependent upon MFA funding up to 2015 (HNC, 2016). The ToR state that "a total of around 23 million DKK was granted to Verdens Skove between 2014 and 2016" (Annex A), but VS records grants from Danida totalling DKK 52.5 million in 2014-2016, and DKK 95.5 million in 2014-2019 (and therefore about DKK 43 million in 2017-2019). In any case, when a new Danish government prioritised a focus on Africa (and causes with fewer ideological entanglements than human rights and land reform in Latin America). This left VS facing an immediate 26% budget cut, in response to which it planned to diversify its funding sources while developing programme activities in Africa. These latter were brought underway in Ethiopia (2016) and in Uganda (2019), and further expansion is now being considered after the creation of three regional hubs (VS, 2020a).

To replace the framework contract with Danida, SV also sought and obtained a new support arrangement with CISU, the Danish civil society fund, for about DKK 13 million annually in 2018 and 2019 (INKA Consult, 2019; VS, 2020b), and about 15 million annually from 2020. Funding for VS is now estimated at about 45% from MFA via CISU, with the rest coming from various EU sources and others including the Nordic Climate Facility and Inter-American Development Bank. Meanwhile, VS is seeking to benefit from a new round of parliamentary consideration of how best to involve NGOs in delivering the climate change response, basing its case on the mitigation and adaptation benefits and reciprocal and additional co-benefits to be obtained by addressing the 'triple crisis' of ecology, climate and community.

2. Capacities and priorities of Verdens Skove

The *raison d'être* of VS is and always has been to treat preventing damage to forest ecosystems and harm to forest-dependent peoples as central to all fronts in the 'triple crisis'. Their approach is: (a) to support the local population in advocacy to gain rights and influence in the processes and systems that set the framework for their lives and opportunities for action; (b) to build capacity among partners and target groups to manage the forest resources they have been given rights to; (c) to build national and international networks and relationships; and (d) to influence consumers, retailers and other businesses to act sustainably.

The overall conclusion of a 2015 evaluation of VS was that it was "a capable and professional NGO with a well-focused programme within relatively few priority countries. It has strong insights into conditions on the ground, genuine partnerships, a human rights-based approach (HRBA), advocacy and capacity development, competent advisory services as well as firm commitment among volunteers and staff in Denmark. There is impressive collaboration between the professional staff and the volunteers in the organisation." (HNC, 2016: iii). In more detail it found:

- good results in Panamá, focused on advocacy to speed up land titling for indigenous peoples and successfully building unity among Panamá's 12 indigenous organisations, and in Honduras, especially by working with forestry cooperatives on forest certification in the buffer zone around the Pico Bonito National Park, and community tourism near La Ceiba;
- strong advocacy with the Danish 92 Group and partners from Bolivia, Panamá and Nicaragua in the REDD+ Safeguards Working Group, the Accra Caucus on Forests and Climate Change and the Indigenous Peoples' Caucus at UNFCCC CoP 21/2015 in Paris.
- a strong HRBA, particularly in Panamá, a strong learning approach based on diverse forums, a democratic and participatory culture, adequate financial resources, relevant procedures and guidelines on risk management and personnel security, and sound managerial and financial control systems; but also
- weaknesses (leading to recommendations) in gender focus (for correction see Pedersen, 2016), in baselining and result/outcome monitoring arrangements, and an over-dependence upon MFA (which is passed on to partner organisations).

A 2018 evaluation of VS (INKA Consult, 2019) found similarly, but was also able to look in detail at the organisation's work in Bolivia, and the start-ups in Ethiopia and Uganda, finding:

- a well-functioning democratic and organisational structure with dedicated and motivated staff and about 100 volunteers;
- a solid presence in Denmark based on campaigning, media work, social media, fundraising and a membership that had risen from 1,354 in 2013 to 3,382 in 2018;

- in Bolivia, significant contributions to rights-based forest conservation among IPs in the lowlands, with most progress made on rights and civil society strengthening but delays on income generation aspects due to a lack of government support;
- in Ethiopia, a rapid start building on collaboration with well-established NGOs Farm Africa (www.farmafrica.org) and NABU (<https://en.nabu.de/about/index.html>), which welcomed VS' expertise on sustainable forest management, certification and value chains of products from tropical forests and, with the Danish Embassy, facilitated VS' work in the Kafa Biosphere Reserve;
- in Uganda, a good preparation phase that had yet to bear fruit; and
- a well thought-through theory of change², based on practical elaboration of the nine principles for rights-based, civil society-based and nature-based solutions listed by VS (2020a), and clearly informing the community-based territorial and resources management approach in Bolivia and Ethiopia; but that:
- in Nicaragua, VS had fallen foul of an increasingly erratic government, with its national partner having been stripped of its legal status for political reasons in December 2018.

