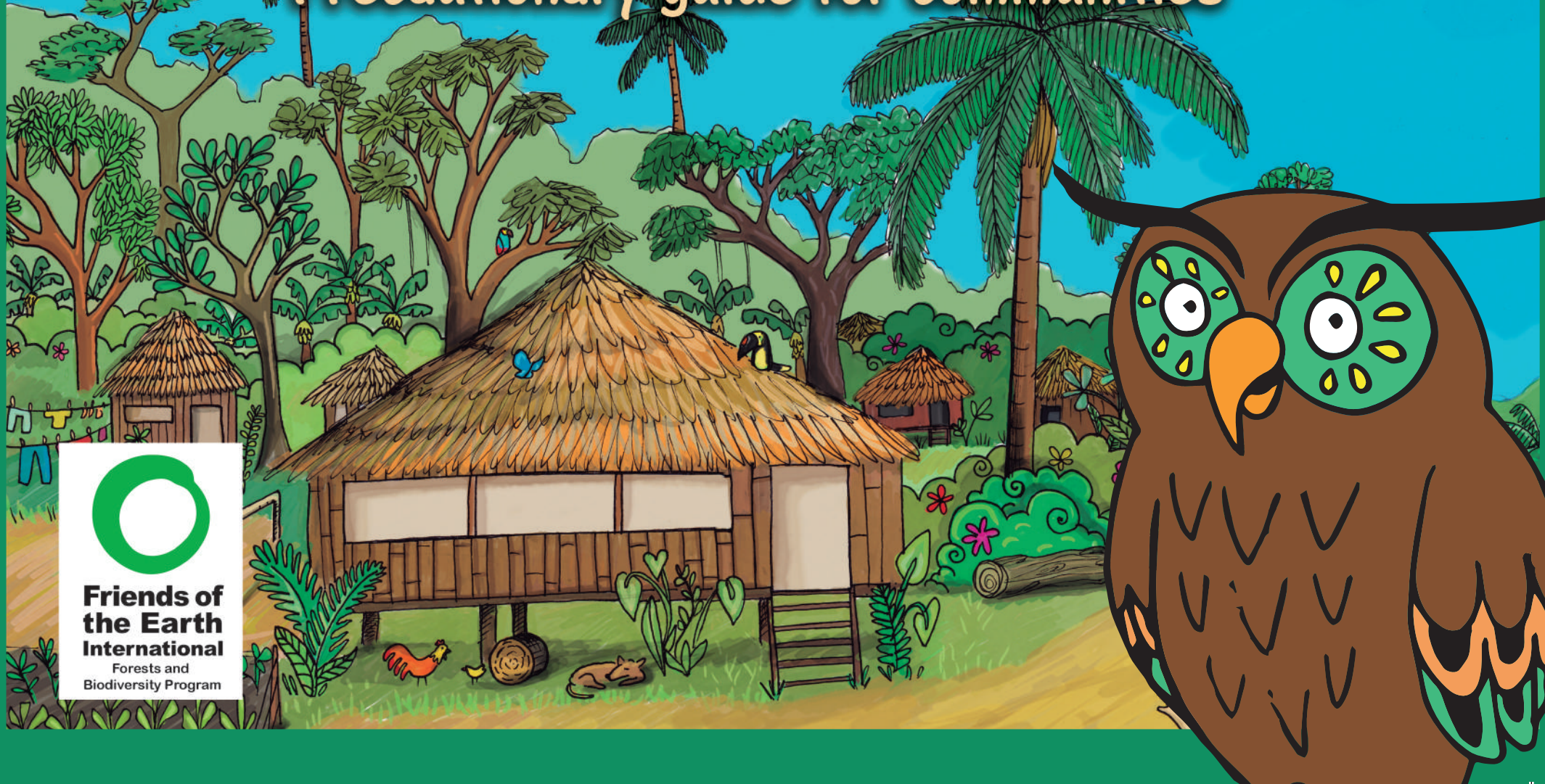


TRAPS AND DANGERS OF REDD AND OTHER FOREST CONSERVATION PROJECTS

Precautionary guide for communities



**Friends of
the Earth
International**
Forests and
Biodiversity Program

Traps and Dangers of REDD and other Forest Conservation Projects
Precautionary guide for communities

Friends of the Earth International – Forests and Biodiversity Program

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INTRODUCTION

For some years now, forests and fields are full of lawyers and businessmen offering deals with communities to include their territories in projects of forest conservation or REDD (Reducing Emissions from Deforestation and Forest Degradation).

These proposals are being promoted as something new and original, when in fact, they are not. There are many precedents of projects that propose to “pay to conserve”, based on the opinion of economists who argue that the only way to value the forest is by setting a price for it. Consequently, they directly ignore a series of non-monetary values that exist for millions of people who live in the forests; these values are rooted in cultural, spiritual and traditional uses, and they inspire communities to love, respect and protect their territories.

In these projects the name of REDD is not always explicitly mentioned: many of the projects are entitled as environmental compensation, payment for environmental services, forest conservation, among others.

In the majority of cases, these projects represent a huge risk for local communities, to the point of even being forced to leave their own territory. This can lead to an erosion of their culture, traditional ways of life and their practices to produce and secure basic needs; which also results in the loss

of a legacy passed down to children, who will now no longer know of life in the forest, and the ways of understanding, respecting and coexisting with nature.

This is a precautionary guide, based on an analysis of documents and contracts related to REDD (proposed or already signed), and clearly illustrates what is happening to those communities that have already signed-up to one of these contracts and the underlying risks that exist for others who are maybe tempted by similar projects.

The story represents a typical situation that is being experienced by communities living in tropical forest regions of Asia, Africa and Latin America.

We intend to reveal how these projects can imply deterritorialization and loss of other community-values associated to nature and territories. After completing the 30, 40 or even 80 years that are stipulated in these contracts, families and communities may find themselves forced to leave their homelands, since the terms of the contract prohibit them to perform fundamental activities such as farming or traditional use of timber for their houses, canoes, fences and tools. Thus, their only option is to leave their territories, to purchase the goods that they had previously self-produced, and now depend on the payments that supposedly arrive with these projects; hence

losing independence and sovereignty, and above all cultural values, identity and autonomy.

Another disturbing aspect relates to the new generations of forest inhabitants, who will not receive the traditional knowledge and values handed down from their elders, essential to harmony and sustainable livelihoods in the forest. These new generations of inhabitants will only recognize the value of “money” imposed by those who came offering deals related to “conservation” projects.

Therefore, this guide aims to expose the threats that these projects represent, and reveal what is really at stake, sending out a clear message of alert to communities: the best way to avoid the serious consequences of these projects is to avoid signing any contract being offered.

Finally, we would like to highlight the myriad of alternative initiatives to conserve forests, through community work and organization, where traditional knowledge is upheld and promoted to defend territories. It is evidently not true that the only way to preserve the forests is through REDD projects, since communities can and will continue preserving their forests and territories, if we allow them to sustain their livelihoods as they have done for centuries. Moreover, the Government should be held responsible for guaranteeing the right to territories and self-determination of forest peoples, rather than leasing-out or granting these territories to extractivist multinational corporations or to those who promise “conservation” projects.

