**CASE STUDY**

# Consultation and Consent in Indigenous-led Carbon Projects:

Good practices and lessons learned
from the Awajún Tajimat Pujut Initiative

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Landesa

## Acknowledgements:

## About the study:

This study was conducted by Landesa, in collaboration with Conservation International Peru (CI-Peru), and the Alto Mayo Awajún Regional Indigenous Federation (FERIAAM), with support from researchers at the Centre for Social Responsibility in Mining (CSRM) at The University of Queensland.

The CSCC Project is being implemented by Landesa in partnership with RESOLVE, Conservation International, and The University of Queensland's Centre for Social Responsibility in Mining.

Project partners are working to develop, test, and amplify tools and approaches to scale understanding, capacity, and implementation of good consultation and consent practices among local communities, civil society, government, and the private sector.

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# List of Abbreviations

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| AGM | Accountability and Grievance Mechanism |
| AIDESEP | Interethnic Association for the Development of the Peruvian Rainforest |
| ARR | Afforestation, Reforestation, and Revegetation |
| CCBS | Climate, Community, and Biodiversity Standard |
| CI | Conservation International |
| CISS | Conservation International's Environmental and Social Safeguard System |
| COICA | Coordinating Body of Indigenous Organizations of the Amazon Basin |
| CSCC | Community-Smart Consultation and Consent Project |
| CSRM | Centre for Social Responsibility in Mining |
| ESS | Environmental and social standards |
| ESIA | Environmental and Social Impact Assessment |
| FAO | United Nations Food and Agriculture Organization |
| FCPF | Forest Carbon Partnership Facility |
| FERIAAM | Indigenous Regional Federation of the Alto Mayo Awajún Communities |
| FIP | Forest Investment Program |
| FPIC | Free, prior, and informed consent |
| GBV | Gender-based violence |
| GHG | Greenhouse gas |
| GMP | Gender Mainstreaming Plan |
| ILO | International Labor Organization |
| IP | Indigenous Peoples |
| LEAF | Lowering Emissions by Accelerating Forest Finance Coalition |
| MINAGRI | Peru Ministry of Agriculture and Irrigation |
| MINAM | Peru Ministry of Environment |
| NORAD | Norwegian Agency for Development Cooperation |
| PDD | Project Description Document |
| REDD+ | Reduced Deforestation and Forest Degradation |
| RIA | Amazon Indigenous REDD+ |
| SURNAP | Peru National Registration Office |
| TPI | Tajimat Pujut Initiative |
| UNDRIP | United Nations Declaration on the Rights of Indigenous Peoples |
| UNFCCC | United Nations Framework Convention on Climate Change |
| USAID | United States Agency for International Development |
| VCS | Verified Carbon Standard |

# Executive Summary

## Introduction

Carbon markets and the sale of carbon credits can help countries and companies meet ambitious greenhouse gas (GHG) emissions reduction targets and secure long-term financial support for conservation and community development efforts. Yet as these projects proliferate, the effectiveness of such schemes is unclear, both in their ability to achieve climate change mitigation objectives and in terms of impacts on Indigenous Peoples and local communities.

At the same time, there is a growing recognition that Indigenous communities, as owners and stewards of the last remaining intact tropical forests and other important land resources, are best able to manage land and forests to protect climate and nature. This is reflected in increasing recognition of Indigenous Peoples' rights to territory and growing demand among Indigenous Peoples and allies that carbon rights and carbon projects, if they are to happen, originate with and are led by Indigenous peoples.

As global demand for accountability in carbon projects grows, there is a push for improved standards to ensure positive social and environmental outcomes. However, despite these efforts, many certified projects still result in significant failures, indicating the need for better guidance and a reevaluation of current practices.

This study (1) explores the complexities and risks associated with carbon projects through a study of the Tajimat Pujut Initiative (TPI), a project led by FERIAAM, an Indigenous federation representing 16 Awajún communities in the Alto Mayo region of Peru, and co-implemented by Conservation International (CI) Peru; and (2) provides insights into how effective consultation and consent practices can support responsible carbon projects that align with Indigenous values and deliver sustainable returns for their use and management of land and forests.

