

BRIEFING NOTE

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THE CRUCIAL ROLE OF INDIGENOUS PEOPLES AND FOREST DEPENDENT COMMUNITIES IN NURTURING FORESTS AND MAINTAINING FOREST COVER. AN IMPORTANT NON-CARBON BENEFIT OF REDD+

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This briefing note provides input to the methodological discussion on Non-Carbon Benefits, as referred to in Decision 1/CP.18, paragraph 40 and which has been discussed under SBSTA 38 and 39 and will be an important agenda item for SBSTA 40.

There is increasing and widespread recognition that, in order to make greenhouse gas emissions reductions/removals possible and enduring in the forest sector, REDD+ must broaden its scope from a highly carbon-focused to a more holistic approach. Hence, initiatives to achieve Non-Carbon Benefits (NCBs), in association with a robust safeguards regime, are as important as carbon-related measures and must be designed in an integrated and synergetic manner. Recognition of rights to land, territories and natural resources are crucial preconditions for achieving a number of NCBs for indigenous peoples and local communities and an important incentive for their active participation in REDD+, in all decision-making process and implementation. Integrating these rights in REDD+ mechanisms ultimately secures their livelihoods, provides for environmental services and is the key for the sustainability of REDD+. Community-based monitoring of natural resources and other NCBs is cost-effective and accurate, and further incentivises the achievement of NCBs.

Whatever form REDD+ implementation and related financial mechanisms may take, the tropical forest habitats of the world are not isolated biotic environments, but integrated social and ecological systems, inhabited for millennia by a variety of human populations that in a dynamic and synergetic interplay have been part of the creation of these forests and their biodiversity. Indigenous peoples and forest-dependent communities generate numerous and invaluable NCBs, which contribute to the maintenance of these forest systems. They

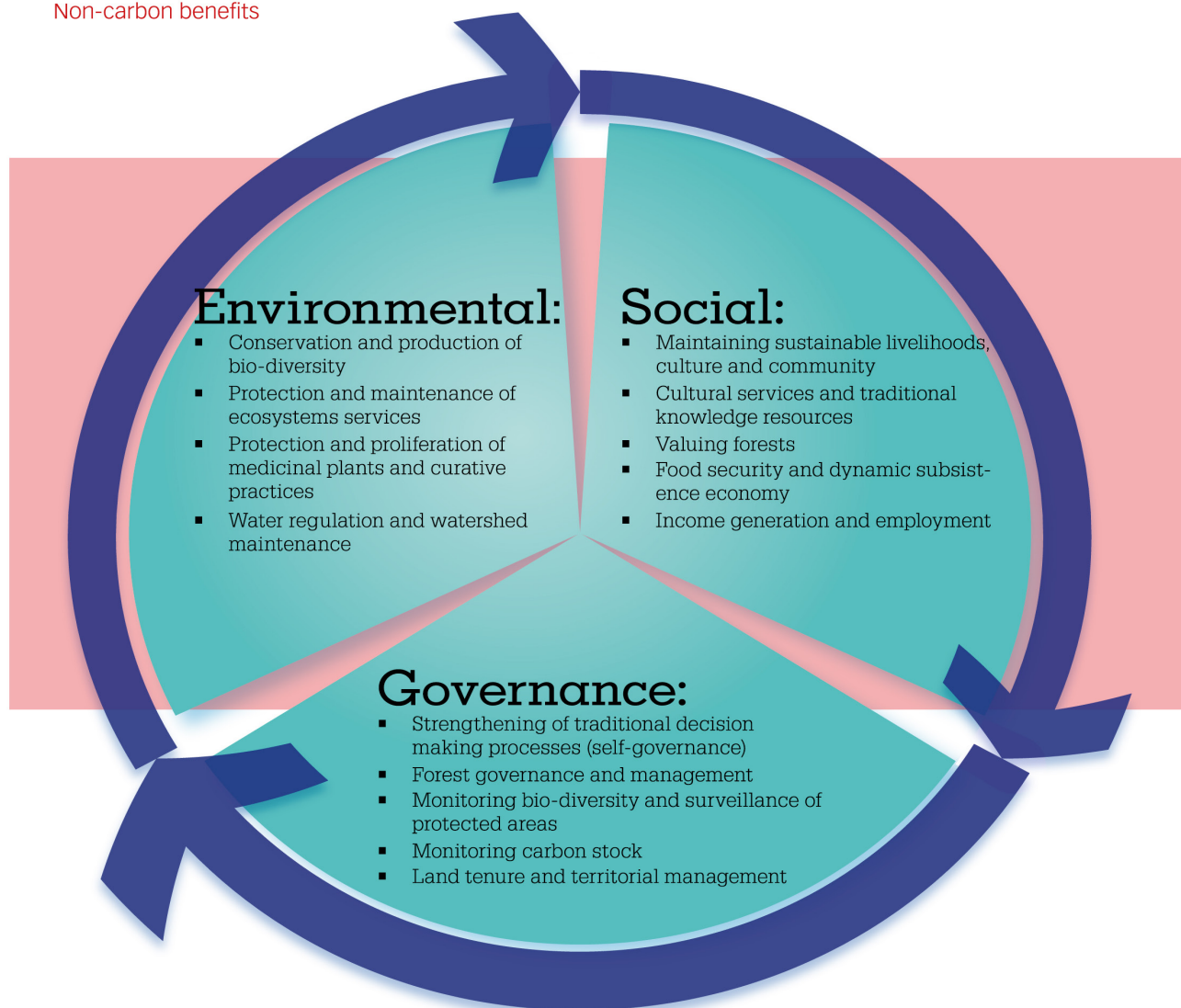
constitute vibrant and dynamic communities that are determined to maintain their identities and livelihood practices, and are increasingly taking an active part in the international processes to establish workable climate change policies. Without high priority to NCBs in the institutionalization of REDD+ and its safeguards system sustaining REDD+ is not possible. Fortunately the major institutional operators behind REDD+ are increasingly recognizing that NCBs are the *sine qua non* for REDD+ and that indigenous peoples and local communities are not the problem but part of the solution.

