

**NO  
RED  
PAPERS  
VOLUME ONE**

NOVEMBER 2011



**Indigenous Women  
Defending Land & Life  
Since the Beginning of Time**

# TABLE OF CONTENTS

---

Acknowledgments, Contributors and Organizations 4

Introduction—Africa 8

Introduction—General 9

## SECTION 1

REDD: A Threat to Indigenous Peoples, Local Communities, Forests,  
Our Climate, and Your Future

Why REDD/REDD+ is NOT a Solution 13

What are carbon offsets? 26

Fast Forest Cash: How REDD+ will be market-based 27

Seeing the Forest for the Trees 34

## SECTION 2

Industrial Expansion: who benefits from REDD?

Worst REDD-type projects affecting Indigenous Peoples 45

The link Between REDD and genetically engineered trees 49

Identifying Violations of Indigenous Peoples' Rights by REDD-type  
projects—A Quick Reference Guide to UNDRIPs 51

Funds and Phases: Prep Cooks, Assembly Plant and Midwives  
for Carbon Market REDD 57

## SECTION 3

Voices from the No REDD Frontlines

Quote from International Indigenous Peoples' Forum on  
Climate Change 64

Democratic Republic of Congo—Slaving on the Plantation? 65

Do Trees Grow on Money? 69

Peru—Colonizing territories with REDD: An Australian “Carbon  
Cowboy” and the Matsés People in the Peruvian Amazon 76

Nigeria/Indonesia—Shell Bankrolls REDD 79

CONAI Letter 82

Further Information 84

# ACKNOWLEDGEMENTS, CONTRIBUTORS, AND ORGANIZATIONS

---

Editor: Hallie Boas

Design and layout: Josh MacPhee/Justseeds.org

Cover Illustration: Santiago Armengod

Printer: Charles Overbeck/Eberhardt Press, Portland, Oregon USA

Thank you to Tamra Gilbertson, Joanna Cabello, Tom BK Goldtooth, Alberto Saldamando, Indigenous Environmental Network, Anne Petermann, Orin Langelle, Justseeds Artists' cooperative, Melanie Cervantes, Molly Fair, Roger Peet, Favianna Rodriguez, Pete Yahnke Railand, Erik Ruin, and a special thanks to the No REDD Platform for inspiring the creation of this project and to all the groups and peoples involved in resisting REDD!

The No REDD Platform is a loose network of researchers, activists, organizations and movements that work together by sharing information, organizing collective strategies and supporting each other. By connecting with global justice movements committed to climate, environmental and social justice, the No REDD Platform aims to expose the injustices inherent in REDD+ projects globally and highlight the impacts on and resistance of Indigenous Peoples and forest- dependent communities.

*The NO REDD Papers Volume I* is based on the *No REDD, a Reader*, produced by the Indigenous Environmental Network and Carbon Trade Watch with the No REDD Platform in November 2010. Several of the articles are reproduced in this publication. The original *No REDD, a Reader* was edited by Joanna Cabello and Tamra Gilbertson from Carbon Trade Watch and translated by Joanna Cabello, Paula Derregibus, Tamra Gilbertson, Kerin Gould and Nilo Cayuqueo of the Abya Yala Nexus, Jorge Glackman, Bea Martinez, Lori Nordstrom, Octavio Rosas Landa, Bea Sanchez, Cassandra. The original publication was peer-reviewed by: Patrick Bond, Ricardo Coelho, Iñaki Barcena, Cinthia Delgado, Martin Mantxo, Helena Paul, Mariel Vilella and proof-read by: Mooness Davarian and Diana Endara DeMeo and Beatriz Martinez. You can download the original at <http://noredd.makenoise.org>

## CONTRIBUTORS

*Joanna Cabello* is part of the Carbon Trade Watch collective. She has been involved in social and environmental issues for the last seven years. She has an MA in Politics of Alternative Development from the Institute of Social Studies in The Hague, the Netherlands, and a Bachelor's Degree in Social Communications from *the Universidad de Lima*, Peru.

*Jeff Conant* is the author of *A Community Guide to Environmental Health* (2008) and *A Poetics of Resistance* (2010), and is the Communications director of Global Justice Ecology Project.

*Tamra Gilbertson* is a co-founder of Carbon Trade Watch and co-author of *Carbon Trading: How it works and why it fails*. She is a founding member of the Durban Group for Climate Justice.

*Tom B.K. Goldtooth* is the Executive Director of the Indigenous Environmental Network (IEN), headquartered at Bemidji, Minnesota. A social change activist within the Native American community for over 30 years, he has become an environmental and economic justice leader, locally, regionally, nationally and internationally. He is the co-Chair and co-founder of the Environmental Justice Climate Change Initiative and co-Chair of the Honor The Earth campaign in the US and is active with many environmental and social justice organisations besides IEN.

*Wally Menne* is the project coordinator of the Timberwatch Coalition, South Africa and the Africa Focal Point for the Global Forest Coalition. His focus is on creating awareness of the socio-ecological impacts of industrial-scale monocultures, in particular timber plantations that destroy forests and grasslands, and the ways in which timber processing at pulp and paper mills harms people and the environment.

*Anne Petermann* is the Executive Director of Global Justice Ecology Project. She is also the Coordinator of the STOP Genetically Engineered Trees Campaign. She has been involved in forest protection and indigenous rights issues since 1991 and climate justice since 2004.

*Khadija Sharife* is the Southern Africa correspondent for The Africa Report, Visiting Scholar at the Center for Civil Society (CCS) and contributing author to the Tax Justice Network (TJN).

## ORGANIZATIONS

*Carbon Trade Watch (CTW)* aims to provide a durable body of research which ensures that a holistic and justice-based analysis of climate change and environmental policies is not forgotten or compromised. As part of our solidarity work, CTW aims to accompany and support movements and communities in their local initiatives and struggles for environmental and social justice. Importantly, the collective gathers and translates work with others in this field to help facilitate broader cooperation and understanding. [www.carbontradewatch.org](http://www.carbontradewatch.org)



*Global Justice Ecology Project* explores and exposes the intertwined root causes of social injustice, ecological destruction and economic domination with the aim of building bridges between social justice, environmental justice and ecological justice groups to strengthen their collective efforts. Within this framework, our programs focus on Indigenous Peoples' rights, protection of native forests and climate justice. We use the issue of climate change to demonstrate these interconnections. Global Justice Ecology Project is the North American Focal Point of the Global Forest Coalition. [www.globaljusticeecology.org](http://www.globaljusticeecology.org)

*Indigenous Environmental Network (IEN)* is an organisation of native peoples of the Americas foreducation, coalition building and action. It has existed since 1990 and is based in northern Minnesota. The organisation continues its strong involvement in advocacy and community mobilisation on a variety of issues surrounding environmental justice. IEN has influenced public policy changes on tribal land, both in national and international arenas. [www.ienearth.org](http://www.ienearth.org)

*Justseeds Artists' Cooperative* is a decentralized network of twenty-six artists committed to making print and design work that reflects a radical social, environmental, and political stance. With members working from the U.S., Canada, and Mexico, Justseeds operates both as a unified collaboration of similarly minded printmakers and as a loose collection of creative individuals



with unique viewpoints and working methods. We believe in the transformative power of personal expression in concert with collective action. To this end, we produce collective portfolios, contribute graphics to grassroots struggles for justice, work collaboratively both in- and outside the co-op, build large sculptural installations in galleries, and wheatpase on the streets—all while offering each other daily support as allies and friends.

*Timberwatch Coalition* is a voluntary alliance of South African non-governmental organisations and individuals whose focus is on creating awareness of the socio-ecological impacts of industrial-scale monocultures, in particular timber plantations that destroy forests and grasslands, and the ways in which timber processing at pulp and paper mills harms people and the environment. *Timberwatch Coalition* also works to expose the inherent un-workability and dishonesty of carbon sink plantation (CDM) and forest ecosystem (REDD+) offset projects; as well as other false climate change solutions like alternative energy generation from burning biomass derived fuels. We support genuine solutions to climate change such as increasing community resilience through forest and landscape restoration using local plants, and the restoration of community-based ecological agricultural practices to replace corporate controlled industrial food production.

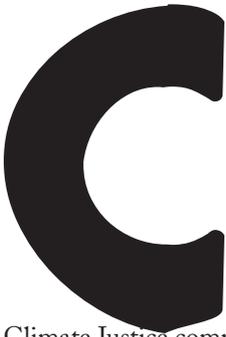
Indigenous women consulting while preparing traditional medicines.  
Photo: Langelle/GJEP-GFC

# INTRODUCTION: AFRICA

*The REDD+ Trojan Horse*

## THE TIMBERWATCH COALITION

---



OP17 IS UPON US, AND THERE IS A BUZZ IN DURBAN AS people ready themselves for the coming days of action and camaraderie. We bid a warm welcome to all Climate Justice comrades from Africa, the global South, and the world.

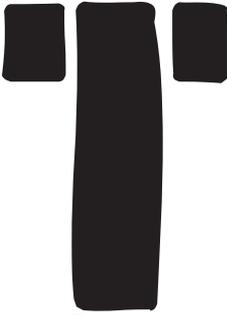
REDD+ does not feature much in the strategies of South African climate activists, simply because our local forests appear small and insignificant, and whatever might happen to them seems fairly inconsequential when compared to the global deforestation crisis. However, many of us see REDD+ and other UN schemes to avoid reducing industrial carbon emissions as the greatest threats to a sustainable future for Africa's forest ecosystems, and its forest dependent communities, especially Indigenous Peoples, who have lived in harmony with Nature for countless generations.

The political boundaries imposed onto Africa by its former colonial exploiters have played a big part in maintaining their influence and control over the continent, long after 'giving' so-called independence. This hangover is now playing itself out in ways that are far worse than during colonial times. Now instead of becoming indebted in financial measure, divided African nations are at risk of being stripped of their natural capital, through debt calculated in carbon units rather than dollars or euros.

Precious African land, especially with fertile soils and abundant water, is now a sought-after prize for foreign governments and corporations; but more so where it is blessed with valuable timber and minerals. Our vast forests are now also being valued for their carbon-storage capacity, and many African states are being wooed by Northern nations as the importance of carbon-offsets becomes key to enabling them to continue their polluting dominance of the global economy.

The danger this presents to Africa is enormous. If REDD-style schemes are allowed to be imposed on African forestland, fields and grasslands, it could mean the economic subjugation of the entire continent. Without absolute guarantees that human and sovereign rights of African peoples will be fully respected and protected, which is unlikely to be the case, REDD and CDM schemes will probably be no more than a form of re-colonisation, and the final drive to commodify the remaining spaces of Africa left in indigenous hands after the first round of formal colonialism.

We must stand united in resisting the REDD+ Trojan Horse.



# INTRODUCTION

---

HIS BOOKLET ASPIRES TO BROADEN THE DEBATE ON THE forest offset scam known as Reducing Emissions from Deforestation and Forest Degradation (REDD) mechanism.\* It is not a comprehensive overview on REDD nor does it pretend to be. It aims to highlight critical perspectives that are frequently drowned out by large NGOs, corporative lobbies, governments, carbon traders, international financial institutions and the United Nations.

This collection of articles reveals how REDD is being used to establish a new set of tradable property rights based on trees and other environmental services, while at the same time propping up extractive industries. From an environmental perspective, REDD will not save the climate nor protect forests, nor will it stop dangerous emissions levels. In fact, REDD will offer polluting industries a way to avoid emissions reduction through cheap REDD offsets and allow them to actually increase pollution.

From an indigenous and human rights perspective, REDD criminalizes the Indigenous Peoples and local communities who protect and rely on forests. Furthermore, there are no mandatory enforceable REDD safeguards at the national or sub-national level that would guarantee protection of the rights of Indigenous Peoples and forest-dependent communities. Meanwhile, carbon traders eager for the large sums of money offered by REDD schemes are already forcing Indigenous and forest-dependent Peoples to sign away their land rights. Several examples of how this is already happening are highlighted in this booklet.

The articles are clustered in three sections: The first section explains how REDD is intrinsically linked to carbon markets and explores various financing mechanisms. The second section critiques some of the destructive players and features of REDD including extractive industries and GMO trees. The third section looks at case studies and how REDD is being implemented at the local level including current impacts and reactions.

REDD is the wrong direction. The grassroots and social movements demand to be heard and this collection allows us to hear and heed some of these brave and inspiring voices.

---

\* REDD includes REDD-plus or REDD+ unless otherwise noted

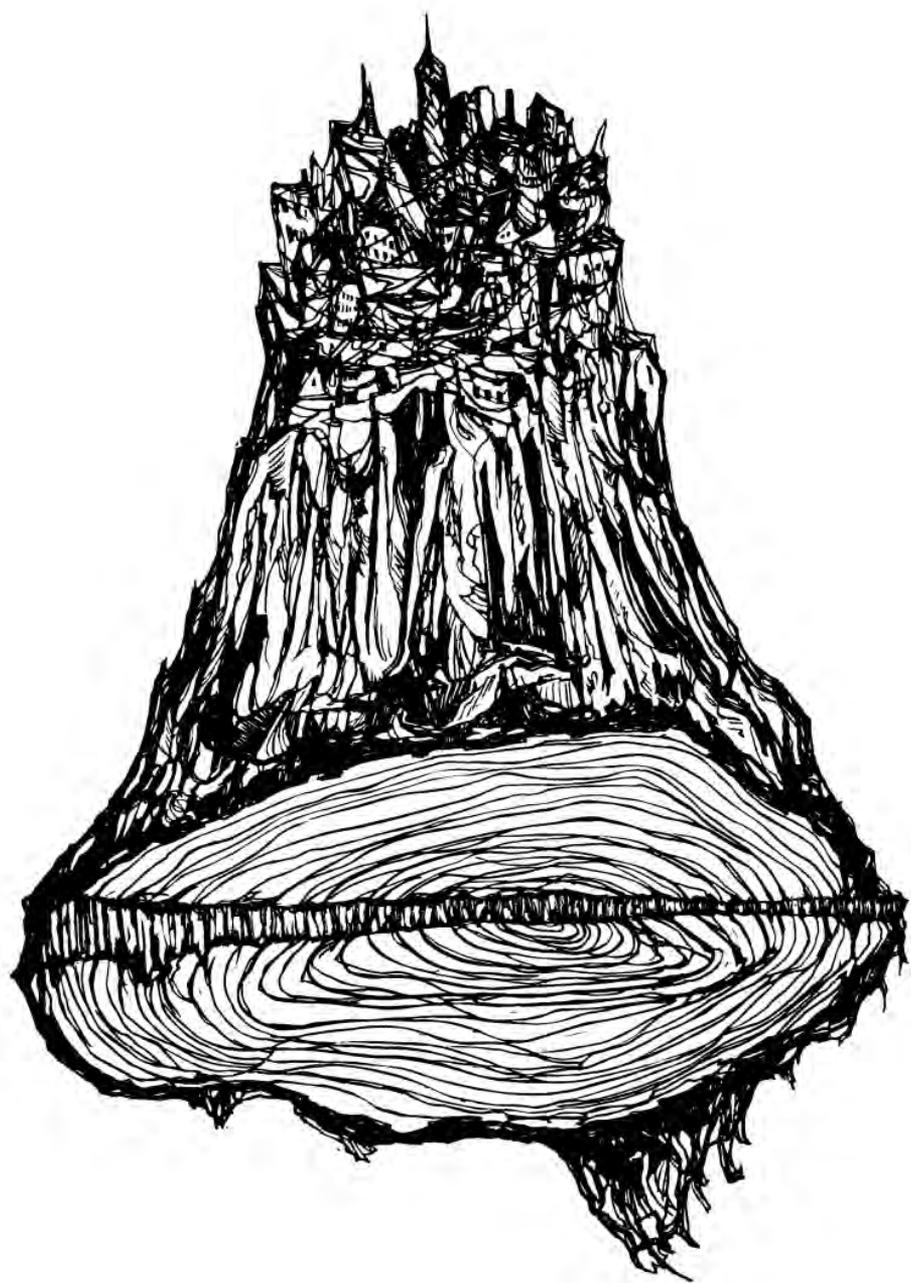


illustrator: Erik Ruin

REDD:  
A Threat to Indigenous Peoples,  
Local Communities, Forests,  
Our Climate and Your Future

# SECTION ONE





# WHY REDD/REDD+ IS NOT A SOLUTION

**TOM B.K. GOLDTOOTH**

*Indigenous Environmental Network*

**A**

LL HUMANS AND ALL LIFE ARE AFFECTED BY climate change, however, Indigenous Peoples and local land-based communities worldwide are more vulnerable and therefore are confronting immense challenges. Changes in the climate and environment, the exploitation of economic globalisation, free trade agreements and a continuation of western forms of development threaten indigenous and local land-based communities on a local and global level. The survival of indigenous cultures worldwide, including the languages and right to practice their cultural heritage, continue to be affected by a modern industrialised world with an economic growth paradigm that lacks awareness and respect for the sacredness of Mother Earth. As “guardians” of Mother Earth, many indigenous tribal traditions believe that it is their historic responsibility to protect the sacredness of Mother Earth and to be defenders of the Circle of Life which includes biodiversity, forests, flora, fauna and all living species.

Indigenous Peoples participating in the United Nations Framework Convention on Climate Change (UNFCCC) climate negotiations and the UN Convention on Biological Diversity are in the frontlines of a power structure that minimizes the importance of indigenous cosmologies, philosophies and world views. These power structures reside within the UN process and prop up inequalities found in industrialized countries, the more developed of the developing countries, the World Bank and financial institutions. These powerful actors have economic systems that objectify, commodify and put a monetary value on land, water, forests and air that is antithetical to indigenous understanding. Indigenous Peoples, North and South, are forced into the world market with nothing to negotiate with except the natural resources relied on for survival. With many indigenous communities it is difficult and sometimes impossible to reconcile their traditional spiritual beliefs within a climate mitigation regime that commodifies the sacredness of air, trees and life. Climate change mitigation and sustainable forest management must be based on different mindsets which give full respect for nature and the rights of Mother Earth and not on market-based mechanisms.

History has seen attempts to commodify land, food, labour, forests, water, genes and ideas, such as privatisation of our traditional knowledge. Carbon trading follows in the footsteps of this history and turns the sacredness of

our Mother Earth's carbon-cycling capacity into property to be bought or sold in a global market. Through this process of creating a new commodity—carbon—Mother Earth's ability and capacity to support a climate conducive to life and human societies is now passing into the same corporate hands that are destroying the climate. Carbon trading will not contribute to achieving protection of the Earth's climate. It is a false solution which entrenches and magnifies social inequalities in many ways. It is a violation of the sacred—plain and simple.

We recognise the need for industrialised countries to focus on new economies, governed by the absolute limits and boundaries of ecological sustainability, the carrying capacities of Mother Earth, a more equitable sharing of global and local resources, encouragement and support of self sustaining communities, and respect and support for the rights of Mother Earth.

Long term solutions require turning away from prevailing paradigms and ideologies centred on pursuing economic growth, corporate profits and personal wealth accumulation as primary engines of social well-being. The transitions will inevitably be toward societies that can equitably adjust to reduced levels of production and consumption, and increasingly localised systems of economic organisation that recognise, honour and are bounded by the limits of nature that recognise the draft Universal Declaration on the Rights of Mother Earth<sup>1</sup>:

*In recognizing the root causes of climate change, participants call upon the*

*industrialised countries and the world to work towards decreasing dependency on fossil fuels. We call for a moratorium on all new exploration for oil, gas, coal and uranium as a first step towards the full phase-out of fossil fuels, without nuclear power, with a just transition to sustainable jobs, energy and environment. We take this position and make this recommendation based on our concern over the disproportionate social, cultural, spiritual, environmental and climate impacts on Indigenous Peoples, who are the first and the worst affected by the disruption of intact habitats, and the least responsible for such impacts.*

Dialogue is needed amongst indigenous and non-indigenous stakeholders and especially the public/civil society and their governments to re-evaluate a colonial law system that doesn't work. A body of law needs to be developed that recognises the inherent rights of the environment, of animals, fish, birds, plants, water and air outside of their usefulness to humans. This would address the question as to the law and rights of nature, however within the framework of indigenous natural laws or within the framework of indigenous *Original Instructions*. Most colonial western law limits nature and what North America Indigenous Peoples term as the *Circle of Life*, mere property or natural "resources" to be exploited.

Many Indigenous Peoples in Copenhagen at the UNFCCC COP 15 were demanding action; not false hopes and empty promises. Developed countries use tactics to continue carbon colonialism. As Indigenous Peoples, many of us are raising the bar. We are mobilising

with social movements, workers, women, youth, small farmers and the business sector with a consciousness for social responsibility and will make demands in Cancun at the COP 16 and beyond Cancun to South Africa in 2011 and the Rio +20 in 2012 for the most stringent emission target reductions and real solutions. As Indigenous Peoples, we are the guardians of Mother Earth, and making principled stands for the global well-being of all people and all life.

### **REDD/REDD+ IN THE NEGOTIATIONS<sup>2</sup>**

Many Indigenous Peoples are starting to call REDD/REDD+ “CO2lonialism of forests” or capitalism of the trees and air”. The newspaper *The Australian* calls it a “classic 21<sup>st</sup> century scam emerging from the global climate change industry.”

This is because in reality, REDD/REDD+ is bad for people, bad for politics and bad for the climate. It will inevitably give more control over Indigenous Peoples’ forests to state forest departments, loggers, miners, plantation companies, traders, lawyers, speculators, brokers, Washington conservation organisations and Wall Street, resulting in violations of rights, loss of livelihoods—and, ultimately, more forest loss.

The reasons are simple. Industrialised-country governments and corporations will pay for the preservation of Indigenous Peoples’ forests only if they get something in return. What they want is rights over the carbon in those forests. They need those rights because they want

On my mother’s bloodline, I am *Dine’*, an indigenous tribal nation spanning from Alaska, throughout Canada to the southwestern region of the United States. The deep profound spiritual concepts of Mother Earth and Father Sky being part of us as the *Dine’* and the *Dine’* being part of Mother Earth and Father Sky is woven into our “Way-Of-Being” even before we are born, when we are in the womb of our birth mother. It is our belief the *Dine’* must treat this sacred bond with love and respect without exerting dominance for we do not own our mother or father. The four sacred elements of life: air, fire/light, water and earth in all their forms must be respected, honored and protected for they sustain life. These sacred elements cannot be owned and traded as property. We, the *Dine’*, the people of the Great Covenant, are the image of our ancestors and we are created in connection with all Creation. Mother Earth and our place in the Universe embody deep thinking, what we call “*Nabasdzaan doo Yadihlil bitsaadee beebaz’aanii*” or in the closest English translation, “Natural Law.”