## Background and Study Approach

The Tajimat Pujut Initiative (TPI) is co-implemented by FERIAAM (Indigenous Regional Federation of the Alto Mayo Awajún Communities), an Indigenous federation representing 16 Awajún communities in the Alto Mayo region, and Conservation International (CI) Peru. TPI aims to support Awajún communities in sustainable economic activities, reforestation, and cultural revitalization through the generation of carbon credits.

The project implementation area is the Alto Mayo landscape in Peru's San Martín region, an area known for its rich biodiversity, is home to around 244,000 people, including approximately 6,500 members of the Awajún ethnic group. In recent decades, deforestation and forest degradation, driven by leasing of Indigenous community lands to migrants, have increased, though unevenly across the landscape.

Undertaken by Landesa and CSRM as part of the Community Smart Consultation and Consent (CSCC) project, this study aims to support FERIAAM and CI as they consider options for TPI implementation and the successful application of Conservation International's Environmental and Social Safeguarding System (CISS) and relevant standards to consultation and consent processes. Recommendations offer options for improved project design and implementation while contributing to the broader discourse on carbon

initiatives, natural resource governance, and Indigenous Peoples' self-determination through carbon finance.

The analytical framework for this study was based on the principle that fulfilling Free, Prior, and Informed Consent (FPIC) is necessary but insufficient to ensure community rights are respected in carbon projects. It emphasizes the need for comprehensive analysis and action across the project lifecycle, analyzing the certification requirements, best practices, and guidelines for responsible carbon projects to identify and present findings on four key themes: rightsholder identification and risk assessment; consultation, engagement, and consent; community and project governance; and gender equality. The study was conducted early in the project's design phase through primary and secondary data analysis.

# Findings and discussion

This study set out to identify good practices and effective approaches to ensure meaningful consultation and consent in Indigenous-led carbon projects through a detailed understanding of the processes, activities, and context for the design and implementation of TPI.

Though this study was not an assessment against a standard, we look to certification standards to understand the requirements that they impose on proponents, how these requirements are understood and evaluated, and where compliance with the standards may fall short of ensuring that social benefits are realized and rights are respected.

Key findings are presented around four key themes identified as necessary for responsible carbon and especially relevant to the planning and design stage of a project.

## Rightsholder identification and risk assessment

Identifying rightsholders and assessing risks that could arise out of carbon projects is essential to socially responsible project design, and a requirement of carbon standards, including Verra's VCS v4.5 and CCB Standards.

The complex land tenure systems in Indigenous communities, where communal and individual rights often intersect, pose significant challenges. Addressing these complexities is essential to ensure fair benefit sharing and project legitimacy.

**Addressing differences between communal land rights and individual perceptions is important to support project success and effective benefit sharing.** Under the law, communities have the right to receive collective land titles and the authority to manage land use through their own governance structures. In practice, while communal tenure is emphasized, many individuals perceive land allocation as a form of individual (or household) ownership, leading to variations in the understanding and implementation of land rights across different communities.

Differences between tenure rules as written and in practice, and variations in land access among communities, are relevant to the project's success and legitimacy. Although no conflicts over land allocation or individual rights were reported, these issues should be carefully studied to inform the benefit sharing mechanism and project implementation. Under the TPI, individuals' land allocations

might face restrictions in exchange for shared benefits (determined through the benefit sharing mechanism); these individuals foregone use of land will not be directly compensated.

Identification of land rights and a careful assessment of the land tenure system as practiced may be needed to support the design of equitable benefit sharing arrangements at the communal level. An analysis of these rights should be shared with communities to ensure proper engagement and consent.

**Conservation Agreements and capacity building can be effective tools to enhance fiscal responsibility and project success.** The Conservation Agreements model is well-regarded and in high demand among community members. Through Conservation Agreements, benefits have been established in four communities to incentivize the restoration of 1,000 hectares of land by the end of 2024, with compensation for individual landholders for reforestation work and cultivation of vanilla, coffee, and cacao. Workshops on financial management are provided to address household money management issues as well as technical support, diverse food production, and handicraft training.