We insist that it is cheaper and more efficient to create and guarantee public policies that promote community-based forest management and that penalize external actors who invade territories to deforest, rather than rewarding them with payments and bonuses, such as REDD projects have shown to do.

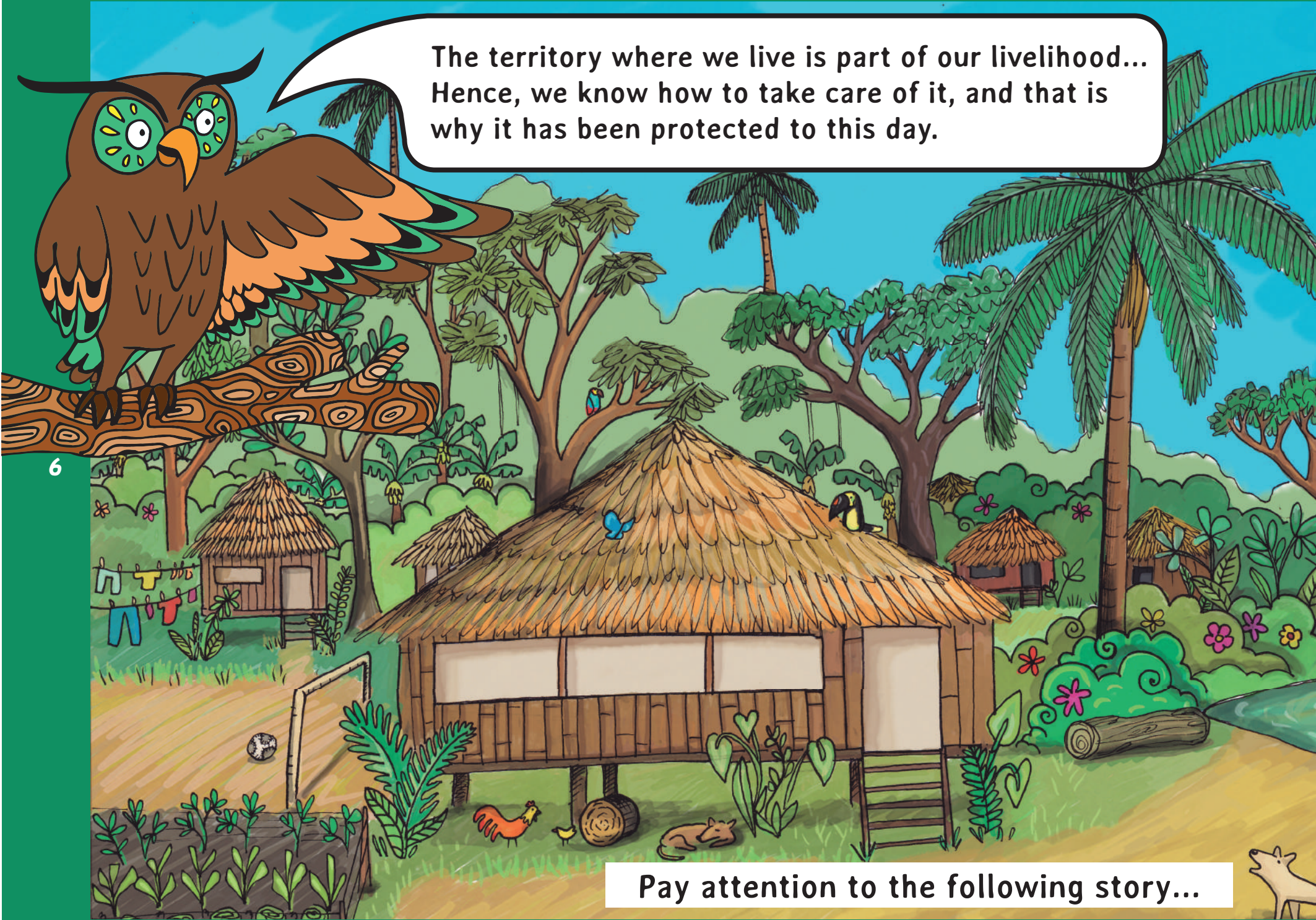
This guide can be downloaded from
www.foei.org and www.censat.org

How to use this guide:

This guide can be used as educational material, by reading or following the story from chapters one to three (until page 31). However, if you are interested in studying some points of the contract in more detail, you can refer to the annotations that are highlighted in red, and then proceed to page 32 where you will find further information in the chapter entitled “Here you can study 16 aspects related to REDD contracts”.