On the other side of my family, amongst our *Dakota Oyate* (People), we understand our relationship and responsibilities to the natural world and to all life—animate and inanimate. We have an expression concluding our prayers whereby we say, “*Mitakuye Owasin*,” in English translation meaning “*All My Relations*.” This saying defines the relational precepts we have towards recognizing the rights of Mother Earth, and all life, and the responsibilities we have to remember the responsibility of our place in creation.

to use them as licenses to continue burning fossil fuels—and thus to continue mining fossil fuels at locations like the Albertan Tar Sands in Canada, the Ecuadorian Amazon, the Niger Delta and Appalachian mountaintops in the United States. They will get those rights by making deals with—and reinforcing the power of—the people that they regard as having “authority” over the forests, or whoever is willing and able to steal forests or take them over using legal means. These people are the very governments, corporations and gangsters who have time and again proved their contempt for the rights and knowledge of Indigenous Peoples. The result is bound to be new and more extensive forms of elite appropriation of indigenous and other territories.

### **REDD/REDD+ CAN'T BE FIXED BY ATTEMPTS TO DETACH IT FROM THE CARBON MARKETS**

Existing REDD/REDD+ projects have already set in motion this transfer of power, nor is there any way that REDD/REDD+ can be “fixed” to alter these political realities. It can only reinforce them. For well-meaning environmentalists to deny this is to indulge in a very dangerous naiveté.

First and foremost, REDD/REDD+ is—and is always in danger of being—a component of carbon markets. While many of the details of REDD/REDD+ are being worked out by well-intentioned economists, lawyers, environmental NGOs, and forest conservationists and technicians with no particular commitment to carbon markets, the money behind

it was always going to come mainly from industrialised countries and large corporations looking for more pollution licenses to enable them to delay action on climate change. Even among the Coalition for Rainforest Nations, the consensus is already clear: finance for REDD/REDD+ projects will come from carbon markets.

If REDD/REDD+ plans go forward, billions of tonnes of demand for tradable REDD/REDD+ pollution licenses will be generated by UN-backed carbon markets including the European Union Emissions Trading Scheme (EUETS), bilateral agreements and the voluntary market. Even the technical structure of REDD/REDD+ reflects its market orientation: REDD/REDD+ posits a numerical climatic equivalence between saving forests and reducing the burning of fossil fuels. This equation is indefensible scientifically; its only function is to make different things tradable in order to generate fossil fuel pollution licenses.<sup>3</sup> A non-market REDD/REDD+ would not need to claim this false equivalence between biotic and fossil carbon.

As an alternative to the carbon market mechanisms of REDD/REDD+, there is an emerging movement of friendly countries, NGOs and Indigenous Peoples Organisations (IPOs) proposing a hypothetical REDD/REDD+ that is not connected with the carbon markets. However, these strategic and tactical solutions are risky with no guarantees that these proposals will end up being pushed aside by the more powerful actors with a stake in developing this prospective

trillion-dollar market.<sup>4</sup> To act as if REDD/REDD+ might someday be financed by a repayment of the ecological debt the North owes the South, or by a benevolent fund using public or non-market donations, could be naïve. Red flags go up expressing the danger zones of blindly supporting REDD/REDD+, of any kind, as well as any attempt to “fix” REDD/REDD+, that would inevitably mean support for the carbon markets.

Assuming REDD/REDD+ is irretrievably linked with carbon markets, then at least three important conclusions follow:

1. There is no way to stop REDD/REDD+ from dividing indigenous and forest dependent communities from each other. Every time a forest dependent community signs a contract to provide pollution licenses for fossil fuel-dependent corporations, it will be potentially harming communities elsewhere who are suffering from the fossil fuel extraction or pollution for which those corporations are responsible. No possible reform or regulation of REDD/REDD+ could prevent this; it is built into its structure as a carbon market instrument. Of course, it would be theoretically possible, with great effort, for indigenous and forest dependent communities who wish to sign REDD/REDD+ contracts to secure the free, prior and informed consent of all the other communities elsewhere who would be harmed.

Many local communities of these forested areas have values respecting humanity and the concepts of the well-being of community, however, most members of these REDD/

REDD+ projects have not been thoroughly informed of the offset reality on how these projects create toxic hotspots violating the indigenous and human rights of communities far away. But unless this consent is obtained in every case—and the list of communities across the globe who would need to be consulted would be huge with many REDD/REDD+ projects—REDD/REDD+ is bound to pit community against community.

Already, a project using aboriginal North Australian Indigenous knowledge of fire management practices to generate pollution licenses for ConocoPhillips has provoked the following reaction from Casey Camp-Horinek, a tribal member of the Ponca indigenous nation in the US, which suffers from the actions of the company in North America: “Indigenous Peoples who participate in carbon trading are giving ConocoPhillips a bullet to kill my people.”<sup>5</sup>

2. There is no way to stop REDD/REDD+ from dividing indigenous and forest dependent communities who sign REDD/REDD+ contracts from other communities for whom climate change is a concern. As part of carbon markets, REDD/REDD+ will inevitably slow action on global warming; that is what carbon markets are structured to do.<sup>6</sup> REDD/REDD+ will thus heighten climate dangers for Arctic, indigenous lands, small-island states and low-lying and coastal communities, as well as, eventually, everyone else. Again, no possible reform of REDD/REDD+ could prevent the damage it would do to the climate cause, as long as it is linked to

carbon trading. Pretending that such reforms are possible only perpetuates the damage. The very structure of REDD/REDD+ makes it impossible that it could ever be made “indigenous-friendly.”

3. There is no way to stop REDD/REDD+ from being a speculative plaything of the financial markets—to the detriment of the climate and human rights alike. Already, the biggest investors in carbon credits are not companies that need them in order to meet their government-regulated pollution targets.<sup>7</sup>

### **REDD/REDD+ CAN'T BE FIXED BY TRYING TO ENSURE THAT THE MONEY 'GOES TO THE RIGHT PLACE'**

REDD/REDD+ proponents often assert that, even though REDD/REDD+ may be bad for the climate, at least it will be good for forests because it will channel large sums of money to nature conservation and biodiversity protection. Leaving aside, for the moment, the difficulty that any program that accelerates global warming will also accelerate forest destruction, this is to overlook the historical lesson that every proposal to solve the problem of deforestation and forest degradation through large sums of money has failed.<sup>8</sup>

This failure is due to at least three reasons:

1. The problem of deforestation is not caused by too little money. It is caused by too *much* money—money in the wrong hands. More specifically, it is caused by the disproportionate political power and global political organisational capabilities of

forest destroyers. What is needed to stop deforestation is not well-funded forest global conservation schemes or new markets for ecosystem services, but, rather—for example—a restructuring of trade, finance and consumption, moratoriums on oil extraction and large infrastructure projects in forests, curbs on logging, agrofuels and commercial plantations, and an increase in the political power of those with the deepest interest in saving forests: the communities that depend directly on them. Making supplementary sums of money available—no matter to whom, and no matter in what amounts—will not help forest conservation unless the underlying causes of deforestation are both understood and addressed. There is no evidence that any major supporter of REDD/REDD+ has the slightest inclination to tackle these underlying causes, although they are well known. Quite the reverse—all of these actors support the forces that have been most responsible for deforestation in the first place.

2. Even if REDD/REDD+ could be reformulated as a plan to make available huge financial rewards for the indigenous protectors of forests, it does not follow that Indigenous Peoples would be able to collect and use the rewards. As ecological anthropologist Michael R. Dove from Yale School of Forestry and Environmental Studies has observed, “whenever a resource at the periphery acquires value to the centre, the centre assumes control of it (e.g., by restricting local exploitation, granting exclusive licenses to corporate concessionaires, and establishing restrictive trade associations). The pattern is

clearly expressed by a peasant homily from Kalimantan, which states that whenever a ‘little’ man chances upon a ‘big’ fortune, he finds only trouble. He is in trouble because his political resources are not commensurate with his new-found economic resources. He does not have the power to protect and exploit great wealth and so, inevitably, it is taken from him.”<sup>9</sup>

The truth of Dove’s words are borne out by the record of recent schemes to reward indigenous and other communities for “traditional knowledge” used in corporate drug development. In the end, the communities that were originally pictured as beneficiaries turned out to be inconvenient entities for buyers and bio-prospectors to deal with, leading to their replacement by ranchers (Argentina), governments (Chile), urban plant merchants (Mexico), or state land agencies and universities (Mexico). Planners were unable to find sites that contained “in one neat package the plants, knowledge, people, territory and decision-making authority, all congealed in the name of [a] participating community” that would receive funds for community development and conservation. Troubled researchers at the United States National Institutes of Health concluded that, in Mexico, treating plant collection as a commodity transaction “breaks the link” among people, plants and territory that the whole deal was supposed to encourage. Anthropologist Cori Hayden observes: “offers of market-mediated inclusion also contain within them the conditions for ever-greater forms of exclusion and stratification.”<sup>10</sup>

An even more brutal kind of

property rights evolution has taken place in the Kyoto Protocol’s Clean Development Mechanism (CDM)—of which REDD/REDD+ could soon become a part. In the beginning, sellers of CDM carbon credits were supposed to be local developers of renewable energy, community-friendly tree-planters and other actors who could help the South move toward a low fossil-fuel development path while defending local rights. Given the realities of buyers, developers, lawyers, brokers, bankers and consultants, this turned out to be unworkable. Transaction costs and the predicament of political bargaining, measurement, contracting, investment, cost control, “risk management” and regulation meant that the sellers turned out instead to be the big-corporates Jindal Vijaynagar Steel in India, Rhodia Group that makes speciality chemicals, Tata Group, a conglomerate of corporations in India, and the Votorantim Group, the largest private economic conglomerate in Brazil, all in the business of collecting a premium for activities that on the whole thwarted the struggle to moderate climate change. Nor was it usually possible in practice for carbon money to be used to benefit local people. Instead, carbon money has harmed them and rewarded their oppressors.<sup>11</sup>

The pattern is already being repeated in REDD. Out of 100 pilot projects—almost all of them connected with carbon trading—many are already stained with the blood of the Indigenous and other Peoples they claim to benefit, involving land grabs, evictions, human rights violations, fraud and militarisation.

In Kenya, the Mau forest is being made “ready” for a UNEP-funded carbon offset project by forceful and often violent eviction of its inhabitants, including the indigenous Ogiek People.<sup>12</sup> In Papua New Guinea, carbon traders are accused of coercing villagers to “to sign over the rights to their forests” for REDD/REDD+.<sup>13</sup> The International Indigenous Peoples Forum on Climate Change (IIPFCC) was explicit at the Bali climate negotiations in 2007:

*REDD/REDD+ will not benefit Indigenous Peoples, but in fact will result in more violations of Indigenous Peoples’ rights. It will increase the violation of our human rights, our rights to our lands, territories and resources, steal our land, cause forced evictions, prevent access and threaten indigenous agricultural practices, destroy biodiversity and cultural diversity and cause social conflicts. Under REDD/REDD+, states and carbon traders will take more control over our forests.*

3. REDD/REDD+’s very design ensures that money will flow to forest destroyers, not to forest protectors. To create a REDD/REDD+ commodity, precise measurements of how much deforestation REDD/REDD+ projects prevent is necessary. That market requirement automatically produces a perverse incentive for countries with low levels of deforestation to cut more trees now in order to be able to claim later that they are sharply reducing deforestation and thus deserve more REDD/REDD+ finance.<sup>14</sup> These perverse incentives are already at work in Guyana, where President Jagdeo has launched an “avoided threatened deforestation”

scheme. An editorial in Guyana’s *Kaieteur News* in May 2009 argued that Guyana “should precede full steam ahead with the exploitation of our forestry resources. In addition to placing our future development more firmly in our own hands, it will ironically make our arguments for REDD/REDD+ even stronger.”<sup>15</sup> Adding to the likelihood of REDD/REDD+ money flowing to the worst forest destroyers is the definition of “forests” used by the UNFCCC, which includes monoculture tree plantations and clearcuts (euphemistically referred to as “temporarily unstocked areas”). Under this definition, the Brazilian government’s plans to replace part of the Amazonian forest with oil palm plantations would not count as deforestation.<sup>16</sup> Industrial loggers could also benefit from REDD/REDD+ by claiming to be practicing “sustainable forest management,” while criminalising indigenous agricultural and forest practices.

## **REDD/REDD+ CAN’T BE FIXED BY FPIC**

REDD/REDD+ can’t be fixed by saying that efforts are being made for REDD/REDD+ projects to require the “Free Prior Informed Consent” (FPIC) of affected communities or compliance with the UN Declaration of the Rights of Indigenous Peoples’ (UNDRIP) or other codes or principles:

1. To act as if REDD/REDD+’s structural dangers could be “controlled” by pressing for principles such as FPIC, UNDRIP or World Commission on Dams standards to

be applied is to indulge corporations and governments in a false-sense of hope that could damage millions of peoples' lives. First, many countries do not even recognise the existence of Indigenous Peoples, let alone their rights, so neither the principle of FPIC nor UNDRIP will act as protection. Neither FPIC nor UNDRIP are considered legally binding by the Executive Secretary of the UNFCCC nor by any state except Bolivia. During the Nairobi climate negotiations, the President of the Executive Board of the CDM stated publicly that the "Clean Development Mechanism has nothing to do with human rights."<sup>17</sup> In recent negotiations in the "REDD text" within the United Nations Framework Convention on Climate Change's Ad Hoc Working Group on Long-term Cooperative Action, efforts by Indigenous Peoples to negotiate strong language on indigenous rights in accordance with UNDRIP has resulted in attempts by the US and other countries to respond with weakened language. It is important to be mindful that the right to FPIC has already been violated in REDD/REDD+ pilot projects and in preparatory plans in several countries.<sup>18</sup> Other internationally-recognised principles such as the standards urged by the World Commission on Dams have similar limitations.

2. Even if FPIC and UNDRIP magically became legislated, implemented and an enforceable law across the world within the next few years, it is our opinion as an indigenous-based advocate organisation that they would have to be applied to all the communities affected by each

REDD/REDD+ project, not just the one hosting the project. For example, to get the free prior informed consent of indigenous communities affected by the Northern Australia fire management offset project, the consent of indigenous communities affected by ConocoPhillips operations in North America would also need to be obtained, as well as other communities damaged by ConocoPhillips practices elsewhere. This would obviously make REDD/REDD+ commercially unviable: either REDD/REDD+ or FPIC would have to be scrapped. Hence, to avoid delay, it would be more practical to oppose REDD/REDD+ straightforwardly, at the outset.

3. Whatever the merits of FPIC and UNDRIP, they are, again, incapable of forcing REDD/REDD+ projects to address the underlying causes of deforestation. Even if it were possible to make compliance with the principles of FPIC and UNDRIP a condition for every REDD/REDD+ project, REDD/REDD+ would remain a contributor to both deforestation and global warming, as well as an additional piece of artillery for the use of the corporate and nation-state forces that oppose indigenous rights. To proceed as if FPIC and UNDRIP could "fix" REDD/REDD+, therefore, is ironically ultimately to endorse the violation of the rights of indigenous people as well as all others who value climatic stability.<sup>19</sup>

## CONCLUSION

The bottom line concerning the question of how to address the issues of increasing climate change is to

stop extracting and combusting fossil fuels. There are no other solutions. REDD/ REDD+ is not a solution. The UN-REDD Programme, the World Bank and others want to launch the REDD+ readiness initiatives. The link between emissions trading and the world of offsets to the vested interests of the pro-REDD marketers is deeply rooted. Real alternatives to the carbon market mechanism of REDD/REDD+ cannot simply become a re-spin of REDD. It is not enough to add a clever adjective, purport to be “fund-based”, get certified or pretend to not ultimately rely on the carbon market and the privatisation and commodification of trees, forests and air.

Fortunately, real alternatives to REDD/REDD+ already exist and include:

Focusing on land tenure dilemmas in forested countries. Collectively demarcating and titling Indigenous Peoples’ territories and land where most of the world’s forests are found. This has proven to be one of the most effective measures for reducing deforestation;

Implementing at the global, national, regional and local levels the United Nations Declaration on the Rights of Indigenous Peoples and other relevant international human rights norms and standards which establish moral and legal obligations to protect and promote the full enjoyment of Indigenous Peoples’ rights and sovereignty in all issues related to climate change, including rights to lands, territories and resources, their traditional knowledge and their free, prior and informed consent;

For other forest dependent

communities, ensure the implementation at global, national, regional and local levels international human rights norms and standards which establish moral and legal obligations to protect and promote the full enjoyment of human rights related to climate change, land, water, and a healthy environment; Efforts to stop deforestation must address the underlying causes of deforestation and focus on ending the demand-side drivers in importing countries;

Addressing governance and poverty;

In so far as finance is required to stop deforestation, funds should be invested in national programmes and infrastructure that directly support alternative rights-based forms of forest conservation, sustainable management, natural regeneration and ecosystem restoration that are already known to work, such as community-based forestry;

Slashing demand for beef, pulp, lumber, palm oil and agrofuels;

Drastically reducing monoculture plantations and logging concessions;

Declaring a moratorium on new fossil fuel and mining extraction and dam construction on or near indigenous land.

It is becoming clear that to separate REDD/REDD+ from the carbon market, it would need to be totally reframed and renamed within the debates and UNFCCC negotiating texts. This would be difficult within the UNFCCC “Bracket-UN-bracket Community” and would require countries with political will to step up to this need.

The mining and combustion

of fossil fuels must be drastically reduced with a commitment to a carbon-free economy by 2050. Within the UNFCCC, the governmental parties to the climate negotiations must be lobbied to target aggregate GHG emissions of developed countries by 50 per cent from 1990 levels by 2017.<sup>20</sup> The world governments must commit to the global goal of preventing Mother Earth's temperature from rising more than 1° Celsius. Given the important role the Arctic plays in the global climate system, a precautionary approach would therefore suggest a long-term target of reducing greenhouse gas emissions and stabilise atmospheric CO<sub>2</sub> concentrations at levels at or below 300 parts per million (ppm).<sup>21</sup> This is more aggressive than the 350ppm target, but mitigating the climate crisis demands drastic action. This would rule out a domino effect of sea-ice loss, what is called an “albedo flip”, a warmer Arctic, a disintegrating Greenland ice sheet, black carbon (black soot), more melting permafrost, and further secondary or “knock-on” effects of massively increased greenhouse gas emissions, rising atmospheric concentrations and accelerated global warming.<sup>22</sup> It must be noted that industrialised developed countries are advocating for only a 450ppm stabilisation goal.

The “Shared Vision” text within the UNFCCC Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) must have strong language mobilised by the People of the World undertaking a balanced, comprehensive series of financial, technological and adaptation measures, measures addressing

capacity building, production patterns and consumption, and other essential measures such as recognition of the rights of Mother Earth in order to restore harmony with nature and to save our native forests.

There is a need for a new paradigm in this world, in relation to how it defines its relationship to Mother Earth. This paradigm requires a change in the human relationship with the natural world from one of exploitation to one that recognises its relationship to the sacredness of our true mother/grandmother—Mother Earth. Economic globalisation and industrialised societies' economic system is not sustainable.

*We confront the terminal crisis of a civilizing model that is patriarchal and based on the submission and destruction of human beings and nature that accelerated since the industrial revolution. The capitalist system has imposed on us a logic of competition, progress and limitless growth. This regime of production and consumption seeks profit without limits, separating human beings from nature and imposing a logic of domination upon nature, transforming everything into commodities: water, earth, the human genome, ancestral cultures, biodiversity, justice, ethics, the rights of peoples, and life itself. Under capitalism, Mother Earth is converted into a source of raw materials, and human beings into consumers and a means of production, into people that are seen as valuable only for what they own, and not for what they are. —Cochabamba Peoples' Agreement (Accord), April 2010*

Mother Earth is turned into nothing more than a source of raw materials. Human beings are seen as consumers and a means of

production, that is, persons whose worth is defined by what they have, not by what they are. Humanity is at a crossroads: we can either continue taking the path of capitalism, degradation and death, or take the road of harmony with nature and respect for the Circle of Life.

The world must forge a new economic system that restores harmony with nature and among human beings. We can only achieve balance with nature if there is equity among human beings. The industrialised economic system has imposed upon us a mindset that seeks competition, progress and unlimited growth. This production-consumption regime pursues profits without limit, separating human beings from nature. It establishes a mindset that seeks to dominate nature, turning everything into a commodity: the land, water, air (carbon), forests, agriculture, flora and fauna, biodiversity, genes and even indigenous traditional knowledge.

Notes:

1. The Mystic Lake Declaration, From the Native Peoples Native Homelands Climate Change (National Workshop II: Indigenous Perspectives and Solutions, Shakopee Mdewakanton Sioux Community, Prior Lake, Minnesota, November 21, 2009. <http://pwccc.wordpress.com/2010/02/07/draft-universaldeclaration-of-the-rights-of-mother-earth-2/>.
2. The following four sections are revisions from the paper, "Just Say No to REDD", written and published by the Indigenous Environmental Network, November 2009.
3. Larry Lohmann, "Toward a

Different Debate in Environmental Accounting: The Cases of Carbon and Cost- Benefit', *Accounting, Organizations and Society* Vol. 34, Issues 3-4, April/May 2009. pp. 499-534, available at [www.thecornerhouse.org.uk/subject/climate](http://www.thecornerhouse.org.uk/subject/climate).