## Consultation, engagement, and consent

Effective consultation is vital for the success of carbon projects, yet achieving meaningful participation remains challenging. TPI illustrates the need for continuous, transparent engagement, with community members expressing support for the initiative but lacking detailed understanding of its implementation.

**To be effective, consultation and consent processes in carbon projects should involve a structured, multistep approach.** This typically involves preliminary meetings to introduce project concepts, followed by community-specific consultations led by trusted local representatives. Such processes are crucial in securing community buy-in but require continuous support and transparent communication to maintain momentum and trust throughout the project's lifecycle.

**Even with structured consultation processes, misunderstandings can occur, particularly when project concepts are unfamiliar or complex.** Communities may interpret initiatives in ways that align with their cultural context, which can differ from the project's intended framework. It is essential to ensure that community members not only understand the overarching goals but also the specific commitments and benefits associated with the project. Effective communication strategies should address potential gaps in understanding and ensure that all participants are well-informed.

**The success of community-based initiatives hinges on the transparent and equitable distribution of benefits.** Both individual and community-level benefits must be clearly defined and communicated before consent is sought. This ensures that communities are fully aware of what they are agreeing to, thereby fostering trust and long-term commitment to the project. While Conservation Agreements detail with clarity how individuals will benefit, at this stage of TPI, community benefits are not yet clearly defined, and the field study confirmed that community members were largely unaware of the specific benefits and how they would be distributed, raising concerns about transparency, trust, and the potential risks to the project's success. Yet the requirements for consultation and consent include an expectation that communities are aware of and agree to the terms of a benefit sharing arrangement before they consent to the use of their land (through participation in the carbon project).

**The use of established community decision-making processes, such as General Assembly votes, is crucial for obtaining consent in Indigenous contexts.** These processes must be respected and adhered to, ensuring that all community members have the opportunity to participate. However, ensuring that

participation is genuinely inclusive, especially in contexts where traditional norms may limit the voices of certain groups, remains a significant challenge.

**Achieving meaningful participation from all community members, including women, requires more than just attendance at meetings.** Persistent cultural norms may limit the impact of women's participation, even when efforts are made to encourage their involvement. To address this, projects must go beyond simply inviting women to meetings and work towards creating an environment where their contributions are valued and respected. CI's longstanding work to advance women's participation in project activities, address the root causes of gender-based violence and discrimination, and empower women stands out as a positive example of how a commitment to gender equality can yield positive results over time.

## Community and Project Governance

Governance structures in Indigenous communities, though respected, may lack the capacity to enforce decisions effectively. TPI highlights the need for capacity-building among community leaders and the establishment of complementary governance mechanisms to support long-term project success.

**Leaders' capacity limitations and limited confidence in community leaders may challenge successful oversight and implementation of project over the long run.** CI-Peru and FERIAAM engaged with legally recognized community leadership structures. However, these structures may lack authority and be perceived as ineffective by some community members, as participants in the field study raised concerns about weaknesses among leaders, enforcement issues, and favoritism. Moreover, community governance, as defined by law, may not fully align with traditional practices, and bylaws often do not reflect local norms or are poorly enforced. In light of these limitations, project proponents should take care to assess the legitimacy and strength of governance structures in each community to ensure that the rules and commitments established as part of the Initiative are enforceable and free of controversy.

Field assessments and the 2022 social baseline report reveal limited leader capacity and low community confidence in leaders. Although there is general confidence in community bylaws and the roles of leaders are clearly defined, leaders often struggle to enforce decisions and agreements, which can undermine commitments made through consultation processes. This could pose a challenge for enforcing rules around land and forest use adopted under TPI.

**Communications gaps between leaders and communities can undermine strong communications efforts between a project and community leaders.** Communication between community members, leaders, and FERIAAM needs improvement. Community members reported receiving vague information about TPI, citing as an issue that community leaders are often not diligent in communicating back to community members following engagement with FERIAAM and others. Variability in participation and engagement in community assemblies was noted, with some leaders not fully engaging or addressing members' concerns. FERIAAM acknowledged these communication challenges and recognized the need to enhance how information is shared and processed within the communities. Communications issues may be more pronounced for community members residing outside the central community.