What are Non-Carbon Benefits?

Non-Carbon Benefits are generally understood as positive *social, environmental and governance outcomes* from REDD+ activities. They go beyond the minimum requirements for safeguards that ensure that REDD+ does no harm to livelihoods and biodiversity, by taking a more proactive and positive approach. NCBs are contributions that ensure that the results of REDD+ will endure over time and are, as such, a crucial prerequisite for the success of REDD+ in general.

NCBs have multiple forms and expressions dependent on the national, regional and local context. To specify some of the multiple forms of NCBs, the three main classes of NCBs can be identified and further subdivided into a number of *ad hoc* sub-categories of benefits and outcomes:

¹ This briefing note was first developed as a submission on Non-Carbon Benefits as an Imperative for the Sustainability of REDD+.



Synergetic relationship between carbon, land rights and non-carbon benefits

Indigenous peoples and forest-dependent communities play a critical role in nurturing, adapting and developing the forests and forest-related resources, and are thus essential for certain NCBs. Indigenous peoples living in diverse forests around the world not only depend on the forest for their livelihoods but also contribute to its protection, conservation and reproduction, through their traditional natural resources management and sustainable practices.

International peer-reviewed research has documented that land security through demarcation and titling of indigenous territories protects and increases tropical forest cover. A study that measured land use over a 50-year period in the Peruvian Amazon shows, for example, how demarcation and titling of indigenous territories has led to increased forest cover due to the sustainability of the indigenous production system. This

was compared with non-indigenous cattle raisers' production in the same location over the same time span. The study demonstrates positive synergy between land tenure rights, forest governance, carbon and economic co-benefits.

The anthropogenic factor in maintaining tropical forest habitats and biodiversity is also well documented in other contexts. Hence, NCBs are not add-ons to REDD+, nor a residual category created to satisfy civil society organizations, but a precondition for the long-term success of REDD+; for achieving the desired carbon benefits and emissions reductions, and curbing the drivers of deforestation. Indigenous peoples, through the International Indigenous Peoples Forum on Climate Change (IIPFCC), have consistently pushed for the explicit recognition and prioritization of NCBs and corresponding mechanisms, emphasizing the importance of a rights-based approach.

Indigenous Peoples and REDD+

Indigenous peoples have been and remain critical towards the REDD+ scheme; particularly in REDD+ piloting initiatives, where carbon trading on capital markets was seen as the financial driver. Their main fear has been that REDD+ would lead to speculators and entrepreneurs taking control of resources and lands, with indigenous peoples *de facto* losing their right to self-determination. The commoditization of the forest, which is an embodiment of entire cosmologies, cultural heritage and sustainable livelihoods, is a general concern.

