

LANDESA'S APPROACH TO CARBON MARKETS & LAND-BASED PROJECTS

Strengthening Indigenous Peoples' and Local Communities' Land and Resource Rights



As carbon markets expand, Indigenous Peoples' and Local Communities' (IP & LC) land and resource rights must be secured to protect people and the planet. Landesa's work helps secure land rights to enable shared prosperity and a healthy environment.

Carbon Markets on the Rise

The ambitious scale of global commitments and climate agreements to reduce emissions, achieve corporate net-zero goals, and increase investment in land-based climate related projects has boosted carbon markets' growth. As a result, carbon markets continue to expand with governments, corporations, and investors seeking approaches that deliver environmental benefits through economic incentives from reducing greenhouse gas emissions. While carbon markets may hold promise to achieve some positive results, they also create important risks. Notably, this growth has accelerated the development of projects that put pressure on land and resources held by IP & LC. Projects also raise concerns about negative environmental and social impacts and efficacy in mitigating climate change. Without careful due diligence conducted in line with human rights standards, **the growth of these markets risk pursuing climate goals at the expense of IP & LC rights and well-being.**



Carbon markets are growing quickly and predicted to reach ~\$1 trillion in value by 2037 from ~\$2 billion in 2023.

Land-Based Carbon Project Impacts on IP & LC Land and Resource Rights

Carbon projects have the capacity to protect forests and benefit forest communities; however, accomplishing those twin aims requires meaningful participation of IP & LC in decisions regarding carbon projects at local, national, and global levels. Carbon projects should be conducted in a way that ensures that IP & LC stakeholders — many experienced guardians of vast carbon-rich ecosystems — are included in project design and implementation, are

properly compensated for their contributions to sustainable environmental stewardship and can generate income from land-based livelihoods without unreasonable restrictions. Meaningfully including IP & LC is essential to a project's success. They are some of the world's most effective environmental stewards, and failing to include them, including by safeguarding their land and resource rights, jeopardizes their lives and livelihoods. This lack of inclusion and recognition inhibits IP & LC sustainable environmental management and their ability to lead mitigation initiatives by sharing their knowledge, practices, and expertise.

Poorly designed, managed, or implemented carbon projects create significant risks for people and planet. Examples of serious concerns related to these markets include:

- **Forcible displacement of IP & LC or erosion/loss of their land and resource rights**, resulting in violent conflict, insecure livelihoods, and dangerous conditions for displaced people.
- **Infringement on internationally guaranteed land and resource rights including Free, Prior, and Informed Consent (FPIC)**, resulting in imbalanced or absent negotiations and lack of access to grievance mechanisms or redress.
- **Disregard for democratic and inclusive governance**, resulting in nonrepresentative decision-making and undermining the present and future wellbeing of IP & LC, especially women and youth.
- **Ineffective or inadequate benefit-sharing arrangements**, resulting in unfair compensation for IP & LC, particularly women.

Climate initiatives that sacrifice IP & LC rights are neither viable for these communities, suitable for long-term environmental protection, nor strategic for the corporate actors that may become publicly linked to the resultant human rights concerns. Insecure IP & LC land rights generate an insecure climate.

Landesa Strengthens Land & Resource Rights as a Response to Market Growth & Raising Concerns

Landesa supports IP & LC autonomy in decision-making (including the right to withhold consent) and works to strengthen their land and resource rights in partnership with governments, communities, CSOs, and the private sector. We support actions that 1) strengthen IP & LC land and resource rights, 2) ensure IP & LC access to information needed to make decisions with free, prior, informed consent about carbon projects, and 3) increase IP & LC participation and power in decision-making and negotiations related to carbon projects and markets that affect their land and natural resources. Our initiatives include:

- Supporting legal and policy reforms that strengthen land and resource rights, emphasizing processes for FPIC, fair compensation for IP & LC, as well as community collective land demarcation, zoning, and registration.
- Advancing a gender equitable and socially inclusive rights-based approach to environmental governance and land use planning, which can lead to more transparent, consensual, and sustainable planning in the context of investments as governments, communities, and corporations consider rolling out new land-based carbon projects.
- Elevating IP & LC voices, including women and youth, while building coalitions for local-to-global advocacy that reinforces the importance of rights- and nature-based projects and programs.

Examples of our work include:

GOVERNMENTS

- In Kenya, Landesa provided recommendations for the Natural Resources Bill (2022) – a bill that defines how local communities can share benefits from land-based resources.
- In China, Landesa conducted legal research on existing laws and policies relevant to the establishment of carbon rights, and examined forest carbon projects to explore inclusive and equitable models that safeguard the carbon rights of small-scale farmers.
- In South and Southeast Asia, Landesa assesses opportunities for mangrove conservation via sustainable land use planning.

CIVIL SOCIETY & COMMUNITIES

- Landesa partners with organizations that strengthen IP & LC, women, and youth's land and resource rights to better advance self-determined livelihoods.
- Landesa, with Conservation International Peru and the Alto Mayo Awa-jún Regional Indigenous Federation, recommended good FPIC practices in Indigenous-led carbon projects.
- Landesa advises the Climate Action for Smallholders Coalition on land rights and FPIC for carbon projects that make regenerative agriculture profitable and sustainable.
- Landesa partners with Rio Convention Secretariats and Gender Caucuses to strengthen standards and awareness for land rights in achieving convention goals.

PRIVATE SECTOR

- Alongside global forestry company Terraformation, Landesa helps communities negotiate, evaluate trade-offs, and develop compensation mechanisms that adequately value their status as project partners, autonomous decision-makers, and leaders.
- In partnership with multinational food and beverage companies, Landesa helps assess, advise, and mitigate potential land rights risks in their investment in carbon removal projects.



In the face of ever-increasing demands for land-based carbon projects, Landesa's collaboration with key stakeholders helps ensure that IP & LC rights are respected, protected and fulfilled, enabling them to continue their critical role protecting the planet for all of us.