4. These countries were not even able to ensure that a reference to the Conference on Biological Diversity was included in the REDD/REDD+ methodology text at the meeting of the UN Framework Convention on Climate Change's Subsidiary Body for Scientific and Technological Advice of June 2008 in Bonn.
5. See National Indian Education Association [http://www.niea.org/media/association\\_detail.php?id=291&catid](http://www.niea.org/media/association_detail.php?id=291&catid).
6. See, e.g., Larry Lohmann, ed., *Carbon Trading: A Critical Conversation on Climate Change, Privatization and Power*, Dag Hammarskjold Foundation, 2006. available at <http://www.thecornerhouse.org.uk/subject/climate>.
7. Corner House Briefing No. 40, "When Markets Are Poison: Learning about Climate Policy from the Financial Crisis", <http://www.thecornerhouse.org.uk/subject/climate>.
8. The Tropical Forest Action Plan of the late 1980s and 1990s is one example.
9. Michael Dove, "Centre, Periphery and Biodiversity: A Paradox of Governance and a Developmental Challenge," in Stephen B. Brush and Doreen Stabinsky, *Valuing Local Knowledge: Indigenous People and Intellectual Property Rights*, Island Press 1996. pp. 41-67.
10. Hayden, Cori, "Bioprospecting: The 'Promise' and Threat of the Market", *NACLA Report on the Americas* 39 (5), 2006. pp. 26-31. See also "Chronicles of a Disaster Foretold: REDD/REDD+ with Carbon Trading", [www.thecornerhouse.org.uk/subject/climate](http://www.thecornerhouse.org.uk/subject/climate).
11. See, for example, *Carbon Trading*, op. cit. supra note 6, and *Mausam* (Indian journal on climate), both available at

<http://www.thecornerhouse.org.uk/subject/climate>.

12. *REDD/REDD+ Monitor*, <http://www.REDD/REDD+-monitor.org/2008/10/06/global-forest-coalitionattacks-REDD/REDD+/>.

13. *Sydney Morning Herald*, 3 September 2009, <http://www.smh.com.au/environment/i-am-a-top-foreigner-in-papua-new-guinea-says-carbon-kingpin-20090903-fa0m.html>

14. *REDD/REDD+ Monitor*, "World Bank's Forest Carbon Partnership Facility would Reward Forest Destroyers in Indonesia," <http://www.REDD/REDD+-monitor.org/2009/03/02/fcpfs-poster-child-wouldreward-forest-destroyers-in-indonesia/>; and *New York Times*, 22 August 2009, <http://www.nytimes.com/2009/08/22/science/earth/22degrees.html>.

15. *REDD/REDD+ Monitor*, 24 June 2009, <http://www.REDD/REDD+-monitor.org/2009/06/24/offsettinga-dangerous-distraction/>.

16. Global Forest Coalition, *REDD/REDD+ without Rules: Another Disaster in the Making*, <http://www.globalforestcoalition.org/img/userpics/File/forest%20cover/ForestCover-no27-september2008.pdf>; *REDD/REDD+ Monitor*, "REDD/REDD+ will Fail with the Current Definition of Forests," <http://www.REDD/REDD+-monitor.org/2009/09/08/REDD/REDD+-will-fail-with-the-current-definition-offorest/#more-2776>. See also UNFCCC Decision 11/CP.7 Annex 1 (a), <http://unfccc.int/resource/docs/spanish/cop7/cp713a01s.pdf>.

17. In response to a question from an Indigenous representative of the Assembly of First Nations, the Executive Secretary of the UNFCCC, Yvo de Boer, in a meeting with civil society in June 2009 in Bonn, read a previously prepared statement that stated that the UNFCCC Copenhagen deal will not be bound by

the United Nations Declaration on the Rights of Indigenous Peoples because it is not a legally binding instrument.

18. *REDD/REDD+ Monitor*, "Lack of Meaningful Consultation on R-PINs in Suriname, Indonesia, Liberia and Panama," <http://www.REDD/REDD+-monitor.org/?s=R-PINS>.

19. <http://www.un.org/esa/socdev/unpfi/en/drip.html>.

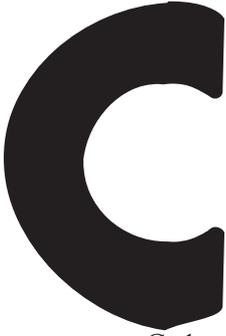
20. International Indigenous Peoples Technical Workshop with States on the UNFCCC Negotiations Xcaret, Quintana Roo, México, 27-29 September 2010.

21. <http://target300.org/index.html>.

22. Climate Change and Trace Gases, by Hansen, Sato, Kharecha, Russell, Lea and Siddall, NASA Goddard Institute for Space Studies and Columbia University Earth Institute, Published online 18 May 2007, *Philosophical Transactions of the Royal Society A*, <http://www.planetwork.net/climate/Hansen2007.pdf>.

## WHAT ARE 'CARBON OFFSETS'?

---



ARBON TRADING ALLOWS INDUSTRIALISED COUNTRIES AND corporations to avoid reducing emissions at source. It takes two main forms: “cap and trade” and “carbon offsets.”

Carbon offsets are “emissions-saving projects” that in theory “compensate” for the polluters’ emissions. The UN’s Clean Development Mechanism (CDM) is the largest such scheme with 2,400 registered projects in developing countries and almost 3,000 further projects awaiting approval, as of October 2010.

This scheme allows polluting governments and corporations, which have the historical responsibility to clean up the atmosphere, to buy their way out of the problem with cheap projects that exacerbate social and environmental conflicts in the South. Moreover, it delays any real domestic action where a historical responsibility lies and allows the expansion of more fossil fuel explorations and extractions.

The “carbon credits” generated by these projects can be used by industrialised governments and corporations to meet their targets and/or to be traded within the carbon markets. In addition to the CDM there are also voluntary markets, undertaken largely for purchase by individual consumers in the North at the expense of communities and biodiversity in the South. Therefore, while cap and trade in theory limits the availability of pollution permits, “offset” projects are a license to print new ones, thus, supporting the same industries and practices that cause social and environmental problems for local communities, such as gas flaring, incineration and large dams. Offsets provide legitimacy for continued fossil fuel-based energy use and consumption in the North and act as a backdoor to avoid the responsibility of reducing emissions at source.

# FAST FOREST CASH

*How REDD+ will be market-based*

**TAMRA GILBERTSON**

*Carbon Trade Watch*

---



## THE EARLY YEARS

INCE THE EARLIEST EXPERIENCES OF OFFSETTING FOREST have been used as tradable carbon credits.<sup>1</sup> The initial practice of forest offsetting in Costa Rica and Papua New Guinea in the early 1990s established a precedent for inclusion of tradable carbon sequestration offsets or carbon “sinks” in UNFCCC legislation.<sup>2</sup> During the Kyoto negotiating years in the 1990s the US, Canada and Australia had a vested interest for the inclusion of “sinks” in any deal as a means to make their emissions targets cheaper and easier to attain while northern-based conservation organisations took the lead in designing projects in the South.

Pressure by the Northern elites paid off. A 377-page report issued by the Intergovernmental Panel on Climate Change on Land Use, Land Use Change and Forests (LULUCF) was released in May 2000 and outlined how credits could be generated from “sinks.”<sup>3</sup> During the divisive COP 6 in Den Hague in November 2000, one of the major controversies concerned the technical possibility of countries claiming carbon credits for “additional land and forest activities” within their borders as part of their Kyoto Protocol “reduction” commitments. The concept of carbon sequestration was accepted, but the ability to trade credits from the environmental service of “avoided deforestation” was not.<sup>4</sup>

Not until Bali, however, when the United Nations Framework Convention on Climate Change (UNFCCC) repackaged the concept of forestry offsets and adopted REDD in 2007. Although not explicitly market-based within UN-backed emissions trading schemes, the prospect of a marketbased REDD set in motion what could arguably be the most reckless land grab in history.

The UNFCCC currently caps the use of LULUCF credits at one per cent of base year emissions, meaning that industrialised countries face a limit on how many they can buy.<sup>5</sup> The European Union Emissions Trading System (EU ETS), which drives most of the demand for offsets, currently excludes LULUCF credits altogether. The EU has maintained the exclusion of LULUCF credits for the third phase of its ETS (2012-2020). More significantly, a series of new activities dubbed “forest management” could be

included beyond the one per cent limit. Under current definitions, these could include monoculture plantations and commercial logging.<sup>6</sup>

### **TO MARKET, TO MARKET**

It is sometimes argued that REDD+, alongside the inclusion of afforestation/reforestation of CDM, would significantly benefit the South. Yet the existence of considerable forested areas does not in itself guarantee a significant flow of REDD+ cash. Historical deforestation rates have been high in Brazil, Indonesia and Malaysia, for example, which may be (perversely rewarded by REDD+ for having deforested more rapidly than other countries unless a “correction factor” is built into the scheme.<sup>7</sup> Alternatively, the “baselines” for REDD could be set so high that payments will be triggered for increases in deforestation, as is the case with a recent agreement between Norway and Guyana.<sup>8</sup> Like the CDM, the complex accounting procedures involved in commodifying forests tends to divert resources from forestry initiatives to carbon counting.

While direct estimates for REDD+ are not yet available, it is reasonable to assume that this would be comparable with the CDM, where often less than 30 per cent of financing goes towards the project itself, with the rest absorbed by consultancy fees and taxes.<sup>9</sup> Finally, the combination of significant uncertainties in forest carbon accounting, unequal global power structures and weak governance signal a capacity for large-scale fraud, the siphoning off of funds by elite interests and land evictions.<sup>10</sup>

To date, afforestation/reforestation accounts for just 56 of more than 5,300 projects under consideration for inclusion in the CDM, and no credits have yet been issued for these projects. The slow pace in developing such projects is partly accounted for by the availability of cheaper options, and partly by the restrictions placed upon the use of such credits.

### **HEAD IN THE SAND**

Currently, many REDD+ supporters in the NGO arena often deny the verity that REDD+ is being developed for offsets. Even the NGOs with good intentions contend that the money will flow in one direction—North to South. However, within the trading world REDD+ is viewed in a very different light.

On September 22, 2010 a “reforestation project” in Tanzania became the first forestry investment to earn carbon offsets after credits were issued in the Voluntary Carbon Standard (VCS) registry. The news created a flurry of activity for hopeful market traders eager to cash in on forestry offsets from REDD+ schemes. “Once a forestry project begins trading there, it could open the door for REDD to be included in the UN-based compliance market,” reported Ecobusiness.<sup>11</sup> Reuters printed a quote from Grattan MacGiffin, head of GTE Global Trading Ltd, stating, “(California’s) Climate Action Registry has been doing forestry for a while but the VCS news is bigger, potentially adding impetus to the growing support for a CDM REDD methodology to be given the green light.”<sup>12</sup>

A lot of money is at stake for traders, brokers, conservation

organisations, companies, international finance institutions and governments who are banking on REDD+. Calculating REDD+ offset credits are simplified to estimate one metric tonne of CO<sub>2</sub> within the terrestrial system to equal one credit. For example, the controversial Rimba Raya project located in Kalimantan, Indonesia could generate 75 million credits and if priced between 10 to 15 euros per credit could earn an estimated 1.1 billion euros in revenues.<sup>13</sup>

The UN estimates that REDD+ could be worth up to US\$30 billion a year for developing countries and investors but more likely higher returns for private investors in the North.<sup>14</sup> With potential revenue of this scale to be had, peoples' land rights are quickly being overlooked by hungry investors eager to cash in on fast forest money.

### **BRIBERY AND CORRUPTION**

From the Amazon, Liberia to Papua New Guinea traders, brokers and conservation organisations earnestly work to secure lands for REDD+. Before REDD+ areas become more valuable and more difficult to attain, "carbon cowboys" deviously persuade communities to hand over land rights.

The Wilderness Society's Tim King told the Sydney Morning Herald that, there had been "a tsunami of carbon traders spreading across PNG. Carbon finance and REDD have triggered a 'gold rush' mentality."<sup>15</sup> The name of the game is to secure the maximum land rights to forests as early as possible while the infrastructure is still being organised.

In late October 2010, Wandogo Siswanto, a lead delegate in Copenhagen and key architect of REDD, was arrested and charged with accepting bribes of up to US\$10,000 from the director of PT Masaro Radiokom, a telecommunications company.<sup>16</sup> In Indonesia, the forestry sector's reputation has been referred to as "a source of unlimited corruption," by Indonesia's Corruption Eradication Commission (KPK).<sup>17</sup>

Bribery, corruption, unequal global power structures, history and governance all play a role in back-door dealings when large sums of money are at stake. Greenpeace highlighted the issue of corruption in a recent briefing by stating, "Corruption within PNG's forest industry, disregard for land owner rights, inflated estimations of likely benefits from REDD and a lack of effective institutional systems in place do not engender confidence in the country's ability to manage a funded institutional transition to a low carbon economy."<sup>18</sup>

Rampant corruption instigated by companies and governments to secure lands in key rainforest nations like Indonesia and Papua New Guinea undermine any real chances of so-called benefit-sharing.<sup>19</sup> Although governance is a real issue, the initial pressure comes from northern players including banks, IFIs and traders. Without acknowledging these unequal global power structures any global forest protection programme is likely to fail whether market or fund-based.

## THE ROLE OF THE WORLD BANK

Working in tandem with the UNFCCC in Bali, the World Bank launched its Forest Carbon Partnership Facility (FCPF) with the aim to develop pilot projects, securing funding and launch the market. Benoit Bosquet, a World Bank senior natural resources management specialist who led the development of the Facility stated its “ultimate goal is to jump-start a forest carbon market.”<sup>20</sup>

These were unoriginal words reminiscent of 1999 when the World Bank launched its first carbon-fund, the Prototype Carbon Fund (PCF) with the aim of creating “a short-term catalyst to jumpstart the transfer of finance for clean energy technologies to developing countries.”<sup>21</sup> What followed, in the form of the CDM, was anything but such a catalyst. A closer look into the World Bank’s track record of developing such prototypes show how pilot projects become replicated on a larger scale within the WB and by the private sector.

The FCPF includes over 37 countries in the South and 14 financial contributors in the North worth US\$165 million (US\$115 million to the Readiness Fund, aimed at preparing countries for REDD, and US\$50 million to the Carbon Fund). But the World Bank wants more. According to the latest World Bank *State and Trends of the Carbon Market*, fast-start pledges will not be enough to meet the funding required to set up REDD+ with the Bank calling on large private sector investment as the essential solution to make up the shortfall.<sup>22</sup>

The World Bank has had the intention to make REDD+ market-based every step of the way. The World Bank states, “The focus to date has been on REDD+ readiness, though it is expected that the Carbon Fund, which will provide payments for verified emission reductions from REDD+ programs in countries that have achieved, or made considerable progress towards, REDD+ readiness, will be launched in the course of 2010 as a publicprivate partnership.”<sup>23</sup>

## MONEY FOR NOTHING

Selling REDD+ credits will provide another outlet for Northern polluters to avoid responsibility of cutting emissions at source, however, to date, the market demand side for large amounts of offset credits is thin. If REDD+ was included in a current UN-backed emissions trading market the sheer amount of credits could likely collapse the market. While the US and Australia delay setting up emissions markets, offset demands remain relatively low. “But the scheme hinges on rich nations putting in place mandatory emissions trading schemes that underpin demand for large volumes of internationally tradeable REDD credits.” Reuters reported.<sup>24</sup>

The voluntary market provides the place for REDD+ offsets to be sold for now but if and when a US climate bill or Australia passes emissions trading legislation this could have the potential to demand millions of offsets per year.<sup>25</sup> The outcome of including forestry in carbon markets depends on a greater demand which could come from the US and Australia signing up to a

climate agreement. Bloomberg reported, “If you take the market as it is now, accepting REDD with the present level of demand would lead to a price crash,” said Emmanuel Fages, a Paris-based carbonmarket analyst at Societe Generale.<sup>26</sup> Meanwhile California has passed the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms (CETP) which does not yet provide for the inclusion of REDD offsets, however, the inclusion of sub-national sectoral REDD mechanism for REDD offsets imply the probability to be eligible when REDD is “ready.”<sup>27</sup>

### **NO REDD+!**

Although REDD+ is not yet based within an UN-backed emissions trading market, it does not alter the basic direction of the scheme for which it was designed. The question should not be, “Will REDD+ be included in a UN-based offset market,” but rather how is REDD+/readiness being designed to commodify terrestrial carbon and how is this affecting land rights, property rights, sustainable agriculture and Indigenous Peoples’ rights—how is this already affecting the relationship between power and resistance on the ground?

Even if REDD+ could be kept out of a global offsets market, it still would not provide compensation for communities or protect the remaining forests because the major proponents of REDD+ have vested interests in the scheme and intend to be rewarded. REDD+ is inherently linked to offsets trading and has been since its inception. It is doubtful that the key players setting up REDD+,

including the WB and governments involved, would concede market-based defeat now.

If REDD+ were to be de-linked from an emissions trading scheme, it would need to be re-named and placed inside of a different negotiating track within the UNFCCC structure. In addition, countless amounts of policy and legislation from several countries would need to be re-written.

Land tenure and community rights are at stake, especially for Indigenous Peoples. Northern governments view REDD+ as a means to offset their responsibility for reducing emissions domestically, yet are looking for a way around making public financial commitments. For the financial sector, meanwhile, REDD+ is seen as an opportunity to grow a new speculative market.

To tackle such interests requires more than civil society dialogues on safeguards. One should not be fooled into believing that REDD+ will simply provide benign funding for communities to protect their lands and forests. On the contrary, REDD+ is designed to place fast forest cash in the hands of the elite and at the same time provide yet another pollution pardon and further financing for polluters in the North. Furthermore, REDD+ is a mechanism which presents a legal structure to secure land rights from people who protect and rely on the remaining forests and lands, which is critical to their survival and the health of this planet.

#### Notes:

1. G. Arturo Sanchez-Azofeifa, Alexander Pfaff, Juan Andres Robalino,

and Judson P. Boomhower, "Costa Rica's Payment for Environmental Services Program: Intention, Implementation, and Impact", *Conservation Biology*, DOI: 10.1111/j.1523-1739.2007.00751.2007. The notion of "carbon sequestration" (or "sinks") was already established as part of the UNFCCC. See "United Nations Framework Convention on ClimateChange", 1992, article 4.d.

2. G. Arturo Sanchez-Azofeifa, *et. al. op cit.* Supra note 1.

3. R.T. Watson, I., Noble, B. Bolin *et al.* (eds.), *Land Use, Land Use Change and Forestry* (a Special Report of the IPCC), Cambridge University Press, Cambridge, 2000.

4. When the UN was drawing up rules for the CDM it originally discarded avoided deforestation and opted to just include afforestation and reforestation plantations. The reasons were likened to mainly scientific accounting questions. See next footnote.

5. LULUCF restriction to on per cent was adopted at the COP6.5 in Bonn in 2001, sparking criticism from Indigenous Peoples' Organisations at the time. "We, Indigenous Peoples reject the inclusion of sinks in the Clean Development Mechanism and the definition of sinks contemplated under the Kyoto Protocol and we oppose that the forests are considered solely for their carbon sequestration capacity. We register our disagreement with proposals surrounding definitions including Afforestation, Deforestation and Reforestation proposed in the context of the UNFCCC. We express our grave concern that the UNFCCC ignores the concept of conservation, the importance of biodiversity, and the fundamental role of Indigenous Peoples in the management of our territories, forests and other ecosystems. See: [http://www.treatycouncil.org/new\\_page\\_5212.htm](http://www.treatycouncil.org/new_page_5212.htm).

6. United Nations Framework Convention on Climate Change, Ad Hoc Working Group on Further Commitments

for Annex 1 Parties under the Kyoto Protocol, Documentation to facilitate negotiations among parties, note by the chair: Land use, land use change and forestry, FCCC/KP/AWG/2010/6/Add.2, 29 April 2010, <http://unfccc.int/resource/docs/2010/awg12/eng/06a02.pdf> (accessed on 26 August 2010).

7. Kate Dooley, Why Congo Basin countries stand to lose out from a market-based REDD, Avoiding Deforestation and Degradation Briefing 7, Moreton-in-Marsh: FERN, 2009, 2.

8. Chris Lang, Guyana could be paid for increasing deforestation: Jagdeo, REDD Monitor, 24 November 2009, <http://www.redd-monitor.org/2009/11/24/guyana-could-be-paid-for-increasing-deforestationjagdeo/Lang> (accessed on 4 September 2010).

9. Carbon Retirement, *The efficiency of carbon offsetting through the Clean Development Mechanism*, London, 2009, 4.

10. Sunanda Creagh, Forest-CO2 scheme will draw organised crime: Interpol, Reuters Alertnet, 29 May 2009, <http://www.alertnet.org/thenews/newsdesk/JAK500718.htm> Creagh (accessed on 4 September 2010); Korinna Horta, *Global climate politics in the Congo Basin: unprecedented opportunity or high-risk gamble?* Berlin: Heinrich Böll Foundation, 2009, [http://www.boell.de/downloads/Climate\\_Politics\\_Congo\\_Basin\\_K\\_Horta.pdf](http://www.boell.de/downloads/Climate_Politics_Congo_Basin_K_Horta.pdf) Horta (accessed on 4 September 2010), 7.

11. Ecobusiness.com, "Special report: Money could grow on trees, depending on carbon price," Sara Shonhardt, 3 Oct 2010. <http://www.eco-business.com/news/2010/oct/03/money-could-grow-trees-depending-carbon-price/>

12. Reuters, "Forestry gains momentum in voluntary carbon market," Nina Chestney, 28 Sept 2010. [http://uk.reuters.com/article/idUKTRE68R3IR20100928?loomia\\_ow=t0:s0:a54:g12:r6:c0.285310:b3826278](http://uk.reuters.com/article/idUKTRE68R3IR20100928?loomia_ow=t0:s0:a54:g12:r6:c0.285310:b3826278)

4:z3.

13. Ecobusiness.com, "Special report: Money could grow on trees, depending on carbon price," Sara Shonhardt, 3 Oct 2010. <http://www.eco-business.com/news/2010/oct/03/money-could-grow-trees-depending-carbon-price/>.

14. UN-REDD Programme Website: <http://www.un-redd.org/AboutREDD/tabid/582/Default.aspx>.

15. Sydney Morning Herald, "Australian firm linked to PNG's \$100m carbon trading scandal," Marian Wilkinson and Ben Cubby, 4 Sept 2009.

16. Mongabay, "Former Indonesian REDD+ negotiator arrested on corruption charge," 30 October 2010. [http://news.mongabay.com/2010/1030-wando-jo\\_graft\\_indonesia.html](http://news.mongabay.com/2010/1030-wando-jo_graft_indonesia.html).

17. Reuters, "Graft could jeopardize Indonesia's climate deals," Sunanda Creagh, 17 September, 2010.

18. Greenpeace Report, "Papua New Guinea: Not ready for REDD," Oct 2010. <http://www.greenpeace.org/raw/content/australia/resources/reports/deforestation/papua-new-guinea-not-ready-fo.pdf>.

