

WHAT IS

REDD?



A GUIDE FOR
INDIGENOUS COMMUNITIES

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Forest
Peoples
Programme



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Asia Indigenous Peoples Pact (AIPP)

Forest Peoples Programme (FPP)

International Work Group for Indigenous Affairs (IWGIA)

Tebtebba

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TABLE OF CONTENTS

INTRODUCTION	1
PART I: CLIMATE CHANGE	5
PART II: REDD	29
PART III: THE UNDRIP AND WHAT COMMUNITIES CAN DO	67
A CHECK-LIST FOR COMMUNITIES	81
GLOSSARY	92
ACRONYMS	98



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INTRODUCTION


This book provides information material on REDD (Reducing Emission from Deforestation and Forest Degradation in developing countries), one of the mitigation measures currently promoted for combating climate change, and its implications for indigenous peoples. It is intended primarily for indigenous peoples as a guide in understanding climate change, REDD and how they relate to the recognition and exercise of the collective rights of indigenous peoples.


As a guidebook for communities, the content is simplified and accompanied by illustrations and photos for visualization. Translated versions of this Guidebook in several languages will also be published in REDD countries in Asia and elsewhere.

This publication on REDD and indigenous peoples is divided into three parts. The first part is an overview on climate change and adaptation. In this section we intend to provide a basic understanding of the phenomenon of climate change, factors for global warming, impacts or effects of climate change to indigenous peoples and their livelihood activities in different landscapes and geographical locations. It also includes the actions being taken by governments and the international community. A summary of information on the major adaptation and mitigation measures agreed upon by states under the United National Framework Convention on Climate Change (UNFCCC) is also included in this section.

At the end of this section is the collective statement of indigenous peoples, the Anchorage Declaration, containing the views and position, and the demands and recommendations of indigenous peoples relating to climate change. This part of the book is not intended to provide a comprehensive information on climate change, but rather to provide a basic understanding for indigenous communities of this complex issue, and the context in which the idea of REDD has been developed.

In the second part of this guidebook we turn to REDD. The importance and the roles of forest, as well as how the concept of REDD came into being, are contained in this section. We provide background information about REDD







implementation and the role of states under REDD projects, programmes and schemes – both those developed and those planned - and role of developed countries. Since REDD is at heart a payment scheme based on carbon emissions, we also provide information on REDD financing mechanisms including from the World Bank, the United Nations, as well as from private corporations. We also address briefly the issues of carbon trading and the carbon market(s) and their relationship to REDD. This first section of REDD provides the basic understanding of the REDD scheme, and the key players of this scheme as a major mitigation action to climate change, agreed upon at the global level.

The second section of REDD is on how REDD relates to indigenous peoples, and why it is critically important for indigenous peoples, especially those living in forests, to gain knowledge and understanding of REDD. It then elaborates on the specific impacts of REDD on indigenous peoples from the perspective of indigenous peoples themselves. As such, it dwells on REDD in relation to the role of forests in climate change, and on the potential negative impacts for the recognition and exercise of the collective rights of indigenous peoples, especially on the right to land, territories and resources, and to indigenous peoples' livelihoods and well being. It however also discussed what the potential benefits and opportunities of indigenous peoples under the REDD scheme are for strengthening the recognition of their rights, and whether and how they can benefit economically.

The third part is on the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and how this can be used to promote and protect the rights of indigenous peoples under REDD and other actions relating to the mitigation of and adaptation to climate change. It provides a summary of the contents of the UNDRIP, and it elaborates on the right of indigenous peoples to land, territories and resources, the right to development, and to Free Prior and Informed Consent (FPIC). This section also contains a list of suggestions for practical actions that indigenous peoples can take to promote, advocate and assert the recognition and exercise of their collective rights in relation to REDD and other climate change actions. It is followed by a check list for communities which includes the most important questions that communities should get answers to when they are approached to be part of a project or programme that will be funded by the carbon market, by carbon finance funds, or that will create carbon credits.





At the end of this section is a list of references to other relevant materials on REDD and climate change is provided, which indigenous communities can access if they want to have more information.

As an information guidebook for indigenous communities, this publication is aimed at increasing the awareness and understanding of indigenous communities towards mobilizing them to take action for the promotion and protection of their rights with respect to REDD and climate change actions.

The International Work Group on Indigenous Affairs (IWGIA), the Asia Indigenous Peoples Pact (AIPP), the Forest Peoples Programme (FPP) and the Tebt-ebba Foundation jointly prepared this Guidebook. This is part of the collaboration work of these organizations and institutions on Climate Change, REDD and indigenous peoples with funding from the Norwegian Agency for Development Cooperation (NORAD).





PART I:

CLIMATE CHANGE

HOW'S THE WEATHER TODAY?

For indigenous communities, the weather is very much a part of life and culture. The rising and setting of the sun, the direction of the wind, the amount of rainfall and the turning of the seasons all have meaning and relationship to how life goes in a community. Recently, intensifying changes to weather patterns have been observed. These changes have, in turn, changed patterns of wildlife or of plant growth, affecting the lives of indigenous peoples.

WHAT IS GOING ON?

The weather changes in short periods of time. Even in a day, the weather can change from a sunny morning to a rainy afternoon. Over a very long period of time, say 30 years, a certain area shows a weather pattern. This “averaged” weather is called climate. An easy way to remember the difference is that climate is what you expect, like a very hot summer, and weather is what you get, like a hot day with pop-up thunderstorms.



What is going on is that the climate is changing, and it is changing mainly because of human activities. What's more, it is changing too fast.

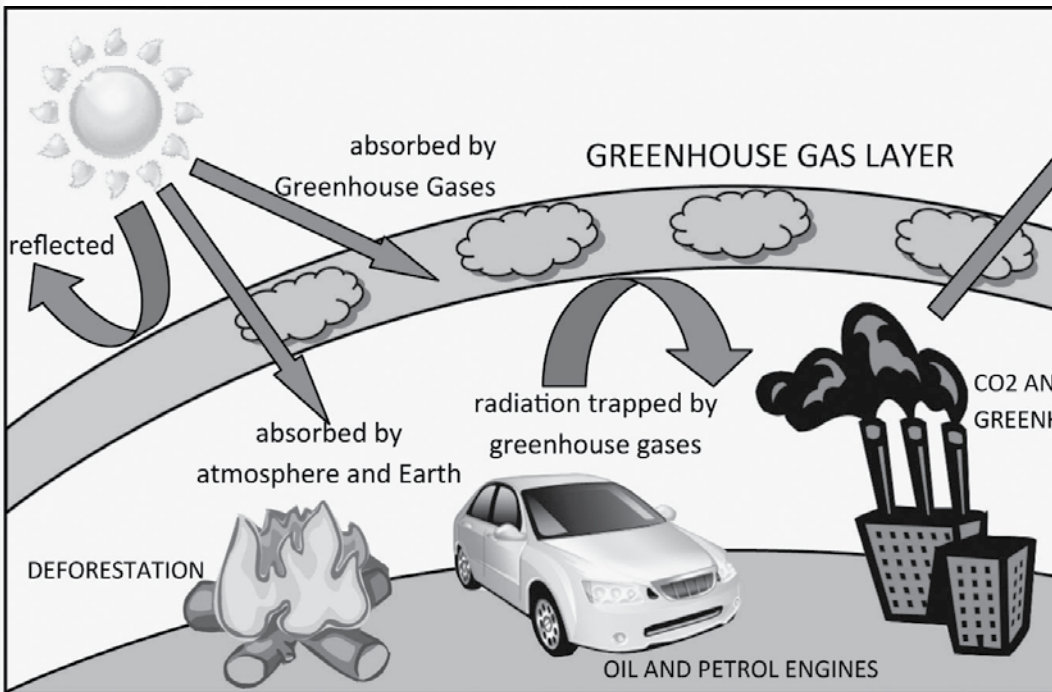
HOW DO WE KNOW THAT THE CLIMATE IS CHANGING?

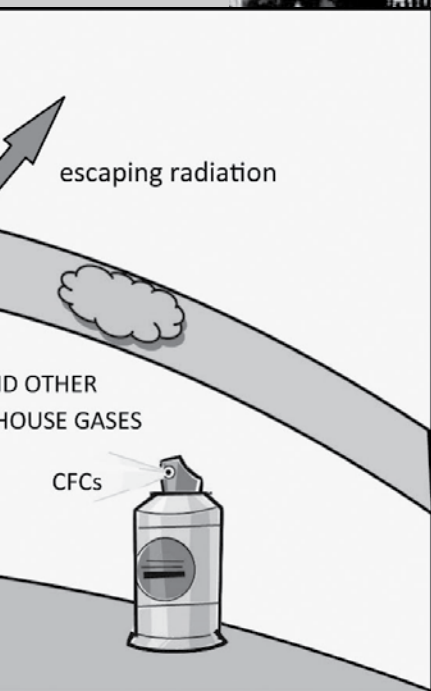
The earth, as we already know, goes around the sun. It is the sun that warms the air surrounding the earth, bringing about different types of climate in

different areas. The air that surrounds the earth is called the atmosphere and it is composed of a combination of different gases. Some of these gases have a very strong impact on our climate, and these are the gases that we are particularly interested in here. These gases are called the 'greenhouse gases' (GHGs) because they act like the glass walls of a greenhouse, allowing some of the sun's rays to enter, reflecting back harmful radiation from the sun and keeping some warmth close to the earth, making the earth a place where we can live.

Some of the heat that comes from the sun is reflected by the greenhouse gases and by the earth and goes back into space. Some of the warmth of the sun is trapped by the greenhouse gases and stays in the atmosphere, keeping the earth warm. If this was not the case, it would be very cold on Earth – too cold for humans to live.

This natural process is called the greenhouse effect. As humans and their activities emit more carbon dioxide and other greenhouse gases into the atmosphere, the greenhouse effect becomes stronger. The result is global warming. Greenhouse gases are chemical compounds such as water vapour, carbon dioxide, methane, and nitrous oxide. They are naturally part of the atmosphere.





However, humans are adding more of these gases into the atmosphere by activities such as burning oil and gas to run factories, generate power and for transportation, land development or simply farming!

Carbon dioxide is the main GHG and its main source is the burning of fossil fuels such as oil, gas or coal that we use to run machines such as cars and to produce energy. Fossil fuels are called so because they come from the decay, burial and compaction of rotting vegetation on land, and of marine organisms on the sea floor and are formed over millions of years.



Another major source of carbon is from activities that destroy or damage forests. These activities include large scale logging, mining, forest fires and expansion of agricultural land. In fact, scientists estimate that a fifth of carbon emissions into the air come from these kinds of activities.

We are already feeling some of the impacts of climate change:

- The patterns of rainfall, snow and hail have been observed to have changed. Some parts of the world are experiencing more rain than they used to, and it rains more heavily when it does, while other parts of the world are experiencing less.
- Extreme weather events such as stronger storms, droughts, heat waves, and rains are happening more often.
- The snow covers of very high mountains are now much less than they used to be and glaciers are melting very quickly.
- Many island nations are in great danger because the sea level is rising. The sea level rises when the ice at the earth's poles melts as the temperature gets warmer.
- Coral reefs in the oceans are bleaching because of the warming of the ocean and the increase in acid in the sea water.





WHO IS RESPONSIBLE FOR THE RAPID INCREASE OF GREENHOUSE GASES?

Most of the greenhouse gases that are in the atmosphere come from the burning of fossil fuels for energy and from industrial processes such as petroleum refining and cement manufacturing. When people started using machines some 250 years ago, they started burning a lot of fossil fuels for their factories and farms. People started building cities and using cars and other machines that require fossil fuels for energy. This time was called the Industrial Revolution, and it began in Great Britain and spread through regions of Europe and to

the United States. Today, these countries are called the “Industrialized Nations” and include some countries in Asia and in the Pacific Rim as well.



GLOBAL WARMING

IS THE AVERAGE INCREASE IN THE SURFACE TEMPERATURE OF THE EARTH AND ITS OCEANS COMPARED TO PREVIOUS CENTURIES. GLOBAL WARMING IS ONE KEY ASPECT OF CLIMATE CHANGE.

It is now clear that it is the developed countries in North America, Europe and Australia who are historically responsible for emitting most of these greenhouse gases with their energy-dependent and wasteful lifestyles and



economies dependent on burning fossil fuels. However, the impacts of climate change are felt first in delicate and vulnerable environments, in small islands and in countries and the traditional territories of indigenous peoples who have not contributed very much to emitting these gases in the past. The people who cannot afford to travel in cars and planes, do not have heating or air conditioning in their homes but have sustainable ways of life and practices are the same people who are suffering first from climate change.

SO WHAT IF THE CLIMATE CHANGES? WHY ARE WE, INDIGENOUS PEOPLES, AFFECTED MOST?



For thousands of years, we indigenous peoples have lived in close relationship with our lands and with nature. The plants and animals in our territories are the sources of our food, medicines, and livelihoods. Our waters and lands are not only useful for us, we also hold them sacred. Many of us still live a way of life where we produce and harvest what we need, but also ensure that our natural resources will be there for our children and future generations. This is what today is called sustainable use of resources.

It is because of this close relationship with and dependence on the natural environment that the impact of climate change is more severe for us than for other peoples. Even with a low level of warming, the effects of climate change will directly affect our lives. For example, an increase in global temperature of just one degree Celsius will bring about changes in how plants grow in the forests and how fish breed in the seas. With an increase of two degree Celsius, many plants and animals will disappear and be replaced by others, and most corals



will die. Imagine what will happen if it becomes even warmer. More and more people will be affected by flooding, drought, increase of diseases, extreme weather events and species extinction.

Indigenous peoples living a traditional way of life are not using much external inputs in the form of machines, fuel, fertilizers and other industrial products. We produce much of what we need ourselves, and we do not consume a lot. This means that our ways of life emit very little carbon or other greenhouse gases into the atmosphere. And because we nurture our environment and use resources sustainably, we enhance the capturing (or sequestration) of carbon in the natural world. In the words of scientists, our way of life is in many cases even “carbon neutral”, which means: whatever carbon we emit is again taken up by the vegetation looked after by our resource management practices. Through our sustainable use of resources, we indigenous peoples have also preserved the biodiversity of our territories. However, although indigenous peoples have contributed the least to climate change, it is in our lands and territories that the impacts of climate change are being felt most.

For thousands of years, indigenous peoples have thrived in very diverse, some-time very harsh environments. They are living now

- from hunting and fishing in the arctic and sub-arctic;
- from hunting, gathering, shifting cultivation and many other forms of agriculture in tropical and sub-tropical, temperate and boreal forests;





- from pastoralism (keeping domesticated animals like goats, cattle, camels, etc.) or from hunting and gathering in dry and sub-humid environments like savannahs and deserts;
- from pastoralism and agriculture in high mountains;
- from fishing and agriculture in coastal and low-lying areas, small islands, swamps and mangrove environments.



HOW EXACTLY WILL CLIMATE CHANGE AFFECT US?

Climate change is going to or has already started to affect indigenous peoples in almost all aspects of our lives:

- ◇ Massive floods, strong hurricanes, cyclones and typhoons and storms lead to the destruction of infrastructure (houses, bridges, roads, power grid, etc.), of agricultural lands, crops, livestock, forests, marine and coastal resources leading to reduction of income and food shortage. Recent examples are the massive landslides in the Cordillera in the Philippines or the floodings in South India



- ◇ They also cause loss of freshwater supplies and the increase of micro-organisms and water-borne parasites that make us sick. Indigenous women and children are most at risk of weakening health and losing their lives.
- ◇ More frequent and prolonged droughts and floods cause the disappearance of plant and animal species that are important food sources or are essential to our ceremonial life.
- ◇ Extreme and unprecedented cold spells and prolonged rain and humidity can result in health problems, such as hypothermia, bronchitis and pneumonia, especially among old people and young children. The burden of caring for sick family members is usually on women, which prevents them from engaging in socio-political opportunities or attending to their personal development.