Indigenous peoples' territories have been subject to various forms of resource extraction and alienation of their lands for centuries. Extractivism, including legal and illegal logging, has historically been the main driver of colonization of the tropical forests. REDD+ and carbon financing adds an abstract element to this experience, which the people living in the forests have limited knowledge and influence over and which is subject to international and national systems. The worry is obvious and understandable, particularly among peoples who are struggling for recognition of their rights to land and territory. The ingrained lack of confidence in and distrust of the State, its authorities and its foreign allies is also part of the picture.

The way to overcome this and develop positive opportunities in the REDD+ scheme is by giving high priority to the implementation of rights of indigenous peoples and forest dependent communities. This requires the stringent implementation of the safeguards stipulated in the COP16 Cancún Agreement but also incentivization of NCBs, particularly those that are related to rights to lands, territories and natural resources. This ultimately implies application of the provisions of ILO Convention No. 169 and the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), and adherence to the principles of Free, Prior and Informed Consent (FPIC).

Popular resistance to REDD+ projects at the local level may jeopardize REDD+ activities and threaten REDD+ sustainability in the long run. Without consistent implementation of safeguards and without high priority given to NCBs as requirement for results-based financing, financing and investments may be at risk due to contradicting interests and related social conflicts.

Safeguards, Safeguards Information Systems and Non-Carbon Benefits

Although the term NCBs was not explicitly used, the Cancún Safeguards Agreement (Decision 1/CP.16, Appendix I) determined that *REDD+ activities should enhance social and environmental benefits, incentivize the conservation of natural forests and their ecosystem services, and promote effective forest governance mechanisms.*

The Cancún Agreement also recognizes that the UNFCCC Parties are obliged to fully respect human rights and, particularly, the rights of indigenous peoples in all climate-change related decisions and actions.

Indigenous peoples have always argued that safeguards and compliance systems had to be in place in all phases of REDD+, including in the preparatory phases (Phase 1+2). This must be supplemented with the planning for and incentivization of NCBs.

Public access to information on how safeguards are addressed and respected during the implementation of REDD+ activities have been envisaged to happen at country level. This is the basis of the so-called *Safeguards Information System (SIS)*. The agreement on the type of information that will go into the SIS is very critical for indigenous peoples, particularly the issue of rights to land, territories and natural resources, as argued above. Furthermore, the establishment of the SIS on the basis of community-based monitoring is an indispensable prerequisite for a cost-effective and participatory implementation of REDD+, which contributes to building trust and to strengthening forest governance.

The REDD+ safeguards are indispensable for achieving results. Without effectual safeguards, REDD+ will fail to "slow, halt and reverse forest cover and carbon loss" and also fail to deliver NCBs. The safeguards, if implemented properly, can enhance forest governance, promote the full and effective participation of indigenous peoples and local communities and respect for their rights, and protect biodiversity in order to ensure ecosystem resilience and the permanence of emissions reductions. Moreover, specific planning for integration of NCBs in the SIS is needed. However, as pointed out earlier, NCBs go beyond the "do no harm" requirement of safeguards and the decision to find ways to incentivise non-carbon benefits has therefore been an important achievement.

Incentivizing Non-Carbon Benefits

Incentivizing NCBs is crucial for REDD+ sustainability, which implies that NCBs should be fully integrated into REDD+ planning and implementation. UNFCCC and other sources should provide ex-ante financing, for example to address the crucial issue of land tenure rights, and to allow countries, indigenous peoples and communities to pursue an integrated holistic approach.

Approaches for incentivizing NCBs are being developed by funds and agencies, and UNFCCC should provide guidance to facilitate an understanding how NCBs can be incentivized appropriately. Importantly, performance in social, environmental and governance aspects should be fully integrated into results-based payments and monitored based on indicators, which among others should reflect the implementation of

rights to land, territories and resources and to consultation, participation and consent. In general, recognition of rights to lands, territories and resources, in line with the provisions of the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), constitutes a fundamental basis for the achievement of other NCBs.

The UNFCCC shall ensure an effective participatory process including indigenous peoples and forest dependent communities in developing definitions, guidance and requirements, that can be further tailored to nationally and locally appropriate approaches for incentivization and planning for NCBs.

What constitute the most important combination of NCBs and how they should be planned for and incentivized depends on the national and local situation as well as on the aspirations of indigenous peoples and forest dependent communities beyond monetary form. To make results-based payments of NCBs operational, monitoring of NCBs will need to be an integrated element of the Safeguards Information System (SIS) and national forest monitoring system, which must be in place for each country.