19. For example, see the role of Norway in promoting REDD. See: <http://www.redd-monitor.org/2010/05/28/norway-indonesia-forest-deal-us1-billion-dollars-worth-of-continued-deforestation/>. See also the role of US oil companies promoting REDD in Brasil: <http://www.pbs.org/frontlineworld/stories/carbon-watch/2010/05/the-carbon-hunters.html>.

20. <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21581819~pagePK:64257043~piPK:437376~theSitePK:4607,00.html>.

21. [www.worldbank.org](http://www.worldbank.org).

22. World Bank, "State and Trends of the Carbon Market 2010," Report.

23. <http://www.forestcarbonpartnership.org/fcp/node/12>

24. Reuters, REDD forest offset demand 3-7 years away, David Fogarty

and Sunanda Creagh, 11 October, 2010. <http://www.reuters.com/article/idUSTRE69A1CI20101011>.

25. Reuters, REDD forest offset demand 3-7 years away, David Fogarty and Sunanda Creagh, 11 October, 2010. <http://www.reuters.com/article/idUSTRE69A1CI20101011>.

26. Bloomberg, "Rain Forest-Saving Credits May Cut Carbon-Emission Prices," Alex Morales and Jeremy van Loon, 30 March 2010. <http://www.bloomberg.com/apps/news?pid=newsarchive&sid=a1Vb6ldbVoO0>.

27. George Frampton, Lawrence A. Hobel and Ruben Kraiem, "California clears the path to a new carbon market", Covington and Burling LLP, 11 November 2010. <http://www.lexology.com/library/detail.aspx?g=58ca4f67-1a08-4e74-9d6b-53bc4667f4e3>.

# REDD: SEEING THE FOREST FOR THE TREES

**KHADIJA SHARIFE**

---

**A**

LL CARBON IS NOT CREATED EQUAL: ONE TON OF carbon dioxide (CO<sub>2</sub>) generated in New York from several McDonalds burgers, for instance, clocking in at 16kg per 1kg of meat, is not the equivalent of one ton of CO<sub>2</sub> emitted in a country like South Africa, where energy generated from coal allegedly provides basic services such as electricity. The difference, though blurred by mainstream media that reduces the discourse to the democratisation of pollution impacts (strictly observed between “developed” and “developing” countries) is that of extravagant carbon versus survival carbon. Thankfully, the developed nations that engage in the process of carbon-intensive industrialisation declare that they have found an equitable solution so rational it has never been put to a vote: Carbon trading.

Although anti-democratic “strong-men” at the helm of “developing nations” are deplored globally, there appears to be no problem in a global economic architecture controlled via a handful of “strong-states”, such as the G7. This strange reality is evidenced in the fossil fuel consumption by the US (where 25 per cent of global oil reserves are devoured by 5 per cent of the world’s population, emitting 19 tonnes of CO<sub>2</sub> per capita), which is packaged by the media in vocabulary equating the former with the world’s new largest polluter, China, despite the latter emitting just 4.4 tonnes per capita.

At a January 2010 conference titled, “Investor Summit on Climate Risk” held in New York, more than 450 investors controlling over US\$13 trillion declared that action must be taken to pre-empt international climate change treaties in order to develop sustainable economies, chiefly through the carbon market. “Copenhagen was a missed opportunity to create one fully functional international carbon market,” revealed Peter Dunsombe, head of the Institutional Investors Group on Climate Change (IGCC), comprised of European financiers.

According to the United Nations Environment Programme, 85 per cent of the finance required to make the shift will be derived from private investors. And, as outlined by the Carbon Trading Summit, also hosted in Wall Street’s hometown in January and attended by systemically important financial firms ranging from Barclays Capital to Goldman Sachs, one primary item on the agenda is “creating the world’s largest commodity market in carbon-backed securities.”

The commodification of pollution is inspired by the rationale of market efficiency: Major polluters issued with permits are incentivised to emit less, thereby enabling them to make a profit selling excess permits to those less efficient. In order to limit the pollution bubble, “flexibility points” facilitate a process allowing for said polluters to finance carbon-light projects in countries that would otherwise engage in conventional methods of “development”. By doing so, securities are generated through various offset tentacles designed to exploit the underdeveloped status of countries that fail to access and use their share of the atmospheric commons.

One tentacle is REDD, which has been branded a revolutionary move by the UN. The initiative is designed to protect and conserve the world’s remaining lungs and carbon sinks—forests—where ongoing deforestation and degradation currently account for 17 per cent of global emissions from stored carbon. Success, we learn, will be achieved through halting these destructive processes taking place primarily in nations that are under-resourced, punctuated by corrupt or diminished states unable to police or protect forested land from illegal logging. The REDD initiative also intends to finance the protection and conservation of said lungs: One-fifth of the world’s fossil fuel emissions are absorbed by forests, with Africa acting as a sink for 1.2 billion tonnes of CO<sub>2</sub> annually.

REDD was first proposed in 2005, at the 11th Conference of the Parties (COP-11) by the Coalition for Rainforest Nations, composed

of 15 member forested “developing” countries, including Nigeria, Equatorial Guinea and Liberia, with numerous participants from Lesotho, Kenya, Indonesia and Madagascar. The coalition’s self-described goals are to generate revenue streams derived from a programme of “forest stewardship reconciled with economic development” that is chiefly driven by communities. Branches of REDD range from the UN-REDD programme to the World Bank’s Forest Carbon Partnership Facility. The bank, for instance, remains a key financier with a US\$300 million fund.

The real agenda and primary incentive of the carbon market, however, was articulated by Jack Cogen, president of Natsource (recently labelled as the world’s largest buyer of private carbon credits and managing over US\$1 billion in “natural” assets), who revealed, “The carbon market doesn’t care about sustainable development... All it cares about,” he continued, “is the carbon price.” And Natsource would know. In addition, Kathleen McGinty, vice president of asset management was an aide to Al Gore, and key environmental adviser to Bill Clinton. Both were responsible for muscling the carbon market concept (via the pollution’s trading system) through the Kyoto Protocol. The Chicago Climate Exchange (CCX), self-titled “the world’s first and North America’s only legally binding integrated emissions reduction, registry and trading system,” began motivating as far back as the Rio Earth Summit in 1992 for the climate change problem to be dealt with via a market-based solution to global warming.

CCX's board included a host of powerful players such as the UN's Kofi Annan and the World Bank's James Wolfensohn.

The carbon market system, which was partially designed by Goldman Sachs (which incidentally holds 10 per cent of shares in CCX), draws on the tradition of Enron, which also played a role in the early exploitation in the pollutions trading commodities market, enabled by an amendment to the US Clean Air Act. Ironically, it was the "Enron loophole"—named as such for Enron's lobbying to remove regulation of derivatives from the Commodities Futures Trading Act—that upended systemically important financial firms such as Goldman Sachs, deliberately exploiting regulatory and oversight gaps, now on the receiving end of the US\$11 trillion in bail-out funds from the US government.

Enron traders would later proceed to capitalise on the Enron model such as Louis Bradshaw, head of environmental markets at Barclays Capital, one of the world's largest traders in carbon emissions and creators of the Global Carbon Index.

Goldman Sachs employees, such as Ken Newcombe, were architects of the World Bank's Prototype Carbon Fund (PCF). Meanwhile the bank itself emerged as the most important financial instrument in the carbon market following the Rio Earth Summit, despite it bankrolling more than 130 major fossil fuel projects during the past decade, with a fossil fuel project calculated as being financed every 14 days. Since Rio, CO<sub>2</sub> emissions from World Bank-related projects are estimated at 43 billion

tonnes.

The interlocking nature of these relationships is clear. The percentage of officials at the World Bank composed of economists and bankers produced by institutions such as Goldman Sachs is 50 per cent, for example, as compared to development specialists at eight per cent. And, 75 per cent of financial institutions use standards linked to the World Bank.

The winner of World Bank policies is none other than the US. A US Treasury report unashamedly reveals this cherished synergy, "The policies and programs of the World Bank Group have been consistent with US interests. This is particularly true in terms of country allocation questions and sensitive policy issues. The character of the Bank, its corporate and voting structure, ensures consistency with the economic and political objectives of the US."

Through the instruments of the World Bank, "developing" the economies of heavily indebted regions is now subject to the free market agenda writ large, as forested regions become classified as natural assets that can be exploited through export-oriented activities, which are inevitably dependent on foreign investment.

Needless to say, given that there is a 92 per cent correlation between rising arms sales and oil sales, with 80 per cent of the world's oil reserves controlled by rent-seeking or renting governments, the roots of climate change and Northern wealth, remain intimately interlocked with that of Africa's suffering and poverty, particularly in those regions whose militarised regimes—such as Nigeria, Gabon, Angola, Equatorial Guinea

and others—are dependent on oil exploitation for income.

It is in this context that the carbon market, estimated at US\$3 trillion by 2020, will be realised, rendering it as vulnerable to gaming as derivatives. Thanks to the Kyoto Protocol's "flexibility points"—mechanisms that include Emissions Trading (also known as Carbon Trading), the CDM and Joint Implementation—major polluters need not reduce their own emissions. One example of gaming is evident in the more than 70 per cent of accredited CDM projects generating Certified Emission Reductions (CERs) directly related to trifluoromethane (HFC-23), a greenhouse gas used as a refrigerant. The secretariat of the CDM estimates that one tonne of HFC-23 in the atmosphere has the same effect as 11,700 tonnes of CO<sub>2</sub>. However, records reveal that some refrigerant manufacturers deliberately produced excess HFC-23 in order to offset it and claim financial benefits. According to a 2009 paper, "Scaling the Policy Response to Climate Change," by researchers, Benjamin Sovacool and Marilyn Brown, the value of this scam exceeded €7 billion—well over the estimated €100 million. Sovacool and Brown's study also evaluated 93 randomly selected CDM projects and found that "in a majority of cases the consultants hired to validate CERs did not possess the requisite knowledge needed to approve projects, were overworked, did not follow instructions, and spent only a few hours evaluating each case."

But the incentive for African states to receive funding via carbon credits

by establishing "farming forests" is certainly compelling from a financial and ecological point-of-view. After the Amazon, the Central African Rainforest remains the world's second largest forest cover at 18 per cent. Kenya's 400,000-hectare Mau Forest Complex—East Africa's primary water catchment area—for instance, may average 160 tonnes of carbon per hectare. The carbon stock trapped beneath the land is not the only sink: Each year, African forests sink over 1.2 billion tonnes of CO<sub>2</sub>, even though Africa alone contributes less than three per cent of emissions globally, with almost half of this generated from activities such as Shell and Chevron's gas flaring in the Niger.

Multinationals like Shell—precluded from the Copenhagen Climate Summit table as both a major industrial polluter and a duty-holder responsible for reparations—emit more carbon than 150 countries cumulatively. And, despite the intention of carbon markets (and architects) to grant rights to major polluters, by enabling such polluters to circumvent actual emissions reductions by purchasing credits from CDM projects in "underdeveloped" countries, such "rights-talk" remains narrow as it relates to climate change's geographically-fixed discourse composed solely of states and citizens. The former are pegged as duty-holders (whether developed or developing) and the latter as claimants with minimal enforceable rights.

Studies by the University of Berkeley in the US have calculated that industrialised States could owe US\$2.3 trillion in climate change damages that have been inflicted on

the ecosystems of developing nations through greenhouse gas emissions as well as depleted water sources and desertification. The World Bank estimates the costs of adaptation and mitigation at US\$400 billion per annum for developing countries by 2030 if steps are not taken to prevent continued degradation. But just US\$10 billion per annum was allocated to all developing countries for the first phase (2010-2012). Paradoxically, in 2009—the year of Copenhagen Climate Summit—developed governments subsidised fossil fuel industries to the tune of US\$300 billion.

Copenhagen's vocabulary—limited to North-South binaries—was manipulated to represent financial reparations as foreign aid, shifting the discourse from that of equity to charity. It is no wonder, then, that an alleged 50 per cent of first phase climate funds was derived from diverted foreign aid, with little accountability and monitoring. Ethiopia's dictator, Meles Zenawi, who unilaterally decided Africa's fate with France's President Sarkozy, is at the helm of a country facing severe ecological crises due to mass deforestation caused by illegal logging. The country's under-resourced Agricultural Research Institute (EARI) is reporting a loss of 200,000 hectares per annum. The head of Ethiopia's Institute of Forestry Development, Dr Alemu Gezahegn, revealed that Ethiopia would lose all forested land by 2020 if deforestation continued at the current alarming pace.

France itself maintains an extensive logging footprint in former African colonies and other

“Francafrique” territories, such as Cameroon and the Democratic Republic of Congo, with the former being one of the world's top five wood exporting countries in the world, chiefly dominated by a small handful of French companies such as Coron and Rougier and Thanry.

Al Gore's industry-friendly convenient film, *An Inconvenient Truth*, squarely placed deforestation via illegal logging on the shoulders of individuals; however, records reveal that logging companies exploit as much as five times an individual's territory. In 2005, the Inter-Press Service quoted (Corruption Rooted in Logging Industry) a senior official at the Cameroonian Centre for Environment and Development based in Yaoundé as saying that NGOs could not name the logging companies for “fear of reprisal” while “the police shy away from investigating the matter as well . . . because those who are profiting illegally from logging allegedly include senior police officials.” As one French national involved in the logging industry revealed to IPS, “We're asked for bribes amounting to millions of CFA francs, and we often pay these out.”

Logging is big money. Though wood from Africa and Asia is increasingly treated and finished in China, Europe remains the primary market. Illegal logging of forested lands, generally termed as common property resources (thereby indicating government ownership), or as customary or community ownership and/or lacking ownership altogether, has rendered barren millions of hectares within the Mau Complex in Kenya, and across the continent.

Sudan, for instance, has experienced the loss of more than 8.8 million hectares (ha); the Democratic Republic of Congo, 6.9 million ha; Tanzania, 6.2 million ha; Nigeria, 6.1 million ha; and Cameroon, 3.3 million ha.

Paradoxically, REDD's process is capital intensive, allegedly requiring an average of US\$2,000 for every hectare certified after ownership has been legally proved. This renders the process of establishing farming carbon projects similar to other enclave capital-intensive industries where States tend to lack the funds required to finance the investment, thus paving the way for foreign financiers. And regimes, whether corrupt or democratic, automatically remain on the receiving end of profit, so long as these forests remain open to investment designed to cash in on pollution as well as circumvent emission reductions. As Newcombe stated at 2004's Carbon Expo in Cologne, "The World Bank is reducing the risk for private investors." And for private investors, the opportunity is tempting. At the Rukinga ranch in Kenya, for example, wealthy Western dotcom entrepreneur Mike Korchinsky and his partner Bob Dodwell spent over US\$400,000 over a period of six months certifying and analysing the 80,000 acres of land they purchased for US\$10 per acre, engineered as a deal that would benefit from the REDD scheme. They can expect well over US\$2 million in returns annually, revealed the UK's *Guardian* newspaper.

But for the Mau Complex's Ogiek peoples, who were marginalised from ancestral lands during the days of the

British Empire, such conservation on the part of the Kenyan government, stealthily engaging in preparation for REDD, amounts to nothing more than criminality, resulting in the forced displacement of more than 1,650 families since November 2009.

Unsurprisingly, the US, Canada, New Zealand and Australia collectively rejected the rights of Indigenous Peoples in the December 2008 Conference of the Parties, COP-14, as outlined by the heavily bracketed REDD text, discussed at Bali's COP-13. Policies resulting in the displacement of vulnerable peoples like the Ogiek mark the general trend of REDD projects: Of 144 projects assessed by the International Institute for Environment and Development (IIED), just one project "included a proposal to make community-managed forests or indigenous peoples' rights a binding part of REDD," revealed the UK's *Guardian* newspaper.

And despite peoples such as the Ogiek possessing the complex knowledge base required to monitor and protect the Mau Complex, this cannot be done without according legal rights to Indigenous Peoples occupying such land through customary and community ownership—branded by the Kenyan government as squatters. According to the Washington-based Rights and Resources Institute, the process would cost just US\$3.50 per hectare. But the "paper parks" backed by the UN have failed to acknowledge forests as socio-ecological ecosystems, preferring instead to protect "natural" land devoid—or cleansed—of peoples, lending to the rationales of

the conservation and privatisation tradition.

The intellectual structure of pollution trading was initially created by economist John Dales in his 1968 essay “Pollution, Property and Prices.” The essay, which proposed a market for pollution rights and trading, did so by defining a set of “transferable property rights” that could be utilized using the vehicle of allowable quotas of pollution emissions that could be bought and sold. This, in essence, is used to justify the privatisation of natural resources and ecosystems by financiers. As David Victor stated to the US’s Council of Foreign Relations (CFR), emissions permits “are assets that like any other property right, owners will fight to protect.”

In that same year, Garrett Hardin’s infamous “Tragedy of the Commons” essay, published in the prestigious journal *Science*, stipulated that without centralized control or private ownership, land that is “held in common” by multiple users (such as the Maasai) would be subject to overuse and exploitation from individual self-interest and greed. Hardin, who advocate for the denial of food aid in overpopulated countries and continents, would later amend this theory, declaring that an unregulated commons was the heart of the problem. Hardin’s rationale has become a self evident truth, with leading property rights specialist and economist Hernando de Soto claiming that property rights are “at the core of the capitalist system.”

It is a system that many in Africa—where just 2-10 per cent of land is privately held (usually acquired through State connections)—simply

cannot afford to compete in, even less so under REDD. In Kenya, chunks of the Mau Forest Complex have been acquired by bogus companies related to the State with concessions large and small, such as the Moi-connected Sian Enterprises. Others include Olalarusi Inv Far (9,887 acres), the Catholic Church of St Francis (7,305 acres), Ilgina Contractors (3,202 acres) and the Kiptagich Tea Estate. Ironically, many like Ilgina, whose directorship is comprised of the powerful Ntutu family (Agnes Naropil Ntutu, Kiteleiki Ntutu and Kunini Ole Ntutu), were party to the registration and allocation of land via the Ntutu Presidential Commission (1986) demarcating the boundaries of the Maasai Mau Forest. According to the hard-hitting Nation newspaper, “members of a powerful [Ntutu] family in Maasai amassed chunks of land, virtually owning the entire Maasai Mau Trust Land Forest in Narok.”

Unlike Korchinsky and Dodwell’s plan at Rukinga ranch, where 50 community “shareholders” will receive returns from the project, and US\$600,000 will be ploughed back into protection, there exists little accountability for the bulk of forest concessions. “Logging companies may turn into carbon companies. In most countries in Africa you can do what you like, log out the trees, put in roads, do anything. There is little or no monitoring. The rewards could be 99 per cent for me and 0.5 per cent for the communities,” stated Dodwell.

Nor is there input for law enforcement agencies in multinational home countries such as France, or host countries, such as Kenya and Cameroon, with leakages between

markets and territories left at the discretion of financial firms such as Goldman Sachs and financial institutions like the World Bank.

“Alarm bells are ringing. The potential for criminality is vast and has not been taken into account by the people who set it up,” stated Peter Younger, an Interpol Environment Crimes Specialist, to the UK’s Guardian newspaper. “Organized crime syndicates are eyeing the nascent forest carbon market,” he said. “Carbon trading transcends borders.”

These syndicates operate through the same shadow networks established by financial firms, banks and accounting firms that facilitate illicit capital flight from the continent, artificially impoverishing Africa—at a price tag of US\$148 billion per annum, according to the African Union.

The potential trade in carbon rights and carbon farming is already bringing out the big guns around the globe. More than US\$100 million in bogus credits had been extended to indigenous tribes in South and Central America. Meanwhile, near Australia, Kevin Conrad, Papua New Guinea’s Special Environmental Envoy and Ambassador for Climate Change, revealed: “We found that because Papua New Guinea was advocating a regime shift in forests, we had every carbon cowboy in the world descend upon Papua New Guinea and try to get a deal with some landowners . . . that [would] somehow give them some credibility.” World News Australia reported, for instance, that Papua New Guinea leader, Abilie Wape was kidnapped at gunpoint by the police to “legally” surrender the carbon rights of the Kamula Doso

peoples forest. “Police came with a gun. They threatened me. They told me, ‘You sign. Otherwise, if you don’t sign, I’ll . . . lock you up,’” Wape is reported as saying.

This warning was similar to that of Kenyan Prime Minister Raila Odinga in 2009, when he suggested that every single Ogiek would face arrest if they did not voluntarily move as part of the government’s plan to reclaim the Mau Forest Complex. This move had been promoted as part of the agenda to secure the Mau’s crucial forested land, which also generates East Africa’s primary water catchment area that supplies major rivers and lake systems, including the Nile and Lake Victoria, and feeds into Uganda, Tanzania, Somalia, Ethiopia and Sudan.

This was, of course, never directly connected to the REDD process that is still in the planning stage. According to a source, a special consultation process is still being planned for Indigenous Peoples living in forests in the coming weeks, including issues related to compensation.

If any forest peoples remain, that is.

This article first appeared in *The Thinker* (April 2010)

Illustration: Roger Peet



Industrial Expansion:  
Who benefits from REDD?