As the urgency of the climate response has escalated, there has been pressure on all organisations that are active in forest conservation to document what they know on how to address the ecological, climate and indigenous peoples' crises. Verdens Skove has responded in part by publishing a series of working papers (Pedersen, 2016; Appelt & Bossen, 2018; Vinqvist *et al.*, 2018; Bossen & Pedersen, 2018; Christoffersen, 2020), and a detailed position on climate change (VS, 2020c). Some of these materials shed light on central challenges in trying to work out how to compare and choose among competing proposals for 'ecological' mitigation investments (see Annex E).

3. Effectiveness of VS mitigation efforts

The organisation's recent and current work focuses on conservation and management of old-growth forests in Bolivia and Honduras, drone-assisted forest monitoring by indigenous communities in Bolivia and Panamá, advocacy and land rights in Panamá, and recent campaigns in Denmark³ (VS, 2020a). Interviewees reported recent work with agroforestry models in trying to mitigate the major crises of climate, biodiversity and poverty or inequality by ensuring diversified production adapted to local conditions, which is expected to be a major theme in the VS Africa programme. Other areas where VS has been particularly active include the following.

² See: www.forestsoftheworld.org/goals-strategies; www.forestsoftheworld.org/goals-strategies/rights-based-solutions; www.forestsoftheworld.org/goals-strategies/civil-society-based-solutions; www.forestsoftheworld.org/goals-strategies/nature-based-solutions, etc.

³ VS research also recently exposed the severe environmental consequences of wood-chips and -pellets being imported from Eastern Europe and Brazil for use in 'climate friendly' Danish biomass CHP plants, and of soya being imported from Latin America (i.e. quite possibly including the Bolivian Amazon) for use as feed in 'climate friendly' Danish pig farms. This draws attention to the problem that countries report and target only 'territorial' emissions, thus allowing their true ('consumption') emissions to be externalised and, effectively, concealed.

- **Indigenous territories and avoided deforestation/GHG emissions** (see Theilade, 2020). The parts of the Bolivian Amazon where IP territories received community land titles with Danish help (whether through Danida programmes or partnerships with IP associations linked to IWGIA and VS and funded by Denmark) in the 1995-2010 period have now often become green islands in a sea of new soya plantations. This, supported by other evidence from Perú and Brazil, strongly suggests that IP territories are the *only* effective governance mechanism capable of withstanding deforestation pressures under modern conditions in the Amazon Basin. Emissions avoided by Danish-funded securing of IP territories through the Bolivian TCO and similar processes in Latin America are estimated to equate to about four billion tonnes of carbon in standing biomass and 80 million tonnes of carbon absorbed annually (Theilade, 2020).
- **Indigenous territories and co-benefits.** Actions that benefit indigenous peoples are likely to have a disproportionate effect on relieving poverty, since they comprise 6% of the world's population but 15% of the world's poorest people. In addition, the evidence is clear that secure indigenous territories (and, more generally, community-managed resource areas, as reviewed for Cameroon, Ghana, Namibia, Tanzania and Zimbabwe by Caldecott, 2017) are at least as effective as national parks at protecting biodiversity as well as natural forests (e.g. Nepstad *et al.*, 2006; Porter-Bolland *et al.*, 2012; Schleicher *et al.*, 2017). Interviewees made the point that biodiversity, forests, indigenous interests, poverty and climate change mitigation are inseparable, and that global mitigation targets cannot be met without halting tropical deforestation.
- **Promoting indigenous territorial security.** Opportunities for this have greatly increased with ubiquitous smartphones and the availability of satellite-assisted georeferencing, surveillance and carbon density mapping to support community planning and monitoring (e.g. see www.restor.eco; Danielsen *et al.*, 2013; Brofeldt, Theilade *et al.*, 2015; Brofeldt, Argyriou *et al.*, 2018; Bosques del Mundo, 2019). The combination of highly-motivated and networked indigenous communities, new technology, modest financial support per unit area, and technical cooperation with NGOs and universities to document impact and support informed dialogue can be very effective in resisting deforestation pressures.

Clear definitions of desired outcomes are necessary to baseline and monitor effectively, and VS describes its ultimate objective clearly as: "Conservation of forest ecosystems and related biodiversity". It goes on to say that "Gathering evidence of the link between our activities, indicator proxies, e.g. forest cover, and the end goal is thus essential to know if we are succeeding and employing the best, most effective methods to get there. It is also a key component of exerting effective influence on decision making at local level and policy making at higher levels. Our preferred method for gathering such evidence is by involving communities, since this serves the purpose of simultaneous capacity building, securing local ownership and increasing knowledge of the resource." (VS, 2020d).