**Project design can overcome community and project governance challenges.** While CI and FERIAAM are actively working on approaches to support leadership capacity building to address capacity issues among community leaders, the short terms of leaders—both at the community level and for FERIAAM—

presents a further challenge. For instance, under the bylaws of Yarau, a member of the *junta directiva* can serve a maximum of two two-year terms. The terms of the current board of FERIAAM will conclude this year, which poses a significant risk for the Initiative's continuity at this critical moment in the rollout of the TPI.

Because these constraints derive from the legitimate community governance structures and processes, overcoming these challenges may require working with community leaders to develop a separate governance structure to guide the implementation of the carbon project.

## Gender Equality

Gender disparities persist, with women often marginalized in decision-making processes. TPI demonstrates the importance of integrating gender equality into project design, ensuring that women's voices are heard and that they benefit equitably from carbon initiatives.

Carbon projects often have differing impacts on women and men, with a disproportionate, negative impact on women's economic well-being, livelihoods, land rights, and societal roles. While carbon certification standards mandate respect for human rights, including gender equality, they lack specific guidance on achieving gender equality. TPI provides an opportunity to explore how to address cultural and structural barriers to women's equality, ensuring their meaningful participation, benefit sharing, and consent in carbon projects.

**TPI faces risks and challenges for women in Awajún communities due to existing gender inequalities.** CI's efforts to address gender risks have led to successful women's leadership and agroforestry programs. However, gender issues remain widespread in these communities, where men control economically valuable land uses, while women are often relegated to lower-income activities. This dynamic is exacerbated by land leasing practices dominated by men. The social baseline studies and field assessments revealed that women's participation in community decision-making is limited by family obligations and women's views are often ignored in meetings, rendering their participation in decision-making less meaningful.

**Tackling gender issues is challenging but feasible, and successful conservation requires ensuring safety and justice for community members, regardless of gender.** Since 2013, CI has made significant efforts to address gender risks and promote women's empowerment in Shampuyacu and other Alto Mayo communities. Despite these efforts, women remain marginalized and face systemic barriers that limit their full participation and benefits from TPI. The project's scope—reaching all 16 Awajún communities represented by FERIAAM—presents an opportunity to build on CI's successes and drive gender-transformative change.

## Conclusions and Lessons Learned

TPI demonstrates the complexity and promise of carbon as a source of long-term funding and support for Indigenous communities to thrive through more sustainable governance of land and resources. CI and FERIAAM have taken the first steps towards gaining the consent of communities to participate in a carbon project that, if successful, will increase ecosystem health and protect biodiversity within Alto

Mayo region while supporting a resurgence in Awajún culture, institutions, and socio-economic well-being. Through community meetings and consultation with leaders, the co-proponents have received community approval to proceed with TPI. The difficult work ahead is to demonstrate the economic viability of the plan to use carbon finance to supplant incomes from land leasing, establish and support governance structures that will enable the smooth and transparent operations of TPI, and overcome the communications and logistical challenges of implementing TPI across the 16 communities.

Doing so will require careful navigation of layers of complexity and diverse community and environmental circumstances amid rapidly developing processes and project-driven timelines that may have little to do with community expectations or time needed for ecological or economic change. At the present time, there is little evidence to base decisions on. This report identifies several tensions and raises some questions yet to be answered.

This study demonstrates the complexity and promise of carbon as a source of long-term funding and support for Indigenous communities to thrive through more sustainable governance of land and resources, and points to the following conclusions:

***FPIC is necessary but not sufficient to ensure full realization of Indigenous Peoples' rights and development of carbon projects that support sustainable, thriving communities over the long-term.***

***Specific guidance is needed to ensure that carbon project developers implement FPIC more effectively.***
Carbon certification standards tend to stop at requiring FPIC, while saying virtually nothing about what FPIC means in practice, leaving it up to proponents and verification bodies (individual consultants/audit teams) to interpret and evaluate FPIC implementation. With no binding mechanism for accountability and enforcement, and variable standards for assessing whether safeguards are adequate, the safeguards provide no guarantee that harm has been avoided in practice.

