

Open Letter of Concern to the International Donor Community about the Diversion of Existing Forest Conservation and Development Funding to REDD+

We the undersigned NGOs and Indigenous Peoples' Organizations (IPOs) want to express our profound concern about the way funds for forest conservation and restoration, and poverty eradication, are being misdirected toward REDD+ projects and policy processes (ostensibly to reduce emissions from deforestation and forest degradation and to enhance forest carbon stocks).

Our organizations are working to halt the continued loss of the world's forests, and to address the impacts this forest loss has on the rights and needs of forest-dependent peoples and on the climate. As such, it is our considered opinion that REDD+ as a mechanism suffers from a large number of inherent risks and problems which cannot be remedied

- 1) REDD+-type projects are already having severe negative impacts on the environment and on economically and politically marginalized groups in society, particularly Indigenous Peoples, small farmers, other forest dependent communities, and women.¹ Most of the world's remaining forests are found in areas that are relatively unattractive for industrial agriculture, cattle ranching or other land uses and are inhabited by Indigenous Peoples, small peasant communities and other groups. Many of these groups have insecure title over their land, yet due to their social, economic and cultural circumstances, the resources found in forests play a major role in sustaining their livelihoods. A sudden increase in the economic value of forest land due to the introduction of performance payments for forest conservation will definitely lead to an increased risk of conflict over land between these communities and more economically and politically influential groups that see an opportunity to profit from these payments. For this reason, increased conflicts over land, elite resource capture, forced displacements, involuntary resettlements and human rights violations are inherent outcomes to REDD+ as a forest conservation approach.
- 2) Performance-based payments for forest carbon storage address only one presumed driver of forest loss: the lack of proper economic valuation of the role of forest carbon storage in overall carbon sequestration. This approach fails to address other direct and indirect drivers of forest loss. Such drivers include lack of recognition of the land rights of Indigenous Peoples and the rights and role of customary caretakers of forest areas; overconsumption of and trade in forest products and products that directly or indirectly impact on forests; and perverse incentives such as subsidies for export crops and monoculture tree plantations. Other important drivers that are ignored by REDD+ include mineral, oil, gas or coal exploration and extraction activities, shrimp farming and large-scale infrastructure projects such as hydroelectric dams, as well as incoherent government policies in general.²
- 3) Performance-based payments for forest carbon will by definition lead to a situation where one value of forests dominates forest policy decision-making, thus undermining what the Executive Director of the UN Forum on Forests has called a "360 degree" approach to forests, an approach in which all functions and values of forests are taken into account in a balanced manner. This deficiency will not only lead to a marginalization of the social and cultural values of forests in forest policy-making, but also to a marginalization of biodiversity values. Already, there has been a strong tendency in forest carbon offset projects to support growing monoculture plantations of rapidly growing tree species, despite their negative impacts on biodiversity.³ This problem is exacerbated by the flawed forest definition that has been used by the United Nations Framework Convention on Climate Change (UNFCCC) process, which includes

monoculture tree plantations as well as “temporarily unstocked areas”, and allows the use of Genetically Engineered (GE) trees.

- 4) Forest carbon cannot be equated to carbon stored in fossil fuel deposits. There will always be a high risk of non-permanence in forest carbon offset projects, yet it is broadly recognized that no satisfactory solutions for this problem have been developed.⁴ In fact, this problem cannot be resolved as non-permanence is an inherent feature of forest or tree plantation carbon.
- 5) Another inherent problem with REDD+ is that performance-based payments will require a significant investment in monitoring, verification and reporting (MRV) systems that can claim to ensure that the forest carbon benefits of a certain initiative are real and additional. Such MRV systems could take up more than half of the overall budget of REDD+ initiatives. As a group of international market specialists have noted:

“Assuming that forest carbon requires a quantification process similar to the one used today, there is no reason to expect that the market for REDD forest carbon will behave any differently. The expertise, travel requirements and operational scale required to follow IPCC-like standards almost certainly requires a multinational organization, one that is well-capitalized and capable of managing many clients at once. Will these organizations be numerous? Unlikely. Will they be domiciled in developing countries? It seems improbable. These skills and scale will cost money to deploy, and that – far more than avarice or inefficiency – explains why REDD projects are likely to spend so much on MRV... Forest carbon is likely to behave as any commodities market would, which implies that producers will derive only marginal benefits from the market as a whole. Moreover, the unique logistical challenges posed by counting carbon to IPCC-like standards imply a very limited population of providers willing to do this for projects.”⁵

This is an unacceptable waste of money in times when resources are scarce and funding for REDD+ is likely to come from the same sources that could also finance other sorely needed real climate change mitigation and adaptation initiatives. Moreover, these costs make it impossible for economically marginalized groups including Indigenous Peoples, forest dependent communities and women, as well as poor countries, to participate in an equitable manner in REDD+ projects.

- 6) All these problems will be exacerbated if, as is virtually certain, REDD+ is financed through carbon offset markets. This is the funding option supported by many influential countries and other major stakeholders including the World Bank; even those REDD+ initiatives currently being supported through philanthropy and public monies are generally designed to help jump-start forest carbon markets.⁶ In addition to undermining forest conservation, such markets can only make climate change worse, due to irresolvable problems relating to permanence, additionality and leakage, while continuing pollution in the North and creating toxic hotspots in vulnerable community areas already disproportionately impacted by toxic exposures and environmental injustices.
- 7) REDD+ is inherently about commodifying and privatizing air, forests, trees and land. This approach runs counter to the cultural and traditional value systems of many Indigenous Peoples and other forest-dependent communities.⁷ There is a severe risk the market-oriented approach inherent to REDD+ will undermine value systems that are an essential element of successful community-driven conservation of forest areas, and Indigenous traditional ecological knowledge and conservation practices.

In numerous places in the world, REDD+ projects and policies are being implemented in violation of the principle 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 nations in Ecuador, (CONAIE), has explicitly rejected REDD+ policies in the country.⁸ As Kenya's Mau Forest is made "ready" for a UNEP-funded REDD+ project, members of the Ogiek People continue to suffer evictions, and Ogiek activists are attacked for protesting land grabs.⁹ In Indonesia, the *Mantir Adat* (traditional authorities) of Kadamangan Mantangai, district of Kapuas in the province of Central Kalimantan, "reject REDD projects because it is a threat to the rights and the livelihoods of the Dayak community in the REDD project area", and have called for the cancellation of a project that has "violated our rights and threatened the basis of survival for the Dayak community."¹⁰

Many companies and organizations which have historically caused pollution and deforestation are promoting REDD+ as a profitable opportunity to "offset" their ongoing pillaging of the planet, including the World Bank, the Inter-American Development Bank, Dow, Rio Tinto, Shell, Statoil, BP Amoco, American Electric Power- AEP, BHB Billiton and the International Tropical Timber Organization. In Brazil, Chevron-Texaco, infamous for causing significant forest loss in the Ecuadorian Amazon and threatening Indigenous Peoples in voluntary isolation, which might lead to genocide, backs a REDD+ project in the Atlantic Forest which uses uniformed armed guards called *Força Verde* who shoot at people and jail them if they go into the forest.¹¹ 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, which helps it to greenwash its destruction of biodiversity and communities' livelihoods.¹² 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."¹³

In Papua New Guinea, Colombia, Peru and elsewhere, "carbon cowboys" are running amok, conning communities into signing away their land rights with fake contracts.¹⁴ In the words of one Indigenous leader, REDD+ may be "the biggest land grab of all time" REDD+ is inherently about commodifying and privatizing air, forests, trees and land and corrupts everything that Indigenous Peoples hold sacred, including their traditional knowledge systems.¹⁵ Where REDD+ projects target the territories of Indigenous Peoples living in voluntary isolation, as in the Peruvian Amazon or the Paraguayan Chaco, they might even threaten the very survival of these Peoples.¹⁶