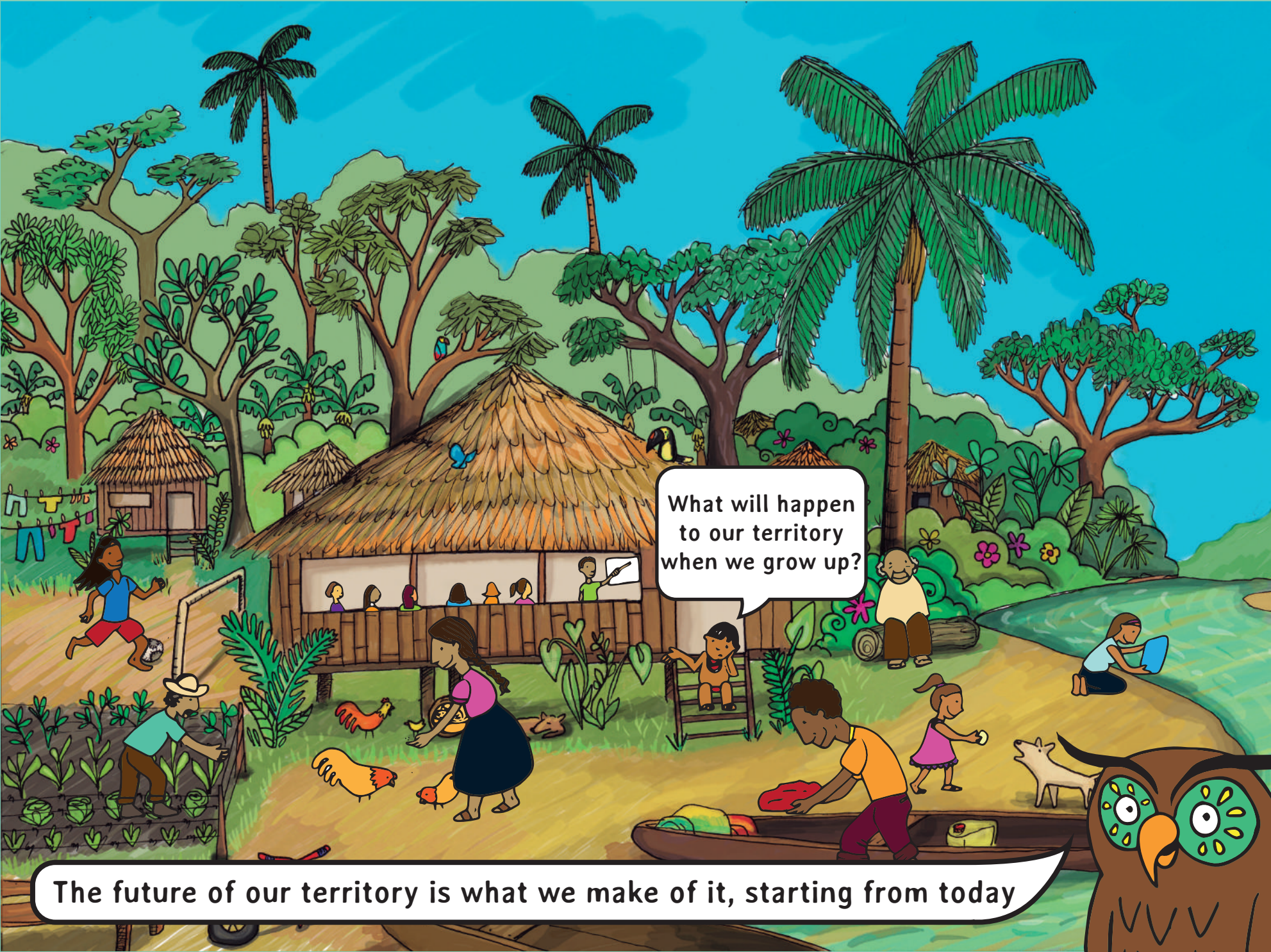
FIRST PART OUR TERRITORY



The territory where we live is part of our livelihood...
Hence, we know how to take care of it, and that is
why it has been protected to this day.

6

Pay attention to the following story...



What will happen
to our territory
when we grow up?

The future of our territory is what we make of it, starting from today



Have you ever wondered, how it will be here in 30 years, when we are grown-ups?

Yes, I want to grow a lot of food, so that I can feed all the community.

I want to be the best canoe maker in the whole region. My canoes will be the fastest!

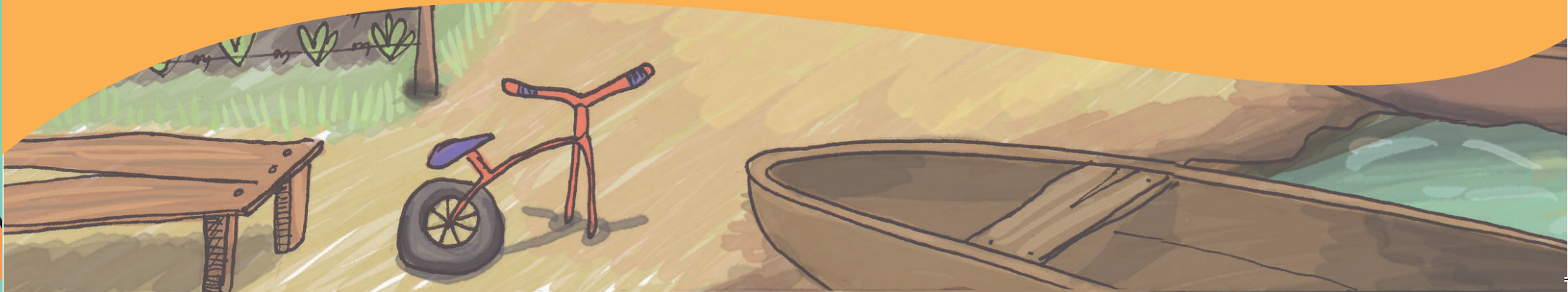
Our livelihood is this territory, as we have always taken care of it. We have been living here, and so we know how to protect it.





SECOND PART

THE CONTRACT





Many people will come and make us promises, and they will try to convince us in different ways to let them enter our territory: through our leaders, in exchange for money or materials, by offering us projects. Pay attention to what THEY REALLY OFFER:

REDD

**FORESTRY
PLANS**

**PROTECTION
PROJECT**

**FOREST
PARTNERSHIP**

**SUPPORT TO
CONSERVE THE
ENVIRONMENT**

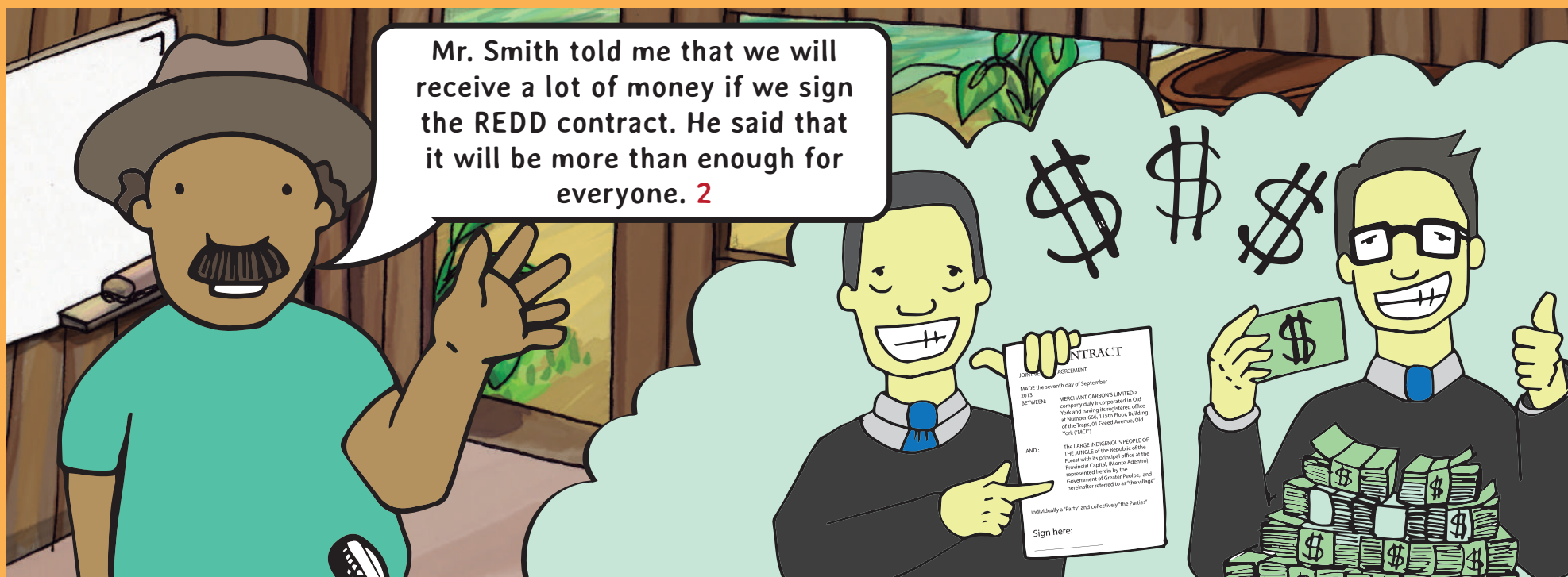
**CONSERVATION
PLAN**

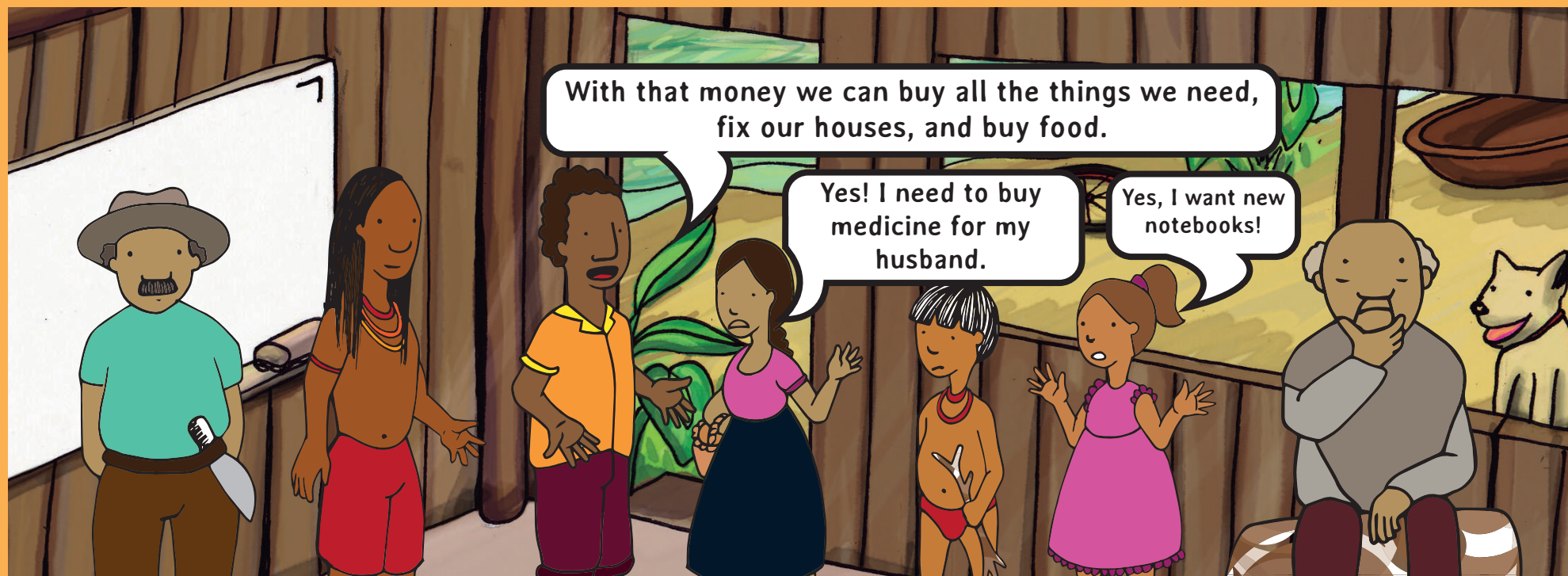


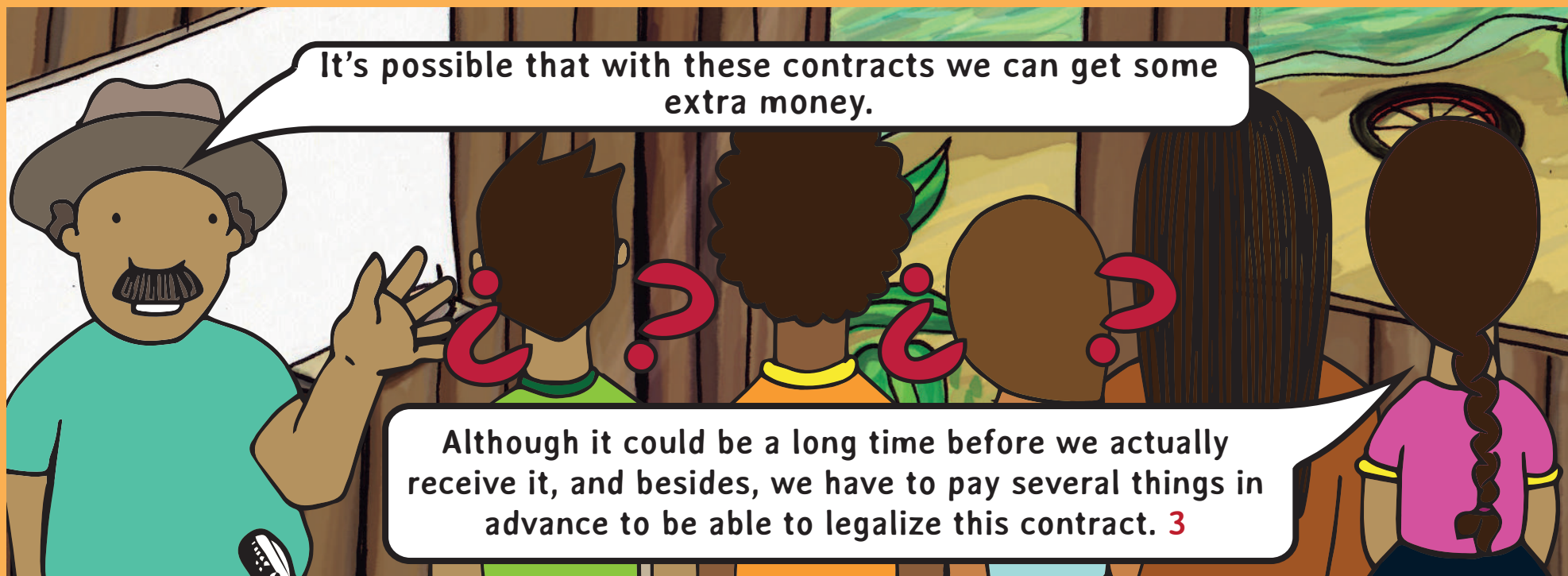
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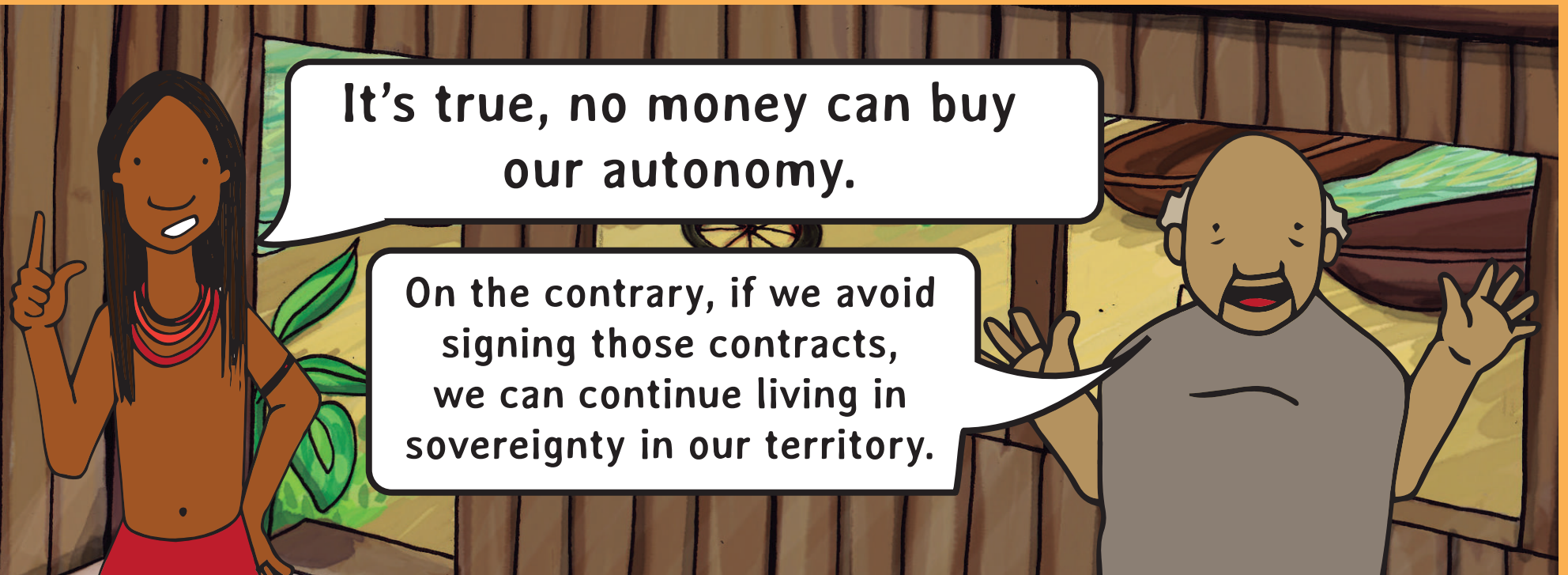








