

Inside Indonesia 105: Jul-Sep 2011

Community Engagement

Don't ignore REDD's impacts on communities!

by *Brihannala Morgan*

Consider it from the businessman's perspective: It all makes so much sense. The rainforest, vital for people, biodiversity, and global climate, is being cut down to make money. But what if he was able to pay good money to those same people who are cutting down the forest to keep the forest intact? What if he was able to convince those people (and companies and governments) who insist that they care about stopping climate change to actually pay those costs? As a bonus, he can take a few cents out of every transaction, and make a fortune. Sounds like a great deal.

Now consider it from the perspective of a villager in Central Kalimantan: It looks a bit more complicated. Farming much as his parents farmed, he learns that the fallow field he has been clearing in his family's secondary forest has been sold, and that he is no longer allowed on it. He has few options to respond legally, since he never had formal legal rights to the land, though his family has used it for generations. The police may even warn him that he is no longer allowed to touch the trees. It's not that someone else is going to cut them down. Some foreigners want the forest to stay the way it is, and they are paying the government to make it so. He may get something in return, but the government or the company taking over his land has determined his compensation for giving it up. Most likely, they have never even consulted him.

REDD in the community

At the extreme, this is the local reality for REDD (Reduced Emissions from Deforestation and forest Degradation). In 2009 and 2010 I investigated 23 privately sponsored REDD projects in Indonesia. Investors hope to sell carbon credits to individuals and companies wanting to reduce their personal 'net' carbon emissions or green their image. I looked at how these international projects engage with communities living in or near REDD project areas. I wondered whether it is possible for REDD projects to engage indigenous and local communities using fair and just mechanisms to share benefits of REDD projects, with their 'Free Prior and Informed Consent', or if that is a pipe dream in the context of the international carbon market.

Most private REDD project developers, including Indonesian and foreign individuals and companies, accept that it is necessary to engage communities in REDD projects. Without governments using REDD credits to fulfill their CO₂ emission reduction obligations, individuals and companies are the only confirmed buyers for forest carbon credits. In this voluntary market, additional benefits like biodiversity conservation and community development are also marketable commodities. Ecosystem Marketplace, an American-based industry research group, finds that the community development co-benefits promised by REDD project developers are highly attractive to offset buyers.

While raising prices for carbon credits is an important incentive, most REDD project developers also consider it important to engage local communities to help protect the carbon at the core of their investment. They hope that providing forest-dependent communities with acceptable alternative livelihoods will keep them from cutting down forests (and hence negating any carbon storage from the project), or moving forest-destroying activities to other areas where the forest is not protected. As one American project developer working in Central Kalimantan put it, 'We cannot just throw them all in jail, so we need to find a way to engage with them.'

Community engagement

Project developers try to 'engage' communities in REDD projects in four significant ways: through services, jobs, cash and (in a few rare cases) land rights. All of the projects surveyed claim to create new jobs or alternative livelihoods to enable communities to live without relying on the forest or on forest products (with some small exceptions, generally for handicraft sale). The most common jobs that projects provide are as forest wardens to protect and monitor forest conditions during the project's lifespan. Other common alternative livelihoods include support for developing and marketing non-timber forest products like rattan and sandalwood. Yet these alternative livelihood provisions were usually developed with little or no input from the community, and often create jobs for only a small percentage of the people whose livelihoods they displace. It is unlikely that these projects will provide sustainable and fulfilling alternatives to traditional local practices in the long run.

Of the 23 projects I investigated, nine projects planned to provide services like health clinics and primary schools. These services were often combined with gifts to each family or individual to generate good will for the project (laptop computers, solar panels, cook stoves, etc). The Rimba Raya project in Central Kalimantan, for example, focused on gifts rather than engaging the communities in other ways to compensate communities for losing access to their land. Providing services as part of a project begs the question of whether

REDD project developers will withhold classes or health services if communities continue using the forest as before, or cut forest elsewhere.

Nine projects paid cash to communities in return for communities' promises to stop using the forest for food or fuel. Five of the 23 projects surveyed explicitly mentioned a Payment for Environmental Services model, paying communities in cash to conserve resources that provide ecosystem services. For example, a project may pay upstream communities to conserve a forest in order to protect downstream communities from flooding. Projects may pay per individual or per family, payments to the community as a whole, as cash or a bank ATM card. Micro-credit schemes, a variant on cash payments, were proposed by four projects. Communities may take out small loans to support local projects to provide alternative livelihoods.

Only two projects – one in the Danau Sentarum area of West Kalimantan and another in Aceh – prioritise rights of communities within their project areas. Both of these projects use participatory forest management techniques, designing the REDD project on traditional land use patterns within village customary forest areas, and developing access plans with communities based on their traditional lands rights and management practices. Community members are developing access rules and restrictions themselves, and community groups will manage forest blocks. Both of these projects' management plans emphasise community members' 'Free Prior and Informed Consent'.

Community engagement saves money – and costs money

Project developers understand that communities who depend on the land and forests will continue to make use of otherwise forested land for farming and to gather forest products, unless they are given a compelling reason to stop. Yet engaging the community costs money. The more effort project developers invest in community engagement and benefits, the less profit they are likely to make. Yet project developers have quickly discovered that sharing benefits with communities may save them money in the long run.

Providing jobs, services, and cash payments are quick and relatively cheap compared to actually recognising communities' continuing land rights in REDD project areas. But they may be the most cost effective way to increase projects' ability to save forests. Both projects that made a point of supporting community land rights have found that building community-led projects takes a lot of time and trust. These projects' developers also had trouble securing initial funding, since they cannot guarantee marketable credits as quickly as other projects. These community-based projects focus on passing profits to the community, so project developers do not profit themselves.

Most carbon credit buyers do not know the difference. Cheap carbon credits are more attractive since they appear 'cost effective' on paper. There are no minimum standards for community engagement in the voluntary carbon credit market and most people and companies who purchase carbon credits either do not care about communities whose livelihoods and forest uses are displaced by REDD projects, or do not have the experience to judge what is better or worse in terms of community co-benefits. Such information is also not easily available for those who do care.

More insidious and systemic, project developers are able to market REDD carbon credits while providing only minimal compensation to forest communities because no laws or regulations require them to do more. Only about two per cent of traditional communities in Indonesia have formal legal rights to their land and therefore have the legal right to decide if they want to be part of REDD projects approved by district government agencies, or demand equitable benefits sharing. Project developers are able to work directly with the local government, and engage community members as much or as little as they want.

REDD projects fail communities

Trends in Indonesian REDD project development are emerging. While a few smaller projects attempt to base REDD in community land rights and Free, Prior and Informed Consent, the vast majority of projects aim primarily to move ahead quickly and make profits for investors and developers. REDD projects systematically fail to include Indigenous Peoples and affected community members in any meaningful fashion. REDD incentives reward project developers for moving projects forward fast, and cutting corners on involving affected communities or sharing benefits with them.

None of the projects surveyed ignore communities completely, but they attempt to buy community compliance with promises of jobs, gifts, and money. Impacts of this type of alienation have been seen time and time again, whether the perpetrator is an extractive industry, a national park, or a climate mitigation project. Cultures are destroyed when communities are no longer able to use the land for traditional hunting, farming, and spiritual practices. REDD projects will also start a vicious cycle of risk for communities dependent on an unstable global carbon market, far beyond local communities' control.

If REDD is to become a real tool for sustainability and conservation, communities themselves must be able to decide about and manage REDD projects. Only when land rights are ensured before the development of a REDD project, and communities are allowed to make decisions for themselves, can REDD fulfill its promises to reduce emissions from deforestation while sustaining forest communities.

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