These risks and problems have been recognized by a large number of UN organizations and other international institutions, as well as by the Parties to the UN Framework Convention on Climate Change themselves.¹⁷ The so-called "safeguards" adopted by a majority of Parties to the UNFCCC show that they are already concerned about the potential negative environmental and social impacts of REDD+. However, these REDD+ "safeguards" will not save forests from being converted into plantations, or Indigenous Peoples' rights from being violated in REDD+ projects. Nor can they prevent the damage that REDD+ carbon offsets would do to genuine efforts to address climate change. Voluntary, weak and relegated to an annex, they are unsupported by any consensus to make them legally binding, let alone establish a compliance and redress mechanism. In the past, such voluntary safeguards schemes have usually proven to be ineffective, many even serving as greenwash for corporate malpractice.

For that reason, many institutions have emphasized that all land tenure conflicts have to be resolved and that rights of Indigenous Peoples, local communities and women have to be secured, before REDD+ projects and policies are implemented.¹⁸ However, this is not a realistic proposition. We strongly support any policy efforts to address land tenure conflicts and human rights violations, especially as far as the rights of Indigenous Peoples are concerned. But land tenure problems and human rights violations in forest areas are far too complicated to be fully resolved in a foreseeable timeframe, and REDD+ will not help. On the contrary, as stated above, the promise of potential performance-based payments would make it more instead of

less difficult to resolve these issues, and would tend to weaken instead of strengthen communities' struggles for their rights.

Considering this long list of broadly acknowledged and inherent risks and negative impacts of REDD+, it is remarkable that an estimated \$7.7 billion US has already been committed to it by donor countries.¹⁹ Still more remarkable is the fact that foundations formerly renowned for supporting human rights and justice work are adding millions of dollars to projects and initiatives that promote REDD+.²⁰ Meanwhile, there is a financial stranglehold on the often small and independent civil society and Indigenous Peoples organizations that denounce the growing list of human rights violations and environmental destruction caused by REDD+-type projects.

Unintentionally or not, this extreme, unjust funding disparity constitutes a form of *de facto* financial censorship, and this means that the right to Free, Prior, Informed Consent of the custodians of the majority of the world's forests, Indigenous Peoples, is being compromised. If there is almost no funding to support detection, documentation and rejection of the negative social and environmental impacts of REDD+ projects, to say nothing of reasoned criticism of its underlying premises, it will be impossible to expose and disseminate all of the crucial information that remote communities need in order to make decisions about REDD+, and any consent they grant will not be thoroughly and fully "informed". It must be noted that REDD+ and its relationship to the world of carbon markets and offset regimes is a very complex area that many NGOs involved in climate policy do not fully understand. In this respect it should be taken into account that Indigenous Peoples' fundamental right to Free, Prior and Informed Consent is a pillar of the United Nations Declaration on the Rights of Indigenous Peoples. This right is also recognized in the REDD+ safeguards adopted by the majority of Parties to the Climate Convention, and by UN-REDD and other donors. Funding the painting of a rosy REDD+ picture in which communities get paid to take care of forests and share in the costs-benefits of REDD+ programs without showing the darker realities in the background is at best negligent and at worst implicates funders in a severe violation of one of the most important rights of Indigenous Peoples. This letter is intended both as a wakeup call to funders and an invitation to bridge this funding gap.

In this respect it is also important to ensure that community capacity-building and awareness-raising projects provide fair and unbiased information about the quite desolate state of the climate negotiations, and the unwillingness of large Northern polluters to agree to legally binding targets for reducing greenhouse gas emissions or financial support for needed climate measures. In the eyes of many social movements, REDD+ is a paltry fig leaf in this respect. The \$100 billion US that was mentioned as possible climate finance in Copenhagen has not been concretized yet, and it is increasingly clear that some of the most important donor countries expect the bulk of this funding to come from carbon markets.²¹ Already, carbon markets have proven to be a highly volatile and inequitable source of funding, and the current lack of political momentum for a legally binding successor to the Kyoto Protocol will only create more market uncertainty. It is important this information is shared with communities and Indigenous Peoples when they are informed about the "opportunities" of REDD+.