- ◇ Dropping water levels, prolonged droughts, the resulting desertification or saltwater intrusion in coastal areas lead to loss of farm land and therefore more hunger and impoverishment. Water and food insecurity is getting worse. As water collectors, indigenous women face inevitable conflicts over scarce water resources.
- ◇ Aside from agriculture, many other traditional occupations like hunting and gathering, pastoralism, fishing, gathering of wild plants are undermined because of climate change.
- ◇ Adverse impacts on traditional livelihoods and the environments in which they are practiced will also mean loss of traditional knowledge, innovations and practices associated with these livelihoods and environments. The capacity of our women to perform their roles as seed-keepers and transmitters of culture and language, among others, are undermined.
- ◇ Loss of sources of income and economic opportunities in our territories and along with this the loss of traditional cultural practices associated with them are expected to severely weaken our communities. As a result, many more of us will leave our communities to seek economic opportunities elsewhere. The outmigration of our youth and male heads of families further limits our opportunities and capacity to cope with the effects of climate change. It will lead to erosions of indigenous economies and to loss of our cultures. And it is the women who will bear the brunt of the responsibility of sustaining the families.
- ◇ An increasing number of us will end up as environmental refugees because the lands have gone underwater or have been destroyed by landslides.





WHAT HAVE OUR GOVERNMENTS DONE TO ADDRESS CLIMATE CHANGE?

Our governments are part of an international agreement signed by almost all countries in the world to respond to climate change. This agreement is called the United Nations Framework Convention on Climate Change (UNFCCC) and has been in force since 1994.

However, with the realization that greenhouse gas emissions continue to rise around the world, the countries that signed the UNFCCC (officially called ‘Parties’ to the UNFCCC) began negotiations with the purpose of coming up with a “firm and binding commitment by developed countries to reduce emissions.” Since the negotiations took place in Kyoto in Japan, the agreement reached is called the Kyoto Protocol. For the period between 2008 and 2012, the Kyoto Protocol sets targets for industrialized countries to reduce their pollution. It also gives them flexibility to do that, which means it allows them to reach these targets in different ways. The industrialized (also called “developed”) countries who have pledged and are now obliged to reach these targets are listed in the Annex 1 of the Kyoto Protocol, and in the UNFCCC and the Kyoto Protocol they are therefore referred to as “Annex 1 Parties”.



THE ANNEX 1 PARTIES

AUSTRALIA, AUSTRIA, BELARUS, BELGIUM, BULGARIA, CANADA, CROATIA, CZECH REPUBLIC, DENMARK, ESTONIA, FINLAND, FRANCE, GERMANY, GREECE, HUNGARY, ICELAND, IRELAND, ITALY, JAPAN, LATVIA, LIECHTENSTEIN, LITHUANIA, LUXEMBOURG, MONACO, NETHERLANDS, NEW ZEALAND, NORWAY, POLAND, PORTUGAL, ROMANIA, RUSSIAN FEDERATION, SLOVAKIA, SLOVENIA, SPAIN, SWEDEN, SWITZERLAND, TURKEY, UKRAINE, UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, UNITED STATES OF AMERICA AND, ADDITIONALLY, THE EUROPEAN UNION

THE BALI ACTION PLAN

THE CONFERENCE OF PARTIES OR COP OF THE UNFCCC MEETS EVERY YEAR TO REVIEW THE CONVENTION'S PROGRESS. IN 2007, AT ITS 13TH SESSION IN BALI, INDONESIA, THE COP CAME UP WITH THE BALI ACTION PLAN. IT WAS TO IDENTIFY THE STEPS THAT GOVERNMENTS NEED TO TAKE IN ORDER TO COME TO AN AGREEMENT ABOUT WHAT TO DO WITH CLIMATE CHANGE AFTER 2012. REMEMBER THAT THE KYOTO PROTOCOL COMMITMENT PERIOD IS FROM 2008 TO 2012. WHAT IS ALSO IN THE PLAN THAT IS OF INTEREST TO INDIGENOUS PEOPLES IS THE INCLUSION OF DISCUSSIONS ON MITIGATING CLIMATE CHANGE THROUGH REDUCING EMISSIONS FROM DEFORESTATION AND FOREST DEGRADATION IN DEVELOPING COUNTRIES. THIS IS AN INITIATIVE THAT YOU WILL GET TO KNOW LATER IN THIS BOOKLET, AS REDD.

A much heavier burden to reduce greenhouse gas emissions has been placed on industrialized countries since it is considered only fair to require more emission reductions from them because they can afford to pay the cost of cutting emissions, and because they have historical-

ly contributed more to greenhouse gas emissions than developing countries. This is called the principle of "common but differentiated responsibilities."

It is important to know though that the targets set under the Kyoto Protocol are not high enough to seriously stop climate change and further commitments after 2012 will need to reach for far higher targets.

WHY ARE THE CLIMATE CHANGE NEGOTIATIONS NOT PROGRESSING?

The problem of global warming is largely a result of the decades of industrialization activities of the rich countries which emitted huge amounts of carbon and other greenhouse gases to the atmosphere. Around 75% of global carbon emissions had been caused by the developed countries (annex 1 countries under the Kyoto Protocol). These countries therefore have the responsibility to take drastic measures to cut back their level of carbon emissions, and they also have the responsibility to provide the needed support and assistance to other countries that are suffering from the adverse impacts of climate change. This is referred to as the historical debt of industrialized countries to the rest of the world.

The key contentious issues

At present, there are two tracks of global negotiations for international agreements on climate change. The first is the **Kyoto Protocol (KP)**, in which





developed countries (except US) have made commitments to cut their emissions by 5.2 % by 2012 as compared to the level of emissions in 1990. This is an internationally

legally binding agreement. However, scientists agree that developed countries need to make emission cuts of at least 25 to 40% by 2020 if we want to prevent the global temperature to rise more than 2% C, which would have catastrophic consequences. Therefore, a second round of commitment was supposed to have been made in Copenhagen during the COP 15 in December 2009. However, developed countries are only committing to low emission targets (11-18 %, including the US). At the negotiations during the COP 15 developing countries (the Group of 77 developing countries, or G-77, and China) demanded a 40% cut so that they will not have to reduce too much themselves and therefore have some space to develop their own economies and meet the needs of their much bigger populations.

Another problem is that developed countries want to achieve emission reduction through carbon offsets (i.e. compensation of carbon emissions, which we will explain in detail a little later) done abroad and, and not fully from carbon reduction measures at home. While refusing to commit to drastic emission cuts in their own countries, they are at the same time demanding legally binding commitments

for heavy reductions from big countries such as China, India and Brazil. Due to this unforthcoming position of developed countries the negotiations under the Kyoto Protocol have not advanced as needed and no second commitment was made.



COMMON BUT DIFFERENTIATED RESPONSIBILITIES

IN RECOGNITION OF THE HISTORICAL DEBT OF DEVELOPED COUNTRIES, THE PRINCIPLE FOR THE GLOBAL NEGOTIATIONS FOR AN AGREEMENT ON CLIMATE CHANGE IS CALLED "COMMON BUT DIFFERENTIATED RESPONSIBILITIES". THIS MEANS THAT ALL COUNTRIES MUST TAKE ACTIONS TO ADDRESS THE PROBLEM OF CLIMATE CHANGE AS A COMMON ISSUE, BUT INDUSTRIALIZED COUNTRIES MUST TAKE THE BIGGER BURDEN BECAUSE OF THEIR RESPONSIBILITY FOR CAUSING GLOBAL WARMING, THEIR LEVEL OF DEVELOPMENT, WEALTH AND CAPACITY TO ADDRESS THE IMPACTS OF CLIMATE CHANGE.



The other track of negotiations is under the **Long Term Cooperative Action (LCA)** which is a follow-up to the Bali Action Plan of 2007 for the sustained implementation of the UN Framework Convention of Climate Change. Under the LCA, developed countries must provide funds and commit to technology transfer to allow for effective measures for developing countries to cope with the impacts of climate change. This is again part of the historical debt of developed countries to developing countries. However, developing countries are again making low commitments for the so-called mitigation and adaptation funds. The United Nations Department on Economics and Social Affairs report states that 500 to 600 billion US\$ are required by developing countries for mitigation and adaptation. However, developed countries especially the EU estimated that only 100 billion are needed and is proposing that funding should be sourced out as 20-40 % from developed countries, 40% from carbon market and 20-40 % as self finance of developing countries. For developing countries (G-77 and China) this is unacceptable, especially since they also need resources for sustainable development while at the same time addressing the impacts of climate change.

Furthermore, developing countries are proposing that the funds for mitigation and adaptation are managed under the Conference of Parties (COP), ensuring the equal rights of states. Developed countries however prefer to have this under the World Bank, which is again controlled by developed countries.



Finally, another contentious issue is the transfer of environment-friendly technologies by the developed countries to developing countries in order to help them meet their reduction targets while still being able to continue developing their economies. Developed countries are however reluctant and point at the need to protect intellectual property rights. Developing countries are therefore demanding exemptions to intellectual property rights in climate friendly technology and that a technology pool is established for the needs of developing countries.

In sum, the negotiations for a new global climate change agreement are not only technically complex but also very political, especially due to the economic interests of governments and big companies. It is critically important that these interests are overruled by the notions of historical debt, social justice and recognition of rights and that they continue to underpin any agreement on climate change in order to find real solutions to this global problem and to achieve sustainable development for all.

WHAT EXACTLY IS BEING DONE NOW TO RESPOND TO CLIMATE CHANGE?

There are different ways for people to deal with the impacts of climate change. All the human actions to reduce emissions or increase the uptake of carbon dioxide by vegetation are called **Mitigation**. Examples of mitigation measures to reduce greenhouse gas emissions include increasing automobile efficiency, increasing access to and use of public transportation, replacing fossil fuels with wind or solar energy, or improving the insulation of buildings, among others.

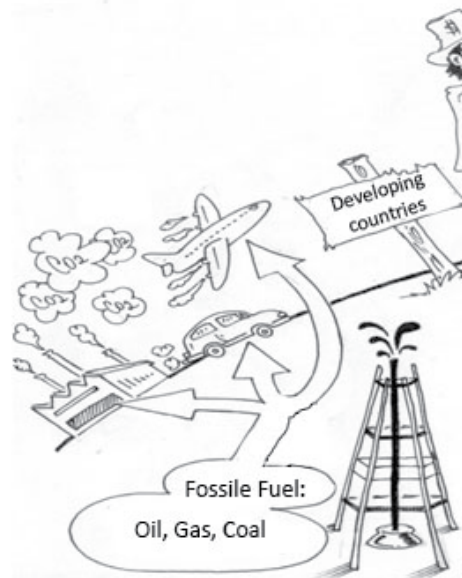
Human interventions intended to provide help to communities, peoples or nations dealing with the effects of climate change that are already happening are called **Adaptation**.

Mitigation

The most important form of mitigation is to reduce the emission of greenhouse gases at source – which would be above all in the industrialized countries. The opposite approach is to increase the ‘sequestration’ of greenhouse gases, which means the absorption or trapping of these gases in a variety of ways, for example through plant growth. Since plants absorb carbon dioxide from the atmosphere as they grow, there is a lot of carbon that is “sinking” into vegetation. Therefore, forests, savannas or the algae in the sea are called “carbon sinks”.

In the Kyoto Protocol, governments gave themselves several options to reduce their emissions. In addition to reducing them at home, they introduced several other ways to reduce emissions that they called “market-based mitigation mechanisms”. These mechanisms are called “market-based” because they work like a trading or market system. Remember that developed countries were given a concrete target for the reduction of greenhouse gases. As carbon dioxide is the main problem, these targets are limits to the amount of carbon dioxide that developed countries can release into the air. When a country lowers their emissions more than they need to (more than the target) they have spare emissions (carbon permits) that they are allowed to sell to other countries that have used up their quota. These carbon permits can then be sold to those who are not able to reach their target. In reality it is all much more complicated, and there are also possibilities to pay someone else in a country where there are no limits on the emissions to reduce theirs and allow an industrialized country to emit more, but what we have explained is the basic principle of the “market-based mitigation mechanism”.

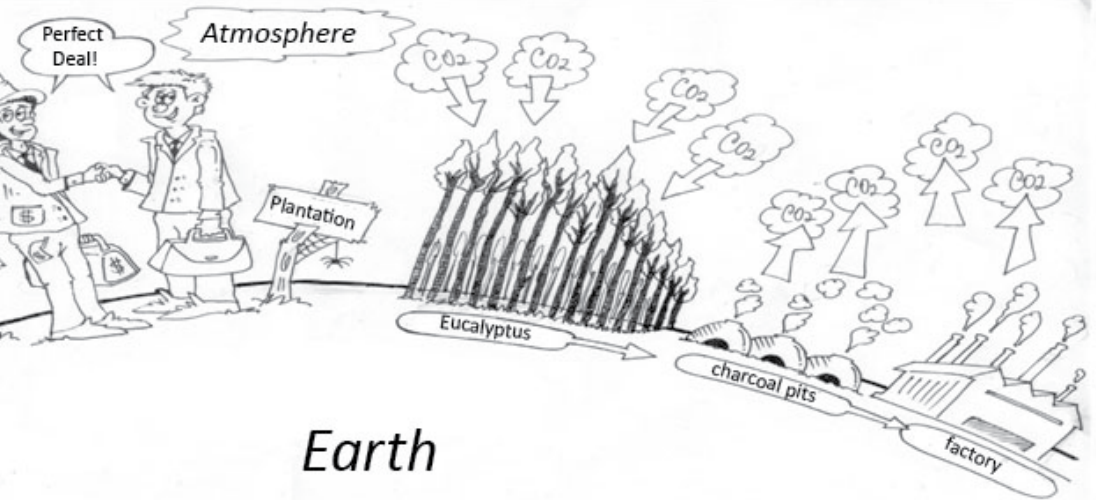
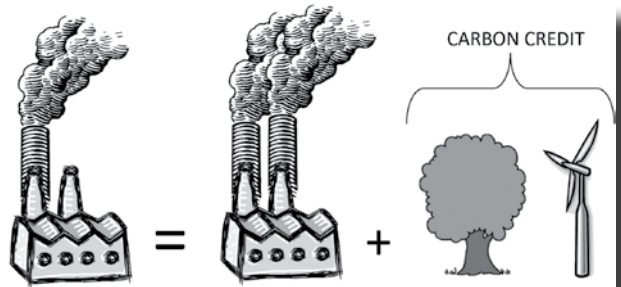
Market mechanisms are also proposed to be included in the financial arrangements to pay for REDD, but this is not yet agreed between governments. Use of market mechanisms at the moment is voluntary. For more information on what “market mechanisms” might be included in future agreements and what their implications are please see pages 35-37 in this booklet.



THE MARKET-BASED MECHANISMS THAT ARE INCLUDED IN THE KYOTO PROTOCOL ARE: 1. CLEAN DEVELOPMENT MECHANISM (CDM), 2. EMISSIONS TRADING (ET) AND 3. JOINT IMPLEMENTATION (JI).

These market mechanisms are supposed to lower the costs of achieving emissions targets. The CDM allows developed countries to invest money in projects in developing countries which are expected to lower the amount of carbon dioxide in the air. These include projects such as oil palm plantations for the production of bio-fuels (fuel produced from palm oil replacing the use of normal fuel), renewable energy production (reducing the amount of energy produced by power plants burning oil or coal), or projects that create or enhance carbon sinks, like through afforestation or reforestation.

The carbon emission that is claimed to be reduced or the carbon sink produced are measured and for that "carbon credits" are given to the country financing these projects. Similarly, through Joint Implementation developed countries can receive credit for investing in projects



Earth

in other developed countries. And all the carbon credits gained through these two mechanisms can be traded by the developed nations among themselves.

Of course, the best way to mitigate climate change is to change the unsustainable production and consumption which are still the prevalent system in this world. The best mitigation measures involve changing lifestyles, individually and collectively, and to change the course of development towards a sustainable and low-carbon system of production and consumption.



It is crucial for us indigenous peoples to fully understand these market-based mechanisms. Equipped with adequate information, we can evaluate the risks and opportunities which will allow us to make our own decisions on whether to engage with the emissions market or not. Please look at the “checklist for communities” on pages 81-85 for some of the questions you should think about if a carbon trading project is proposed near or within your lands, territory or resources.





Adaptation

Mitigation is one of the main concerns of the UNFCCC and the Kyoto Protocol. Adaptation is the other. Adaptation is about finding ways to lessen the impacts of climate change to humans and to the environment.