# SECTION TWO

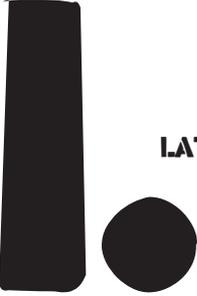




# TEN OF THE WORST REDD-TYPE PROJECTS<sup>1</sup>

*Affecting Indigenous Peoples & Local Communities*

---



## LATIN AMERICA

CHEVRON USES ARMED GUARDS FOR A REDD-TYPE PROJECT in Brazil. The Nature Conservancy, General Motors, American Electric Power, Society for Wildlife Research and Environmental Education, and Chevron (previously known as Texaco), infamous for destruction caused in Ecuadorian Amazon, have implemented the Guaraqueçaba Climate Action Project in the ancestral territory of Guarani People with uniformed armed guards called “Força Verde” or “Green Force” who intimidate and persecute local communities; jailing and shooting at people who go into forest as well as forcibly entering and searching private homes without due authorization<sup>2</sup> “...[T]he project has caused devastating impacts on the local communities...”<sup>3</sup>

2. An Indigenous leader was criminalized for defending his people and territory from an Australian carbon cowboy who duped the Matsés People of the Peruvian Amazon into signing a REDD-type contract for perpetuity and written in English, which grants the carbon trader total control over the Matsés People’s land, way of life, intellectual property, forests and carbon. The contract also stipulates that anyone who denounces this scam will be sued.<sup>4</sup> The carbon trader has brought charges against Indigenous Matsés Leader Daniel Jimenez. National and international Indigenous Peoples’ Organizations, AIDSESEP (National Organization of the Amazonian Indigenous Peoples of Peru) and COICA (Coordinating Body of Indigenous Organizations of the Amazon Basin), demanded the expulsion of the carbon trader from Peru.<sup>5</sup> The carbon trader has censored and attacked the freedom of expression and freedom of press of a journalist who covered the story for REDD Monitor.<sup>6</sup>

3. Indigenous Peoples in Voluntary Isolation are threatened by REDD-type plantation projects related to the Inter-Oceanic Highway and logging concessions to be implemented near their territories in the Peruvian Amazon. Indigenous Peoples in Voluntary Isolation avoid contact with other people and societies and live in remote regions. They are highly vulnerable for a number of reasons including their lack of defenses against common diseases. Contact with others such as REDD-type project implementers in the Madre de Dios

region of the Peruvian Amazon could be disastrous for the Yora People and the Amahuaca People who live in voluntary isolation.<sup>7</sup>

4. In Bolivia, BP, whose oil spill in the Gulf of Mexico was the biggest environmental disaster in the history of the United States, participates in the biggest REDD-type project in the world in the Chiquitano People's territory, which helps it to greenwash its destruction of biodiversity and communities' livelihoods.<sup>8</sup> Yet another example of the extractive industries like Dow, Rio Tinto, Shell, Statoil, BP Amoco, American Electric Power—AEP and BHB Billiton which have historically caused pollution and deforestation and are promoting REDD as a profitable opportunity to “offset” their ongoing pillaging of the planet. As noted in the *New York Times*, “... programs to pay for forest preservation could merely serve as a cash cow for the very people who are destroying them.”<sup>9</sup>

5. In numerous places in the world, REDD-type projects and policies are being implemented in violation of the right of Free, Prior and Informed Consent (FPIC). In Ecuador, the government continues to develop a REDD program despite the fact that the most representative organization of Indigenous Peoples, the Confederation of Indigenous Nationalities of Ecuador, (CONAIE), has explicitly rejected the implementation of all REDD+ policies and projects in the country.<sup>10</sup>

## AFRICA

6. Despite Amnesty International's recommendation to

“stop immediately the practice of forced evictions,”<sup>11</sup> as Kenya's Mau Forest is made “ready” for a UNEP-funded REDD+ project, members of the Ogiek People continue to suffer violent evictions, and Ogiek activists are attacked for protesting land grabs.<sup>12</sup> Minority Rights Group International includes the Ogiek People in their list of “Peoples Under Threat” from genocide, mass killings or violent repression<sup>13</sup> and this latest wave of evictions could threaten the cultural survival of the Ogiek People.

7. Over 22,000 people were violently evicted from the Mubende and Kiboga districts in Uganda to make way for the UK-based New Forests Company to plant trees, to earn carbon credits and ultimately to sell the timber.<sup>14</sup> According to the *New York Times*, “New Forests Company, grows forests in African countries with the purpose of selling credits from the carbon dioxide its trees soak up to polluters abroad.”<sup>15</sup> The *New York Times* also reports “... [V]illagers described gun-toting soldiers and an 8-year-old child burning to death when his home was set ablaze by security officers.<sup>16</sup> New Forests Company is 20% owned by the HSBC bank and investors in the project include the World Bank. Evicted successful farmers are reduced to becoming poorly paid plantation peons on the land they were evicted from. “Homeless and hopeless, Mr. Tushabe said he took a job with the company that pushed him out. He was promised more than \$100 each month, he said, but received only about \$30.”<sup>17</sup>

**ASIA**

8. Two of the biggest greenhouse polluters on the planet, oil giants Gazprom and Shell, which is infamous for the genocide of the Ogoni People and environmental destruction in Nigeria's Niger Delta, bankroll the Rimba Raya REDD project in Central Kalimantan, Indonesia.<sup>18</sup> The project is also supported by the Clinton Foundation and approved by the Voluntary Carbon Standard (VSC) and the Climate, Community and Biodiversity Alliance (CCBA). Nnimmo Bassey, the Director of Environmental Rights Action (FoE Nigeria) and Chair of Friends of the Earth International, says, "We have suffered Shell's destruction of communities and biodiversity as well as oil spills and gas flaring for decades. Now we can add financing REDD for greenwash and profits to the long list of Shell's atrocities."<sup>19</sup>

**OCEANIA**

9. In Papua New Guinea, "carbon cowboys" are running amok, conning and coercing communities into signing away their land rights with fake contracts.<sup>20</sup> The land and power of attorney of 45,000 indigenous in East Pangia was handed over to a carbon trader.<sup>21</sup> "Carbon finance and REDD have triggered a 'gold rush' mentality."<sup>22</sup> Scandals, scams and fraud abound.<sup>23</sup>

**STATE TO STATE: CALIFORNIA, USA AND CHIAPAS, MEXICO**

10. The State of California is promoting subnational carbon market REDD in Chiapas, Mexico, Acre, Brazil, Aceh, Indonesia and Cross River, Nigeria.<sup>24</sup> In Chiapas, Mexico,

Tzeltal People of the community of Amador Hernandez denounce the California REDD project as a climate mask "to cover up the dispossession of the biodiversity of the peoples."<sup>25</sup> The community has denounced what they perceived as a land grab. A year before, the villagers said, all government medical services, including vaccinations, had been cut off; several elderly people and children died due to lack of medical attention. This neglect, they believed, was due to their refusal to capitulate to the demands of REDD. "They're attacking our health as a way of getting access to our land," Martinez said.<sup>26</sup> The community has asked the governor of Chiapas to "suspend the state REDD+ project in the Lacandon Community Zone, as it constitutes a counterinsurgency plan that promotes conflicts between neighboring communities."<sup>27</sup>

**Notes:**

1. REDD-type projects are not necessarily official REDD projects but they are relevant to understanding potential impacts of REDD insofar as they involve forest carbon credits.

2. PBS/Frontline World, Carbon Watch, Centre for Investigative Journalism, <http://www.pbs.org/frontlineworld/stories/carbonwatch/moneytree/>. REDD Monitor, "Injustice on the carbon frontier in Guaraquecaba, Brazil," <http://www.redd-monitor.org/2009/11/06/injustice-on-the-carbon-frontier-in-guaraquecaba-brazil/>. *Mother Jones*, "GM's Money Trees," <http://motherjones.com/environment/2009/11/gms-money-trees>. National Museum of the American Indian, Smithsonian Institute, Washington, DC, Fall 2011, "Conversations with the Earth," [http://www.conversation-search.org/index.php?option=com\\_content&view=article&id=35&Itemid=5&88c60d09cbeb0cf5ab56c802eeadb5c=d2fc690bda16802103d60a27ea8bed21](http://www.conversation-search.org/index.php?option=com_content&view=article&id=35&Itemid=5&88c60d09cbeb0cf5ab56c802eeadb5c=d2fc690bda16802103d60a27ea8bed21).

3. World Rainforest Movement, "Forest

carbon project in Paraná, Brazil: Reduction of deforestation and persecution of local communities,” <http://wrm.org.uy/>.

4. AIDESEP (National Organization of the Amazonian Indigenous Peoples of Peru), “Declaración de Iquitos,” <http://www.aidesep.org.pe/index.php?codnota=2000>.

5. *REDD Papers—Volume I* (2011), “Colonizing territories with REDD: An Australian ‘Carbon Cowboy’ and the Matsés People in the Peruvian Amazon”; REDD Monitor, “AIDESEP and COICA condemn and reject ‘carbon cowboy’ and demand his expulsion from Peru,” <http://www.redd-monitor.org/2011/05/03/aidesep-and-coica-condemn-and-reject-carbon-cowboy-censored-and-demand-his-expulsion-from-peru>.

6. REDD Monitor (2011), “A ‘carbon cowboy,’ internet censorship and REDD-monitor,” <http://www.redd-monitor.org/2011/08/10/a-carbon-cowboy-in-ternet-censorship-and-redd-monitor/>, and “‘Carbon cowboy’ [CENSORED] denounces indigenous chief in Peru,” <http://www.redd-monitor.org/2011/08/05/carbon-cowboy-censored-denounces-indigenous-chief-in-peru/>.

7. *NO REDD: A Reader* (2010), “Enclosure of forests and peoples: REDD and the Inter-Oceanic Highway in Peru,” <http://noredd.makenoise.org/wp-content/uploads/2010/REDDreaderEN.pdf>.

8. Cardona, T. et. al., “Extractive Industries and REDD,” in *No REDD: A Reader* (2010).

9. *New York Times*, Elisabeth Rosenthal (2009), “In Brazil, Paying Farmers to Let the Trees Stand,” August 21.

10. CONAIE, “Open Letter to UN Secretary General Ban Ki-moon demanding cancelation of all REDD projects,” *REDD Papers—Volume I*, original in Spanish, [http://www.movimientos.org/enlacci/show\\_text.php3?key=19549](http://www.movimientos.org/enlacci/show_text.php3?key=19549).

11. Amnesty International, *Kenya: Nowhere to Go: Forced Evictions in Mau Forest*, “Incidents of forced evictions have been reported in different areas of the Mau Forest since 2004, affecting thousands of families,” <http://www.amnesty.org/fr/library/info/AFR32/006/2007>, p.1-2.

12. See: International Working Group on Indigenous Affairs (2011), “Kenya’s

‘Forest People’ in Bitter Fight for their Ancestral Homes,” April 15. Minority Rights Group International (2011), “Minority Rights Group Condemns Targeted Attacks on Ogiek Activists,” March 7. First Peoples International (2011), “In new Kenya, old guard ‘land-grabbers’ attack key leaders -Ogiek land activists survive assaults.” Interim Coordinating Secretariat, Office of the Prime Minister on behalf of the Government of Kenya, “Rehabilitation of the Mau Forest Ecosystem.” *Los Angeles Times* (2010), “Kenyan tribe slowly driven off its ancestral lands.” *Survival International* (2010), “Kenyan tribe’s houses torched in Mau Forest eviction,” April 8. REDD Monitor (2009), “Ogiek threatened with eviction from Mau Forest.”

13. *The Standard*, <http://www.standard-media.co.ke/InsidePage.php?id=1144018627&catid=16&a=1>.

14. *The Guardian* (2011), “Ugandan farmer: ‘My land gave me everything. Now I’m one of the poorest,’” <http://www.guardian.co.uk/environment/2011/sep/22/uganda-farmer-land-gave-me-everything>. *Wall Street Journal* (2011), “African Land Acquisitions Comes Under Scrutiny,” <http://online.wsj.com/article/SB10001424053111904563904576584673419328758.html>.

15. *New York Times* (2011), “In Uganda, Losing Land to Planted Trees—Slide Show,” <http://www.nytimes.com/slide-show/2011/09/22/world/africa/22uganda-3.html>.

16. *New York Times*, “In Scramble for Land, Group Says, Company Pushed Ugandans Out,” [http://www.nytimes.com/2011/09/22/world/africa/in-scramble-for-land-oxfam-says-ugandans-were-pushed-out.html?\\_r=1](http://www.nytimes.com/2011/09/22/world/africa/in-scramble-for-land-oxfam-says-ugandans-were-pushed-out.html?_r=1).

17. *Ibid*.

18. REDD Monitor (2010), “Shell REDD project slammed by Indigenous Environmental Network and Friends of the Earth Nigeria,” <http://www.redd-monitor.org/2010/09/08/indigenous-environmental-network-and-friends-of-the-earth-nigeria-denounce-shell-redd-project/>.

19. *Ibid*.

20. Giddef, I. (2011), “Carbon comen selling the sky,” *The Sydney Morning Herald*.

21. “A Breath of Fresh Air,” video by

Jeremy Dawes, <http://www.redd-monitor.org/2009/09/11/more-questions-than-answers-on-carbon-trading-in-png/>.

22. *Sydney Morning Herald*, <http://www.smh.com.au/environment/australian-firm-linked-to-pngs-100m-carbon-trading-scandal-20090903-fa2y.html>.

23. REDD Monitor, "REDD Projects in Papua New Guinea 'Legally untenable,'" <http://www.redd-monitor.org/2010/09/14/redd-projects-in-papua-new-guinea-legally-untenable/>.

24. REDD Monitor, Just what REDD Needed. Carbon Offsets and another Abbreviation. Welcome R-20 <http://www.redd-monitor.org/2010/11/19/just-what-redd-needed-carbon-offsets-and-another-abbreviation-welcome-to-r20/#more-6500>

25. REDD Monitor (2011) Statement from Chiapas, Mexico: REDD project is a climate mask "to cover up the dispossession of the biodiversity of the peoples" <http://www.redd-monitor.org/2011/09/07/statement-from-chiapas-mexico-redd-project-is-a-climate-mask-to-cover-up-the-dispossession-of-the-biodiversity-of-the-peoples/>.

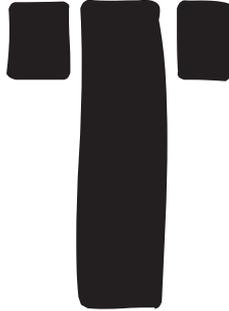
26. *Ibid.*

27. *Climate Connections* (2011), "Environmental, Indigenous Peoples and Human Rights Groups Reject International Offsets in California's Global Warming Solutions Act," <http://climate-connections.org/2011/08/23/environmental-indigenous-peoples-and-human-rights-groups-reject-international-offsets-in-californias-global-warming-solutions-act/>.

# THE LINK BETWEEN REDD & GENETICALLY ENGINEERED TREES

**ANNE PETERMANN**

*Global Justice Ecology Project*



THE RISING IMPORTANCE OF forests in the climate change debate has ironically been helping to advance the development of genetically engineered trees (GE—also called genetically modified or GMO trees), including through REDD. GE trees are increasingly being promoted for the production of supposedly carbon neutral energy, for carbon sequestration as well as for traditional uses like paper production and construction.

Trees are being specially engineered to produce everything from liquid fuels (agrofuels), to electricity to plastics and chemicals—all as a supposed part of the solution to climate change. Industry argues that fast growing, intensively planted GE tree plantations will protect forests by allowing for "more wood on less land."<sup>\*</sup>

The massive quantity of wood required to manufacture all of these wood-based products, however, would cause massive global deforestation. Such deforestation would be necessary both to supply the skyrocketing demand for wood, and to make room for the new GE tree plantations. Because of the difficulties in manufacturing agrofuels, chemicals and plastics from ordinary trees, eucalyptus

and poplars are being genetically engineered to facilitate this process.

The escape of GE tree seeds or pollen into the environment, however, would cause impacts that would ultimately worsen climate change. Low lignin GE trees, for example, store significantly less carbon both in the trees themselves and in the soil. Conversion of native forests to plantations releases carbon through the deforestation process and results in up to 75 per cent less carbon being stored on the land.

Because the UN's REDD scheme includes no mention of biodiversity, it can include industrial tree plantations. In addition, the UNFCCC decided in Milan in 2003 that GE trees could be used in carbon sink plantations, meaning that REDD can also include GE tree plantations.

At the heart of the issue is the UN's definition of forests, which is so vague that it includes monoculture tree plantations, even though such plantations do not provide habitat for biodiversity or livelihoods for forest-dependent peoples. Groups globally have been challenging this definition of forests, insisting that any definition of forests must be scientifically based and include social and ecological criteria.

The United States government recently approved the release of 260,000 genetically engineered cold tolerant eucalyptus trees in "field trials" across the Southern US. The fact that these eucalyptus trees have been genetically engineered to tolerate freezing temperatures poses a very dangerous threat, as it allows the development of eucalyptus plantations, with all of their devastating social

and ecological impacts, in regions of the world previously too cold for them to grow.

GE eucalyptus will exacerbate the existing problems with eucalyptus trees. These problems include wildfires, depletion of ground water, escape into native ecosystems and displacement of communities and biodiversity. Eucalyptus trees are notoriously heavy water users and they increase wildfire dangers, since the oil in eucalyptus trees is highly flammable. Eucalyptus firestorms in Australia in 2009 moved at 100 kilometres per hour and killed more than 200 people. The GE tree company ArborGen that is developing GE eucalyptus hopes to win approval to commercially release them in both the U.S. and Brazil. Once they are approved they could be exported worldwide.

The land grabbing and privatisation of forests under the REDD regime will be a disaster for the forests and for forest dependent and Indigenous Peoples around the world. The fact that REDD can include GE trees is one more reason why it should be rejected.

---

\* [www.arborgen.org](http://www.arborgen.org)

# IDENTIFYING VIOLATIONS OF INDIGENOUS PEOPLES' RIGHTS BY REDD-TYPE PROJECTS

*A Quick Reference Guide to Indigenous  
Peoples' Rights in UNDRIPs*

## INDIGENOUS ENVIRONMENTAL NETWORK

**B**

*"The promotion of REDD+ in Chiapas, which the government is doing without consulting us, is causing conflict between our peoples...By failing to consult us, our human rights are violated as well as international agreements such as the United Nations Declaration on the Rights of Indigenous Peoples."*

—Francisco Hernández Maldonado of the Tseltal People<sup>1</sup>

BY VIRTUE OF BEING INDIGENOUS AND PEOPLES, INDIGENOUS Peoples have specific collective and individual rights that non-indigenous communities do not enjoy. Indigenous Peoples' rights include the rights recognized and enshrined in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIPs)<sup>2</sup> and Convention 169 of the ILO.<sup>3</sup> The growing jurisprudence on Indigenous Peoples' rights of United Nations Treaty Bodies<sup>4</sup> is also important as well as that of regional human rights bodies such as the Organization of American States' Inter-American Commission on Human Rights and Inter-American Court of Human Rights, the African Commission on Human and Peoples' Rights, and various European Union human rights mechanisms. An increasing number of States have also incorporated the UN Declaration into their constitutions and systems of law.

Nonetheless, many States patently disregard Indigenous Peoples' rights. In addition, all too often journalists, project proponents, companies, governments, NGOs, consultants and even some United Nations documents and World Bank-projects still do not identify Indigenous Peoples as such, but merely refer to them as "populations," "communities," "stakeholders," "minorities," "villagers," "local residents," "small-scale farmers," "immigrants," "workers," "refugees," "victims," "neighbors," "women," "children" or "the poor." "Vulnerable group" is also a much-used favorite. Thus Indigenous Peoples are unwittingly or intentionally rendered invisible, their specific rights are not engaged and the existence or extent of rights violations ignored. This shortcoming is particularly evident in the case of emerging areas of violations of Indigenous Peoples' rights such as carbon trading, the Clean Development Mechanism and the forest carbon offset scheme known as REDD (Reducing Emissions from Deforestation and Degradation).

REDD is mostly being negotiated under the United Nations Framework Convention on Climate Change (UNFCCC). In the UNFCCC negotiations,

many States and the United States argue that the United Nations Declaration on the Rights of Indigenous Peoples is only an “aspirational” statement and not legally binding, ignoring UN Special Procedures reports and findings as well as international jurisprudence, which indicate that the rights of Indigenous Peoples as recognized in the UN Declaration are legally binding, including the right of Free, Prior and Informed Consent. Unfortunately, these same States and others ignore legally binding international jurisprudence even when it is applied directly to them.

Furthermore, in the UNFCCC negotiations, some States try to avoid their human rights obligations by refusing to even recognize Indigenous Peoples within the State. Others recognize Indigenous Peoples only partially, recognizing some and not recognizing others. One State is in the process of deleting all references to Indigenous Peoples from its constitution and law, and now declares that there are no Indigenous Peoples in that State. But States do not create Indigenous Peoples nor can they erase them. Rights apply and must be recognized, protected and implemented regardless of whether States formally recognize the existence of Indigenous Peoples or not, especially in the case of REDD-type projects which violate Indigenous Peoples’ rights.

In its first statement to the United Nations on REDD, the International Forum of Indigenous Peoples on Climate Change, the indigenous caucus to the United Nations Framework Convention on Climate Change, warned that:

*“REDD will not benefit Indigenous Peoples, but, in fact, it will result in more violations of Indigenous Peoples’ Rights. It will increase the violation of our Human Rights, our rights to our lands, territories and resources, steal our land, cause forced evictions, prevent access and threaten indigenous agriculture practices, destroy biodiversity and culture diversity and cause social conflicts. Under REDD, States and Carbon Traders will take more control over our forests.*

*The United Nations Declaration on the Rights of Indigenous Peoples...consecrates fundamental rights of Indigenous Peoples which are relevant to the REDD discussions especially Articles 10 [Right to Not be Forcibly Removed], Article 26 [Right to Land, Territory and Resources], Article 27 [Right to Land Tenure Recognition], Article 28 [Right to Redress, Restitution and Compensation], Article 29 [Right to Conservation and Protection of the Environment], Article 30 [Military Activities will not take place in lands or territories] and Article 32 [Right to Determine Priorities and Strategies for Development; Right to Free, Prior and Informed Consent before the approval of any project affecting land, territory and resources].”<sup>55</sup>*

In addition, other Indigenous Peoples’ rights which may be violated by REDD or REDD-type projects include: Article 18—Right to Participate in Decision Making, Article 20—Right to Own Means of Subsistence and Development, Article 2—Right to be Free of Discrimination, Article 12—Right to Spiritual Traditions and Sacred Sites, Article 24—Right to Traditional Medicines, Article 25—Right to Spiritual Relationship with Land, Territory and Resources, Article 4—Right to Autonomy and Self-Government and, of course, the crosscutting Article 3—Right to

### Self-Determination.

Some of the additional rights violated in the case of REDD-type projects in or near the lands and territories of Indigenous Peoples in Voluntary Isolation or highly vulnerable Indigenous Peoples include Article 7—Right to Life and Liberty, Article 8—Right to Not be subjected to Forced Assimilation or Cultural Destruction; Right to Not be Deprived of Integrity as People or Land, Territory or Resources; all of the provisions of the UN Draft Guidelines for the Protection of Indigenous Peoples in Voluntary Isolation<sup>6</sup> as well as Article 2(c) on “Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part;” of the Convention for the Prevention of Genocide.<sup>7</sup>

Mustering the commitment to fully research and report when Indigenous Peoples are affected by these carbon offset mechanisms is crucial. This quick reference guide is intended to provide a lens to combat the invisibility and cloaking of violations of Indigenous Peoples’ rights caused by REDD-type projects, to ensure that the full spectrum of those violations are identified and that the corresponding instruments, standards and remedies are applied.