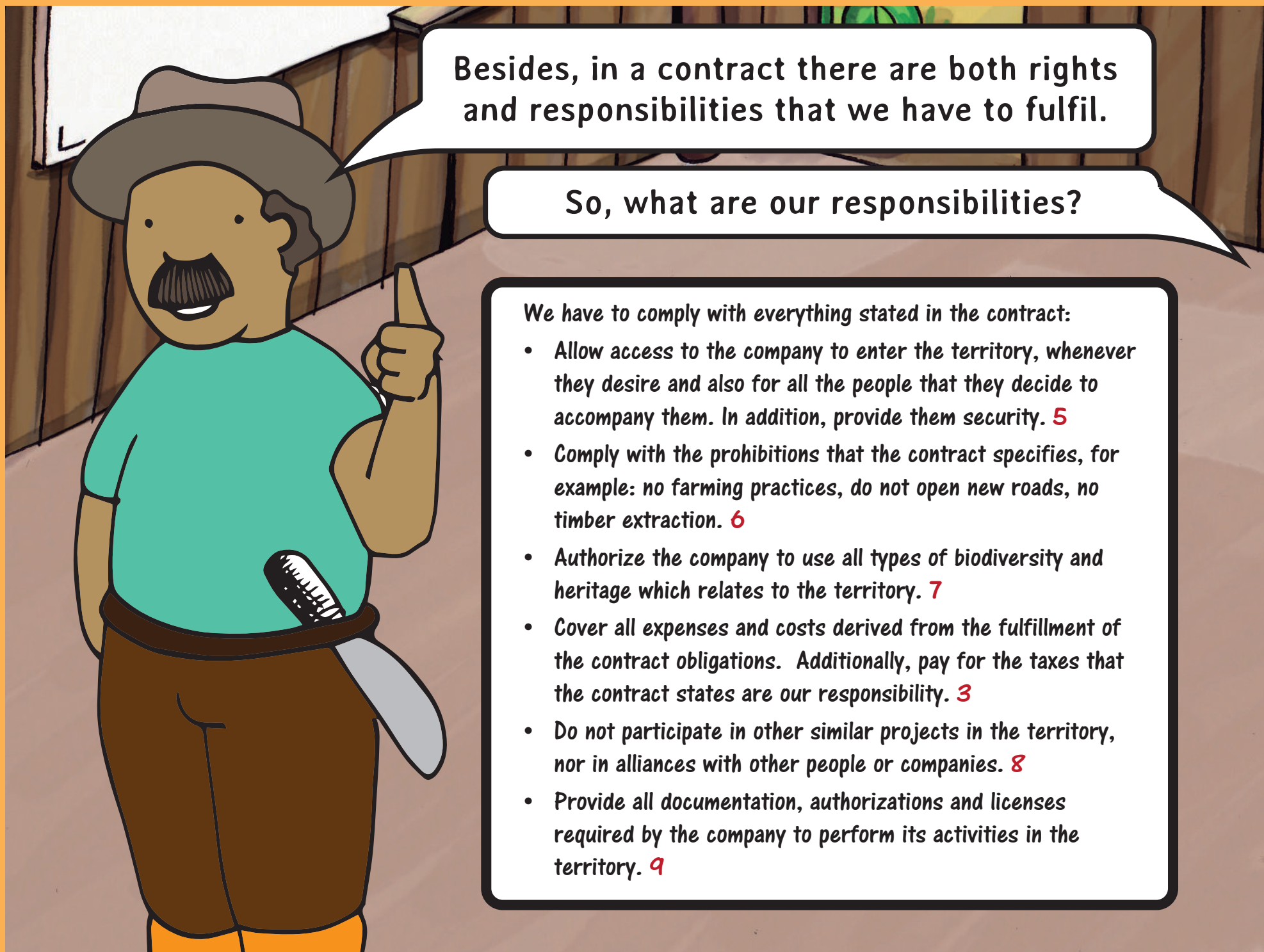




16







Besides, in a contract there are both rights and responsibilities that we have to fulfil.

So, what are our responsibilities?

We have to comply with everything stated in the contract:

- Allow access to the company to enter the territory, whenever they desire and also for all the people that they decide to accompany them. In addition, provide them security. **5**
- Comply with the prohibitions that the contract specifies, for example: no farming practices, do not open new roads, no timber extraction. **6**
- Authorize the company to use all types of biodiversity and heritage which relates to the territory. **7**
- Cover all expenses and costs derived from the fulfillment of the contract obligations. Additionally, pay for the taxes that the contract states are our responsibility. **3**
- Do not participate in other similar projects in the territory, nor in alliances with other people or companies. **8**
- Provide all documentation, authorizations and licenses required by the company to perform its activities in the territory. **9**

And what about our rights?



Do we have any?

By signing these contracts we allow these companies to seize our rights and our sovereignty over the territory.

NO
HUNTING

NO
TRESPASSING

NO
LOGGING

NO
FARMING

Mr. Smith told us that they were going to teach us how to conserve our territory.



We have to make decisions...

22

Or we allow them to infringe on our rights,
to be stripped of our territory and that
nothing is left intact.