The idea that conserving tropical forests can be a potential source of large net GHG emission gains is explored in Annex D. But this raises a number of questions, of which the most relevant here is whether VS is using the most effective approach in trying to

save forests and hence forest carbon and non-carbon benefits. Numerous conservation techniques are of proven value in protecting ecosystems and wildlife, including intelligence-gathering and enforcement against illegal timber and wildlife harvesting and trade, and illegal use and occupancy of protected areas, research, monitoring, education and outreach to involve and interest the public, and revenue-sharing arrangements from park entry fees and payments for ecosystem services for bioprospecting to motivate local people to support protection activities.

Evidence from global experience over decades suggests, however, that to halt and reverse national-level deforestation processes often requires a particular kind of governance reform. This is one in which local people are made responsible for local ecosystems and the benefits of managing them in their own long-term interests and encouraged and enabled to exercise those responsibilities accountably to one another. In this sense, the VS approach is correct in principle, is more likely to result in long-term forest conservation successes than any other single approach. It is even more likely to do so when combined with a locally-appropriate mix of other conservation, education, research and benefit-sharing actions, plus networking and learning with other organised communities that face similar problems.

This is why one might point to Nepal and Bolivia as two countries where community land and forest tenure and responsibilities were greatly changed with Danish support, and such Danish-funded projects as Harapan and Mbeliling in Indonesia where local deforestation trajectories were halted and reversed using a VS-style approach. It is also why an observer is likely to have confidence that VS initiatives will, if competently managed in line with their theory of change (as the evaluations cited above tend to confirm has been the case), result more often than not in successful forest conservation outcomes.

4. Conclusion on effectiveness of Danish support

Danish NGOs and academic institutions have worked with indigenous associations and on tropical forest biodiversity and livelihoods for many years, so are well placed to use increased funding for climate mitigation to promote avoided deforestation (and co-benefits including poverty avoidance, biodiversity conservation and adaptation to climate chaos). This would best be done in collaboration with indigenous associations and other communities since it would allow large budgets to be scaled down to the grassroots level where they would be most effective.

A charity such as VS that has been engaged for so long in resisting tropical deforestation will have gained deep understanding of the development processes, governance issues, planning failures and other real-life factors that drive social and environmental problems. As a leading non-governmental practitioner of conservation work with carbon-rich and biodiversity-rich ecosystems and vulnerable human societies, VS has much to offer both the global sustainable development agenda and the global climate response. The available evidence suggests that the long-term indigenous partnerships through which VS works, and its community-based conservation, education and empowerment projects in tropical forest areas, are very strong sources of mitigation effectiveness. Moreover, that these will

compete successfully with any other approach in terms of the scale of net GHG emission savings, their early delivery and their bundling with non-carbon benefits. Thus, VS expertise and networks should be seen as extremely useful resources for Danish mitigation planners going forward. Past Danish investment in maintaining and developing that expertise and those networks would then logically be seen as a very effective use of climate response funding.

Annex a: Information sources for the review

This review is based on: (a) interviews with **Dr Jakob Kronik** (VS Director of International Department, 21 Oct 2020), **Jens Holm Kanstrup** (VS Senior Technical Advisor in Forest Issues, Biodiversity and Biological Monitoring, 4 Nov 2020), **Dr Mette Vinqvist** (VS Senior Technical Advisor and Programme Coordinator, Environmental Economics, 4 Nov 2020), and **Professor Ida Theilade** (Department of Food and Resource Economics, University of Copenhagen, formerly a member of the VS Advisory Board and now Chair of the International Work Group for Indigenous Affairs/IWGIA, 5 Nov 2020), and documents provided by these interviewees; and (b) study of documents downloaded from the Verdens Skove (VS) web-site (www.forestsoftheworld.org/).

Abbreviations and acronyms (Verdens Skove)

CBRM	Community-based resource management
CHP	Combined heat and power
CISU	<i>Civil Samfund i Udvikling</i> [(Danish) Civil Society in Development (Fund)]
CREMA	Community Resource Management Area (Ghana)
CRFL	Climate-Resilient Forest Livelihoods (project, Ethiopia)
Δ AGB	Change (symbolised by 'delta') in above-ground net biomass
HRBA	Human rights-based approach
IP	Indigenous people
IWGIA	International Work Group for Indigenous Affairs
NABU	Nature and Biodiversity Conservation Union (Germany)
NTFP	Non-timber forest product
PES	Payment for ecosystem services
PFM	Participatory forest management
TCO	<i>Tierras Comunitarias de Origen</i> (Community Lands of Origin/IP Territory) [Bolivia]
VS	Verdens Skove (Forests of the World)

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