Guidelines: [http://www2.ohchr.org/english/issues/indigenous/ExpertMechanism/2nd/docs/A\\_HRC\\_EM RIP\\_2009\\_6.pdf](http://www2.ohchr.org/english/issues/indigenous/ExpertMechanism/2nd/docs/A_HRC_EM RIP_2009_6.pdf) .

Convention for the Prevention of Genocide: <http://www.hrweb.org/legal/genocide.html>.

### Notes:

1. Francisco Hernández Maldonado, an indigenous Tzeltal Representative (Comisariado Eñidal) of the Community Amador Hernández in the Lacandon Jungle of Chiapas, Mexico, submission to the California Air Resources Board, <http://climate-connections.org/2011/08/23/environmental-indigenous-peoples-and-human-rights-groups-reject>.

2. <http://www.un.org/esa/socdev/unpfi/en/drip.html>.

3. <http://www.ilo.org/indigenous/Conventions/no169/lang--en/index.htm>.

4. For example, the International Covenant on Civil and Political Rights, <http://www2.ohchr.org/english/law/ccpr.htm>, and the International Covenant on Economic, Social, and Cultural Rights, <http://www2.ohchr.org/english/law/cescr.htm>. Clearly, the International Convention on the Elimination of all forms of Racial Discrimination (CERD), <http://www2.ohchr.org/english/law/cerd.htm>; the Convention on the Elimination of all forms of Discrimination against Women (CEDAW), <http://www.un.org/womenwatch/daw/cedaw/text/econvention.htm>; and the Convention on the Rights of the Child, <http://www2.ohchr.org/english/law/crc.htm>, are all also relevant.

5. International Forum of Indigenous Peoples on Climate Change, UNFCCC, COP13, December 2007, Bali, Indonesia, SBSTA 27, agenda item 5/REDD, International Alliance of Indigenous and Tribal Peoples on the Tropical Forests, <http://www.international-alliance.org/documents/IFIPCC%20Statement%20on%20REDD.doc>.

6. [http://www2.ohchr.org/english/issues/indigenous/ExpertMechanism/2nd/docs/A\\_HRC\\_EM RIP\\_2009\\_6.pdf](http://www2.ohchr.org/english/issues/indigenous/ExpertMechanism/2nd/docs/A_HRC_EM RIP_2009_6.pdf).

7. <http://www.hrweb.org/legal/genocide.html>.

# QUICK GUIDE

## INDIGENOUS PEOPLES' RIGHTS IN THE UNITED NATIONS DECLARATION ON THE RIGHTS OF INDIGENOUS PEOPLES

---

- Article 1: Right to All Rights
- Article 2: Right to be Free of Discrimination
- Article 3: Right to Self-Determination
- Article 4: Right to Autonomy and Self-Government
- Article 5: Right to Own Institutions
- Article 6: Right to Nationality
- Article 7: Right to Life and Liberty
- Article 8: Right to Not be subjected to Forced Assimilation or Cultural Destruction; Right to Not be Deprived of Integrity as People or Land, Territory or Resources
- Article 9: Right to Belong to Community or Nation
- Article 10: Right to Not be Forcibly Removed
- Article 11: Right to Cultural Traditions and Archeological Sites
- Article 12: Right to Spiritual Traditions and Sacred Sites
- Article 13: Right to History and Language
- Article 14: Right to Own Education Systems
- Article 15: Right to have Culture and History reflected in Education Systems
- Article 16: Right to Own Media
- Article 17: Rights of Indigenous Workers
- Article 18: Right to Participate in Decision-Making
- Article 19: Right to Free, Prior, Informed Consent on Laws
- Article 20: Right to Own Means of Subsistence and Development
- Article 21: Right to Improve Economic and Social Conditions
- Article 22: Rights of Indigenous Persons with Disabilities
- Article 23: Right to Development
- Article 24: Right to Traditional Medicines
- Article 25: Right to Spiritual Relationship with Land, Territory and Resources

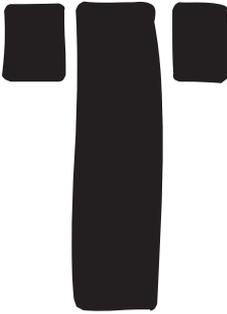
## SECTION ONE

- Article 26: Right to Land, Territory and Resources**  
**Article 27: Right to Land Tenure Recognition**  
Article 28: Right to Redress, Restitution and Compensation  
**Article 29: Right to Conservation and Protection of the Environment**  
**Article 30: Military Activities will not take place in lands or territories**  
Article 31: Right to Cultural Heritage, Traditional Knowledge, Human and Genetic Resources, and Intellectual Property  
**Article 32: Right to Development and to determine priorities and strategies for development; Right to Free, Prior and Informed Consent before the approval of any project affecting land, territory and resources**  
Article 33: Right to Identity and Membership  
Article 34: Right to Institutional Structures  
Article 35: Right to Determine Responsibilities of Individuals to Community  
Article 36: Right to Cross Borders (for transboundary peoples)  
Article 37: Rights to Treaties  
Article 38: Appropriate Measures to Achieve this Declaration  
Article 39: Assistance for the Enjoyment of Rights  
Article 40: Effective Remedies  
Article 41: UN to contribute to full realization of Declaration  
Article 42: UN and Permanent Forum to promote full application  
Article 43: Declaration as Minimum Standard  
Article 44: Rights equally granted to males and females  
Article 45: Declaration does not diminish or extinguish present or future rights  
Article 46: Territorial Integrity of States and limitations



# FUNDS AND PHASES

*Prep Cooks, Midwives and Assembly Plants for  
Carbon Market REDD*



## INDIGENOUS ENVIRONMENTAL NETWORK

---

THE MUCH HYPED “FUND-BASED APPROACHES,” BE THEY “public”, “hybrid” or “market-linked” or otherwise dubbed, are not a bonanza of benefits nor alternatives to carbon market REDD. Instead, funds are slated to serve as phase one or phase two subsidies for “reaching” and birthing<sup>1</sup> REDD projects for carbon markets. International aid,<sup>2</sup> foundation<sup>3</sup> and big “conservation” NGO<sup>4</sup> monies, “green” taxes, investments from polluting corporations eager for cheap greenwash<sup>5</sup> and venture capital from carbon speculators<sup>6</sup> will all chip in to line the coffers of a variety of such funds for getting REDD up and running and “ready” to be profitable in the nascent REDD carbon markets.

Carbon market enthusiasts are quick to lament the funding gap for REDD’s birth. “We are probably three, four or five years away in terms of having a really significant liquid private sector market so the issue is how do we fund it at the moment.”<sup>7</sup> “There is direct funding from governments such as Norway or through the World Bank, but the key issue is how much do we rely on public sector financing or on private sector financing,” said Martijn Wilder, head of Baker & McKenzie’s global climate change and emissions trading practice.<sup>8</sup>

By its own omission, the purpose of the World Bank Carbon Forest Partnership Facility is to “jump start a forest carbon market.”<sup>9</sup> But there are also signs that international aid agencies may be significantly restructuring to focus primarily on REDD.<sup>10</sup> Despite developing countries’ clamor for “fresh money”<sup>11</sup> for REDD, i.e. in addition to current aid,<sup>12</sup> it is increasingly clear that REDD money could substitute donor country support for social programs. Already crucial Australian international aid for poverty relief has been axed and replaced with seed money for carbon forestry projects in Indonesia.<sup>13</sup> While Australia hurriedly passes legislation to offset 100% of its emissions reductions,<sup>14</sup> both Australian and Indonesian civil society have lost no time in resoundingly condemning the human rights abuses and environmental destruction of Australia’s foray into REDD.<sup>15</sup>

As for Norway, it seems to have donned a REDD Santa costume, flying around the world in a carbon offsetted contraption to deliver huge financial gifts<sup>16</sup> for REDD start ups (i.e. multimillion dollar donations to UN-REDD,<sup>17</sup> the Amazon Fund,<sup>18</sup> Indonesia<sup>19</sup> and the Interim REDD+ Partnership<sup>20</sup>).

However, despite its apparently saintly interest in forests, Norway does not seem to mind the flagrant conflict of interest of the manager of the Amazon Fund, the Brazilian Development Bank,<sup>21</sup> which naughtily funds massive deforestation of precisely the world's largest rainforest the fund purports to protect.<sup>22</sup> Furthermore, that Norway has wasted no time in calculating that the Amazon conveniently "offsets" ten times Norway's yearly emissions only further fuels speculation that, despite assurances to the contrary, that the Amazon Fund will soon transition to the carbon market.<sup>23</sup> But regardless of the Amazon Fund's ultimate framework, Norway's much trumpeted initial donation has already served as greenwash for Norway's state oil company Statoil partnership with Petrobras<sup>24</sup> to aggressively expand agrofuels, an infamous driver of deforestation, and plunder Brazil's vast offshore oil reserves which risks devastating the biodiversity and livelihoods of communities of Brazil's stunning coast.

The advent of Gourmet REDD points to a very special role that foundations could play as REDD prep cooks and midwives. Gourmet REDD pretend to compensate for environmental destruction by combining REDD carbon credits with Payment for Environmental Services provided by water, biodiversity, wetlands, Indigenous Peoples' traditional knowledge systems, culture and even survival. Over the years, foundations and NGOs have accumulated an impressive command of the intricate workings of grass roots communities and organizations. Now these

relationships and intelligence could be harnessed for assembling "socially adept,"<sup>25</sup> "cute and cuddly," "charismatic carbon" and the elite, "gourmet niche of REDD."<sup>26</sup> Major funders like the Ford Foundation are now turning to REDD as the new frontier in philanthropy.<sup>27</sup>

Meanwhile, back at the UN, the superpowers are bickering about whether they want two or three phases for REDD.<sup>28</sup> Some want to cut to the chase and prep and package REDD projects in the first phase and quickly get down to selling it in the second phase, while others, like the EU and the World Bank,<sup>29</sup> prefer more REDD foreplay and as many as three phases. But regardless of the numbers or the names, the end result will be the same. As the *New York Times* bluntly noted, the ultimate purpose of REDD is to generate "carbon credits that can then be sold for cash on the global carbon market,"<sup>30</sup> and REDD could end up being "a cash cow for forest destroyers."

As we well know, the Copenhagen climate summit produced no legally binding emissions reduction targets. Instead, the divisive Copenhagen Accord hails "the immediate establishment of a mechanism including REDD-plus" and proposes funding REDD by a variety of ambiguous "approaches" including the carbon market.<sup>31</sup> Some UN delegates and analysts foresee that REDD funding will not be a nifty gift without strings but ultimately negotiated as loans<sup>32</sup> that will simply increase spiraling foreign debt and economic neo-colonialism. Debt-for-nature swaps are also a potential

REDD financial mechanism but a country has to fork over forests to get in on the action.<sup>33</sup>

REDD funds are a motley crew of prep cooks, midwives and assembly plants<sup>34</sup> that go by many names but are united in the intent to hijack the world's forests and promote plantations to generate carbon credits and profits. Those who strive to actually protect forests and supports Indigenous Peoples' rights, well-being and survival must reject REDD outright and discard "fund-based approaches" and other thinly veiled carbon market-promoting euphemisms or lend themselves to greenwashing carbon market REDD.

Real alternatives to carbon market REDD cannot simply re-spin REDD. It is not enough to add a clever adjective, purport to be "fund-based," get certified or pretend to not ultimately rely on the carbon market and the privatization and commodification of trees, forests and air. Fortunately, real alternatives to REDD already exist and include collectively demarcating and titling Indigenous Peoples' territories and land where most of the world's forest are found, which has been proven to be one of the most effective measures for reducing deforestation; implementing the United Nations Declaration on the Rights of Indigenous Peoples and other relevant international instruments; slashing demand for beef, pulp, lumber, palm oil and agrofuels; drastically reducing monoculture plantations and logging concessions, declaring a moratorium on new fossil fuel and mining extraction and dam construction on or near indigenous land as

well as addressing the underlying causes of deforestation. In the event that a new buzz word is absolutely imperative to refute REDD then Indigenous Peoples' Permanent Sovereignty over Natural Resources and Forests<sup>35</sup> based on respect for the Sacred and the non-commodification of life has a nice ring to it.

#### Notes:

1. Or "incubating" as the case may be. See Katoomba's "Incubator," <http://www.katoombagroup.org/~katoomba/documents/publications/IncubatorENGLISH.pdf>.

2. According to the Head of the World Bank forest Carbon Partnership Facility: "On the financing side, then, you can, we can list a number of sources. For readiness there's the FCPF Readiness Fund, there's the UN-REDD programme, we have colleagues from UNDP here, the Congo Basin Forest Fund can participate, the Global Environment Facility, and of course a whole series of sources from Official Development Assistance." <http://www.huntingtonnews.net/columns/090521-lang-columnsworld-bankredd.html>.

3. For example, the Gordon and Betty Moore Foundation, <http://www.moore.org/search.aspx>.

4. The Nature Conservancy: forest offsets more important than emissions reduction targets, <http://www.redd-monitor.org/2009/06/05/the-nature-conservancy-forest-offsets-more-important-than-emissions-reduction-targets/>. Conservation International: "Controversial Deal between US-based NGOs and Polluting Industries Slammed," <http://www.redd-monitor.org/2009/05/28/controversial-deal-between-us-based-conservation-ngos-and-polluting-industry-slammed/>.

5. For example, BP, Amoco, and AEP alliance with The Nature Conservancy for the world's largest REDD project. See Indigenous Environmental Network, *No REDD Booklet*, p.7, <http://www.ienearth.org/REDD/redd.pdf>. Chevron and General Motors: <http://motherjones.com/environment/2009/11/gms-money-trees>.

6. Nobelist Krugman on the fear of carbon markets and speculation, <http://www.grist.org/.../nobelist-krugman-fear-of-carbon-markets-and-speculation-is-99-wrong-and-bad/>.

7. Martijn Wilder of the Baker and MacKenzie lawfirm in a forum of REDD project developers and policy-makers in Jakarta, "Indonesia Needs To Refine Forest-CO2 Rules: Lawyers," <http://www.planetark.com/enviro-news/item/54556>.

8. Ibid.

9. World Bank, <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:21581819~pagePK:64257043~iPK:437376~theSitePK:4607,00.html>.

10. "The Australian government is misusing aid money and its bilateral relationship to set up cheap forest offset schemes in Indonesia, according to a report released today by AidWatch, Friends of the Earth Australia and Friends of the Earth Indonesia." "The Australian government makes it quite clear that the use of aid to promote REDD is entirely self-interested. It is predicted that offsets for reduced deforestation will be much cheaper than those currently available under the United Nations Clean Development Mechanism. This is a flagrant misuse of aid money for cut-price Australian offsets," said James Goodman of AidWatch, in "Aid monitoring NGO slams 200m in Australian 'aid' for offsets schemes," <http://www.sydney.foe.org.au/news/cprs-bad-indonesia-well-australia-groups-warn>.

11. "The REDD Initiative: EU Funds and Phases" prepared by the Swedish EU Presidency for the Interparliamentary Conference, September 2009, [http://the\\_redd\\_initiative-EU-Funds and Phases.pdf](http://the_redd_initiative-EU-Funds and Phases.pdf)

12. An new kind of "additionality" challenge?

13. AidWatch: "The Australian government is misusing aid money and its bilateral relationship to set up cheap forest offset schemes in Indonesia," in "Aid monitoring NGO slams 200m in Australian 'aid' for offsets schemes," <http://www.sydney.foe.org.au/news/cprs-bad-indonesia-well-australia-groups-warn>.

14. "What A Scam: Australia's offsets for Copenhagen," details Australia's strategic approach to offshoring its emissions—unlimited access to international offsets for companies covered by the Carbon Pollution Reduction Scheme, and a push in the international climate negotiations for United Nations mandated offsets. <http://tiny.cc/8XIOI>.

15. "The Indonesian government passed their REDD regulation in the face of UN concern that these laws fail to recognize indigenous rights. Unless indigenous rights are protected, millions of Indonesians are at risk of being excluded from the forest resources that provide them with a sustainable subsistence livelihood," said Teguh Surya of Friends of the Earth Indonesia . . . 'Australia must pay its carbon debt and make emissions cuts here, not export emissions cuts to developing countries like Indonesia,' said Ellen Roberts of Friends of the Earth Australia." <http://www.sydney.foe.org.au/news/cprs-bad-indonesia-well-australia-groups-warn>; Wrong Path: Pathetic eco-Business WAHLI, <http://www.redd-moniotr.org/wordpress/wp-content/uploads/2009/07/WAHLI-REDD.pdf>.

16. Norway is the lead donor to both UN-REDD and the Amazon Fund. The Norwegian aid agency NORAD is also actively promoting grass roots work that may serve as the foundations for Gourmet "socially adept" REDD. The Prime Minister of Norway launches UN-REDD with the UN Secretary General: <http://www.un-redd.org/UNREDDProgramme/tabid/583/language/en-US/Default.aspx>.

17. "UN Admits Climate Change program Threatens Indigenous Peoples," <http://www.huntingtonnews.net/political/080929-staff-politicalclimatechange.html>.

18. Amazon Fund: <http://www.amazon-fund.gov.br/>.

19. Corruption allegations cloud the Indonesia-Norway billion dollar deal, <http://www.redd-monitor.org/2010/09/21/corruption-allegations-cloud-the-indonesia-norway-billion-dollar-deal/>.

20. Multilateral Interim REDD+ Partnership Established in Oslo, <http://www.forestcarbonportal.com/resource/interim-redd-partnership-established-oslo>.

21. Brazilian Development Bank is the manager of the Amazon Fund, [http://inter.bndes.gov.br/English/news/not1919\\_08.asp](http://inter.bndes.gov.br/English/news/not1919_08.asp).

22. "Slaughtering the Amazon," Greenpeace Report. <http://www.greenpeace.org/usa/press-center/reports4/slaughtering-the-amazon>.

23. Brazil accepts REDD: "Brazil to Propose 10% Forest-Credit Cap in Copenhagen," <http://www.bloomberg.com/apps/news?pid=20601086&sid=a5jThoDmk6tk>.

24. *Scandinavian Oil and Gas Magazine*, "Energy giants Petrobras, Statoil sign duo pact," [http://www.scandoil.com/moxie-bm2/alternative\\_energy/biofuels/energy-giants-petrobras-statoil-sign-duo-pact.shtml](http://www.scandoil.com/moxie-bm2/alternative_energy/biofuels/energy-giants-petrobras-statoil-sign-duo-pact.shtml).

25. Katoomba Group's "socially adept" REDD posterchildren, <http://www.katoombagroup.org/~katoomba/documents/publications/IncubatorENGLISH.pdf>.

26. "Gourmet REDD," in Indigenous Environmental Network, *No REDD Booklet*, p.7, <http://www.ienearth.org/REDD/redd.pdf>.

27. The Climate and Land Use Alliance is a multi-foundation collaborative focused on REDD. "The Climate and Land Use Alliance (CLUA) is a philanthropic collaborative whose member foundations (the ClimateWorks Foundation, the Ford Foundation, the Gordon and Betty Moore Foundation, and the David and Lucile Packard Foundation) have joined forces to address one of the most challenging and critical aspects of climate change mitigation: reducing greenhouse gas emissions caused by deforestation and other land use changes, otherwise known as REDD." <http://www.sustainablebusiness.com/index.cfm/go/greendreamjobs.display/id/3050549>.

28. "The REDD Initiative: EU Funds and Phases" prepared by the Swedish EU Presidency for the Interparliamentary Conference, September 2009, [http://the\\_redd\\_initiative-EU-Funds and Phases.pdf](http://the_redd_initiative-EU-Funds and Phases.pdf). In addition to its summary of the EU proposal on REDD funds and phases, it also notes that "A system, where the value of a forest increases, can create problems for indigenous populations (sic) since in many places the issue of ownership

is unclear. When states and companies see growing opportunities of making money from standing forests it can lead to increased pressure on the traditional living spaces of indigenous populations. A problem with the recently acquired economic value of forests is that social and ecological values are lost." Other poignant observations include REDD "could become a cheap alternative to reducing domestic emissions caused by for example burning fossil fuels. There is concern in developing countries that they could lose their sovereignty when other parties have strong views as to how to minimize deforestation."

29. "How the World Bank explains REDD to Indigenous Peoples," <http://www.huntingtonnews.net/columns/090521-lang-columnsworldbankredd.html>

30. Disney Invests In Saving Forests, <http://greeninc.blogs.nytimes.com/2009/11/03/disney-invests-4-million-to-save-forests/?scp=4&sq=REDD&st=cse>.

31. What came out of Copenhagen on REDD, <http://www.redd-monitor.org/2009/12/22/what-came-out-of-copenhagen-on-redd/>.

32. The role of grants versus loans in development cooperation—lessons for climate finance and REDD+, <http://redd-net.org/resource-library/the-role-of-grants-versus-loans-in-development-cooperation-lessons-for-climate-finance-and-redd+>.

33. "U.S. signs debt-for-nature swap with Brazil to protect forests," [http://news.mongabay.com/2010/0813-dfnus\\_us\\_brazil.html](http://news.mongabay.com/2010/0813-dfnus_us_brazil.html).

34. For example, see the Katoomba Group's funders and partners, <http://www.katoombagroup.org/>.

35. See UN Sub-Commission on the Promotion and Protection of Human Rights, Indigenous peoples' permanent sovereignty over natural resources: Working paper by Erica-Irene A. Daeß, former Chairperson-Rapporteur of the Working Group on Indigenous Populations, 30 July 2002, E/CN.4/Sub.2/2002/23, <http://www.unhcr.org/refworld/docid/3d5a2ce3e.html>.



Illustration: Molly Fair

Voices from the No REDD Frontlines

# SECTION THREE





## INTERNATIONAL FORUM OF INDIGENOUS PEOPLES ON CLIMATE CHANGE

---

IN ITS FIRST STATEMENT TO THE UNITED NATIONS ON REDD, THE International Forum of Indigenous Peoples on Climate Change, the indigenous caucus to the United Nations Framework Convention on Climate Change, warned that:

*“REDD will not benefit Indigenous Peoples, but, in fact, it will result in more violations of Indigenous Peoples’ Rights. It will increase the violation of our Human Rights, our rights to our lands, territories and resources, steal our land, cause forced evictions, prevent access and threaten indigenous agriculture practices, destroy biodiversity and culture diversity and cause social conflicts. Under REDD, States and Carbon Traders will take more control over our forests.”*

---

International Forum of Indigenous Peoples on Climate Change, UNFCCC, COP13, December 2007, Bali, Indonesia, SBSTA 27, agenda item 5/REDD, International Alliance of Indigenous and Tribal Peoples on the Tropical Forests, <http://www.internationalalliance.org/documents/IFIPCC%20Statement%20on%20REDD.doc>.