All over the world, indigenous peoples have already developed their own innovative adaptation measures in coping with climate change, based on their traditional knowledge. These include growing many different crops and crop varieties, relocating fields, changing hunting strategies, plant gathering, and fishing techniques, etc.

WHY SHOULD MITIGATION MEASURES BE A CONCERN FOR INDIGENOUS PEOPLES?

Sometimes the solutions that the industrialized countries are proposing may actually not be very good, at least not good for everyone. An example is the proposal to produce more bio-fuel, often also referred to as agro-fuel, so that less fossil fuel is used. However, to be economically profitable, large areas of land are needed for such plantations, and for that forests in tropical countries where indigenous peoples live are cut down on a large scale.

These plantations do produce bio-fuels such as ethanol (from sugarcane) or bio-diesel (from oil palm and the *jathropa* plant), and in this sense are replacing conventional fossil fuel.

However, the destruction of forests for these plantations, developing the land, using fertilizers and pesticides, transporting and processing the raw materials lead to the releases of enormous amounts of carbon into the atmosphere. So these plantations end up emitting far more carbon than what they save through the production of bio-fuel. And indigenous peoples and other communities living in these forests are often displaced by such projects.

Climate change mitigation is not only an issue of cutting down greenhouse gas emissions but also an issue of equity, social justice, human rights and sustainability. How will the world share the burden of decreasing greenhouse gas emissions? Who should be compensated for what? How will such measures affect the rights to water, food, shelter and health? These questions need to be asked when climate change mitigation measures are proposed.

Indigenous peoples are not contributing to increasing levels of greenhouse gas emissions because of their low-carbon or even carbon-neutral ways of life. Furthermore, they have struggled to prevent extraction of oil, gas, and minerals from their territories and keep on fighting against deforestation, all of which has kept a lot of carbon under the ground and in the trees. Unfortunately, these contributions are not acknowledged and accounted for in the carbon market. Therefore, also in this respect the principles





of equity and sustainability are not really respected.

It is bad enough that there are no mechanisms to recognize, account for and integrate indigenous peoples' contributions to mitigation. But what is worst is the fact that some mitigation measures have led to the violation of indigenous peoples' basic human rights. Some of the negative impacts of mitigation measures to indigenous peoples include violation of the rights of indigenous peoples to their lands, territories and resources, criminalisation of traditional livelihood practices like shifting cultivation, or an increase in food prices resulting in more food insecurity. An example for this has been described above: when indigenous peoples' lands are forcefully taken from them in order to be converted to plantations.

The inclusion of REDD (Reducing Emissions from Deforestation and Forest Degradation) as a mitigating measure for climate change presents both threats and opportunities for indigenous peoples. While REDD, which will be part of the post 2012 climate agreement, may provide some financial and other opportunities for indigenous peoples who live and depend on forests, the concept and manner in which it is being shaped and implemented pose some problems which have to be addressed. Indigenous peoples fear that they will be excluded once more from their forests as what has happened in the establishment of Forest Protected Areas in the past. If their forests are designated as carbon forests and are used for emissions trading,

there is a great possibility that they will be prevented from practicing their own traditional forest management practices and to use their forests for ceremonial purposes, shifting cultivation, as sources of timber and non-timber forest products and medicines, and other agro-forestry activities. You will read all about this and other discussion on REDD in the next section of this booklet.

THE ANCHORAGE DECLARATION

FROM APRIL 20 – 24, 2009, INDIGENOUS REPRESENTATIVES FROM ALL OVER THE WORLD GATHERED IN ANCHORAGE, ALASKA TO EXCHANGE THEIR KNOWLEDGE AND EXPERIENCE IN ADAPTING TO THE IMPACTS OF CLIMATE CHANGE, AND TO COME UP WITH KEY MESSAGES AND RECOMMENDATIONS WHICH CAN BE TO BE EXPRESSED WHEN THE UNFCCC MEETS FOR THE FIFTEENTH CONFERENCE OF PARTIES (COP15) IN COPENHAGEN, DENMARK ON DECEMBER 2009. IT WAS THE FIRST TIME THAT A MEETING ON CLIMATE CHANGE FOCUSED ENTIRELY ON INDIGENOUS PEOPLES EVER HAPPENED.

IN THIS MEETING, INDIGENOUS REPRESENTATIVES CAME UP WITH THE ANCHORAGE DECLARATION WHICH CHALLENGED STATES TO “ABANDON FALSE SOLUTIONS TO CLIMATE CHANGE THAT NEGATIVELY IMPACT INDIGENOUS PEOPLES’ RIGHTS, LANDS, AIR, OCEANS, FORESTS, TERRITORIES AND WATERS. THESE INCLUDE NUCLEAR ENERGY, LARGE-SCALE DAMS, GEO-ENGINEERING TECHNIQUES, ‘CLEAN COAL,’ AGRO-FUELS, PLANTATIONS, AND MARKET BASED MECHANISMS SUCH AS CARBON TRADING, THE CLEAN DEVELOPMENT MECHANISM, AND FOREST OFFSETS.” THEY ALSO CALLED FOR THE “... HUMAN RIGHTS OF INDIGENOUS PEOPLES TO PROTECT OUR FORESTS AND FOREST LIVELIHOODS ... [TO] ... BE RECOGNIZED, RESPECTED AND ENSURED.







PART II:

REDD



WHY ARE FORESTS IMPORTANT FOR CLIMATE CHANGE?

If forests are destroyed or degraded, large amounts of gases that cause global warming are released into the atmosphere. The most important of these gases is carbon dioxide, or CO₂, a gas that is present in high levels in trees, forests, animals and nature. When trees grow, they absorb CO₂ from the atmosphere and bind it into themselves and their root systems. When trees die, the gas is released back into the atmosphere.

In an old forest, gases are constantly being absorbed and released, and overall, a balance is maintained. However when large-scale logging happens or these old-growth forests are converted into plantations or lighter forest cover, large amounts of CO₂ are released without enough being absorbed again. It has been estimated that 18% of the global CO₂ emissions are a result of this sort of destruction and degradation of forests. This means that deforestation and forest degradation are major causes of climate change, although not as large as industrial production and energy generation.

Forests are also victims of climate change. Climate change can damage the health of forests if they receive less rain and when temperatures rise. Climate change can also lead to more forest fires as weather becomes less predictable and more violent. This means that changing climates can actually make forest destruction worse.

“Degraded forest” refers to an unhealthy, damaged forest with reduced tree cover. Forests might be degraded because of some logging or because they have been converted to plantations or agriculture. An unhealthy and damaged forest cannot provide the many ecosystem services on which so many people all over the world, and above all those living in and near the forests depend,



such as:

- controlling soil erosion,
- providing clean water,
- providing a habitat of wildlife and plants which above all for indigenous peoples are an important basis of our livelihoods
- many other important services and roles in our lives, including cultural and spiritual roles.

Forests are an important part of our ecosystems and landscapes. Continued protection of the earth's forests will mean that the earth, the ecosystems, animals and plants, and humans, will be more able to adapt and respond to changing climates. Large forests especially in hilly and mountainous areas help plants and animals adapt to rising temperatures and changing rainfall patterns: they can move up where it's cooler; species better adapted to hotter climates can replace them at lower elevations.

Protection of complex old growth and virgin forest areas also means that climate change itself can be slowed as large amounts of CO₂ emissions can be avoided by ensuring that forests remain standing.

WHAT DOES 'REDD' MEAN?

Because of the crucial role that forests play in lowering the effects of climate change, because of the many other important roles they play in our lives, and because their destruction leads to more emissions it has become clear that we need to slow deforestation and forest degradation and maintain healthy old growth forest systems.





This has led to the idea of “reducing emissions from deforestation and forest degradation”, an idea which involves simply trying to stop forests being cut down or degraded and thereby reducing the amount of CO₂ that is released into the air. At its simplest, this is all that ‘redd’ is.

However this idea has been adopted by governments and inter-governmental bodies and agencies and has been developed into a more specific idea: that developed countries are paying developing countries large amounts of money so that various policies and projects are implemented in order to stop forest destruction and degradation in these countries. In some of these proposals developed countries receive the right to burn more fossil fuel than they are already doing in return for their payments, in others they do not. This particular set of policy ideas is known as **Reducing Emissions from Deforestation and Forest Degradation** in developing countries – **REDD** (in capital letters).

REDD is a very new idea, which is promoted by several Northern and Southern governments and large conservation NGOs. There are several different proposals for REDD mechanisms which differ mainly in how the financing for REDD would be organized and at what level REDD projects could be organized (i.e., whether at the national or sub-national level). In all these proposals the basic idea remains the same: that developed countries pay developing countries for reducing rates of deforestation or forest degradation – and that developed countries do not have to reduce their own emissions as much in return for payment of forests being maintained in developing countries.

However what activities will be paid for and will be understood to reduce rates of deforestation is also not yet agreed. One of the proposals on the table is something called “REDD+” which proposes that additional activities might get



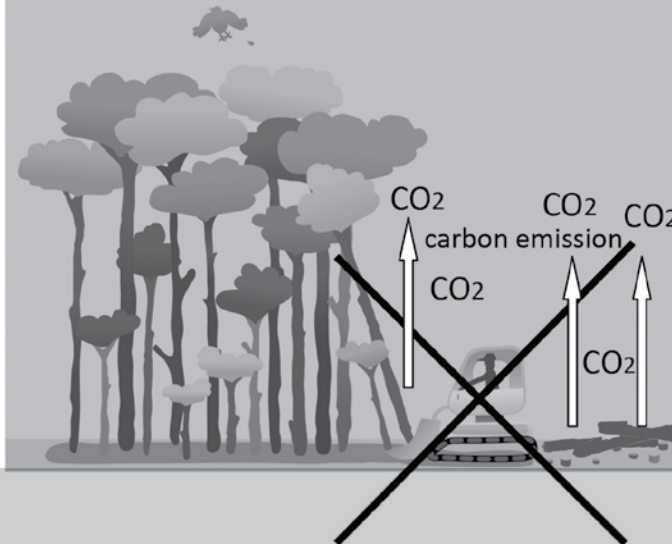
funding also, including possibly “sustainable forest management” (including some logging), plantations and re-planting of forests (or afforestation). REDD+ has additional implications for indigenous peoples which we will discuss here also.

REDD is not yet part of the global agreement on Climate Change, but it will be included in the new agreement which will possibly be adopted in the 16th Conference of the Parties to the UNFCCC to take place in Mexico in 2010. In the

Paying for...



...avoiding deforestation



meantime, however, pilot schemes on REDD are being undertaken and funding mechanisms are being set up by United Nations agencies like the United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), the Food and Agriculture Organization (FAO), by international financial institutions like the World Bank, and also by private companies, governments and environmental conservation groups. They all expect that REDD will be included in the new Climate Change agreement at some point.



THE BASIC PRINCIPLE

THE BASIC PRINCIPLE UNDERLYING ALL PROPOSED REDD MECHANISMS IS: FUNDS ARE PROVIDED TO DEVELOPING COUNTRIES FOR REDUCING EMISSIONS FROM DEFORESTATION OR FOREST DEGRADATION.

keeps carbon in trees
and thus avoids carbon emission



BUT HOW DOES REDD ACTUALLY WORK?

The countries that will receive funds have to implement policies and programs which reduce deforestation and forest degradation. Any approach that reduces deforestation and degradation could in theory be applied. Some possible examples for such measures are: governments strengthen law enforcements, have better fire management and practice sustainable management of forests or change laws to stop large-scale logging or forest conversion activities like plantations.

What this means is that under REDD new kinds of “carbon protected areas” would be created over large areas of forests, with the main objective to cut CO2 emissions by avoiding deforestation and degradation of these forests.



The big unanswered question is: how will REDD be financed? This is presently being hotly debated.



Who pays and how?

Basically, there are two positions in this debate, supporting two different proposals on how the money to pay for forest protection under REDD is supposed to be raised. One proposal is to do it through the establishment of funds, the other proposal is through the use of a “market” for “carbon permits and credits”, which means through the buying and selling of credits for reduced emissions that allow industrialized countries to reduce their emissions less. Although governments have yet to agree a final agreement under the UNFCCC, it is likely that both types of financing will be used to finance REDD so both these mechanisms will be discussed here as they have special implications for indigenous peoples.

1. Financing through market mechanisms

As you have learned in the previous chapter, the carbon market is the key mechanism by which the countries who signed the Kyoto Protocol seek to lower the impact of climate change. Do you remember how it works? Putting it simply: Each country is allowed to emit a certain amount of carbon each year. If they



CARBON PERMITS, CARBON CREDITS

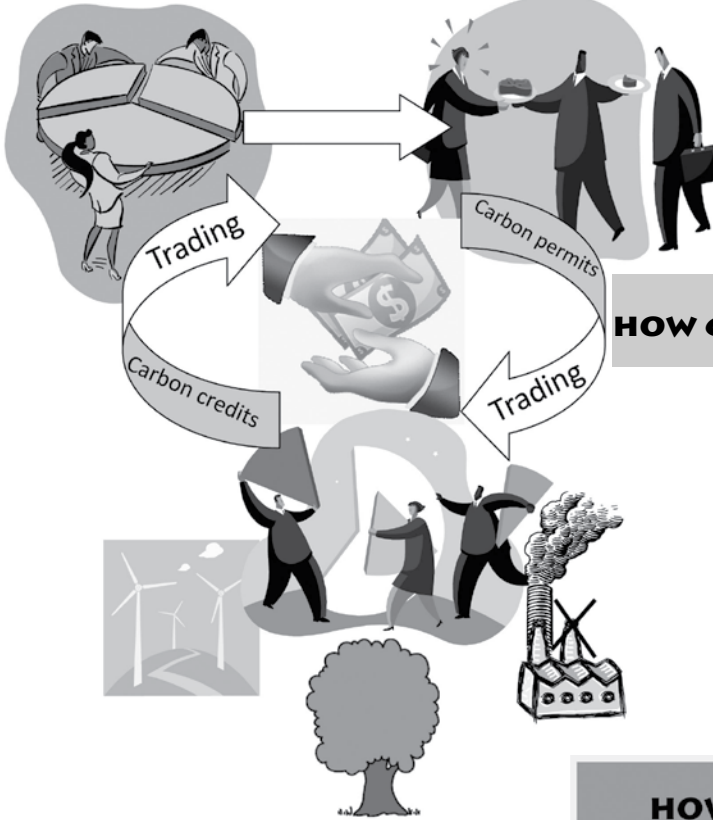
CARBON PERMITS ARE THE AMOUNTS OF CARBON EMISSIONS ALLOCATED TO COUNTRIES (AS PART OF THEIR TARGET), BUT A CARBON CREDIT CAN ONLY BE “CREATED” BY REDUCING AN EMISSION BY THAT AMOUNT. CARBON PERMITS AND CARBON CREDITS CAN BE TRADED AGAINST EACH OTHER, BUT ARE TWO DIFFERENT THINGS. IF YOU WANT TO POLLUTE MORE, YOU CAN PURCHASE A CREDIT CREATED BY SOMEONE ELSE, OR PURCHASE A PERMIT THAT SOMEONE ELSE HAS NOT USED.

emit less, they have “extra carbon permit” which they can sell to other countries; if they emit more they have to buy carbon permits from other countries to compensate for the excess carbon they released. Or they pay someone else in a developing country, where there are not yet limits on emissions, to reduce theirs. This claimed reduction creates carbon “credits” which also allow industrialized countries to burn more

fossil fuel than what they are allowed under the international climate agreement.

One carbon permit or credit is equal to one ton of carbon, and carbon permits and credits are traded between “buyer” countries, or companies, and “seller countries”, or companies.

Carbon PERMITS are allocated to countries Unused carbon PERMITS can be sold



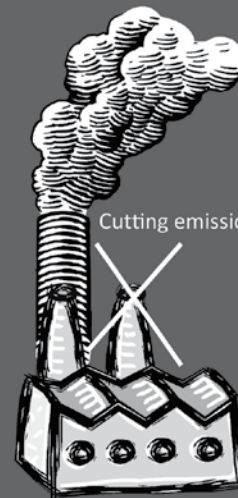
HOW CARBON IS TRADED

Carbon CREDITS can be created and sold

HOW CARBON CREDITS

Some are suggesting that the carbon market should be regulated under the UN system, others propose to do it via voluntary carbon markets, which are using their own standards and have their own rules. There are already quite a number of new companies that have been created just to trade - and thereby make money from carbon credits.