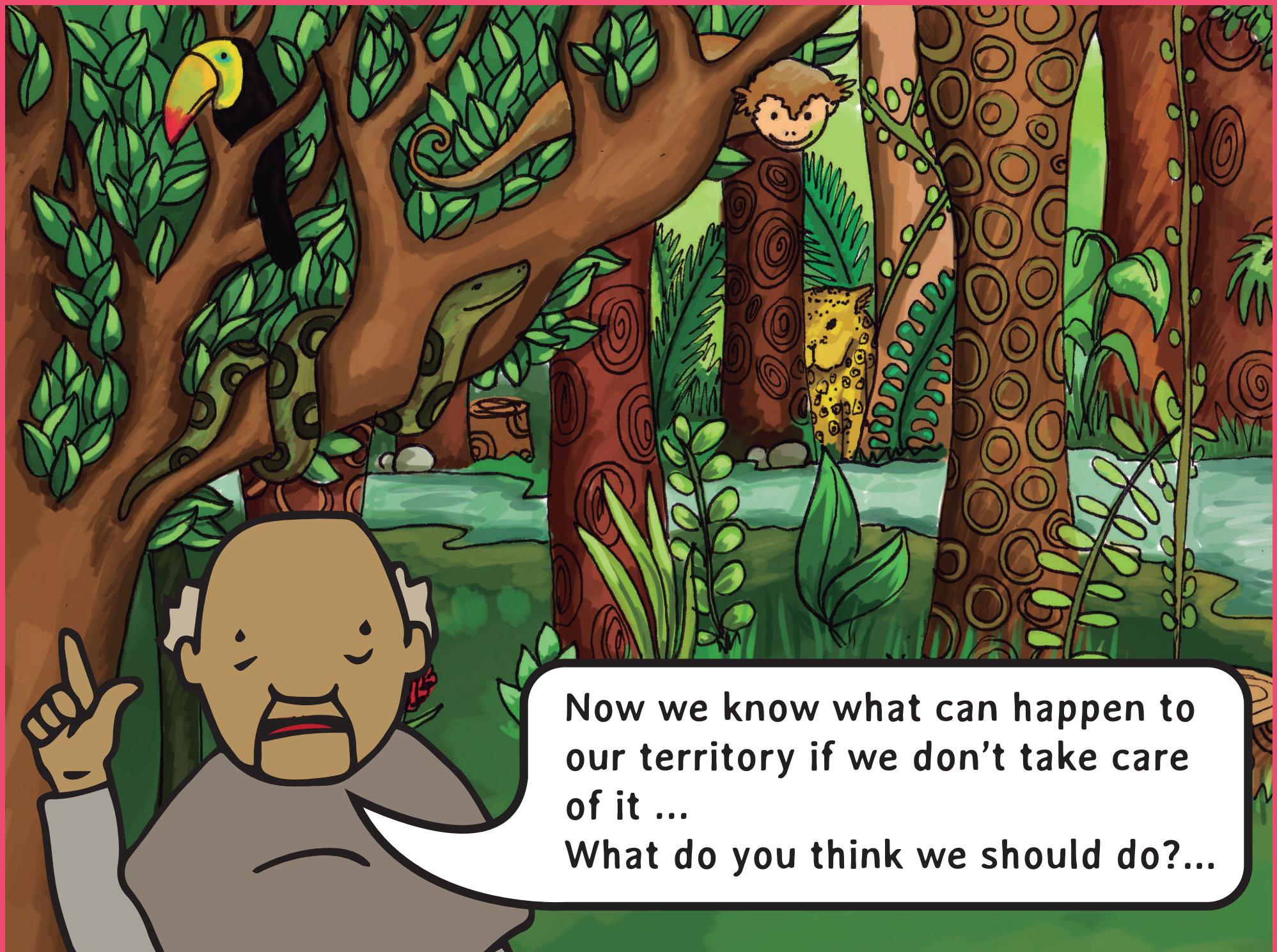
Or we continue protecting our territory,
as we have done for centuries by ourselves,
living in coexistence with nature.



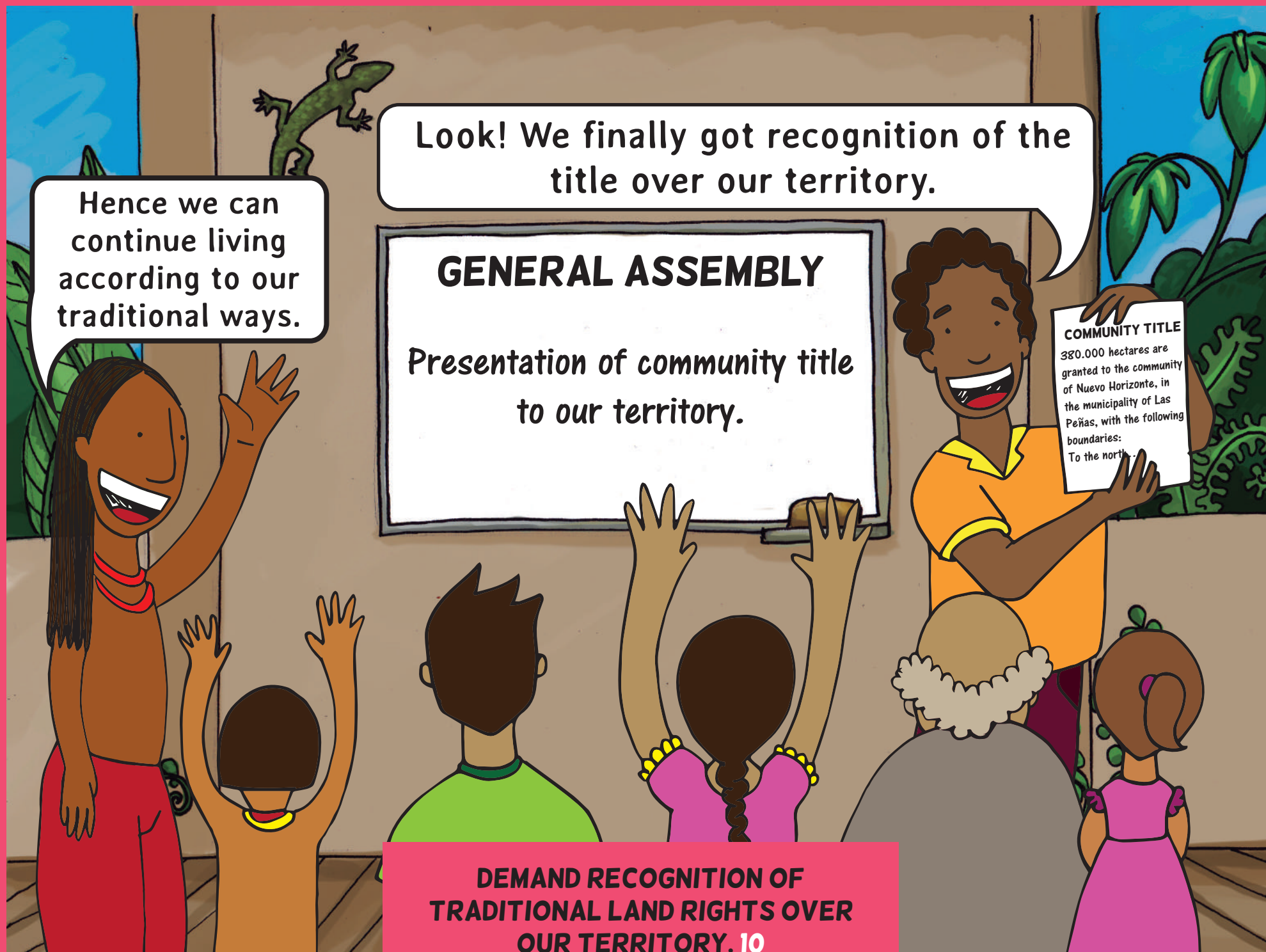




THIRD PART OUR PROPOSALS



Now we know what can happen to
our territory if we don't take care
of it ...
What do you think we should do?...



I propose that once a year, we plant new trees, and that everyone and their families decide which areas we should protect.

Yes!

Yes!

Yes!

Yes!