# SLAVING ON THE PLANTATION?

*Batwa Pygmy People, the World Bank and the Ibi-Batéké Carbon Sink Plantation in the Democratic Republic of Congo*

---

REDD

MONITORING REQUIRES CHEAP LABOR. ACCORDING TO a European ministry roadmap, “working with local communities could reduce the costs of monitoring” REDD.<sup>1</sup>

In fact, there seems to be a consensus that “community involvement is the most cost-efficient mechanism to collect large volumes of such data” and that it is “two to three times” cheaper to hire natives than “professionals” or than using “remote sensing.”<sup>2</sup> Time to get out your carbon rulers! Just imagine. You can have a very low paying job measuring captured CO<sub>2</sub> on the GMO tree plantation that was created where your rainforest use to flourish before it was clearcut and you were forcibly evicted for a REDD project.

The carbon markets’ exploitation of Indigenous Peoples was not unanticipated. In 2000, in its first plenary statement to the UNFCCC, the International Indigenous Peoples’ Forum on Climate Change predicted that carbon offset projects would turn Indigenous Peoples into “slaves of the carbon trade.”<sup>3</sup> *The DRC Case Study: The Impacts of the “Carbon Sinks of Ibi-Batéké” Project on the Indigenous Pygmies of the Democratic Republic of the Congo*, published by the International Alliance of Indigenous and Tribal Peoples of the Tropical Forests, documents how Batwa Pygmies suffer “servitude”<sup>4</sup> on the World Bank Ibi-Batéké Carbon Sink Plantation.<sup>5</sup> An employee of the project says “this must not be understood...as if it were slavery.”<sup>6</sup> This touted REDD-type forest carbon plantation for fuel wood and charcoal is the DRC’s first Clean Development Project and claims to contribute to sustainable development and climate change mitigation.<sup>7</sup>

However, Pygmy leaders have repeatedly denounced the World Bank for funding deforestation of their ancestral forests which not only releases emissions but also violates their rights, leads to the destruction of their livelihood and causes social conflict.<sup>8</sup> Furthermore, according to a study published by the United Nations University,<sup>9</sup> “Indigenous Peoples’ rights, experiences, and cultural and spiritual traditions are being ignored. Nothing to ensure the Pygmy’s preliminary consent, which was mandated within the framework of the project, has been done since consultation began.”

Notes:

1. Bas Clabbers of the Ministry of Agriculture, Nature and Food Quality of the

Netherlands, “Roadmap for safeguarding indigenous rights in EU REDD policy and proposals”, May 2009, <http://www.globalforestcoalition.org/img/userpics/File/presentations/Road-Map-EU-REDD.pdf>.

2. International Institute for Geo-information Science and Earth Observation (ITC), Submission to SBSTA 29, item 5: “Reducing emissions from deforestation in developing countries: approaches to stimulate action”, paragraph 11 (Document FCCC/SBSTA/2008/L.23). “Forest biomass assessment in support of REDD by indigenous people and local communities,” [http://www.recoftc.org/site/fileadmin/docs/Themes/Climate\\_change/ITC\\_Submission\\_REDD\\_Para\\_11\\_SBSTA-29.pdf](http://www.recoftc.org/site/fileadmin/docs/Themes/Climate_change/ITC_Submission_REDD_Para_11_SBSTA-29.pdf). See also, UN-REDD: “REDD Monitoring and Verification Roadmap to UNFCCC,” [http://www.communitycarbonforestry.org](http://74.125.47.132/search?q=cache:sbG5KP6typQJ:www.un-redd.org/LinkClick.aspx%3F-fileticket%3Dp1jgIhdzEgQ%253D%26tabid%3D587%26language%3Den-US+REDD+cost-effective+monitoring+and+verification+community+involvement&hl=en&ie=UTF-8.RECOFTC, “Community-based forest management: a key element of effective REDD methodologies,” <a href=).

3. International Indigenous Peoples’ Forum on Climate Change, Declaration of Lyon, First plenary intervention to the UNFCCC, Lyon, France, Sept.15, 2000.

4. International Alliance of Indigenous and Tribal Peoples of the Tropical Forests (2007), “Indigenous Peoples and Climate Change: Vulnerabilities, Adaptation, and Responses to Mechanisms of the Kyoto Protocol.” Makelo, S., *The DRC Case Study: The Impacts of the “Carbon Sinks of Ibi-Batéké” Project on the Indigenous Pygmies of the Democratic Republic of the Congo*, p.45-74, especially 62-64, <http://www.international-alliance.org/documents/Climate%20Change%20-%20DRC.pdf>. The human rights violations against Pygmies are acute throughout the country. See “Pygmies beg UN for aid to save them from Congo cannibals,” <http://www.timesonline.co.uk/tol/news/world/article1135111.ece>.

5. World Bank, “DRC Ibi Bateke Carbon Sink Plantation,” <http://wbcarbonfinance.org/Router.cfm?Page=Projport&ProjID=43647>. World Bank documents claim no Indigenous Peoples affected on pages 4 and 8, [http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2009/06/04/000333037\\_20090604015605/Original/487470ISDS0rev1i0Bateke0Box338924B0.doc](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2009/06/04/000333037_20090604015605/Original/487470ISDS0rev1i0Bateke0Box338924B0.doc). Four million dollar investment from World Bank Carbon Finance, <http://web.worldbank.org/external/projects/main?Projectid=P096414&Type=Financial&theSitePK=40941&pagePK=64330670&menuPK=64282135&piPK=64302772>. Forest Carbon Inventory Project, [http://www.forestcarbonportal.com/inventory\\_project.php?item=294](http://www.forestcarbonportal.com/inventory_project.php?item=294).

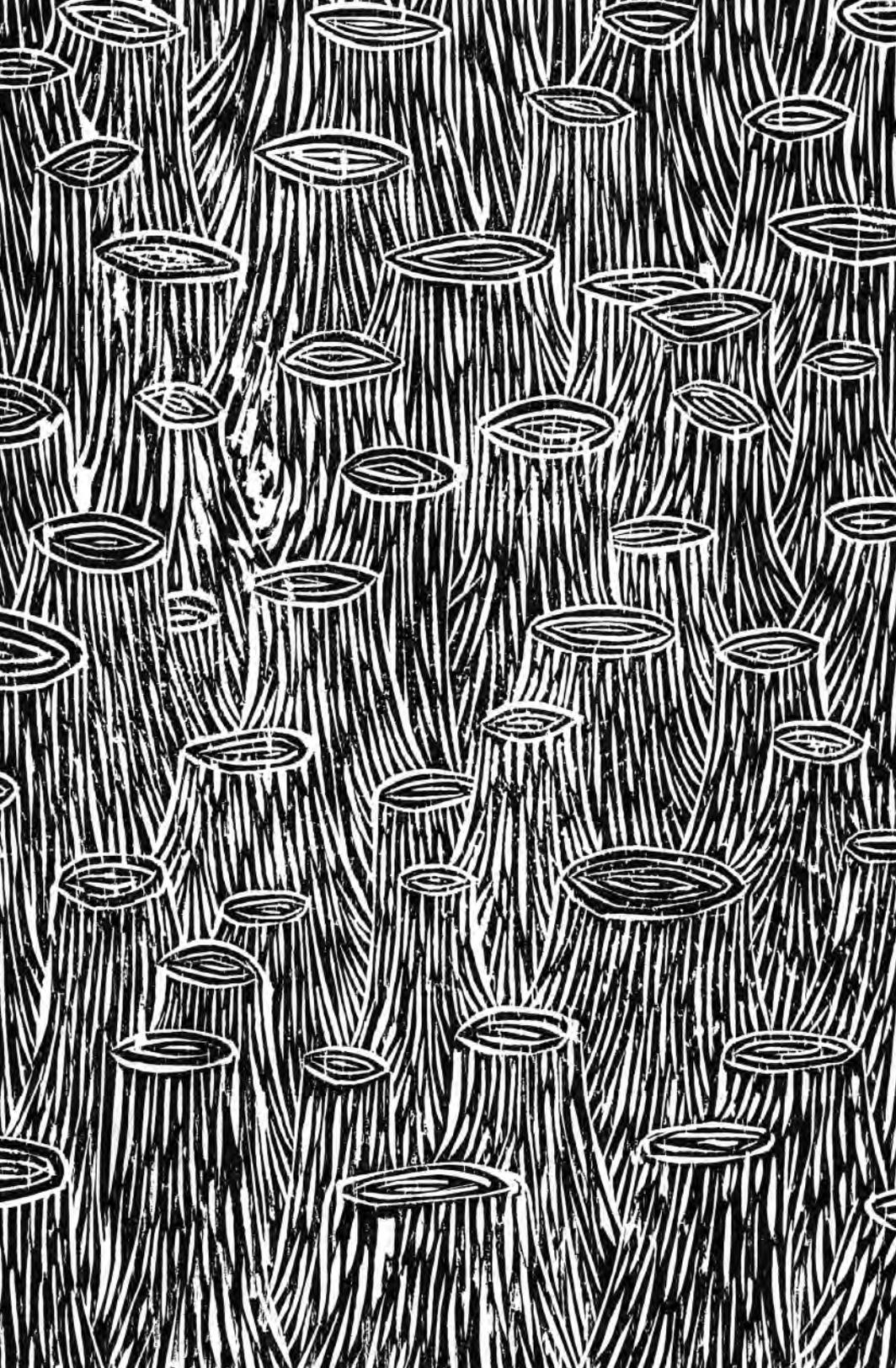
6. Makelo, S., Ibid, p. 64.

7. Reuters: “World Bank to buy carbon credit from Congo Project,” <http://www.reuters.com/article/environmentNews/idUSTRE57409I20090805>.

8. World Bank Inspection Panel —Request for Inspection from Pygmy Organization for harm caused by World Bank funding to forestry sector in DRC, [http://www.rainforestfoundationuk.org/files/Congo\\_CDR\\_NoR.pdf](http://www.rainforestfoundationuk.org/files/Congo_CDR_NoR.pdf).

9. McLean, Kristy Galloway, “Advance Guard, Climate Change Impacts, Adaptation, Mitigation and Indigenous Peoples,” p. 45, [http://www.unutki.org/downloads/File/Publications/UNU\\_Advance\\_Guard\\_Compndium\\_2010\\_final\\_web.pdf](http://www.unutki.org/downloads/File/Publications/UNU_Advance_Guard_Compndium_2010_final_web.pdf).





# DO TREES GROW ON MONEY?

*A UN-Backed Plan to Address Climate Change by Slowing Deforestation Sounds Like a Good Idea. Unless You Live in the Forest*

**JEFF CONANT**

*Global Justice Ecology Project*

---

**I**N MAYAN COSMOLOGY, THE CEIBA TREE, WITH ITS ELEPHANTINE, silver-grey trunk that towers above the jungle, is the tree of life, shoring up the corners of the sky and sending its roots deep into the underworld. In the centuries following the conquest of the New World, Mayans by the thousands were forced to work in monterias, or timber camps, and the ancestral role of the ceiba as a bridge between the world above and the world below gave way to the board-feet of timber the trees surrendered when felled. The ensuing rush for sugar, for rubber, for minerals, and for cattle left the jungles of Mesoamerica reduced to a fraction of their original area and devastated the peoples who once thrived there.

Today, another vision is shaping the jungles of southern Mexico: The idea that protecting forests is central to the struggle against global warming. Tropical deforestation and forest degradation contribute between 12 and 20 percent of global greenhouse gas emissions, as some 13 million hectares of forest are lost annually. The Lacandon Jungle on the border of Chiapas and Guatemala is a case in point: Only about 10 percent of the jungle remains intact. Saving forested areas like the Lacandon is key to reducing the impacts of runaway climate change.

Past efforts to reduce deforestation, like setting up protected areas or promoting sustainable land-use practices, have had limited success. That's because the drivers of deforestation—agriculture, mining, fossil fuel extraction, paper demand—offer rich financial rewards. But what if forests were more valuable left standing than cut down?

A new policy mechanism is being developed to do just that. Dubbed REDD, for Reducing Emissions from Deforestation and Degradation, the mechanism (along with a list of spin-offs such as REDD+ and REDD++) is backed by major multilateral institutions such as the United Nations and the World Bank. Support for REDD spans the spectrum of green groups, from market-minded conservation NGOs like Environmental Defense and Conservation International to more capital-skeptic outfits like Greenpeace.

At a high-level event during COP16, the UN climate summit last year in Cancún, Mexico, pilot REDD projects were hailed by heads of state and a gamut of global figures including primatologist Jane Goodall, Walmart CEO Sam Walton, and billionaire philanthropist George Soros. The World Bank's

Robert Zoellick called REDD “the best chance, perhaps the last chance, to save the world’s forests.” Zoellick admitted that the policy still has some kinks, but closed his remarks to great applause with one of the mantras of the summit: “Let’s not make the perfect the enemy of the good.”

After the applause died down, Linda Adams, the head of California EPA, took the stage and announced that, as one of his last acts in office, Governor Arnold Schwarzenegger had signed a carbon trading agreement, predicated on a REDD scheme, with the state of Chiapas. Adams called the plan “a way for California to help the developing world by investing in forests.”

“Saving our forests is good not only for the atmosphere,” she said. “It’s also good for Indigenous Peoples.” Chiapas Governor Juan Sabines, on hand to promote his state’s comprehensive Climate Change Action Program, nodded in vigorous agreement.

But as official delegates applauded REDD in Cancún’s plenary halls, grassroots activists in the streets were staging protests against the policy. Benign as it may appear, what outsiders see as forest protection many locals see as the potential loss of their homes. REDD is fiercely contested by many human rights advocates and Indigenous Peoples’ organizations, who see in it the continuation of colonial resource extraction at best, and at worst perhaps the largest land grab in history.

Tom Goldtooth, Director of the North America-based Indigenous Environmental Network (IEN), has called REDD “a violation of the

sacred, and the commodification of life.” Goldtooth warns that the policy won’t actually reduce emissions, that it is already violating communities’ rights, and that it relies too much on the market. IEN, along with the Global Forest Coalition, World Rainforest Movement, Friends of the Earth International, and La Via Campesina, the world’s largest federation of peasant farmers, came away from Cancún charging that the UN, in promoting REDD, had become “the World Trade Organization of the Sky.”

“When a natural function like forest respiration becomes a product with a price, it’s easy to see who’s going to end up with control of the forests.”

The REDD scheme unfolding in Chiapas offers a particularly compelling test for this controversial idea. Home to most of Mexico’s tropical trees, a third of its mammal species, and half of its bird and butterfly species, the Lacandon is also, famously, home to the Zapatista Army of National Liberation, the insurgent rebel group that rose up in 1994 to demand that Indigenous Peoples be allowed to control their own territories. That struggle, and the Mexican government’s response, has engendered paramilitary massacres, years of counterinsurgency, and tens of thousands of displaced people—and it can be traced, in part, to a decades-old agreement that took as its pretext the protection of the Lacandon. The region’s rich biodiversity, open conflicts over land tenure, and the potential investment from California make Lacandon a fascinating test case—or an instructive cautionary tale—of what REDD may bring.

## REDD, IN BLACK AND WHITE

REDD works like this: Because trees capture and store CO<sub>2</sub>, maintaining intact forests is essential to mitigating climate change. REDD proposes that governments, companies, or forest owners in the global South be given financial incentives for keeping their forests standing. REDD was formally taken up by the UN-sponsored climate change talks in Bali in 2007. Since then it has moved rapidly to the forefront of the climate agenda. Norway, its biggest donor, has pledged upwards of \$120 million to the UN REDD program, and given \$1 billion each to Indonesia and a confederation of Amazonian states to establish the program. In December 2010, REDD was adopted into the UN's Cancún Agreements, the closest thing to an extension of the Kyoto Protocol.

While paying to preserve forests appears to be a long-overdue gesture of goodwill, it brings up an array of thorny questions. For starters, what is meant by “forests”? Because the UN's definition is unclear, “forests” under REDD may include monoculture tree plantations or even genetically engineered trees. Since timber, paper, and biofuel plantations are more lucrative than natural forests, REDD could fund the destruction of native forests and their replacement with tree plantations.

Beyond the ecological concerns, REDD is proving exceedingly elusive to put into practice. One fundamental question is: Where will the money come from? At present, there is no “compliance market” for REDD—meaning it is not yet part of any mandated legislative effort to reduce

emissions. Of numerous government-sponsored REDD projects worldwide, the agreement between California and Chiapas, expected to come on line by 2015, is the most advanced.

The most likely source of funding for REDD is a combination of private investment and multilateral funds, boosted by a huge dose of carbon offsets from industry in wealthy nations. An offset-based REDD will allow those who protect forests to earn carbon credits—financial rewards based on the amount of CO<sub>2</sub> a forest can store and a market-derived price per ton of CO<sub>2</sub>. Governments (or NGOs, or local communities) that protect forests can then trade these credits to industrial polluters for revenue that, in theory, provides incentive not to cut down trees.

But if the money comes from carbon offsets, as the UN and the California protocol propose, this means that even if deforestation is reduced, industrial emissions—the main driver of climate change—will not be.

The offsets component brings REDD strong support from the fossil fuel industry. BP (yes, that BP) recently became the first company to join the World Bank's Forest Carbon Partnership Facility, which will allow the company to offset its emissions. REDD's market-share potential has also attracted the financial services industry—Merrill Lynch, Goldman Sachs, and Morgan Stanley—the same Wall Street speculators that threw the global banking systems into a tailspin.

The whole idea is based on the notion of “Payment for Environmental Services.” To the market-minded, this is a pioneering

## LEAP OF FAITH

One reason why REDD appears compelling is that, given the rapacious demand for resources, it is difficult to imagine a counterforce strong enough to halt forest destruction. Another is the deadlock in the UN negotiations. Nations' resistance to binding emissions reductions makes REDD one of the only games around.

But even such a bastion of market fundamentalism as *The Economist* magazine suggests that "REDD may not be possible at all," due to factors including corruption and the fact that most of those who live in and care for forests do not have legal title to their lands.

Still, if there is an opportunity for business, business will be done. New private carbon-marketing firms are springing up daily to prepare for the windfall from REDD. One such firm is Boston-based Ecologic Development Fund. Ecologic's director, Sean Paul, has years of experience promoting Payment for Environmental Services projects. Paul appears genuinely devoted to preserving forests; REDD is one way to do this, and Ecologic supports it, including a REDD initiative in the Lacandon. Yet Paul himself is ambivalent: "Part of the challenge of REDD," Paul says, "is that a lot of people see a gravy train, a gold rush. I see a lot of investors excited at the prospect of carbon trading. But all that excitement is around the trading—it has so little to do with the people, and the forest."

Pavan Sukhdev, former head of the UN Environment Programme's Green Economy Initiative, estimates the value of global ecosystem goods at \$4.5 trillion per year. "The rewards are very clear," Sukhdev says.

The problem is how to generate these rewards, literally out of thin air. The offsets-based REDD scheme that is in the pipeline requires a stable and reliable carbon market. And so far there isn't one.

The US Government Accountability Office reports that carbon offsets are impossible to verify, warning that "it is not possible to ensure that every credit represents a real, measurable, and long-term reduction in emissions." The US Congress failed to pass a national carbon-trading initiative last July, and the European Carbon Market—the largest in the world—is proving fatally flawed, with uncontrollable price volatility and regulations that seem to incentivize more climate pollution, not less. After European emissions rose to unprecedented levels in 2010, Friends of the Earth-Europe called the system "an abject failure."

But in business, failure can be generative: Billions have been made through ventures that failed, such as subprime mortgages and derivatives. For the believers, faith in the market remains strong. At a Carbon Expo in Barcelona this summer, representatives of Point Carbon, a global firm that provides technical support for business, wore buttons that read, "I can't help it—I still believe in markets."

method for quantifying the worth of ecosystems, thus incentivizing their preservation. Many in the global South, however, see it as the rationale for a wholesale privatization of territories and natural resources. Gustavo Castro of the Chiapas-based NGO Otros Mundos says, “When a natural function like forest respiration becomes a product with a price, it’s easy to see who’s going to end up with control of the forests.”

That is, the people who have the cash to put up the protection money.

### REDD ALERT IN CHIAPAS

Amador Hernández is a village of about 1,500 Tzeltal Mayan peasant farmers set deep inside the Montes Azules Biosphere Reserve in the Lacandon Jungle. Three months after the Cancún talks, as darkness fell over the village assembly hall there, a few dozen villagers gathered in the dusty glare of a single solar-powered lightbulb to talk about the climate policies that were lapping at the edges of their territory like the first ripples of an oncoming flood. One villager, Santiago Martínez, explained REDD to the assembly in broad strokes: “REDD is a program the government is promoting to do what they call ‘capturing carbon,’ and conserving the jungle,” he said. “From what we’ve heard, it’s a global program led by rich people, businessmen, Europeans.”

Martínez was opposed to the program; among the reasons was concern that it would require abandoning their lands and traditional farming methods. The worries were fueled by recent government messages warning that a team would come through the

village shortly to measure property lines and evict any “irregular settlers.”

The villagers clearly perceived this as the legacy of a land tenure arrangement that has been at the heart of conflicts in the Lacandon for decades. In 1971, the Mexican government ceded over a 1.5 million acres to the Lacandon tribe—one of the six Indigenous groups in Chiapas—which at the time consisted of only 66 families. Seven years later, the government created the 800,000-acre Montes Azules Biosphere Reserve, overlapping the Lacandon territory. In order to give the first chunk of territory to the Lacandonese, and to protect the second as a reserve, 2,000 Tzeltal and Ch’ol families—26 villages—were moved. Among the displaced were some families who later came to form Amador Hernández.

The resulting tension between the Lacandonese and the rest of the region’s Indigenous groups led to the formation of several peasant farmer organizations demanding redress; some of these groups later coalesced into the Zapatista Army of National Liberation. The militant response made it impossible for the Mexican government to draw solid boundaries around the land in question. Now, with the promise of financing under REDD, the government is making a renewed attempt to get the boundaries drawn, to expel anyone without land title, and to inventory the Montes Azules Reserve to quantify, and then bring to market, the area’s carbon storage potential.