You have also already learned that if a country or company engages in an activity that is sequestering (absorbing carbon from the



REDUCO

Reducing defor



atmosphere like through planting trees) instead of emitting carbon, they can also create carbon credits. And if they prevent the emission of carbon, like when they protect a forest from being destroyed by logging or the establishment of a plantation, they also create carbon credit.

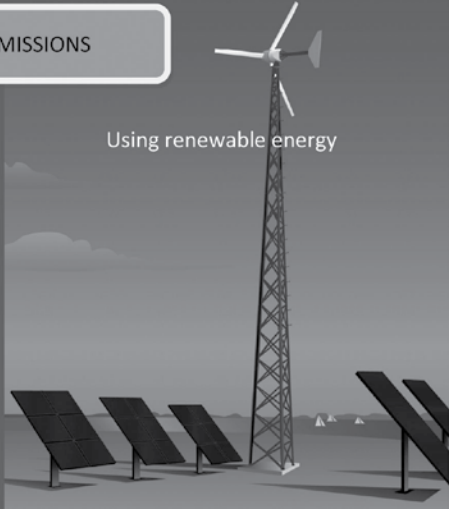
So the idea behind the proposed “market solution” is to finance REDD projects by selling carbon credits that are created when forests are protected.

36% of the carbon credit traded on the **voluntary market** comes from projects in reforestation and afforestation projects. But credits traded from **avoided deforestation** (when planned or expected deforestation is prevented) are so far only few, about 3% of the voluntary market.

There are a lot of implications that a market system can have for indigenous peoples, and it is very important to think about all the possible positive and negative impacts that might happen if you think of joining a project that is financed through the market. The ‘checklist for communities’ on pages 81-85 is intended to help you think through some of these implications.

ARE CREATED.....

ING AND AVOIDING EMISSIONS

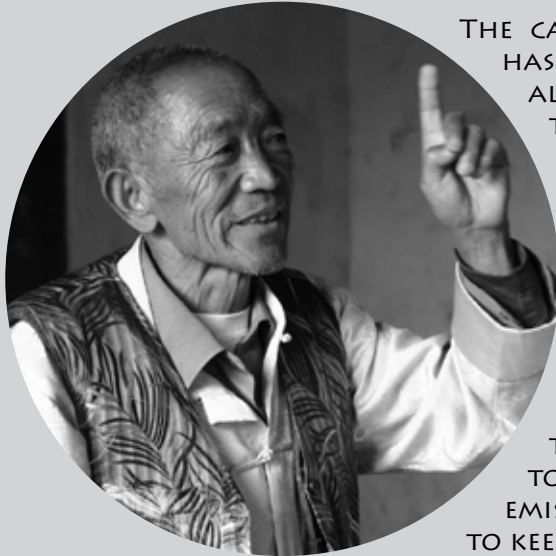


Using renewable energy

ENHANCING CARBON SEQUESTRATION



Planting trees



THE CARBON CREDIT MARKET SYSTEM HAS BEEN CRITICISED BECAUSE IT ALLOWS INDUSTRIALIZED COUNTRIES TO BUY CARBON CREDITS IN OTHER COUNTRIES, ESPECIALLY THE DEVELOPING COUNTRIES, WHICH MAY BE CHEAPER THAN REDUCING THEIR OWN CARBON EMISSION. IT WOULD THEREFORE ALLOW THESE COUNTRIES TO CONTINUE POLLUTING THE ATMOSPHERE AT THE SAME LEVEL AS LONG AS THEY CAN BUY CARBON CREDITS TO COMPENSATE THEIR CARBON EMISSION. IT IS BUYING THE RIGHT TO KEEP POLLUTING.

2. Financing through funds

A fund is a mechanism by which different people, companies or governments pool money in order to jointly finance a program, a project, a business or an institution (like a school or an orphanage, etc.). The money of a fund is kept in a bank account, and there are people who

are in charge of managing the fund, which means their responsibility is to make sure that the money is used for the purpose which the fund was created for. Funds can be public money (World Bank, or national governments) or it can be private money (from a bank, or foundation or company).



Funds for REDD could be created at the global level, or at the regional level (like for Asia, for Africa, etc.). For example, the government of Tuvalu, a small island state in the Pacific Ocean, proposed the foundation of an International Forest Retention Fund. Governments would pay money from taxes





on activities that are harmful for the climate (like for air traffic, for fuel that powers the engine of ships, aircrafts, etc.) to this fund. This money would then be used to pay for forest conservation. This proposal includes compensation to communities



for protecting and sustainably using forests. Governments receiving money from this fund would report every year to the UNFCCC COP (Conference of Parties or annual meeting of state-members of the Convention) on the progress of their forest conservation work.

Public Funds

Several international organisations have already set up funds or programs, through which they intend to support REDD. The World Bank has established the Forest Carbon Partnership Facility (FCPF) and the Forest Investment Programme (FIP). The UN has established the UN Collaborative Programme on REDD, or UN-REDD, a programme of partnership between the Food and Agricultural Organization (FAO), the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP). You will learn more about these a little later.

Some industrialized countries have also set up funds to support REDD. Norway, for example, has launched its International Climate and Forest Initiative and will provide 600 million US Dollars annually for the next 6 years to support the UN-REDD programme and other projects (including the World Bank's FIP). Norway believes that both market and fund-based approach to a REDD regime



IT IS IMPORTANT TO NOTE...

THAT CONTRARY TO THE CARBON CREDIT MARKET SYSTEM, UNDER THE PROPOSED FUND SYSTEM IT IS NOT POSSIBLE FOR ANY GOVERNMENT, AND THEREFORE ALSO NOT FOR RICH INDUSTRIALIZED COUNTRIES, TO COMPENSATE FOR EMISSIONS ("OFFSET" EMISSIONS) WHICH THEY ARE CAUSING THEMSELVES.

are needed. Another example is Australia which committed to provide 185 million US Dollars funding for the next 5 years mainly for Indonesia, Papua New Guinea and the Forest Carbon Partnership Facility of the World Bank.

Important for you to know is that these public funds declared that they will end their activities by the end of 2012 unless they are asked to continue by the countries who are party to the UNFCCC. The reason they are giving is that the UNFCCC has not yet determined what the international rules for REDD will be and how REDD will be financed. These are difficult issues which are currently being debated in the UNFCCC negotiations.

Private Funds

In addition to the funds set up by the international organisations and governments, there is a steadily increasing number of private funds set up by nature conservation agencies (like Nature Conservancy, Conservation International, World Wide Fund for Nature US, Center for International Forestry Research, etc.), but also by private foundations and companies.



An example of a project working on REDD which is supported by private foundations is the Rainforest Project, launched by Prince Charles of Great Britain. It is funded by 12 big companies such as the mining company Rio Tinto, or banks like Morgan Stanley, Goldman Sachs, Deutsche Bank. Another example for a large joint initiative is the Noel Kempff Climate Action Project in Bolivia by The Nature Conservancy (TNC), Fundación Amigos de la Naturaleza (FAN), the Bolivian government, and three energy companies (American Electric Power, PacificCorp, and BP Amoco). In Indonesia, the US Bank Merrill Lynch is funding the Ulu Masen project in Sumatra. Several foundations have had programs on deforestation already before and are now supporting activities related to REDD. Among these are the Gordon and Betty Moore Foundation working in the Amazon, and the David and Lucile Packard Foundation in Brazil; or the Rockefeller Foundation which is supporting the Clinton Climate Initiative to develop forests projects in tropical countries.

However, it is important to remember that many of these projects are just starting up and some have faced a lot of criticism about whether they are actually





HOW TO PROVE...

A FUNDAMENTAL PROBLEM WITH REDD PROJECTS THAT ARE ALREADY ESTABLISHED IS THAT IT IS PROVING VERY DIFFICULT FOR THESE PROJECTS TO PROVE (IN OFFICIAL LANGUAGE "VERIFY") THAT THEY ARE ACTUALLY REDUCING EMISSIONS FROM DEFORESTATION AND FOREST DEGRADATION. IF THEY CAN NOT ACTUALLY REDUCE EMISSIONS, THEN THE WHOLE BASIS FOR THE SYSTEM OF REDD COMES INTO QUESTION. PLEASE SEE "FOR FURTHER INFORMATION" AT THE END OF THIS BOOKLET FOR MORE INFORMATION ABOUT THESE PROBLEMS.

reducing emissions or not. The Noel Kempff Climate Action Project in Bolivia, for instance, has faced criticism from Greenpeace who say that it has not managed to prove its claims to reduce emissions permanently and effectively (see 'further information' for more details).

Because private funds are voluntary, they do not depend on any international agreement on REDD financing in the future.

Future financing arrangements

Since the UNFCCC still needs to decide how REDD will be financed in the future the existing programmes that are trying out different ways of REDD financing are very important and very influential. These programmes are expected to have so much influence simply because they offer an available model for how it could be done. The most influential of these existing programmes are the UN-REDD programme and the World Bank's Forest Carbon Partnership Facility and Forest Investment Programme.



THE WORLD BANK AND REDD

The World Bank wants to play a leading role in promoting and shaping REDD. It has already set up two very large Climate Investment Funds (CIFs), the Strategic Climate Fund (SCF) and the Clean Technology Fund (CTF), which are supposed to support the development of clean technologies and other initiatives related to climate change. Under one of these funds, the SCF, is the Forest Investment Programme (FIP) which addresses REDD directly (you will learn more about this in a short while). Separate from these funds, but

closely connected to the work they are doing, is the Forest Carbon Partnership Facility (FCPF). Let's have a closer look at this first.

The Forest Carbon Partnership Facility


The World Bank's main mechanism for promoting REDD (in addition to the FIP, which we will look at a little later) is a scheme called the Forest Carbon Partnership Facility (FCPF). The FCPF intends to assist developing countries in their efforts to reduce emissions from deforestation and forest degradation. This is supposed to be done through two funds:

1. The Readiness Mechanism aims at building capacity for REDD. The idea is that countries which want to start REDD programmes need to have the necessary knowledge and technical skills before they can do that. The FCPF assists 37 developing countries in the tropical and sub-tropical region of the world in preparing themselves for future large REDD programmes. What the FCPF concretely does is:

- 1) To support countries in making an estimate of all the carbon that exists in their forests (the national forest carbon stock), and to identify the sources of carbon emissions from forests;
- 2) To assist the countries in defining what is called a "reference scenario". If we want to know how much carbon emission we are preventing in a particular year by reducing deforestation through REDD, we need to know how much the carbon emission was before the REDD programme started. The estimate of the carbon emission from deforestation and forest degradation before the start of a REDD programme is the "reference scenario" since this is what governments have to refer to when reporting how much carbon emission they have reduced. The World Bank is also providing technical assistance to these countries in calculating and comparing the costs of different ways of reducing deforestation and forest degradation, and based on this to design their own REDD strategy.



2. The Carbon Finance Mechanism. A few countries that have successfully participated in the Readiness Mechanism will be invited to be part of pilot programmes that are testing REDD. Remember, the basic idea of REDD is to provide financial compensation for protecting forests (instead of logging them or turning them into plantations etc.), and thereby reducing carbon emissions. The offer of a financial reward with the hope that governments will take sincere efforts at reducing deforestation and forest degradation is called “creating



HOWEVER, MANY PEOPLE, AND ABOVE ALL WE INDIGENOUS PEOPLES, ARE NOT HAPPY AT ALL WITH THE FOREST CARBON PARTNERSHIP FACILITY, AND WE HAVE ON MANY OCCASION HEAVILY CRITICIZED THE WORLD BANK. FIRST OF ALL, THE WORLD BANK HAS NOT PROPERLY CONSULTED WITH FOREST PEOPLES. IN THIS THE WORLD BANK WAS EVEN IGNORING ITS OWN INTERNAL SAFEGUARD POLICIES AND THE RULES OF THE FCPF. ACCORDING TO THESE POLICIES, THE WORLD BANK IS OBLIGED TO TAKE INTO ACCOUNT THE NEED FOR EFFECTIVE PARTICIPATION OF FOREST DEPENDENT INDIGENOUS PEOPLES AND FOREST DWELLERS IN ALL DECISIONS THAT MAY AFFECT THEM. THEIR RIGHTS GUARANTEED UNDER NATIONAL LAW AND INTERNATIONAL OBLIGATIONS (IF COUNTRIES HAVE SIGNED ANY INTERNATIONAL TREATIES ON HUMAN RIGHTS ETC.) SHOULD BE RESPECTED.

positive incentives”. They will receive the compensation payments if they are able to reduce the emissions below the level of the “reference scenario” explained a little while ago.


This Readiness Mechanism and the Carbon Finance Mechanism are supposed to lead to the establishment of a much larger system of financing for REDD in the future. The World Bank itself writes on its web-site that they hope to “develop a realistic and cost-effective large new instrument for tackling deforestation, to help safeguard the Earth’s climate, reduce poverty, manage freshwater resources, and protect biodiversity”.

Well, that sounds great, doesn't it?

However, in each of the countries which have presented their national REDD strategies and proposals and which have been approved by the World Bank for initial funding (Indonesia, Panama and Guyana) the consultation with indigenous peoples was not done properly, and their participation in decision making was not ensured. In both Indonesia and Guyana, national level indigenous peoples' organisations have urged the World Bank to withhold any funding to be provided through the Readiness Mechanism until fundamentally important issues like land rights and proper consultation are addressed.

The World Bank has several policies and procedures which among others are supposed to ensure that human rights are not violated. These include Operational Procedure 4.10 on Indigenous Peoples which provides some protection for indigenous peoples – although at a standard far lower than the protec-

tions in the UN Declaration on the Rights of Indigenous Peoples. At a minimum, this procedure binds the country which receives a loan or grant from the World Bank to conduct consultations with indigenous peoples where their lands are to be affected, and to make sure that there is “broad community support” for a project or activity before the Bank agrees to fund it.



YOU SHOULD ALSO KNOW THAT THE FCPF HAS A SO-CALLED PARTICIPANT COMMITTEE, IN WHICH TWO “SEATS” ARE RESERVED FOR REPRESENTATIVES OF INDIGENOUS PEOPLES. SO IF YOUR OWN COUNTRY IS INVOLVED IN THE FCPF YOU CAN GAIN MORE INFORMATION ABOUT IT BY CONTACTING THESE REPRESENTATIVES (SEE INFORMATION PROVIDED AT THE END OF THIS BOOKLET).

The safeguard policies of the World Bank are not only rather vague and weak, but there is also a lot of confusion and lack of clarity about how and when these policies and procedures apply to the activities planned under the Readiness Mechanism of the FCPF. As of September 2009, not a single country plan developed under the FCPF has been fully assessed by the World Bank to see if it matches the Bank's policies and procedures.

The FCPF also has its own Charter, which is the document that provides the rules which all its activities have to comply with. The Charter, among other

requirements, says that the activities funded by the Facility must also meet the international obligations of the borrowing country. This refers to international agreements (like conventions or covenants) which many countries have signed. However, even though the FCPF has been working since 2008 there still is no clear way for the Facility to ensure that this important standard is met.



The Forest Investment Programme (FIP)

The World Bank is going to begin funding activities under the Forest Investment Programme (FIP) in 2010. The FIP hopes to receive between 1 and 2 billion US\$ of funding for activities promoting and supporting “sustainable forest management” and afforestation activities, including REDD.

The FIP is of particular interest to us indigenous peoples and other forest-dependent peoples because it intends to achieve four objectives, all important for indigenous peoples. These four objectives are:

1. To influence the forestry policies of developing countries in a “transformational way” (meaning: with the intention to change them) by

THE CONTRADICTION IN THE WORLD BANK'S ENGAGEMENT

WHEN TALKING ABOUT THE WORLD BANK'S INVOLVEMENT IN CLIMATE CHANGE FINANCING MECHANISMS WE ALSO HAVE TO POINT OUT THAT THE WORLD BANK WHILE IT ON THE ONE HAND DECLARES COMMITMENT TO COMBAT CLIMATE CHANGE THROUGH INITIATIVES LIKE THE FIP, ON THE OTHER HAND IT CONTINUES TO FINANCE LARGE-SCALE FOSSIL FUEL DEVELOPMENT AND EXTRACTIVE INDUSTRIES.

increasing funding, supporting forest law enforcement, addressing “drivers of deforestation” and other activities;

2. To encourage funding for REDD;
3. To have pilot projects that show links between policies and laws and the conservation, enhancement and retention of forest cover and carbon stocks; and
4. To generate lessons for the negotiations in Copenhagen under the UNFCCC.