PROMOTE THE CREATION OF COMMUNITY RESERVES II

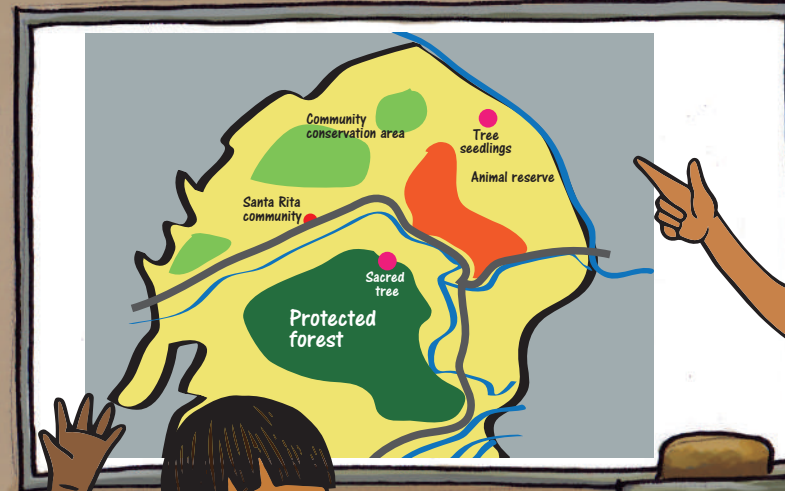
27




ESTABLISH COMMUNITY CONSERVATION AREAS ¹²

Today we are going to study the map of our community and the conservation areas.

This is the territory that our families have decided to protect based on our own decision.



My uncle also told me that we have reserves to protect animals.




There are trees that are essential due to their role and function, like these that are sacred and this other one that produces seeds.

This tree tells the story of how our people were born.

PROMOTE COMMUNITY FOREST MANAGEMENT 13

29



We have to protect these trees where a lot of animals nest. Also, we should not hunt the reproductive females or very young animals.



DEMAND FOR PUBLIC POLICIES THAT PROTECT AND GUARANTEE FOREST CONSERVATION, WHICH ARE NOT BASED ON MAKING MONEY OR DOING BUSINESS. 14



We should learn from what happened to our neighboring community: their forest was almost destroyed as a result of selling timber for export.

We should agree that our natural heritage is only used for our own wellbeing and not to satisfy the over-consumption of others.

We also need to prevent that mining and oil companies enter our territory.

LEARN ABOUT COMMUNITIES WHO ARE CONCERNED ABOUT REDUCING THE USE OF PRODUCTS BASED ON FOREST EXPLOITATION AND FOSSIL FUELS. 15

HERE YOU CAN STUDY 16 ASPECTS RELATED TO REDD CONTRACTS

1. COMMON FEATURES OF THE CONTRACTS

Concealing the real information about the conditions of the projects, disinformation and creation of false expectations are common features found in many places where people or their leaders have made decisions without really knowing or understanding the consequences of signing these contracts.

Cardona (2013), in the article *REDD Contracts: illegitimate dispossession through legal means*, demonstrates how these initiatives set out by using incomprehensible language and by creating misleading proposals, which is the first form of disrespect to local communities (p.56).

In general the contracts are written in technical jargon and in languages that are not native for local communities. Here are some examples:

Peruvian Amazon Contract 2: “(...) proposes to assess the feasibility of forest conservation, reforestation, afforestation, Biodiversity Credits, Carbon Credits and REDD Credits, the aim of which is to help finance the generation of emission reductions through the implementation of the Project’s activities in the Province designed to reduce such emissions or, as appropriate, enhance the sequestration of greenhouse gases, recognizing that marketable commodities will be created thereby for trading on the Carbon Market.”

Brasil Contract 2: “No party represents, warrants, or guarantees to any other party, successor or assign that any mechanism or certifying entity will be adopted, established or authorized. In addition, no party assumes financial responsibility or liability for the failure of such mechanism or certifying entity to be adopted, established or authorized, or for the level of value placed on any offsets generated under this agreement (...)”

In other cases, the language used in the contracts prevents communities from recognizing the extent of the commitments they are acquiring. Hence, external agents are favored in a disproportionate way:

Peruvian Amazon Contract 2: “The grant of powers, functions and authorities under this Clause is not revocable or variable without the prior written consent of XXXX¹.”

2 INFLUENCING COMMUNITIES

There are multiple ways to influence or persuade communities to accept these projects, as we have observed in various contracts and documents, or heard at first hand from the local communities.

In Brazil, for example, trucks are given to leaders in authority to facilitate the signing of the contracts; in Peru, outboard motors for boats are donated; and in other cases, to obtain the communities acceptance, the leaders are taken out to get drunk and then obliged to sign the contacts.

3 COSTS AND EXPENSES

Peruvian Amazon Contract: One of the contracts analyzed in this study and which has been used as a reference source for this guide, states that: “the project costs will be paid carbon credits”. But elsewhere, the same contract states: “Project expenditures shall specifically exclude any costs and expenses incurred by each party in fulfilling its obligations and duties under this Agreement and **each party will assume them**” (bold added).

Contract signed by indigenous people of Munduruku, Brasil: “The Company assumes no responsibility for any taxes, state, federal or other charges or expenses incurred by the owner and which are its responsibility”.

“The Company is not responsible for the liabilities incurred by the owner”

1. The space marked with XXXX corresponds to company names or information which is restricted from being published.

4 DURATION OF THE CONTRACTS

This study found that the duration of contracts ranges from 30 to 80 years, with an option for extension. Some references to the duration of the contracts or projects are as follows:

Peruvian Amazon Contract: the expected duration of the contract covers from May 2005 to May 2050.

Contract signed by indigenous people of Munduruku, Brasil: “This agreement grants the company XXXXX, registered by the number XXXX, located at (address), Ireland, the full title and property of any carbon credits obtained in the area of property of Indigenous Land Munduruku for a period of thirty (30) years”.

Contract with an organization in the Peruvian Amazon: Breach of contract: “This contract is signed for a period of 80 years...”.

Contract with a cooperative in the Peruvian Amazon: In this contract several inconsistencies are noted, such as establishing an initial period of accreditation of the REDD project for **40 years**, and a conservation concession granted by the regional government to the cooperative for the same period, but in other sections of the contract, obligations are imposed on the cooperative for **80 years**.

5 RIGHTS OF THE COMPANIES, OBLIGATIONS OF THE PEOPLE

Contract with a cooperative in the Peruvian Amazon: “i. Give access to the entire area of the XXXXXX concession and areas of direct influence to XXXXXX and its partners, for visits, internal or external audits, filming, biomass measurements or scientific research, as well as institutions and professionals that the binding agencies for carbon credits require, during the 80 years of the contract”

Contract signed by indigenous people of Munduruku, Brasil: “This agreement gives the company the right to perform all investigations and technical studies, including unrestricted access to the whole area for its agents and representatives, to perform data collection in order to obtain complete validation of carbon credits for the forests”.

Peruvian Amazon Contract 2: The community agrees on “providing such security and transport within the means of the Province to XXXX directors, personnel, representatives, consultants, contractors, servants or agents as they go about the Province for the purpose of the Joint Venture and the Project”.