A systematic and participatory gathering and sampling of experiences from different REDD+ or REDD-like programmes that incentivize NCBs and target indigenous peoples and local communities is called for in order to inform the next phases of REDD+. Elements in this could be the establishment of an indigenous peoples' database and information system at national and regional levels, where the experiences and lessons learned from participation in REDD+ NCB schemes may be accumulated and accessed as well as more systematic network of REDD+ and NCB pilot projects.

Monitoring, reporting and verification (MRV) and Non-Carbon Benefits

As pointed out by several observers, monitoring, reporting and verification (MRV) systems have historically been a very costly affair in tropical forest environments, which implies a challenge for the financial sustainability of REDD+. The reason for the high costs of monitoring is that it has largely been carried out by academic experts and consultants, with limited support from locals. The operational costs are far too high to be practicable, and alternative MRV systems must be designed to keep costs down. The inflated costs have wrongly been used as argument for not including the provision and monitoring of NCBs in the REDD+ framework. However, positive experiences generated with community-based monitoring of natural resources can be applied to monitor other aspects of NCBs, at the same time as lower costs.

A study team led by Danish ecologist Finn Danielsen has made a controlled comparison of expert monitoring and lo-

cally-based community monitoring of the status and trends in species and natural resources, looking at accuracy and variability, cost and sustainability as well as cultural relevance. This internationally renowned study provides for an example of monitoring of some aspects of NCBs and argues that results from local community monitoring only differ slightly from results carried out by scientists. The study concludes that: "community members with limited education and armed with the simplest of techniques and equipment can accurately monitor forest biomass, previously thought to be the exclusive domain of highly trained professionals". Importantly, community-based monitoring is done at significant lower cost.

Several other studies of locally-based monitoring have been carried out in different regions of the world, reaching similar conclusions. Hence, monitoring of NCBs cannot be discarded on the grounds of costs or for fear of inaccuracy. NCBs are diverse and multifaceted and require a set of diverse and complementary monitoring approaches. However, the studies show that they need to be designed and implemented with the full and effective participation of indigenous peoples and the deliberate integration of community-based monitoring in REDD+ MRV framework with clear indicators relating to NCBs.

Recommendations

1. Indigenous peoples have always perceived forests and their resources as an integral part of their life and livelihood systems. Maintaining the multiple functions of forests is of primary importance for indigenous peoples and it requires the recognition of rights to land, territories and resources and other individual and collective human rights. Indigenous peoples have proven to be crucial for the conservation of forests and enhancement of forest cover, which entail that recognition of their rights and livelihood is a fundamental 'factor of success' in any REDD+ scheme. Therefore, we request SBSTA to urge Parties to undergo proper legal and policy reforms for the recognition and respect of indigenous peoples' rights in accordance with international obligations and instruments such as the UNDRIP and ILO Convention No. 169 and develop guidance for effective implementation of related safeguards.
2. There is no internationally accepted definition of Non-Carbon Benefits, but the term generally refers to the social, environmental and governance co-benefits, which are crucial to take into account in order to secure the multiple functions of forests. We call on SBSTA to provide guidance on how to incentivize NCBs, particularly recognition of rights to lands, territories and resources, so that these are integrated fully into any system for result-based payments. Incentivization of NCBs should be a requirement and integrated fully in all REDD+ financing.
3. We believe that indigenous peoples and forest dependent communities' traditional knowledge relating to forests, their livelihoods, and the cultural, spiritual, environmental and economic values that they attach to forests should be in focus while defining and discussing non-carbon benefits in REDD+. We call on SBSTA to strengthen its dialogue with indigenous peoples during the process of developing methodological guidance on non-carbon benefits.
4. There is still a prevailing perception among parties that it is challenging to monitor the non-carbon benefits. Internationally renowned research has demonstrated that community-based monitoring of carbon and non-carbon benefits is as accurate and reliable as the costly monitoring provided by professional and consultants. Therefore, we call on SBSTA to recognize and integrate community monitoring into the methodological guidance for REDD+ and incentivization of NCBs.
5. The Safeguards Information System (SIS) that will be developed by the parties should have a separate section on non-carbon benefits and related indicators. The processes to develop and implement methodological guidance on NCBs and SIS should ensure the full and effective participation of indigenous peoples and forest dependent communities, in line with the provision of international human rights standards.

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