So one of the main goals of the FIP is to change the laws and policies of the countries involved. This of course means that it will have a direct impact on the lives and livelihoods of forest-dependent indigenous peoples.

Indigenous peoples' representatives fought very hard to make sure that the FIP will require the free, prior and informed consent (FPIC) of indigenous peoples prior to approval of any activities having an impact on indigenous peoples and their land. However, despite their efforts, the proposed references to free, prior and informed consent were removed from the final document. We have very good reason to fear that the FIP would not adopt or follow an approach to development and forest conservation which is based on the recognition of the rights of indigenous peoples and other forest dwellers.



There is also a lot of concern from both human-rights groups and environmental groups that the FIP may be used to support conventional large-scale plantations and logging operations. These concerns have been raised because according to the Forest Investment Program Design Document the World Bank intends to promote “agricultural investments in the context of rationalized land-use planning; and agricultural intensification including agro-forestry” (page 6). It is well possible that logging and large-scale plantations will be included as part of “rationalized land use planning” or forms of “agro-forestry”.

Indigenous peoples have pressed the Bank for effective participation in the design of the programme, and indigenous peoples’ representatives were involved in the design workshops. However, repeated calls for respecting the UNDRIP and the right to free, prior and informed consent were dismissed and are therefore not included in the final design document.

The FIP is currently in the process of establishing the “Sub-Committee” that will oversee and guide its work, and that will approve projects or programmes for funding. It is expected that the Sub-Committee will be established by the first quarter of 2010 and will include at least two representatives of indigenous peoples.

AND ANOTHER PROMISE....

SEPARATE FROM THE FCPF AND THE FIP, THE WORLD BANK HAS ALSO PUBLICLY COMMITTED TO ESTABLISHING A PERMANENT CONSULTATION MECHANISM FOR INDIGENOUS AND FOREST-DEPENDENT PEOPLES WITH THE WORLD BANK MANAGEMENT. BUT IT LOOKS LIKE THIS PROCESS HAS BEEN STALLED AND IT IS UNCLEAR WHEN, HOW OR INDEED IF SUCH A MECHANISM WOULD EVER BE DEVELOPED.

The World Bank has also publicly announced that it will establish a “Dedicated Initiative” for indigenous peoples and forest dependent peoples within the FIP which will allow direct access by indigenous peoples to funding and support for their own activities related to lowering deforestation. However this initiative is still in the planning phase.



THE UN COLLABORATIVE PROGRAMME ON REDD (UN-REDD)

The UN-REDD Programme was set up in September 2008 and is run jointly by three of the United Nations' largest agencies: the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) and the Food and Agriculture Organization (FAO).

The government of Norway has provided the initial funding for UN-REDD, although the Programme is looking for significantly more funding from other governments.

The UN-REDD's aim is to assist developing countries and the international community to gain experience with various ways of paying for REDD and on how to deal with the risks involved.

UN-REDD is explicitly promoting market-based REDD and so-called Payments for Ecosystem Services (PES), although there is a very important difference between PES and REDD. While REDD allows pollution to continue elsewhere, causing all the usual problems of pollution, PES does not do this.

UN-REDD is currently supporting pilot projects in ten countries: Bolivia, Democratic Republic of Congo, Indonesia, Panama, Papua New Guinea, Paraguay, Tanzania, Viet Nam, and Zambia.

Like the World Bank's FCPF, these pilot projects have two purposes:

1. They are supposed to help the countries prepare for future national REDD schemes (called "readiness activities" since they are supposed to create the capacities of government to become "ready" for REDD) ;
2. They will test the REDD payment systems developed.

This means that with the help of these pilot projects the UN-REDD programme wants to assess whether the technical support provided and the payment system devised can actually create the incentives needed to ensure clear, measurable and lasting emission reductions. At the same time the other ecosystem services which forests provide (like biodiversity conservation, providing clean





water etc.) should be maintain and improved.

Most important for you to know is that the UN-REDD Programme declared that it will apply a “rights-based approach”. This means that the programme should, in all activities that it supports, respect and promote the rights of all people(s) affected or involved in these activities.

The UN-REDD Programme also has made plans about how it will monitor its activities, and ensure that they comply with its rules. For example, it intends to provide training for governments on the UN Declaration on the Rights of Indigenous Peoples, to raise awareness on traditional knowledge and to develop tools for assessing “co-benefits” (which means other benefits than just reduction of carbon emissions). But the monitoring plan so far lacks what is most crucial: criteria, indicators and tools to monitor and to independently verify

human rights impacts, or how well the REDD programmes are run by the governments involved.

It therefore remains unclear how the UN will ensure that its commitment to a rights-based approach will be applied in practice or how it will respond to indigenous peoples’ demands that monitoring mechanisms are developed which ensure that all activities comply with the Guidelines on Indigenous Peoples.



GOOD TO KNOW...

UN-REDD ALSO STATED THAT IT WILL ADHERE TO THE UNITED NATIONS DEVELOPMENT GROUP GUIDELINES ON INDIGENOUS PEOPLES. IN FEBRUARY 2008 THESE GUIDELINES WERE UPGRADED TO MAKE THEM CONSISTENT WITH THE UNITED NATIONS DECLARATION ON THE RIGHTS OF INDIGENOUS PEOPLES. THESE GUIDELINES AMONG OTHERS RECOMMEND THAT UN OPERATIONS SHOULD RESPECT THE RIGHT TO FREE, PRIOR AND INFORMED CONSENT, AND RECOGNIZE INDIGENOUS PEOPLES’ COLLECTIVE LAND AND TERRITORIAL RIGHTS.

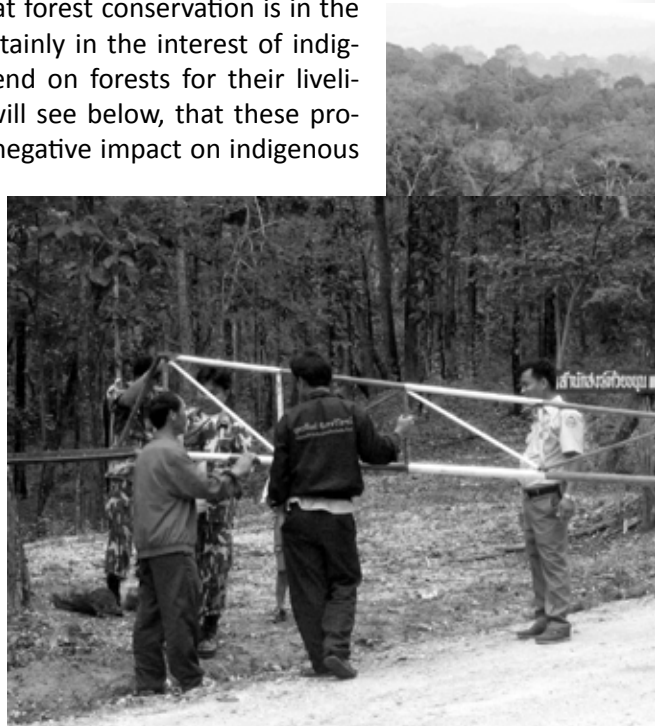


WHY IS IT IMPORTANT FOR INDIGENOUS PEOPLES TO KNOW ABOUT REDD?

From what you have learned so far, you can already imagine that REDD has a very real potential to affect your rights to use, own and manage your lands and resources. It may affect your whole way of life, for better or for worse.

REDD is being implemented in developing countries in the tropics and subtropics and is focusing on forest areas – in many places, the traditional and customary territories of indigenous peoples. These forests have been inhabited by our communities for hundreds if not thousands of years. We have used, managed and shaped these forests in different ways. Rather than destroying them, traditional land use and management practices have led to more diverse landscapes, and thus to an increase in biodiversity.

REDD aims at supporting forest conservation, and enormous amounts of money will be made available for that by industrialized countries. Even though we may agree that forest conservation is in the interest of everybody, and certainly in the interest of indigenous communities who depend on forests for their livelihood, we can expect, as we will see below, that these programs can also have a severe negative impact on indigenous peoples. REDD schemes will make rules about what can and cannot happen inside forests, regulating activities like farming, hunting, gathering of bush foods, medicines, cutting firewood and lumber for construction or any other use of resources in the forests. It is well possible that REDD projects have the same impact on indigenous peoples as protected areas. Actually, in some ways they are a new form of protected areas: carbon protected areas.



Indigenous peoples all over the world have become increasingly worried about REDD since their experiences in the past have shown that governments and private companies often refuse to recognize their rights and interests in forest policies and programmes.

Indigenous peoples are also concerned about the impact of REDD projects on titling or recognition of land tenure, particularly because none of the new national laws on REDD nor international REDD programmes make land tenure security a precondition for REDD. Similar to what is happening with mining and logging concessions, it is possible that the government will chose to sell carbon rights on untitled lands without reference to or consultation with the traditional owners of those lands.

But there may also be new opportunities that may help the indigenous peoples in their struggles if the fundamental rights of indigenous peoples are respected and if control of the design and management of REDD projects is in the hands of indigenous peoples. The positions of indigenous organisations on REDD therefore differ considerably. Some groups vehemently oppose the



idea of treating forests mainly as a carbon storage, and they reject any form of forest carbon trading. Others accept that there could be benefits, and demand that indigenous peoples' positions are included in international and national processes.

In any case, for you and your community it is important to know what REDD is all about, what the possible advantages and what the expected negative impacts are, so that you are prepared and can negotiate and defend your rights in case REDD programmes are targeting your land and territories.

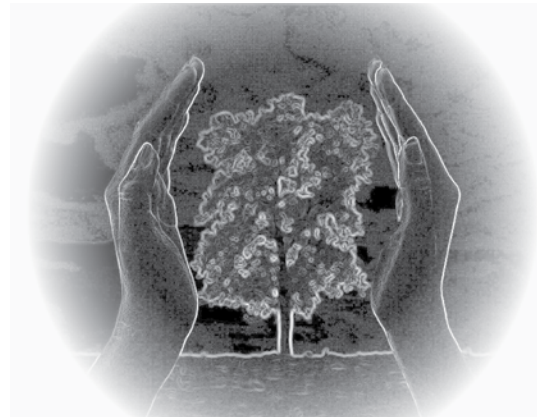
WHAT IS THE EXPECTED IMPACT OF REDD ON INDIGENOUS PEOPLES?

GENERAL PROBLEMS WITH REDD

It has already become clear that REDD, the way it has so far been designed, has several weaknesses, even dangers. Some problems are more technical, most however are ethical.

The problem of "leakage": Protecting here and cutting there

Leakage happens when a container has a hole. In the context of REDD it is referred to the problem of making sure that the REDD programs or projects do not have any "holes", i.e., that when deforestation is prevented in one area it is not displaced to another area. For example, imagine that the government has given a company a concession for converting a forest into an oil palm plantation. Because of a REDD programme the forest is not cut and turned into a plantation because the company and the government receive a



compensation for agreeing not to cut the trees and plant oil palm. But how can we make sure that the same company (and the government agencies responsible) are not simply establishing the plantation in another forest, which has so far not yet been targeted for plantations? That's the problem of "leakage".

The problem with "additionality" and "perverse incentive": Paying the wrong people and encouraging deforestation

In order to be included in a REDD programme the respective forest owner – a government, company or community – has to prove that the "carbon gains", this means the carbon prevented from being emitted into the atmosphere (and kept stored in trees instead), would not have happened without the compensation payment offered. In other words, they have to prove that without the compensation payment the forest would have been cut. The technical term for this is to prove "additionality", which means to prove that "additional" carbon has been saved. This is important because the carbon saved is sold as a carbon "credit" to someone in a developing country so they can meet their emission limits, or exceed them.

So if people protect a forest anyhow, for other reasons than for keeping the carbon locked in trees, they would not be entitled to compensation and thus not be included in a REDD program. Or to put it more simply: only forests that are immediately threatened to be destroyed or degraded are considered under REDD.

This also means that the people who may in the end benefit from REDD are the forest destroyers like cattle ranchers or oil palm companies, and not those

who have protected forests, like indigenous communities. And most worrying is that REDD may actually encourage such people or companies to start destroying forests just in order to be included in a REDD program and get access to compensation money. Since such encouragement or "incentive" is totally in contradiction to the declared intention of REDD it is called a "perverse incentive".





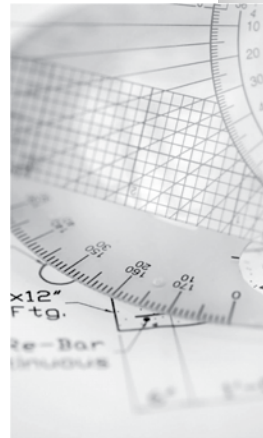
So there is in fact a serious risk of increased deforestation during the present negotiation phase on REDD. For example, the government of Guyana is threatening that it could increase the rate of deforestation unless it is compensated for not doing so through REDD.

Another problem is that the definition of forest used in the United Nations makes no difference between natural forests and plantations. This means that a company could replace a forest with a tree plantations, and still qualify for support under a REDD program.

Finally, once REDD programs are established, there will be a flow of enormous amounts of money from the industrialized countries to developing countries. There is a serious risk of large amounts of money being lost to corruption as money will be poured into some of the most corrupt governments of the world.

Measuring and monitoring - and forgetting the people and the root causes of deforestation

REDD schemes the way they are planned now put a lot of emphasis on complex carbon measurement (how much carbon is stored in a forest?), accounting and monitoring systems (how much carbon could be saved through the REDD initiative, in comparison to what would have happened without the REDD?), making new forest inventories (where are what kind of forests?), and on methods that help prove that emission reductions have happened.





However, very little attention has so far been paid to legal reforms that provide communities with titles to their land and forests and thus empower them for forest protection. And very few programs include monitoring of the impacts of REDD programs

on forest communities, or monitoring of whether and how well those in charge of the program (government and donor agencies) are doing their job.

In all this the international agencies are focusing on actions in developing countries, and they are not addressing the main drivers of forest destruction: international trade and global consumption of agricultural commodities, timber and other products from forests.

HOW MUCH CARBON IS THERE IN A TREE?

THE AMOUNT OF CARBON STORED IN A TREE DEPENDS ON THE DENSITY OF ITS WOOD. THE DENSER AND HARDER THE WOOD, THE MORE CARBON IT CONTAINS. AN AVERAGE SIZED TREE OF 15 METERS HEIGHT WITH AN AVERAGE WOOD DENSITY CONTAINS ABOUT 100 KG OF CARBON. SO IT TAKES ABOUT 10 TREES FOR A TON OF CARBON.





In the long run, forest protection will only work if there are serious actions taken to address inequalities in land tenure, discrimination against indigenous peoples, corruption in governments and companies, over-consumption and uncontrolled industrialization.

Trading in forest carbon: Helping polluters and not the climate

Trading carbon stored in forests would allow heavy polluters in industrialized countries to continue with greenhouse gas emissions. It is very likely that if trading in forest carbon is allowed it would lead to a massive increase in carbon credits available on the carbon market. Like with all commodities that are



traded in the free market, the price will drop rapidly when supply increases. Therefore, trading forest carbon may not have a real potential to help in addressing climate change. We simply need to find ways to stop burning fossil fuels, not to create loopholes that allow the pollution to continue.

WHAT ARE THE NEGATIVE IMPACTS OF REDD ON OUR COMMUNITIES?

As long as there are no guarantees that indigenous peoples' rights are recognized and protected under any REDD programmes, there is a real danger that they will have very serious negative impacts on your community.

Ignoring indigenous peoples' rights: Relocation and land grabbing

Over the past decades, indigenous communities and other forest people have struggled hard to get recognition of and support for community-based conservation of forests. And in many cases they have succeeded. However, with REDD we fear that all the gains will be lost and that governments will again favour a "fences and fines" approach. In many cases this may not only mean that strict rules for forest conservation are imposed on forest people, but that communities will be evicted from such "carbon protected areas".