6 PROHIBITIONS TO THE PEOPLE AND COMMUNITIES

Contract signed by indigenous people of Munduruku, Brasil: “For the execution of civil works or other interventions that the owner intends to perform in the area of the contract, a written detailed intervention plan must be submitted to the company”.

Contract signed by indigenous people of Munduruku, Brasil: “Without prior permission of the company, the owner agrees not to make any intervention in the project area, specifically: fixed or temporary structures, cutting and/or logging of timber, burning, thinning of forests, construction of indigenous dams or retention of watercourses, mining, agriculture, tourism, road construction or any other activity that may have negative effects on the methodology used by the company for project validation”.

As all types of farming activities are forbidden in the project, the food sovereignty of indigenous peoples can be seriously affected as well as their culture, since traditional ways of food production, diet and cultural dynamics are at risk for falling into disuse.

7 THE REALITY OF WHAT IS AT STAKE

Although the contracts specify that they relate to projects to generate carbon credits, they actually signify the appropriation of biodiversity and benefits associated to biodiversity are handed over to the companies and not to the local community, as the legitimate stakeholders.

Contract signed by indigenous people of Munduruku, Brasil: The payments scheduled in Annex document 1 give the company all the rights to the carbon credits received, with any methodology and **all rights of any certificate or benefit that is obtained through the biodiversity of this area** during the contract period “(bold added).

With respect to these terms and other contracts signed in Brazil, the national Attorney’s Office declared them as illegal. They stated: “The contracts are for carbon credits sales and undertake complete beneficial ownership [over the land], which is unique to the indigenous people, and also permit access by unauthorized personnel to indigenous lands”,

(<http://www.dw.de/brasil-vai-processar-empresas-que-fecharam-contratos-de-carbono-com-%C3%ADndios/a-15914327>).

8 OTHER PROHIBITIONS

Peruvian Amazon Contract 2: During the term of this Agreement the Province shall not directly or indirectly in any circumstances whatsoever, enter into any other agreement in respect to carbon sequestration or the creation of Carbon Credits, Biodiversity Credits and REDD Credits within the Province, without the consent in writing of XXXX.

Contract signed by indigenous people of Munduruku, Brasil: “The owner, without prior written authorization from the company must refrain from making any type of mortgage, loan, or give-up the project area as guarantee or other custom, that would somehow allow transfer of land possession during the agreement period”.

9 MORE OBLIGATIONS

Contract signed by indigenous people of Munduruku, Brasil: “The owner agrees to provide the company with all necessary documents and authorizations, registrations, state and local, approvals and licenses required by the company to perform its activities in the project area”.

Peruvian Amazon Contract 2: The community is obliged to provide information to the company in order to establish an inventory of natural and forest resources of the area.

10 AN EFFECTIVE AND REAL PROPOSAL

Friends of the Earth promotes, supports and/or replicates many initiatives for forest conservation, that are unique to or inspired by forest peoples and local communities, which are aside from market schemes, payment for environmental services, compensation or other mechanisms of the green economy.

With respect to community lands and territorial recognition, this international organization considers that it is necessary to: “Strengthen the rights of Indigenous Peoples and local communities to preserve and manage their territories according to their traditional practices, respecting and recognizing community-based schemes”.

This is a real and effective proposal; it costs less and complies with numerous human rights policies.

11 COMMUNITY-BASED CONSERVATION

Several studies have demonstrated the relevance and effectiveness of conservation practices performed by local communities in their territories. For example, Ferreira and Venticinque (2007) assessed the conservation status of forest areas under different protection schemes in the Legal Amazon of Brazil and found that the indigenous lands were in better environmental conditions and that this scheme was the most effective tool to restrain and/or reduce deforestation (indigenous territories are compared with national or regional state-owned conservation regimes). This conclusion has been confirmed in other parts of the world, in particular, that there is less incidence of destructive logging in community-based conservation areas (RRI, 2012).

12 RESPONSIBLE PROPOSALS

Conservation proposals should essentially consider sustainable livelihood practices of indigenous peoples and local communities that live in harmony with their lands, especially initiatives that focus on supporting community management and conservation of forests. Market schemes should not be involved and territories must remain outside the control of companies and international financial institutions: forests should be controlled collectively by the forest peoples.

13 COMMUNITY MANAGEMENT

Collective and community forest management and equitable distribution of land-use rights should be supported. These community-based initiatives have shown to be considerably more effective in terms of reducing destructive environmental practices (Cardona, 2012), in contrast to payment schemes that only serve to displace collective values and decision-making over land management, and instead promote short-term and individualistic livelihood practices (McAfee, 2012).

14 PUBLIC POLICIES

Instead of carbon markets, what is fundamentally required, among other factors, is access to public funding to strengthen community forest management practices for Indigenous Peoples and local communities; this

is a State obligation under compliance with international agreements such as the protection of traditional knowledge.

Moreover, public policies should be developed and strengthened with a focus on effectively empowering community forest protection schemes, respecting the sustainable use of Indigenous peoples and local communities, and ensuring that they have sufficient economic independence.

15 REQUIREMENTS

Economic markets schemes should not be involved in conservation proposals and forests must remain outside the control of companies and international financial institutions: territories should be managed collectively by the local people. We urgently require democratic and technically consistent measures to move towards a sustainable energy system, by eliminating the use and abuse of fossil fuels and other sources of “dirty energy”, including nuclear power and agro-fuels. Large greenhouse-gas emitting countries, especially the industrial and consumer countries of the North, should implement emission-reduction mechanisms, with no substitutions or compensations, focusing on reduction targets in their own countries.

There is an urgent need to confront the excessive demand for timber and agricultural products: we need to promote a global transition towards a low-carbon economy based on sustainability, which does not require deforestation. Developed countries generate direct and indirect impacts on forests, by consuming various food or non-food products. High levels of consumption of natural resources and energy in these countries must not be the norm throughout the world. REDD cannot be an incentive to maintain these levels of consumption.

16 MORE REQUIREMENTS

Any mechanism, policy or market initiative should be rejected; whether it be a proposal based on carbon compensation, land-grabbing or one that fails to address the real causes of deforestation and forest degradation; or one that involves privatization or commodification of forests; or promotes the transformation and destruction of forests to develop tree plantations, or reduces them to mere carbon stocks.

It is necessary to keep working at all levels: in our daily life with local communities and Indigenous Peoples and nationally, by participating in formal

and informal discussions, and at the United Nations Framework Convention on Climate Change (UNFCCC). We should continue to lobby and influence the debate on forests, both in formal negotiations, side events and civil society fora. Our strong criticism of REDD has had a clear impact on making politicians recognize the inherent flaws of REDD projects and thus changing the emphasis of political debates; our struggles to uphold community-based conservation and sustainable livelihoods of forest peoples must be maintained at all working levels.

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The best decision is to avoid signing any contracts. The responsibility of conserving our culture and territory has to be our own initiative.

Besides, every time that someone comes to offer us things in exchange for signing a contract, we are the ones who end up losing everything... Don't let them deceive us!

Well said! By defending our territory, we also defend our livelihoods.



THE BEST WAY TO AVOID THE SERIOUS RISKS AND CONSEQUENCES OF REDD AND FOREST CONSERVATION PROJECTS IS TO DECLINE FROM SIGNING THE CONTRACTS THAT THEY OFFER US. 16