Earlier this year, the Chiapas government began distributing 2,000 pesos a month (roughly \$200) to each Lacandon landholder. The payments

were authorized, according to a government statement, “to allow the completion of the forest inventory so that [the Lacandon community] can access federal and international funds, as well as complement these funds with projects such as agricultural conversion outside the Reserve with species such as oil palm and rubber.” In the abstract, the money is incentivizing forest protection. But in the words of the villagers of Amador Hernández, the purpose of the payments is “to guard the border against their neighbors—that is, us.”

The most publicized aspects of REDD in Chiapas are the payments to the Lacandones and a program to train them as “environmental police.” As a Lacandon man named Chankayun said, “Yes, there are other poor Indigenous communities living in our territory, and I hope we can come to a peaceful agreement for them to find another place to live.” Governor Sabines speaks openly about the need to resettle jungle communities, and makes regular visits to the Lacandon to distribute funds and good will. “The jungle can’t wait,” he said in June. “Of 179 ‘irregular’ settlements within the jungle’s protected area, most have been removed and only eleven remain. Of these, some are Zapatistas. We hope they leave voluntarily, but if they want to stay, they stay.”

But what Governor Sabines describes as voluntary resettlement takes on a darker shade from the viewpoint of those with no land rights. At the village assembly in Amador Hernández, villagers stood up one by one to denounce what they perceived as a land grab. A year

before, the villagers said, all government medical services, including vaccinations, had been cut off; several elderly people and children died due to lack of medical attention. This neglect, they believed, was due to their refusal to capitulate to the demands of REDD. “They’re attacking our health as a way of getting access to our land,” Martínez said.

The case of Amador Hernández appears extreme, but it’s hardly unique. As preparations for REDD are laid around the world, Indigenous communities in other countries—Ecuador, Peru, Congo—are saying, with increasing urgency, that forest protection without land rights represents a direct threat to their ways of life.

### **THE PRICE OF AN ARM & A LEG?**

A cornerstone of the UN Declaration of the Rights of Indigenous Peoples is a provision called Free, Prior, and Informed Consent. FPIC, as it is known, offers a theoretical bulwark against human rights abuses by declaring that Indigenous Peoples must have a say in projects that affect them. It is central to debates over REDD. Some argue that REDD can work as long as it includes FPIC safeguards. But FPIC is nonbinding, and as the case of Amador Hernández shows, it rarely works.

In Chiapas, where the Zapatista movement rose up in arms precisely because Indigenous voices had been disregarded for five centuries, “informed consent” has never been a consideration. Gustavo Castro says: “There’s a lot of talk in the government’s documents, in the REDD scheme, of the need for consultation.

But there haven't been any consultations, and I don't believe there will be."

Discussing the practical aspects of community participation, Castro is dour: "When we talk about consultations, we have to take into account who does it, and what we mean by 'prior' and 'informed.' What they say to the communities is, 'We're protecting the planet, we're fighting climate change, and we'll pay you to help.' So then the consultation consists of one question: 'Are you with us?' And the answer you can expect from rural communities is, 'Of course we are.'"

There's little doubt that pouring money into rural communities involves serious challenges. As Miguel Angel García, whose NGO Maderas del Pueblo supports ecological projects in the Lacandon, says, "This whole thing is bringing on a terrible cultural transformation. Putting forests, a common good, into the market has the effect of tearing the social fabric and generating economic interests that go directly against the interests and values of the Indigenous peoples. And it's causing death; not only physical death, but the death of a culture, and of a cosmovision. It's an ethnocide."

To be clear: Groups that oppose REDD are not against receiving funds from wealthy nations to maintain forests. The social movements that oppose REDD generally favor the creation of a fund to pay for the resources that industrialized nations have consumed. This is the idea of "climate debt." Led by Bolivia, a coalition of more than 50 governments has submitted a proposal to the UN demanding that the costs of adapting to the climate crisis be borne by the countries that created the crisis, as a

kind of reparations. It's not that they don't want payment; it's that they don't want payment based on pollution permits and market speculation.

Pablo Solon, until recently Bolivia's Ambassador to the UN, offers a haunting analogy: "Through REDD they want to put a price on nature. Our point of view is that you can't do that, and I'll explain why: In Bolivia, if you lose an arm or a leg, you receive compensation of around \$1,000. But can you imagine a situation where you create a market for arms and legs for \$1,000 each? Sure, we need the money to pay for the operation. But the intention is not to commodify your arm." Solon's analogy points to the core tension in the REDD scheme: We should protect forests because, like our own limbs, they have intrinsic value.

To think that global policy will ever be guided by the principle of forests' inherent worth and Indigenous Peoples' rights is perhaps naïve. But no less naïve, and certainly no less dangerous, is faith that the market, and the industrial society that drives it, can solve the global catastrophe it precipitated.

As global climate negotiations continue to generate friction without momentum, the world's forests continue to burn in great blazes and to fall before an onslaught of mining, agribusiness, and timber plantations. REDD's proponents envision a way to buy our way out of the cycle of destruction. And those who have inhabited and protected the world's forests for millennia—and whose cultures have been devastated by the race to exploit resources—continue to press for a better deal.

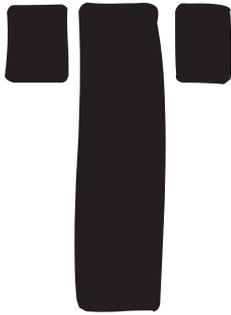
# COLONIZING TERRITORIES WITH REDD

*An Australian “Carbon Cowboy” and the Matsés People in the Peruvian Amazon*

**JOANNA CABELLO**

*Carbon Trade Watch*

---



THE AMAZON HAS TURNED INTO AN ATTRACTIVE TARGET for the carbon offset industry which views biodiverse forests as carbon stocks and thus, as profitable commodities to be traded on carbon markets. With the support of the World Bank, the government of Peru is accelerating the implementation of REDD+ projects for the voluntary carbon markets.<sup>1</sup> Many of these projects are being imposed on the ancestral territories of Indigenous Peoples even though Indigenous Peoples have not granted their free, prior and informed consent. In addition, the lack of legal recognition of the approximately 20 million hectares of indigenous territories in Peru further compounds the risks that REDD poses to Indigenous Peoples.<sup>2</sup>

Once a hot spot for 19<sup>th</sup> century rubber barons, the Loreto region has always appealed to a diversity of profiteers. Earlier this year, a carbon opportunist attempted to deceive Indigenous Peoples in the name of preventing deforestation. In response, Indigenous Peoples’ organizations led by AIDSESP (National Organization of the Amazonian Indigenous Peoples of Peru) issued the ‘Iquitos Declaration’ in April 2011, which rejects linking pollution and deforestation with the carbon markets. This Declaration also demands the expulsion from Peru of an Australian carbon trader and his company (that has an address in Hong Kong but no office), for pressuring the Matsés People to sign over almost half a million hectares of preserved forests, the control of their territories, carbon, forests, intellectual property rights and traditional livelihoods, in exchange for US\$10,000 dollars.<sup>3</sup>

This carbon trader’s relation with Peru dates back to October 2010, when he offered the regional government of Loreto a business deal for trading carbon and sharing the profits 50-50. However, the deal was not consolidated since he could not prove the existence of the promised funding sources.<sup>4</sup> After this failure, the carbon trader returned to Peru in February 2011 and tried to convince the Matsés Indigenous People who live six-days upriver on the border between Peru and Brazil to participate in his fraudulent deal.

This Australian ‘carbon cowboy’ traveled upriver with a US conservationist who lives in Iquitos and to whom he paid US\$200 dollars a day. He met the Matsés Peoples and impressed them with a power point presentation<sup>5</sup>. He promised to share 50% of the profits assuring them they would receive “billions of dollars” by selling carbon credits. As the regional newspaper of

Loreto *La Región* reported, the proposed agreement was in English and stipulated that the project would be subject to the laws of England and Wales. It also affirmed that the United Nations and World Bank only recognize this language and these laws for carbon projects.<sup>6</sup>

This aspiring carbon trader has a shady past. As the REDD-Monitor reported, according to the 14 November 1996 Parliamentary Record of Queensland<sup>7</sup>, he sold 6 non-existent plots of land in Queensland to people in Nauru (the world's smallest island nation), for A\$70,000 each<sup>8</sup>. *La Región* also reported on his alleged scams in Malaysia and the Philippines.

The chief of the Estirón Community from the Matsés Peoples, Daniel Jimenez, approached the Ombudsman and AIDESEP in order to get more information about the contract in English the carbon trader was proposing. Instead of accepting the deal, Mr. Jimenez requested an investigation of the carbon trader and his offers of huge profits to indigenous communities. In response, the carbon trader denounced and brought charges against the indigenous chief before the 5<sup>th</sup> Maynas penitentiary provincial prosecutor. In July 2011, AIDESEP denounced the criminal charges as “yet another assault on the indigenous people who defend the planet from climate change.”<sup>9</sup>

Under current Peruvian law, the only obligation the carbon trader has is to obtain two thirds of support from the Indigenous Matsés leaders to legitimize the contract which could give his company complete

power over 420 thousand hectares of conserved forests as well as over the intellectual, spiritual and cultural life of the Matsés Peoples. Last March, AIDESEP responded to the Peruvian government's submission of its REDD Readiness Preparation Proposal to the World Bank stating “Today in Peru there are companies that in the name of REDD are pressuring communities [to give up] their rights to carbon, offering them 20 cents for one hectare. This is unacceptable exploitation.”<sup>10</sup>

This is not an isolated case. REDD+ attracts business profiteers from around the world who are rushing to get their hands on the territories of Indigenous People and forest-dependent communities for trading carbon credits. Last August, AIDESEP revealed that the recently established Peruvian NGO “Alliance for the Capture of Carbon as a Solution to Climate Change” proposed 10-year agreements with various communities of the Shipibo Indigenous Peoples. The communities are being asked to sign these agreements and hand over their land title papers to the NGO for “environmental services, REDD and carbon deals” and are being offered “\$100 per hectare and thousands of dollars each year.”<sup>11</sup> In the Madre de Dios region, REDD-type projects for logging companies and offsetting the Inter-Oceanic Highway are slated for the territories of Indigenous Peoples in Voluntary Isolation which could threaten the very survival of those peoples.<sup>12</sup>

In conclusion, REDD+ is a threat to local communities and ecosystems, benefiting polluters and the real drivers of deforestation. The attempt

to offset pollution by supposedly “reducing” deforestation is an example of absurd greenwashing which delays any real transformation of the current unsustainable system. The debate and actions cannot be focused on how to measure and sell carbon. The debate and most importantly, the actions, have to open the way for alternative and decolonial ways to change the current hegemonic system and thus stop old and new forms of dispossession.

#### Notes:

1. Note: Since the carbon trader in question has attacked the freedom of expression of a journalist, his name and the name of his company are omitted. Reducing Emissions from Deforestation and Forest Degradation (REDD+) is a mechanism under the UN that claims to make forests more “valuable” standing than they would be cut down by creating a financial value for the carbon stored in the trees. For more information see: [noredd.makenoise.org](http://noredd.makenoise.org).

2. Forest Peoples Programme (2011), *No signing of REDD contracts in Madre de Dios and San Martín: Indigenous organizations call on their communities to exercise caution*, <http://www.forestpeoples.org/topics/redd-and-related-initiatives/news/2011/07/no-signing-redd-contracts-madre-de-dios-and-san-mar>.

3. AIDESEP (2011), *No hay REDD+ sin Territorios, Derechos y Autonomía de los Pueblos Indígenas*, April, [www.aidesep.org.pe/index.php?codnota=2000](http://www.aidesep.org.pe/index.php?codnota=2000).

4. AIDESEP (2011), *Denuncia a jefe Matsés por defensa a su comunidad de sospechoso empresario*, July, [www.aidesep.org.pe/index.php?codnota=2128](http://www.aidesep.org.pe/index.php?codnota=2128).

5. *The Sydney Morning Herald* (2011), “Carbon Cowboys,” July 23, <http://www.smh.com.au/environment/conservation/carbon-cowboys-20110722-1hssc.html>.

6. *La Región* (2011), “Piden que Defensoría del Pueblo investigue a presunto estafador de nacionalidad australiana,” April 4, <http://diariolaregion.com/web/2011/04/04/piden-que-defensoria-del-pueblo-investigue-a-presunto-estafador-de-nacionalidad-australiana/>.

7. Parliamentary Record of Queensland, 14 November 1996, <http://www.parliament.qld.gov.au/documents/hansard/1996/961114ha.pdf> (page 4195).

8. Chris Lang (2011), *AIDESEP and COICA condemn and reject “carbon cowboy” and demand his expulsion from Peru*, REDD-Monitor, [www.redd-monitor.org/2011/05/03/aidesep-and-coica-condemn-and-reject-carbon-cowboy-censored-and-demand-his-expulsion-from-peru](http://www.redd-monitor.org/2011/05/03/aidesep-and-coica-condemn-and-reject-carbon-cowboy-censored-and-demand-his-expulsion-from-peru). Paul Whittaker (1996), “MP accuses city developer of land scams,” *The Courier Mail*, November 15, [www.redd-monitor.org/wordpress/wp-content/uploads/2011/08/creeen-shot-050811-125838.png](http://www.redd-monitor.org/wordpress/wp-content/uploads/2011/08/creeen-shot-050811-125838.png).

9. *Idem* footnote iv

10. AIDESEP (2011), *Official response to the Peruvian government’s submission of its REDD Readiness Preparation Proposal (RPP) to the World Bank FCPF Participants Assembly*, 25 March 2011, <http://www.forestpeoples.org/sites/fpp/files/publication/2011/03/intervencionaidesepepdalateng25311.pdf>.

11. AIDESEP (2011), *Alerta sobre futuros problemas con “servicios ambientales”, “mercado de carbono” (o “REDD”) en comunidades shipibas*, July 20, <http://www.forestpeoples.org/sites/fpp/files/news/2011/08/CasoREDDShipibo-4.pdf>.

12. Joanna Cabello, Carbon Trade Watch, (2010), *Enclosing forests and peoples: REDD and the Inter-Oceanic Highway in Peru*, <http://noredd.makenoise.org/wp-content/uploads/2010/REDDreaderEN.pdf>.

# SHELL BANKROLLS REDD

*Indigenous Environmental Network and  
Friends of the Earth Nigeria Denounce Shell  
REDD Project*

---



THE GIANT SHELL, INFAMOUS FOR THE GENOCIDE OF the Ogoni People and environmental destruction in Nigeria's Niger Delta is now bankrolling REDD, a false solution to climate change that puts forests in the carbon market and has been denounced as potentially the "largest land grab of all time."

REDD (Reducing Emissions from Deforestation and Degradation) allows polluters like Shell, Rio Tinto and Chevron-Texaco to buy their way out of reducing their greenhouse emissions at source by supposedly conserving forests. However, according to the Indigenous Environmental Network, REDD is rife with "perverse incentives" to convert natural forests into monoculture tree plantations and to actually increase deforestation.

Shell, Gasprom and the Clinton Foundation are funding the landmark REDD Rimba Raya project on 100,000 ha (250,000 acres) in the province of Central Kalimantan in Indonesia. According to Reuters, the Rimba Raya project marks "a milestone" in the development of a global market in forest carbon credits.

Shell's REDD carbon offset project could be quite a moneymaker. Reuters calculates that "At about \$10 a credit, that means about \$750 million over 30 years."

Renowned Nigerian environmentalist Nnimmo Bassey, Director of Environmental Rights Action and Chair of Friends of the Earth International, has a long history of opposing destructive oil extraction activities. "We have suffered Shell's destruction of communities and biodiversity as well as oil spills and illegal gas flaring for decades. Now we can add financing REDD for greenwash and profits to the long list of Shell's atrocities."

Tom Goldtooth, Executive Director of the Indigenous Environmental Network, noted that "Shell already committed genocide against the Ogoni People of the Niger Delta. REDD allows Shell and other polluting corporations to expand fossil fuel extraction and continue destroying the climate and violating Indigenous Peoples' rights worldwide. As we speak, Shell is trying to expand its oil drilling operations in environmentally sensitive offshore Alaska, despite the protests of Alaska Natives."

"Shell is compounding its devastating impacts on Mother Earth and Indigenous Peoples by financing REDD which may result in the largest land

may grab of all time and more genocide against Indigenous Peoples,” Goldtooth warned.

According to Goldtooth, “Most of the forests of the world are found in Indigenous Peoples’ land. REDD-type projects have already resulted in land grabs, violations of human rights, threats to cultural survival, militarization, scams and servitude.”

For Teguh Surya, Campaign Director of WAHLI-Friends of the Earth Indonesia, REDD is simply “pathetic eco-business.” “Shell must not use our beautiful forests to greenwash the environmental crimes and human rights abuses it has committed in Nigeria and elsewhere.”

Last week, the 300 million-strong international peasant and farmer organization, Via Campesina, rejected REDD and denounced that forest conservation should not be used as “an excuse” so that “countries and corporations continue contaminating” Furthermore Via Campesina noted that “carbon trading has proven extremely lucrative in terms of generating investor dividends, but has completely failed in reducing greenhouse gases.

---

Source: David Fogarty and Sunanda Creagh, “Indonesia project boosts global forest CO2 market,” Reuters, Tue Aug 24, 2010.



\*\*\* UNOFFICIAL TRANSLATION \*\*\*

C O N A I E

Confederation of Indigenous Nationalities of Ecuador  
ACUERDO – CODENPE No. 817 – 31 de Enero del 2008  
Creado legalmente – 24 d Agosto 1989 – Acuerdo M.B.S. 01734  
Quito, 4 de Julio del 2011  
OF. N. 052 CONAIE-2011.

Mr. Ban Ki Moon  
Secretary General  
United Nations  
New York

CC:

Christiana Figueres  
Executive Secretary of the United Nations Framework Convention on  
Climate Change  
Ahmed Djoghlaif  
Executive Secretary of United Nations Convention on Biological Diversity

Mr. Secretary General:

Cordial greetings from the indigenous peoples and nationalities of Ecuador.

On April 1st and 2nd, 2011, the Fourth Congress of the Confederation of Indigenous Nationalities of Ecuador—CONAIE—met in the city of Puyo, Pastaza Province, Ecuador.

In this Congress, the highest decision-making body of the indigenous peoples of Ecuador, it was resolved to bring to you this letter as Secretary General of the United Nations, the Executive Secretary of the United Nations Framework Convention on Climate Change, and the Executive Secretary of the Framework Convention on Biological Diversity, which declares the following:

We know that climate change is the result of the extraction and burning of fossil fuels, agribusiness, and deforestation—all dynamics inherent in the neo-liberal capitalist system that prevails in the globalized world, and we believe that REDD is not a real solution to climate change.

REDD threatens peoples' rights to their territories as well as the balance of Mother Earth and her inhabitants, since it does not alter the disparity in pollution nor the unbridled consumption of industrial capitalism. Therefore, we reject the implementation of UN-REDD projects in Ecuador because they violate our integrity as peoples and that of our territories.

We oppose the policies being developed in Ecuador, such as the Forest Partners Program (Socio-Bosque), as well as the new environmental norms (Environmental Code, Regulation on Environmental Services) that aim to commodify our forests, water and biodiversity. Similarly, we reject the private sector's efforts to take over our land and sell environmental services.

No policy to combat climate change can be based on the reproduction of the logic of commercialization of life and Mother Earth. This goes against the constitutional guarantees in defense of the rights of nature.

A true national and international policy to slow the greenhouse effect must respect the rights of indigenous peoples over their territories, promote family farming, and stop the expansion of the oil frontier.

The peoples of Ecuador have proposed initiatives including leaving oil in the ground underneath Yasuni National Park and preventing the expansion of extractive industries into the territories of indigenous peoples and nationalities of Ecuador. This is a path that will lead toward a real solution to climate change. In this sense, we cannot allow REDD projects to be implemented in Ecuador, be they part of UN programs or the carbon market.

We ask politely that this resolution of the Fourth Congress of Nationalities and Peoples be passed on to the appropriate UN authorities to stop the implementation of the REDD project in Ecuador.

Finally, through this letter we want to express that any negotiations regarding REDD that have been conducted by the Government of the Republic of Ecuador at the United Nations level have been without consultation and in opposition to the will of the Fourth Congress, which categorically rejects the implementation of REDD in Ecuador.

Without further ado, yours sincerely,

Humberto Cholango  
President of the Confederation of Indigenous Nationalities of Ecuador—  
CONAIE

# FURTHER INFORMATION

---

No REDD! blog: [www.noredd.makenoise.org](http://www.noredd.makenoise.org)

Indigenous Environmental Network: [www.ienearth.org](http://www.ienearth.org)

Carbon Trade Watch: [www.carbontradewatch.org](http://www.carbontradewatch.org)

REDD-Monitor: [www.redd-monitor.org](http://www.redd-monitor.org)

Durban Group for Climate Justice: [www.durbanclimatejustice.org](http://www.durbanclimatejustice.org)

Global Justice Ecology Project: [www.globaljusticeecology.org](http://www.globaljusticeecology.org)

Friends of the Earth: [www.foei.org](http://www.foei.org)

The Corner House: [www.thecornerhouse.org.uk](http://www.thecornerhouse.org.uk)

Timberwatch Coalition: [www.timberwatch.org](http://www.timberwatch.org)

Justseeds Artist's Cooperative: [www.justseeds.org](http://www.justseeds.org)

---

Cancun, Mexico UNFCCC 2010: One of the shuttle busses from the Cancun Climate talks. California and the Mexican state of Chiapas recently made an agrofuel (biofuels) bilateral deal that involves African palm plantations and jatropa. California also announced a similar deal with Acre, Brazil. These bilaterals are connected with REDD. Photo: Langelle/GJEP-GFC



*“No REDD Papers, Volume I* is a must read for all who seek to know the truth about this mercantilist tool called Reducing Emissions from Deforestation and Degradation (REDD). It is also highly recommended for those who believe that policies to fight the current climate chaos must see the people and Mother Earth, and not merely see trees as commodities for cash and carbon speculation.”

—Nnimmo Bassey, Alternative Nobel Prize Laureate, Executive Director of Environmental Rights Action/ Friends of the Earth, Nigeria (ERA/FoEN), Chair of Friends of the Earth International and poet