Although protecting forests is a critical piece of the climate mitigation puzzle, a market-oriented and corporate-driven system of performance-based payments comes with inherent risks that are both overwhelming and unavoidable. The irony is that at the same time REDD+ is being so aggressively promoted, there are numerous examples of Indigenous Peoples' territories and areas where forests have been conserved or restored successfully by communities without performance-based payments based on individual land titles and questionable carbon rights. Examples from countries like India, Gambia, Nepal, Brazil and Rwanda have demonstrated that recognizing community governance over forests and Indigenous Peoples' rights over their territories provides more effective and ethically sound incentives for forest conservation and restoration, while the Ecuadorian proposal to keep fossil fuels in the ground shows the way

toward a more realistic approach to mitigating climate change. In addition to such direct approaches to the fossil fuel problem, it is essential to assure the necessary space for the empowerment of communities that have successfully conserved their forests, and to address the direct and underlying drivers of deforestation such as over-consumption and over-production for and by industrialized societies.

In conclusion, we believe that REDD+ is a fundamentally flawed symptom of a deeper problem, not a step forward. It is a distraction that the planet – our Mother Earth - does not have time for. We should build on the many existing examples of successful forest conservation and restoration rather than investing billions of dollars in an untested, uncertain and questionable REDD+ scheme that is likely to undermine the environmental and social goals of the climate regime rather than support them.

Addressing climate change and forest loss require measures that contribute to thorough economic, ecological and social transformation. To present all sides of the REDD+ story as part of a larger effort to build the diverse and powerful global alliances that can support the transformation that our planet and peoples need, will require the full support of the charity, gift-giving and philanthropy community.

We're up for the task.

Are you?

Signed:
The No REDD Platform²²

¹ No REDD Platform, *No REDD, A Reader* (2010), <http://noredd.makenoise.org>
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www.thecornerhouse.org.uk/resource/chronicle-disaster-foretold

² Moussa, J. and Verolme, H. (ed.) (1999), *Addressing the Underlying Causes of Deforestation and Forest Degradation, Case Studies, Analysis and Policy Recommendations*, Biodiversity Action Network, Washington, USA
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³ See for example: Acción Ecológica and World Rainforest Movement (2005) *Carbon Sink Plantations in the Ecuadorian Andes, Impacts of the Dutch FACE-Profafor Monoculture tree plantations project on indigenous and peasant communities*, World Rainforest Movement, Montevideo, Uruguay.

⁴ http://unfccc.int/methods_and_science/lulucf/items/4122.php

⁵ The Munden Project (2011) *REDD and Forest Carbon, Market Critique and Recommendations*, The Munden Project, USA.

⁶ Swedish EU Presidency (2009) *The REDD Initiative: EU Funds and Phases* prepared for the Interparliamentary Conference, September 2009 [the_redd_initiative -EU-Funds and Phases.pdf](http://www.thereddinitiative.org/wordpress/wp-content/uploads/2010/09/REDDreaderEN.pdf)
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⁷ Goldtooth, T. (2010), *Cashing in on Creation: Gourmet REDD privatizes, packages, patents, sells and corrupts all that is Sacred*, <http://noredd.makenoise.org/wp-content/uploads/2010/09/REDDreaderEN.pdf>

⁸ http://www.movimientos.org/enlacei/show_text.php3?key=19549

- ⁹ See: International Working Group on Indigenous Affairs (2011), *Kenya's 'Forest People' in Bitter Fight for their Ancestral Homes*, April 15 2011 http://www.iwgia.org/news/search-news?news_id=277
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