Experiences in the past have shown that a “fences and fines” approach does not work and that it failed to prevent the destruction of forests or the loss of biodiversity. The non-recognition of the rights of indigenous and other forest communities prevents them from taking care of forest conservation and encourages encroachment by others.

Instead, it is expected that under REDD there will be an increase of “zoning” of forests by governments, companies and conservation NGOs, that there will be an increase of demarcation of protected areas, forest reserves or sustainable forest management zones (for certified logging) in order to receive REDD payments. The majority of already existing “forest zoning” and “land classification” programs throughout the world ignore the customary rights of indigenous peoples to their land and territories. With REDD the value of forests increases and it therefore cannot be expected that governments will be interested in addressing the demands of indigenous communities for the recognition of their rights to their land and territories. The compensation payments for forest conservation may also lead to increased land speculation in forest areas, and unless REDD programmes take measures to secure and recognize customary land rights of your communities, there is



a serious risk that more forests are being taken over by migrant settlers and private companies.

Competing over benefits: The danger of increased inequality and social conflict

As the forest gains in value and encroachment by outsiders on indigenous peoples' forests increases, there will be more conflicts. But REDD may also cause more conflicts between and even within your communities. The increased value of forests and the expected benefits from REDD programmes will undoubtedly generate more conflicts over boundaries between communities, or



among local landholders and forest owners. Once compensation payments under REDD begin to flow, there is also the risk that there will be more and new conflicts between and within communities if there are no careful measures taken to make sure that the different communities and the households within these communities equally benefit from these payments.

Targeting indigenous peoples land use practices: Banning a way of life

Fire has been an important tool in land use and forest management of many indigenous people, not just those living in the forests of the tropics and subtropics. In the savannas of Africa, for example, pastoralists and hunters-gatherers have used fire to maintain the productivity of the ecosystem for livestock and game since thousands of years. Fire is also the key technology in shifting cultivation, a farming method practiced by an estimated 300 to 500 million people worldwide, many of them indigenous peoples.



However, indigenous peoples' use of fire, just like many other aspects of their resource management systems have often not been properly understood by outsiders, above all not by foresters, park rangers and other state agents in charge of the management and conservation of forests and biodiversity. As a result, such practices have been discouraged and in most cases even been declared illegal.

In the age of global climate change, resource use and management practices that rely on the use of fire are coming under increased pressure. This is particularly the case with shifting cultivation. In the name of forest conservation governments all over the world and particularly in Asia have since long sought to eradicate this



form of land use. The climate change discourse now provides them with additional arguments for banning shifting cultivation. In some countries every year indigenous farmers are arrested when practising shifting cultivation.

Not only shifting cultivation, but also other forms of land use practiced by indigenous peoples – controlled burning of forests to improve habitat diversity for game or pastures for livestock, the collection of fuel wood, cutting trees for house construction and other purposes, even the gathering of non-timber forest products – are now considered a form of “forest degradation” under REDD programs. And since REDD aims at reducing deforestation and forest degradation, indigenous communities are and will increasingly be targeted in such programs. This will have a severe impact on the way of life and the livelihood security of the affected communities.

BUT CAN REDD ALSO BE BENEFICIAL TO INDIGENOUS PEOPLES?

Although many indigenous peoples believe that REDD can never have any advantages for them, some indigenous peoples feel that there are conditions under which REDD could potentially assist them in realizing their rights to their lands and resources, and provide financial benefits to their communities.

Before we look a bit more into this, you should however be aware that despite differences there is unity among indigenous peoples with regards to one fundamental position on REDD. In Anchorage, Alaska, in 2009, a Global Summit of indigenous peoples stated that REDD must only go ahead if it is based on *FULL* respect for the rights of indigenous peoples, including the provisions of the UN Declaration on the Rights of Indigenous Peoples.

If REDD was based on the recognition of indigenous peoples **RIGHTS** in this way, it may also help your community in protecting your way of life:

- REDD could be used to promote progressive reforms of land, forest and protected area laws and policies so that they fully respect indigenous peoples’ rights, including the right to culturally appropriate consultation and free, prior and informed consent.
- Resolution of outstanding land and territorial claims could be a requirement or a precondition for any REDD project. Indigenous peoples



could demand reforms of land titling and demarcation policies so that their lands and territories are recognized based on traditional occupation and use, and titles can be issued.

- REDD could be used as a way to gain funding, recognition and support for community conserved territories or community conserved forests, with funding made available to support indigenous peoples' conservation and management practices.
- If designed well, REDD could recognize that traditional farming and other customary practices (cutting of firewood, cutting of lumber for house building, etc.) do not harm the forest.
- REDD could provide national level recognition that the traditional knowledge of indigenous peoples is critical to forest conservation.
- REDD could promote full title and ownership over traditional territories to enable direct access to international REDD funding and related finance.
- If and when the rights to their land and resources are fully recognized and protected, indigenous peoples or communities may consider to join REDD programmes or take the initiative on their own and enter into REDD partnerships with foundations, conservation agencies, private companies or others offering financial compensation for their efforts to protect their forests. Such agreements would be similar to other Payments for Environmental Services (PES) projects. You however have to be aware that if such schemes are not financed through funds that explicitly exclude emission compensation/offsetting for the respective donors, or which involve carbon trading, they will have impacts not only for your peoples and area but also in the developing countries in which emissions are allowed to continue.





What does my community have to think of before joining a REDD project?

PES schemes – including Carbon Partnerships – are often promoted as a way to address poverty especially among communities in remote, upland areas. There are indigenous communities who are considering, or even already preparing for carbon partnerships. These may include compensation for reforestation and afforestation, but also for REDD. Such partnerships can range from simple carbon trading agreements to more comprehensive agreements which

may explicitly include other environmental services such as biodiversity conservation. Since communities are supposed to get financial compensations for their forest conservation efforts, such partnerships do represent an alternative form of income. However, there are a number of critical issues which communities have to consider before entering into such agreements.



PAYMENT FOR ENVIRONMENTAL SERVICES, OR PES, IS A WAY TO ENSURE THAT THOSE WHO BENEFIT FROM ENVIRONMENTAL GOODS AND SERVICES PAY THOSE WHO PROVIDE THESE SERVICES. THESE SERVICES INCLUDE FOR EXAMPLE WATERSHED PROTECTION OR OTHER FOREST CONSERVATION (WITH MULTIPLE BENEFITS LIKE BIODIVERSITY CONSERVATION, OR CARBON STORAGE, ETC.).

THE MORE COMMON PES PROJECTS ARE RELATED TO WATERSHED MANAGEMENT. IN SUCH A CASE PEOPLE LIVING DOWNSTREAM WHO USE THE WATER CLEANSSED BY A FOREST FURTHER UPSTREAM, LIKE FOR DRINKING WATER FOR VILLAGES AND TOWNS, A WATER BOTTLING COMPANY, ETC., PAY THE PEOPLE WHO LIVE UPSTREAM AND WHO MANAGE AND PROTECT THESE UPSTREAM FORESTS AND MAKE SURE THAT THERE IS A SUSTAINABLE FLOW OF THIS "SERVICE" INTO THE FUTURE.

Among others these include:

- REDD and other carbon partnership agreements are usually long-term contracts, extending over several decades. So communities would be bound by such an agreement for a very long time and it would probably be very difficult to make changes with respect to land use and management in the area covered by the agreement.
- Contracts especially with private companies – who in any case are first of all interested to make profits – are complex and detailed and it is necessary to study them very carefully in order not to accept conditions whose consequences are not fully understood. The service of a lawyer may be necessary.
- There are also considerable technical challenges: REDD projects imply a constant monitoring of carbon stock changes. There are examples that show that communities are well capable of doing this if the areas to be monitored are not very large. Most agencies who seek to enter into a REDD partnership are however interested in having large areas included in the contract. In some cases communities may actually own large forest areas, but for monitoring these areas it may be necessary to involve modern technologies, like remote sensing. Communities may not have the means or skills to do that and would have to rely on outsiders or the contract partner. This implies the danger that they lose control over the process.
- In other cases when large areas are to be included several communities would have to be involved. Some communities may however not be interested, and if all agree to participate, coordination and cooperation would have to be ensured and maybe an organisation representing all communities involved would have to be found or newly created. Especially if there are no traditional social and political institutions present at a higher level it can be very challenging to ensure smooth and good governance of the project and there is a considerable potential for conflict.

You will find a check-list at the back of this booklet to provide you with a guide for the kinds of detailed questions that any community should ask prior to entering a carbon partnership agreement. It is also a good idea to find out as much information as you can from sources *OTHER* than the company trying to set up the project.







GIVE US PACE TO STAND
GIVE US FUELWOOD TO COOK
GIVE US JUSTICE AND
SUSTAINABLE SOCIETY

PART III:

THE UNDRIP AND WHAT COMMUNITIES CAN DO

YOU AND YOUR COMMUNITY: DEALING WITH REDD THROUGH THE UNDRIP



You are an indigenous person. It is likely that you and your community have lived in the area where you are in for decades, if not hundreds of years.

It is important that you are aware of discussions and decisions on climate change, including REDD. It is important that you participate in discussions where the land you live and make your living is concerned. It is important that you have a voice, to speak your mind or to ask questions, especially when decisions have to be made. It is your right. It is your human right. It is your right as an indigenous person. The UN Declaration on the Rights of Indigenous Peoples (UNDRIP) says so.

WHAT IS THE UNDRIP?

The UNDRIP is the result of more than 20 years of work by indigenous representatives, governments and experts – writing the contents, and negotiating and agreeing among themselves, until it was eventually adopted by the UN General Assembly on 13 September 2007. The purpose of the Declaration is to identify standards by which governments can recognize the rights of indigenous peoples.

It sets the **minimum standards** for the survival, dignity and well-being of the indigenous peoples of the world. The Declaration is not a directly legally binding



instrument but *it affirms many rights already contained in international human rights treaties*, and is therefore indirectly legally binding. For this reason and because a majority of the governments in the United Nations (UN) have agreed to its contents, indigenous peoples can use and are already using this to pressure governments to fulfil their obligations in the recognition and protection of our rights.

In fact, already in 2007 Bolivia has adopted the UNDRIP as a law, and it was incorporated into their new Constitution in 2009. Bolivia is proud to be the first country in the world to implement this international instrument. In Belize, the indigenous Maya villages of Conejo and Santa Cruz sued the government in 2007 for giving permission to logging, oil, and hydro-electric companies to undertake projects on their territories and denying Mayan farmers access to their own ancestral land. The Supreme Court of Belize ruled in favour of the Mayas and ordered the national government to recognize the indigenous Mayas' customary rights to their land and to stop any activities that might hinder them from using their land. It made explicit reference to the UNDRIP. It was the first judgment that made reference to the UNDRIP, which could influence the outcome of similar cases in other parts of the world.





WHAT IS IN THE UNDRIP?

The Declaration contains **24 preambulatory paragraphs and 46 operative articles** which list and explain the international human rights of indigenous peoples. Among important contents of the Declaration are: the right to self-definition as indigenous peoples; the right to self-determination; rights to lands, territories and natural resources; the right to free, prior and informed consent for development activities on their lands and territories; and rights embodied in the other human rights instruments. The Declaration is also special because it talks of collective rights. This is particularly important for indigenous peoples, because many aspects of our life are common, or shared, such as ownership of lands and resources.

If you look closely at the UNDRIP, you will find that it is made up of elements that are found in other international legal instruments, like the Charter of the United Nations, the Universal Declaration of Human Rights, the Human Rights Covenants, and conventions and declarations like the Convention on the Rights of the Child (CRC), the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), the Convention on the Elimination of All Form of Racial Discrimination (CERD), conventions addressing genocide, minorities and religious intolerance, as well as the International Labour Organization's (ILO) Indigenous and Tribal Peoples Convention No. 169.

The UNDRIP - Summary of what it contains

Self Determination

Indigenous peoples have the right to self-determination, which means that they freely determine collectively their political, economic, social and cultural systems and development.

They are entitled to maintain and strengthen their distinct political, legal, economic, social and cultural institutions, while retaining their right to participate fully, in the life of the State in regard to those aspects.

They have the right to determine their own identity and membership; and the structures and leadership selection of their institutions in accordance with their own procedures, customs and traditions.

Right to land, territories and resources

Indigenous peoples have the right to lands, territories and resources. States shall give legal recognition and protection to these lands, territories and resources with due respect to customs and traditions of indigenous peoples to land tenure systems.

They have the right to maintain and strengthen their distinctive spiritual relationship with their lands, territories and other resources and to uphold their responsibilities to future generations in this regard.

States shall establish and implement, in conjunction with indigenous peoples concerned, an open and transparent process to recognize and settle disputes pertaining to their lands, territories and resources.

Free, Prior and Informed Consent (FPIC)

Indigenous peoples have the right to free, prior and informed consent on the following:

- a. Any action resulting in Forced removal or relocation from their lands or territories
- b. Any change in existing or creation of new laws or regulations by the government that affects them.
- c. Any projects affecting their lands and territories particularly with the development, utilization or exploitation of mineral, water or other resources.
- d. Any Storage or throwing away of anything that is poisonous or dangerous on their lands or territories.

FPIC means that indigenous peoples should determine whether a project can go ahead or reject or set conditions for project implementation based on their collective decision making processes.

Right to Development

Indigenous peoples have the right to maintain and develop their political, economic and social systems and institutions and to secure their own means of subsistence and development, including the freedom to engage in traditional and other economic activities. Those deprived



of such means are entitled to just and fair redress. They have the right to determine and develop priorities and strategies for their own development and to be actively involved, in health, housing and other economic and social programmes which when possible they will administer through their own institutions.

States shall take special measures to improve the economic and social conditions of indigenous peoples, while paying attention to the rights and special needs of indigenous elders, women, youth, children and persons with disabilities. States shall take specific measures to protect indigenous children from economic exploitation and all forms of child labour.

Culture and Cultural Heritage

Indigenous peoples and individuals have the right not to be subjected to forced assimilation or destruction of their culture, and States shall provide effective mechanisms to prevent and provide redress to forced assimilation.

Indigenous peoples have the right to manifest, practice, develop and teach their spiritual and religious traditions, customs and ceremonies, including the use and control of their ceremonial objects and the repatriation of their human remains. States shall seek to enable the access and/or repatriation of ceremonial objects and human remains in their possession through mechanisms developed with indigenous peoples concerned.

Indigenous peoples have the right to maintain, control, protect and develop their cultural heritage, traditional knowledge and traditional cultural expressions, as well as the manifestations of their sciences, technologies and cultures. States needs to act to recognise and protect these rights.

Education

Indigenous peoples have the right to establish and control their educational systems and institutions in their own languages and methods. They are also entitled to receive all levels and forms of education from the State. States shall take effective measures for indigenous individuals to have access, when possible, to an education in their own culture and provided in their own language.

Indigenous peoples have the right to the dignity and diversity of their cultures, traditions, histories and aspirations which shall be appropriately reflected in education and public information. States shall take effective measures to combat prejudice and eliminate discrimination and promote tolerance, understanding and good relations among indigenous peoples and all other segments of society.

Health

Indigenous peoples have the right to their traditional medicines and to maintain their health practices, as well as to the enjoyment of highest attainable standard of physical and mental health. States must make sure that whenever indigenous peoples are affected by poisonous or dangerous materials that proper programmes are in place that will improve and repair the health of indigenous peoples and that these programmes are designed by the affected indigenous peoples.



So what does that have to do with Climate Change and REDD?

The UNDRIP should be the overarching framework which guides the design and implementation of climate change policies as these relate to indigenous peoples. Any policy, programme or project, including those on climate change, which will be implemented on indigenous territories should be carried out with indigenous peoples' free, prior and informed consent (FPIC). Many of the problems faced by indigenous peoples on climate change-related activities arise from neglect of these rights and the FPIC principle.

Can you tell me more about Free, Prior and Informed Consent (FPIC)?

FPIC is the consensus/consent of indigenous peoples which has come about in accordance with their customary laws and practices. This does not necessarily mean that every single member must agree, but rather that consensus will be determined according to customary law and practice. In some cases, indigenous peoples may choose to express their consent through procedures and institutions that are not formally or entirely based on customary law and practice, such as statutory councils or tribal governments. Regardless of the nature of the process, the affected indigenous peoples retain the right to refuse consent, or to withhold consent until certain conditions are met. Consent must be obtained without coercion and manipulation ("free" consent). It must be obtained before the activities start ("prior" consent), and after the project proponent has provided all information needed to fully understand all the details of the project, like its purpose, scope and of course the impact on the environment and the people, and this information has to be provided in a language and in a way that is understandable to the affected indigenous communities ("informed" consent).