 Practice guidance on FPIC for carbon projects should be developed and should include:

- A process of continuous, multi-directional information sharing that supports iterative design,
- Adaptation to changing social, economic, and environmental contexts, views of community participants, and external pressures in a community,
- Advice on approaches to work with and support often-complex traditional leadership structures while ensuring that projects are gender-equitable, transparent, and accountable, and
- Cases and examples of concrete actions and steps that result in socially responsible conservation (and particularly Indigenous-led carbon projects).

***Requirements for meaningful consultation and consent (including FPIC) apply to any project proponent (including Indigenous organizations).***
The standards offer no guidance on what is required to fulfill FPIC in the context of *Indigenous-led* carbon projects. As discussed in this report, such standards were developed to safeguard communities against risks arising from projects that impact their rights or that might result in physical, environmental, economic, or other harms.

These risks are present in carbon projects regardless of the identity of the proponent: communities can be left worse off as a result of a project, and some individuals within a community, such as women, may more at risk than others. The standards should therefore be the same as for carbon projects not led by

Indigenous organizations in order to avoid the risks and protect the rights of affected men and women while also bolstering the legitimacy and success of projects.

*Realizing socially responsible carbon projects may require fortification of Indigenous or local-level governance or the development of complementary governance structures or processes at the project level.*

Achieving rights-based economies requires the development of solutions that must be led by communities and must ensure the respect for communities' rights of self-determination, culture, and cosmovision. Participation in carbon projects can render communities vulnerable to economic uncertainties due to market changes. Accountable, transparent, and effective governance structures are important to support communities' ability to withstand and adjust to such uncertainties.

Carbon projects can form part of community-driven, sustainable land and forest management where projects are:

- Coherent with community priorities and plans
- Respectful of rights, culture and cosmovision
- Supported by community-driven plans, protocols, and governance structures
  - Based on FPIC—including meaningful engagement with the above

*Overall project success and legitimacy require navigating complex communal and individual land tenure practices, especially in connection to benefit sharing.*

Land tenure risks can be especially challenging to parse where the legal framework for Indigenous land rights presumes and recognizes collective tenure arrangements that may differ from traditional and contemporary tenure practices and norms.

Respecting Indigenous norms for land and resource government is a requirement for carbon projects under VCS v4.5 and other standards. Land rights assessment is essential to identify impacts (at both the individual and communal levels), potential conflicts, and to inform the design of effective incentives over the life of the project.

Differences between traditional or written norms and contemporary practices could be relevant to the overall success and perceived legitimacy of the project over time. Assessing risks and impacts that could result from a long-term change in land use and management is a recommended best practice and should inform design to ensure that the conservation-oriented rules under TPI are respected and implemented.

Land tenure and benefit sharing complexities need further attention:

- How to manage communal-benefit projects with individual impacts
- How to analyze land tenure and risks associated with it
- How to negotiate/design benefit sharing mechanisms
- How to maintain project legitimacy in the long term

*Gender equality is difficult to achieve but it is essential that proponents work to advance equal participation, benefit sharing, and overall well-being of women through carbon projects.*

Through its work in the Alto Mayo communities CI has shown that it is possible to make positive changes in the face of entrenched and pervasive discriminatory norms that limit and threaten women's well-being. Such successes require targeted programming that is based on careful risk assessment and that is committed to adaptive project design and management that work to understand and address the root causes of inequality.

## What does it take to ensure socially responsible carbon projects?

The absolute cost of developing and implementing socially responsible carbon projects—projects that meet requirements for fully respecting the rights of communities to FPIC—is relatively high, particularly where the enabling framework for the exercise of rights is weak. The recommendations in this report constitute the minimum set of actions necessary to meet the standard, adhering closely to the requirements under VCS and CCBS and, where applicable, suggesting actions that may go beyond these requirements in order to mitigate potential risks to the project or communities. A question worth pursuing further is whether buyers will be willing to pay a premium for carbon credits that are generated responsibly, and whether that will ultimately be enough to ensure that communities see a return on their investment to sustain their vision for thriving by living in harmony with their own values and vision for forestland management.

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The full-length version of this report is available at the link below:

https://www.landesa.org/wp-content/uploads/2025/07/Landesa-Awajun-Indigenous-Carbon-project-full-report-EN.pdf