

Climate Finance, Results-based Payments and Conservation by Indigenous Peoples, Local Communities and Women

Key Findings of a Report of the ICCA Consortium and the Community Conservation Resilience Initiative

<http://globalforestcoalition.org/resources/supporting-community-conservation/>

Ecosystem conservation and restoration by Indigenous Peoples, local communities and women through agro-ecological and other land use practices not only contribute to enhanced climate resilience of countries and communities, but also contribute significantly to mitigating climate change.

Addressing the drivers of ecosystem degradation does not require a huge financial investment. Instead, it requires a redirection of the financial flows that currently support and enable such degradation, including industrial bioenergy projects, large-scale livestock production and other unsustainable industries. Aichi Target 3 of the Convention on Biological Diversity's 2011-2020 Strategic Plan gives a clear mandate to eliminate or reform perverse incentives that lead to ecosystem degradation before 2020 and to establish positive incentives for biodiversity conservation. There is growing consensus that appropriate recognition of and support for Indigenous Peoples' and community conserved territories and areas (ICCAs) and other community conservation initiatives is one of the most effective and equitable non-market-based approaches to motivate women and men on the ground to conserve and restore forests and other ecosystems. Key factors in the success of such initiatives include strong community leadership, agency, capacity, effective participation of women, traditional knowledge and practices, and confidence to advocate for themselves.

However, due to the inherently complex relationships between soils, ecosystems and the atmosphere, it is impossible to accurately account for the positive or

negative impact of certain community conservation and restoration practices on the climate. These initiatives should be appropriately recognised and supported and comprehensively reported on, including within the global climate regime, but they cannot be 'accounted' for. In light of these inherent methodological complications, land use related emission reductions should not be used to offset emissions from energy or other sectors, as this would fatally undermine an already weak climate regime.

There are a number of inherent problems with results-based payments for ecosystem conservation and other market-based approaches. The introduction of new governance arrangements to handle financial incentives tends to undermine customary institutions and often leads to inequity, mismanagement, elite capture and even corruption. Moreover, most local communities do not have the capacity for carbon accounting and offset sales. If they choose to engage in such mechanisms, they often have to rely upon intermediaries such as conservation NGOs and consultancy firms whose interests are not always aligned with those of local actors. Carbon markets have also proven to be highly unpredictable and the dependency on financial compensation leads to conflict or collapse of the system if funds stop for external reasons. Another more fundamental concern with results-based payments is that they fail to address the root causes of ecosystem degradation and are based on the notion that financial gains are the primary motivation for human action. This in turn feeds short-sighted individual desires and undermines

long-term collective value systems and plans.

Indigenous Peoples, local communities and women face prejudices in mainstream climate change policies. They also do not benefit sufficiently from mainstream climate finance due to the growing trend to merge public climate finance with private sector investments, as the latter need to be commercially profitable. In contrast, ICCAs and other forms of community conservation tend to provide a broad range of social, cultural, ecological and livelihood benefits, but only modest financial profits. As a result, current climate finance mechanisms provide perverse incentives for climate investors to invest in monoculture tree plantations and other commercially attractive projects, despite their negative impacts on biodiversity, the climate and the livelihoods of the world's most vulnerable peoples and communities.

The impacts of climate change as well as the burdens of inappropriate climate mitigation and adaptation policies introduce new and exacerbate existing social, economic and political inequalities. Climate policy- and decision-making should be based on human rights, clear legal standards, and recognition of the rights and roles of Indigenous Peoples, local communities and women in ecosystem-based climate resilience and mitigation.

The full report can be accessed here: <http://globalforestcoalition.org/resources/supporting-community-conservation/>

Recommendations for Climate Policy Makers

1. Recognise ICCAs and other community conservation initiatives as effective, holistic non-market-based approaches for climate change mitigation and adaptation and offer appropriate legal, political, social, economic and other forms of support – not results-based payments;
2. Promote comprehensive and participatory reporting on community conservation initiatives and other land use actions, taking into account their multiple benefits and values – rather than using flawed carbon accounting methodologies;
3. Halt and reverse the corporate take-over of climate policy through blended public-private climate finance and public private partnerships by providing sufficient new and additional public financial resources that serve public rather than commercial private interests;
4. Explicitly exclude monoculture tree plantations, intensive livestock farming and other environmentally and socially destructive industries and practices from climate finance schemes; and
5. Ensure the full and effective participation and free, prior and informed consent of Indigenous Peoples, local communities and women in national policies, plans and programmes for climate change mitigation and adaptation, and address the findings of community-based monitoring in climate-related decision-making.



Contrasting approaches: A community mangrove restoration project in Samoa on the left (OLSSI/CIC), and a eucalyptus plantation in South Africa (Rittgerott/CIC)

Background photo: Fera Subua Island, Solomon Islands. Aydah Vahia/CIC