FREE PRIOR AND INFORMED CONSENT

FPIC IS MECHANISM AND A PROCESS WHEREIN INDIGENOUS PEOPLES UNDERTAKE THEIR COLLECTIVE DECISION ON MATTERS THAT AFFECTS THEM, AS AN EXERCISE OF THEIR RIGHT TO THEIR LAND, TERRITORIES AND RESOURCES, THEIR RIGHT TO SELF-DETERMINATION AND TO CULTURAL INTEGRITY.

FREE: INDEPENDENT PROCESS OF DECISION-MAKING

- ◇ WITHOUT COERCION OR FREE FROM SPONSORED IDEAS OR MANIPULATIVE OR DECEIVING ACTIONS TO GET CONSENT;
- ◇ DECISION MAKING PROCESS COMPATIBLE TO THE INDIGENOUS CUSTOMARY LAWS.

PRIOR: RIGHT TO HAVE A SAY AND DECISION IN ANY PROJECT THAT CONCERNS THEM BEFORE ITS IMPLEMENTATION

- ◇ THE STATE OR THIRD PARTIES PLANNING ACTIVITIES MUST SEEK THEIR INFORMED CONSENT SUFFICIENTLY IN ADVANCE OF ANY COMMENCEMENT AND FINAL AUTHORIZATION FOR IMPLEMENTATION;
- ◇ SUFFICIENT TIME TO UNDERSTAND AND ANALYSE THE INFORMATION THEY RECEIVE, AND TO DEFINE AND UNDERTAKE THEIR COLLECTIVE DECISION;
- ◇ TIME BOUND REQUIREMENT FOR INFORMATION DISSEMINATION SHOULD BE COMPATIBLE TO THE SITUATION OF INDIGENOUS PEOPLES;
- ◇ TIME REQUIREMENTS OF INDIGENOUS CONSULTATIONS AND CONSENSUS PROCESSES SHOULD BE DEFINED BY THE INDIGENOUS COMMUNITIES AND NOT IMPOSED ON THEM.

INFORMED: RIGHT TO BE PROVIDED WITH PERTINENT INFORMATION ON THE ACTIVITY/PROJECT/ PROGRAMME BEING PLANNED IN ORDER FOR THE COMMUNITY TO UNDERTAKE AN INFORMED DECISION MAKING PROCESS. THIS ALSO INCLUDES THE RIGHT TO ACCESS RELATED INFORMATION.

- ◇ INCLUDES THE FULL AND LEGALLY ACCURATE DISCLOSURE OF RELEVANT INFORMATION IN A FORM, WHICH IS BOTH ACCESSIBLE AND UNDERSTANDABLE (LANGUAGE) TO THEM.

CONSENT: CONSENT IS A RESULT OF THE COLLECTIVE, INDEPENDENT AND SELF- DETERMINED DECISION-MAKING PROCESS OF INDIGENOUS COMMUNITIES

- ◇ CONSENT DECISION IS BASED FROM A COLLECTIVE DECISION OF THE COMMUNITY AND NOT JUST A DECISION OF LEADERS;
- ◇ CONSENT AS A COLLECTIVE DECISION OF INDIGENOUS COMMUNITIES MAY ALSO INCLUDE THEIR TERMS AND CONDITIONS FOR THEIR CONSENT DECISION, INCLUDING WITHDRAWAL OF CONSENT IF TERMS AND CONDITIONS ARE VIOLATED;
- ◇ CONSENT SHALL BE SOUGHT AT EVERY STAGE OR PHASE OF THE PROJECT/ ACTIVITY IF DEEMED TO HAVE POTENTIAL IMPACTS AT EVERY STAGE/PHASE OF THE PROJECT;
- ◇ THE PRESENTATION OF CORRECT AND SUFFICIENT INFORMATION, CONSULTATION AND PARTICIPATION ARE CRUCIAL COMPONENTS OF A CONSENT PROCESS;
- ◇ INCLUSION OF A GENDER PERSPECTIVE AND PARTICIPATION OF INDIGENOUS WOMEN ARE ESSENTIAL, AS WELL AS PARTICIPATION OF CHILDREN AND YOUTH AS APPROPRIATE.



In the UNDRIP, articles that are related to FPIC are the following:

- Article 10:** Indigenous peoples cannot be forcibly removed from their lands and territories and relocated without FPIC.
- Article 11:** Redress shall be given to indigenous peoples whose cultural, intellectual, religious and spiritual property are taken without their FPIC
- Article 19:** FPIC must be obtained before adopting or implementing legislative/administrative measures affecting indigenous peoples
- Article 28:** Indigenous peoples have the right to redress for lands, territories, resources, which were confiscated, taken, occupied, used or damaged without their FPIC
- Article 29:** No storage or disposal of hazardous materials in indigenous peoples' lands without FPIC
- Article 32:** FPIC should be obtained prior to approval of any project affecting their lands, territories and resources, particularly exploitation of mineral, water and other resources.

REDD involves our forests and resources, and it may involve the land I am living on. Is there anything in the UNDRIP on these?

A common and important problem that indigenous peoples encounter is the violation of their rights to lands, territories and natural resources. This problem is getting more and more serious as natural resource extraction is expanding into even the remotest areas, and it is particularly bad in countries where there are no national laws recognizing indigenous peoples' land rights. What's more, in many countries not even the existence of indigenous peoples is recognized





in laws and policies. The denial of the right to land and resources, as well as the right to their use and management, is one of the causes of biodiversity loss among indigenous peoples, and it leads to tremendous hardship among many of our communities.

Rights to land and resources can be found in the following UNDRIP articles:

Article 25

Indigenous peoples have the right to maintain and strengthen their distinctive spiritual relationship with their traditionally owned or otherwise occupied and used lands, territories, waters and coastal seas and other resources and to uphold their responsibilities to future generations in this regard.

Article 26

1. Indigenous peoples have the right to the lands, territories and resources which they have traditionally owned, occupied or otherwise used or acquired.

Indigenous peoples have the right to own, use, develop and control the lands, territories and resources that they possess by reason of traditional ownership or other traditional occupation or use, as well as those which they have otherwise acquired.

States shall give legal recognition and protection to these lands, territories and resources. Such recognition shall be conducted with due respect to the customs, traditions and land tenure systems of the indigenous peoples concerned.





What does the UNDRIP say about Indigenous Peoples' right to development?

The UNDRIP emphasizes the right to self-determined development of indigenous peoples. This is spelled out in Article 3, which states: "Indigenous peoples have the right to self-determination. By virtue of this right they freely determine their political status and freely pursue their economic, social and cultural development."

The right to self-determination is manifested in the following:

- Autonomy or self-government in matters relating to their internal and local affairs, as well as ways and means for financing their autonomous functions;
- Respect for the principle of free, prior and informed consent in any activities affecting indigenous peoples;
- Full and effective participation of indigenous peoples at every stage of any activity that may affect them directly or indirectly. The participation of indigenous peoples may be through their traditional authorities or a representative organisation. This participation may also take the form of co-management (managing a project, programme, protected area, etc. jointly with government agencies or other non-governmental organisations);
- Formal recognition of indigenous peoples' traditional socio-political organisation, their institutions, justice and conflict resolution systems;
- Recognition of the right of indigenous peoples to freely define and pursue their economic, social and cultural development.





Now that I have all this information: What can my community and I do and how can we use the UNDRIP?

Because indigenous peoples can play a vital role in the mitigation of climate change, it is important to ensure their meaningful and effective participation at all levels in all policies and programmes affecting them. The UNDRIP serves as a framework according to which the policies and programmes affecting indigenous peoples should be shaped.

The Anchorage Declaration, mentioned earlier, reiterates this, asserting that ***“the inherent rights of Indigenous Peoples, affirmed by the UNDRIP, must be fully respected in all decision-making processes and activities related to climate change”***.

With the UNDRIP as framework for indigenous peoples’ engagement in the climate change processes, they have identified the following as ways forward for indigenous peoples and communities:

- Enhance and deepen our understanding of climate change to implement more effective and appropriate mitigation and adaptation measures in our lands and territories. We need to conduct education and awareness raising campaigns among our communities.
- Strengthen engagements and relationships with other indigenous peoples and communities, and with government and non-government agencies and institutions.
- Enhance our capacities to mitigate and adopt to climate change by using traditional knowledge and sustainable forest management practices and by implementing self-determined development.



- Document how indigenous peoples, including youth and women, are being affected by climate change, and what their contributions are to local adaptation and mitigation strategies.
- Exchange information with other communities on climate change mitigation and adaptation strategies developed based on traditional knowledge, innovations, and practices which includes knowledge and use of land, water and sea ice, traditional agriculture, forest management, agricultural plant diversity, pastoralism and husbandry, herbal medicines etc. In all this we need to ensure that our intellectual property rights are protected and respected at the local, national and international levels.
- Participate in climate change meetings at different levels (local, national, regional and global) and speak out, presenting our position and defend-





ing our rights wherever possible. Ensure the participation of women and children in these processes.

- Write strategy papers on REDD and the issues of technology, finance, adaptation and mitigation, and capacity building. Help to ensure that all initiatives under REDD recognize and protect the rights of indigenous peoples, including their land rights in accordance with traditional practices and customary laws.
- Support campaigns for the implementation of the UNDRIP.
- Wherever not yet recognized, campaign for the recognition of our right to maintain our traditional use of plants and animals through hunting and gathering.
- Nurture and develop our traditional knowledge, environment-friendly technologies, cultural diversity and the biodiversity in our territories.
- Support campaigns of indigenous peoples against projects and policies which worsen climate change and which violate our rights (mining, logging, dams, etc.)
- Undertake sustained lobby and advocacy work within the UNFCCC processes, among the UN agencies and bodies, and multilateral bodies to ensure our effective and meaningful participation and that our rights, perspectives and proposals on climate change are respected and implemented.
- Actively participate in the formulation of national policies on climate change.



Carbon projects and programmes

A CHECK-LIST FOR COMMUNITIES

If your community is approached to be part of a project or programme that will be funded by the carbon market, by carbon finance funds, or that will create carbon credits then it is important to try to get as much information as possible before entering into any agreement. This checklist is intended to provide a minimum list of questions that you should get answers to. You should also access the advice of a trusted lawyer before signing anything.

INFORMATION ABOUT THE PROJECT

Basics

- ✓ Where is the project, how big an area does it cover, what are the names and number of affected people(s) or communities?
- ✓ What kind of land rights does your people or community hold over your lands and territories? Are your rights customary and untitled, customary and titled, individual and titled, individual and untitled, communal and titled or communal and untitled, or some other form of right?
- ✓ Are you being proposed as a party to the contract selling the carbon credits? If yes, who is the named seller? If no, what company, agency or other entity is the named seller?
- ✓ What is the length of time that the project covers? What are the different stages of the project and their respective durations?

The financing mechanism

- ✓ Is the project funded through the sale of carbon offset credits or through other funding or a mix of the two?
- ✓ If the project is funded by the sale of carbon offset credits, what kind of information has been provided to you pro-actively, and what information has been requested by the community during project and contract negotiations on:

- » Who is the buyer? Who pays for the carbon rights which the community is considering to sell and at what average price? What are the prices for comparable projects?
- » Possible legal implications of signing a carbon offset contract and on possible impact of such a (long-term) contract on ownership rights over the carbon in the forest, both for present and future generations.
- » Possible implications of both decreasing and increasing carbon prices for the specific project? E.g. will the community benefit if carbon prices go up or do they receive a fixed sum payment irrespective of the price for which offset credits are traded? With regard to falling prices, will payments to the community be linked to the price of carbon on an international carbon market? Are contractual obligations linked to payments agreed on in the carbon contract signed?

WHAT YOU SHOULD KNOW....

...ON THE CLIMATE IMPLICATIONS OF CARBON OFFSETS GENERALLY:

(1) THE BUYER OF THE CARBON CREDIT IS PURCHASING THE RIGHT TO CONTINUE TO RELEASE FOSSIL FUEL EMISSIONS AT HOME BY PAYING THE COMMUNITY TO CHANGE BEHAVIOUR AND THEREBY REDUCE EMISSIONS WHICH THEY ARE RESPONSIBLE FOR;

(2) CARBON OFFSET PROJECTS NEVER REDUCE EMISSIONS AND LEAD AT BEST TO STABILISATION OF EMISSIONS WHILE THE SCIENTIFIC CONSENSUS IS THAT EMISSIONS NEED TO BE REDUCED BY SOME 80-90% OVER THE COMING DECADES AND PEAK AROUND 2015 IF CLIMATE CHAOS IS TO BE AVOIDED;

(3) CARBON OFFSET PROJECTS WILL JUSTIFY CONTINUED AND EXPANDED EXTRACTION OF OIL AND COAL WITH ALL ITS HUMAN RIGHTS, SOCIAL AND ENVIRONMENTAL CONSEQUENCES.

- v If the project is financed through a fund, has information been provided pro-actively or requested by the community during the presentation and negotiation of the project on the objectives of the fund,



where the fund is located, who is providing the funding and whether those providing the funds are getting carbon emission offset rights in return for their contribution.

CONSULTATION AND NEGOTIATION PROCESS

- ✓ Who was the negotiating partner, if one?
- ✓ Who has negotiated for you or is proposed to negotiate for you? Will you negotiate by yourself?
- ✓ Who will be signing the contract on behalf of your people or your community? How has this been decided?
- ✓ Have you had independent legal advice and/or an opportunity to discuss the contract and its implications on rights with a lawyer?
- ✓ Was there a lawyer representing or advising you present during the negotiations?
- ✓ Were the national laws of the country discussed as they may affect the carbon contract?
- ✓ Has the contract been written and presented in the language of your people or the language spoken in the community, or at least a language that community members can understand?
- ✓ Have women been involved in the consultation and decision making?
- ✓ Did the consultation process allow for feedback from community members? Was the consensus of the people of the community obtained in accordance with their custom and tradition? If not, why not?
- ✓ Has the community been given a copy of the contract and other documentation related to the carbon offset project?
- ✓ Assuming there are restrictions on the use of the forest, how have these been negotiated within your community?
- ✓ Do the restrictions affect all members of the community equally? Who is affected most, who the least?
- ✓ Is there a process to address unequal impact?
- ✓ Does the project create any new jobs? If yes, by what process are jobs allocated or provided and what kind of jobs?

WHAT YOU SHOULD KNOW...

...ON A PROPER CONSULTATION PROCESS.

THE INTER-AMERICAN COURT OF HUMAN RIGHTS GAVE A RULING AFTER DEALING WITH THE CASE OF THE SARAMAKA PEOPLE VS SURINAME GOVERNMENT WHICH OUTLINES SOME KEY ASPECTS OF THE DUTY TO CONSULT. THE SAME SHOULD ALSO APPLY TO NEGOTIATION OF FOREST CARBON PROJECTS:

- ◇ THE STATE AND THOSE AUTHORISED BY IT HAVE THE DUTY TO BOTH ACCEPT AND DISSEMINATE INFORMATION, AND ENSURE CONSTANT COMMUNICATION BETWEEN THE PARTIES;
- ◇ CONSULTATIONS MUST BE UNDERTAKEN IN GOOD FAITH, THROUGH CULTURALLY APPROPRIATE PROCEDURES AND WITH THE OBJECTIVE OF REACHING AN AGREEMENT;
- ◇ INDIGENOUS AND TRIBAL PEOPLES MUST BE CONSULTED, "IN ACCORDANCE WITH THEIR OWN TRADITIONS, AT THE EARLY STAGES OF A DEVELOPMENT OR INVESTMENT PLAN, NOT ONLY WHEN THE NEED ARISES TO OBTAIN APPROVAL FROM THE COMMUNITY, IF SUCH IS THE CASE. EARLY NOTICE PROVIDES TIME FOR INTERNAL DISCUSSION WITHIN COMMUNITIES AND FOR PROPER FEEDBACK TO THE STATE;"
- ◇ THE STATE MUST ENSURE THAT THE INDIGENOUS AND TRIBAL PEOPLES ARE AWARE OF POSSIBLE RISKS, INCLUDING ENVIRONMENTAL AND HEALTH RISKS, SO THAT THE PROPOSED PROJECT IS ACCEPTED KNOWINGLY AND VOLUNTARILY; AND,
- ◇ FINALLY, CONSULTATION SHOULD TAKE ACCOUNT OF INDIGENOUS AND TRIBAL PEOPLES' TRADITIONAL METHODS OF DECISION-MAKING.

DO YOU THINK THAT THE CONSULTATION AND NEGOTIATION PROCESS RELATED TO THE PROPOSED PROJECT MEETS ALL OF THESE REQUIREMENTS?



THE CONTENT OF THE CONTRACT

- ✓ What is the time period of the contract? Is it the same as the length of the project?
- ✓ Does the contract limit or restrict your right of access and use or the right of use for other neighbouring communities? If yes, have these limitations been fairly negotiated and has fair compensation been provided under the contract?
- ✓ How are the payments being determined?
- ✓ If the selling of credits is part of the contract, how many credits are these?
- ✓ Is the payment received linked to the price of the carbon?
- ✓ Did you have your own financial analysis to assist in arriving at the agreed price? Is the payment made as one-off fixed sum or a continuous payment for as long as the contract lasts?
- ✓ What rules or regulations have been put in place to make sure the carbon remains in the forest during the contract period? Who has put these rules and regulations in place?
- ✓ Who carries the risk if something happens to the forest/trees? What happens if the carbon is lost through accidental events like a wildfire? Would you have to pay money back to the contract partner?
- ✓ Has sufficient information been provided/sought for you to understand both the responsibilities and benefits as agreed upon in the contract?

IMPLEMENTATION AND MONITORING

- ✓ Who is responsible for the implementation of the rules and regulations agreed on in the contract? Who is monitoring the implementation?
- ✓ What enforcement mechanism is in place to ensure that the contractual obligations are met?

This check-list is based on a community check-list developed by FERN and the Forest Peoples Programme





WHERE CAN I GET MORE INFORMATION ABOUT ALL THESE THINGS?

Climate Change

- Anchorage Declaration, Indigenous Peoples' Global Summit on Climate Change: <http://www.forestpeoples.org/documents/forest_issues/anchorage_declaration_apr09_eng.pdf>
- Intergovernmental Panel on Climate Change (IPCC) 2007. Fourth Assessment Report Climate Change 2007: Synthesis Report, Summary for Policymakers <<http://www.ipcc.ch/pdf/assessmentreport/ar4/syr/ar4-syr-spm.pdf>>
- International Work Group for Indigenous Affairs (IWGIA) 2008. Indigenous Affairs 1-2/08, special issue on Climate Change and Indigenous Peoples <<http://www.iwgia.org/sw29009.asp>>
- Tauli-Corpuz, Victoria and P. Tamang 2007. Oil Palm and Other Commercial Tree Plantations, Monocropping: Impacts on Indigenous Peoples' Land Tenure and Resource Management Systems and Livelihoods. Report prepared for the Sixth Session of the UNPFII. UN Document E/C.19/2007/CRP.6. <http://www.un.org/esa/socdev/unpfii/documents/6session_crp6.doc>
- Tebtebba 2009. Guide on Climate Change and Indigenous Peoples - 2nd Edition. Baguio, Philippines. <http://www.tebtebba.org/index.php?option=com_docman&task=doc_download&gid=468&Itemid=27>
- United Nations Economic and Social Council (UN ECOSOC) 2008. Impact of Climate Change Mitigation Measures on Indigenous Peoples and on their Territories and Lands. <http://www.un.org/esa/socdev/unpfii/documents/E_C19_2008_10.pdf>
- United Nations Permanent Forum on Indigenous Issues (UNPFII) 2007. Climate Change: An Overview, Paper prepared by the Secretariat of the United Nations Permanent Forum on Indigenous Issues. <http://www.un.org/esa/socdev/unpfii/documents/Climate_change_overview.doc>



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Griffiths, Tom with Francesco Martone 2009. Seeing 'REDD'? : Forests, climate change mitigation and the rights of indigenous peoples and local communities. Forest Peoples Programme. <http://www.forestpeoples.org/documents/ifi_igo/seeing_redd_update_may09_eng.pdf>

International Work Group for Indigenous Affairs (IWGIA) 2009. Indigenous Affairs 1-2/09, special issue on REDD and Indigenous Peoples. <<http://www.iwgia.org/sw29928.asp>>

Rights and Resources 2008a, Seeing People through the Trees: Scaling Up Efforts to Advance Right and Address Poverty, Conflict and Climate Change. <<http://www.rightsandresources.org/documents/index.php?pubID=737>>

Lee, Erica and Sango Mahanty 2009. Payments for Environmental Services and Poverty Reduction. Risks and Opportunities. RECOFTC, Bangkok. <http://www.recoftc.org/site/fileadmin/docs/publications/The_Grey_Zone/2009/Issue_PaperISBN.pdf>

UN-REDD

UN REDD web-site: www.unredd.net

FAO, UNDP, UNEP 2008. UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD). Framework Document, 20 June 2008. <<http://www.undp.org/mdtf/un-redd/docs/Annex-A-Framework-Document.pdf>>





World Bank

Forest Peoples Programme 2007. Indigenous Peoples & World Bank Projects: A Community Guide to the World Bank's Indigenous Peoples Policy (OP/BP 4.10), , May 2007. <http://www.forestpeoples.org/documents/ifi_igo/wb_4_10_guide_may07_eng.pdf>

_____ 2009. The World Bank's Forest Investment Programme (FIP): core elements and critical issues. Rights, forests and climate briefing series – October 2009. http://www.forestpeoples.org/documents/forest_issues/fip_briefing_oct09_eng.pdf

_____ 2009. Moving the goal posts? Accountability failures of the World Bank's Forest Carbon Partnership Facility (FCPF). Rights, forests and climate briefing series – October 2009. http://www.forestpeoples.org/documents/forest_issues/fcpf_briefing_oct09_eng.pdf

Forest Carbon Partnership Facility: <<http://www.forestcarbonpartnership.org/fcp/>>

Forest Carbon Partnership Facility Participant Committee

The current funded position for an indigenous peoples' observer in the FCPF Participant Committee is filled by Estebancio Castro, who will remain in the position until May 2010 when the UN Permanent Forum on Indigenous Issues will facilitate a new selection process for a second term. Until May 2010, you can contact Estebancio at the details below:

Estebancio Castro Diaz
Executive Secretary/Secretario Ejecutivo
International Alliance of Indigenous and Tribal Peoples of Tropical Forests/Alianza Internacional de los Pueblos Indígenas y Tribales de Bosques Tropicales
Email: estebancio@international-alliance.org
Phone: (507) 345 0216
Fax: (507) 345 0217
Cell: (507) 66816132

Forest Carbon Partnership Facility Charter: <http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/FCPF_Charter_06-13-08.pdf>

Forest Carbon Partnership Facility Participant Committee Observers: <<http://www.forestcarbonpartnership.org/fcp/node/22>>

World Bank 2009. Revised Draft Design Document for the Forest Investment Program. April 2009. <<http://siteresources.worldbank.org/INTCC/Resources/3rdDesignMeetingRevisedDraftDesignDocument.pdf>>







GLOSSARY

Adaptation: Any activity or change that is intended to address the effects that climate change is already having, for instance on land, ecosystems and livelihoods.

Afforestation: Developing a forest on land that has not been forested in recent times (compared with reforestation, or the replacement of a forest recently lost or logged, see below).

Annex I parties: Industrialised countries listed in Annex I to the UN Convention on Climate Change. Nearly all of these countries are the countries that have binding emissions reduction targets under the Kyoto Protocol.

Anthropogenic: Something which is caused by human action. The term is used to distinguish naturally occurring greenhouse gas emission reductions from ones that result from human activity.

Bali Action Plan: One part of the Bali Roadmap, the Bali Action Plan (or BAP) is the name given to a decision taken by the Conference of the Parties to the UNFCCC that outlines the contents of a future legally binding agreement under the Convention. The decision establishes an 'Ad Hoc Working Group on Long-term Cooperative Action' ('AWG-LCA') to consider a specified set of issues also set out in the decision, aiming to reach agreement at the UN Climate Change Conference to be held in Copenhagen in December 2009 (UN Doc FCCC/CP/2007/L.7/Rev.1).

Bali Roadmap: The collection of decisions and conclusions adopted by the parties to the UNFCCC and to the Kyoto Protocol at the 13th Conference of the Parties to the UNFCCC held in Bali, Indonesia, which provide a process for agreeing to

future revisions and additions to the UNFCCC and new commitments under the Kyoto Protocol. The roadmap sets the aim of finalising all post-2012 discussions in all fora by the 15th Conference of the Parties to the UNFCCC to be held in Copenhagen in December 2009.

Baseline: When we seek to measure whether something has increased or decreased, we need to measure it relative to a level that it has had at some point. We often chose a level during a particular year or date to serve as this 'starting point' for our measurements. This starting point is called the baseline.

Carbon bio-sequestration: The storage of carbon by plants, trees and other flora, which absorb carbon dioxide from the atmosphere as they grow, releasing the oxygen, and storing the carbon both in themselves and in the soil.

Carbon market: Transactions for the sale of emissions permits, credits, reductions or offsets together comprise the 'carbon market'. In fact, carbon can be traded as carbon or as carbon dioxide, and other greenhouse gases (or emissions) can also be traded in some of the 'emission markets'. It is important to remember that at the moment there is not one carbon market, there are a number of emission trading markets of different types – some are geographical (the European market), some a purely voluntary and they all have different rules and regulations governing them.

Clean Development Mechanism (CDM): A facility created under the Kyoto Protocol, which allows Annex I countries to finance emissions reducing





projects in developing countries that are party to the Kyoto Protocol then to use the resulting 'certified emissions reductions' ('CERs') to offset their own emissions (to count towards their own targets for emission reduction).

Conference of the Parties (COP): The term used to describe the regular meeting of state parties to a UN Convention, such as the UN Framework Convention on Climate Change or the Convention on Biological Diversity. This is the body with authority to take decisions under the Convention and to amend the Convention.

Conference of the Parties acting as the Meeting of the Parties (COP/MOP): This is the meeting of state parties under a Protocol to a Convention (such as the Kyoto Protocol) and the body with authority to take decisions under the Protocol.

Climate change: This term refers to all the impacts on the earth's natural climate system that are resulting from human-caused global warming (see below). This includes rainfall patterns and ocean levels, the direction and speed of wind and ocean currents, seasonal cycles, and the likelihood and intensity of climatic disasters such as droughts, storms and floods (IPCC, 2007).

Deforestation: The conversion of forested land to non-forested land.

Emissions trading (or 'carbon trading'): The sale or purchase of: 'permits' or 'allowances' to emit greenhouse gases; or 'certificates' or 'credits' that prove a certain reduction in emissions from a particular activity beyond what would otherwise have been the case (i.e. 'business as usual' emissions); or certificates that indicate a certain amount of actual emissions have been 'offset' somewhere else, through for example, carbon sequestration.

Forest degradation: Occurs when the structure or function of a forest is negatively affected, reducing the ability of the forest to provide services or products (FAO, 2004).

Fossil fuels: Gas, coal, oil and oil-derived products such as diesel. Fossil fuels are combusted to create electricity, to provide heating, to power all forms of transportation and to power industrial processes, like mining and manufacturing activities. They are formed by dead organic matter being pressed over millions of years, hence the term 'fossil'.

Global warming: An observed or expected rise in the earth's average temperature due to having more greenhouse gases in the atmosphere leading to more of the sun's warmth being trapped close to the earth.

Greenhouse gases (GHGs): A group of gases in the atmosphere that absorb infrared radiation. They appear in greatest proportions in the earth's lower atmosphere. These gases include water vapour, ozone, carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

Joint Implementation: A facility created under the Kyoto Protocol, which allows an Annex I party to fund and/or run a project to reduce emissions in another Annex I party. The funding country can then apply the emissions reductions generated to help it to meet its own emissions target under the Kyoto Protocol.

Kyoto Protocol to the UN Framework Convention on Climate Change: a subsidiary agreement to the UN Framework Convention on Climate Change, this agreement was concluded in December 1997 but did not 'enter into force' (become legally binding on its parties) until February 2002.





This Protocol is binding under international law on those countries that are a 'party' to it (which means those countries that have ratified it, or agreed to be bound by it).

Land use, land-use change and forestry (LULUCF):

This is an identified category of activities that can contribute to both greenhouse gas emissions and emissions removals. The other main categories are energy-related emissions (both production and consumption), agriculture and waste-related activities.

Mitigation: Any action taken with the intention of avoiding further climate change by lowering the total level of greenhouse gases released through human activity. Such actions might include reducing our use of fossil fuels and changing the way we use land – such as by reducing our rate of land clearing and deforestation, and increasing our rate of reforestation.

Non-Annex I parties: Developing countries not listed in Annex I to the UN Framework Convention on Climate Change. These countries do not have binding emissions targets under the Kyoto Protocol.

Parties: The individual members of an agreement, such as the member states to an international law agreement.

Reforestation: The reestablishment or regeneration of a forest.

Renewable energy: This form of energy can be used to provide electricity, heating or fuel for transportation similar to the way we use fossil fuels for these purposes. Unlike oil, gas and coal, renewable energy sources are not finite. Key sources include wood, waste decomposition, geothermal activity, wind and solar energy. The use of renewable sources for generating energy usually

involves lower emissions of greenhouse gases than the use of fossil fuels does.

Sequestration: This is the opposite of emitting greenhouse gas and occurs when greenhouse gases are removed from the atmosphere, for example, by trees during the process of photosynthesis.

Sinks: Reservoirs or locations that sequester or store a greater amount of carbon dioxide than they release. Major carbon sinks include forests and oceans.

United Nations Framework Convention on Climate Change (UNFCCC): An international agreement, which was reached in 1992 and entered into force in 1993, the UNFCCC provides a framework for international cooperation on climate change.

This glossary is partly based on the glossary provided in Barsley, Ingrid 2008. Pocket Guide. Reducing Emissions from Deforestation and Forest Degradation in Developing Countries: A Guide for Indigenous Peoples. United Nations Institute of Advanced Studies, Yokohama, Japan





ACRONYMS

CDM	Clean Development Mechanism
CEDAW	The UN Committee on the Elimination of All Forms of Discrimination against Women which oversees the Convention on the Elimination of All Forms of Discrimination Against Women
CERD	The UN Committee on the Elimination of Racial Discrimination which oversees the Convention on the Elimination of Racial Discrimination (ICERD)
CIFs	Climate Investment Funds, a bundle of different funds under the trusteeship of the World Bank
CO2	Carbon Dioxide, the most common gas form of carbon
COP	Conference of the Parties.
CRC	Convention on the Rights of the Child
CTF	Clean Technology Fund, one of the CIFs (see above)
ET	Emissions Trading
FAO	Food and Agriculture Organisation
FCPF	Forest Carbon Partnership Facility
FIP	Forest Investment Programme
FPIC	free, prior and informed consent
GHG	Greenhouse gases
ICEDAW	International Convention on the

	Elimination of All Forms of Discrimination Against Women
ICERD	International Convention on the Elimination of Racial Discrimination
ILO	International Labour Organization
JI	Joint Implementation
NGO	Non-governmental organisations
REDD	Reduced Emissions from Deforestation and Forest Degradations in developing countries
REDD+	REDD as defined above, plus additional activities might get funding also, including possibly “sustainable forest management” (including some logging), plantations and re-planting of forests (or afforestation).
SFC	Strategic Climate Fund
UN	United Nations
UNDP	United Nations Development Programme
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UN-REDD	The UN Collaborative Programme on REDD





WHAT IS

REDD?

This book provides information material on REDD (Reducing Emission from Deforestation and Forest Degradation in developing countries), one of the mitigation measures now promoted for combating climate change, and its implications for indigenous peoples. It is intended primarily for indigenous peoples as a guide in understanding climate change, REDD and how they relate to the recognition and exercise of the collective rights of indigenous peoples.

As a guidebook for communities, the content is simplified and accompanied by illustrations and photos for visualization. Translated versions of this guidebook in several languages are also being published in REDD countries in Asia.

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