

Indigenous Contribution to the NDCs and Climate Ambitions: Equitable and Cultural Compensation

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Forest Trends, in collaboration with the national Amazonian indigenous organizations of Colombia (OPIAC), Ecuador (CONFENIAE)¹ and Peru (AIDESEP), are carrying out studies and providing technical assistance² aimed at preparing equitable and culturally relevant climate compensation proposals for indigenous people. These proposals are based on the multidimensional climate contributions of the indigenous territories and their will to comply with and increase the goals set forth by the NDCs³ and the “climate ambition” demanded by the Paris Agreement. Below is an outline of the progress made, and corresponding perspectives, which will have an impact at the regional and international scale.

Invisible Contribution, Unilateral Compensation

Although climate programs (notably NDCs, ER-PD⁴ and ERPA⁵) in Amazonian countries recognize the overall contributions made by indigenous communities for climate and ecosystem health, **they have not measured, quantified or valorized** these contributions. Moreover, the important role these territories play is not included in future national agendas. National⁶ data only offers estimates and generally only quantifies carbon stocks, there are no specifics relating to indigenous territories and their climate or ecosystem services.

There are three main valorization gaps in the case of indigenous territories that have never been measured: their climate contribution, their holistic approach to management and their collective institutional governance or “self-government”. If a contribution is invisible, any compensation becomes subjective, unilateral and, above all, marginal.

Many tools can be used to measure deforestation, degradation, emissions, carbon, etc. but these are not employed to quantify the ecosystem functions or services provided by indigenous territories and those functions having a direct or indirect impact on climate.

Valorization of the Climate Contribution of each Indigenous Territory

This study proposes to quantify and valorize indigenous territories’ contributions to the health of the planet. Once measured states need to recognize indigenous people’s important role in ensuring these ecosystem functions. These include:

- *Absorption (removal, sequestration)* of high levels of urban emissions of CO₂.
- Carbon *sequestration* and the social cost of “sequestering” large potential emissions.

¹ [Inter-ethnic development association of the Peruvian rainforest - AIDESEP]; [Organization of Indigenous people of Colombian Amazonia - OPIAC] and [Confederation of Indigenous nationalities of Ecuadorian Amazonia - CONFENIAE].

² In the framework of a cooperation project with NICFI and NORAD.

³ NDCs Nationally Determined Contributions.

⁴ ER-PD, Emission Reduction Program Document.

⁵ ERPA - Emissions Reduction Purchase Agreement

⁶ For example, 26.6 million hectares of protected indigenous land in Colombia sequester 3.258 billion tons of carbon, corresponding to 11.9 billion tons of CO₂e, i.e., 18 times more than the NDC reduction of GHG between 2015 and 2030, which is 670 million tons of CO₂e (Source: WWF Colombia)



- Reduction of *emissions* caused by deforestation and degradation (“carbon flow”)
- Evaporation of the soils and forest transpiration; the “*flying rivers*” cooling off the planet.
- Acting as *social barriers* to displacement caused by drivers of deforestation.
- Acting as *natural firewalls* against forest fires and climate uncertainty.
- Reproduction of *biodiversity and its connectivity*, indispensable for Amazonian climate functions.
- Reproduction of holistic *cultural uses, knowledge and practices*, indispensable for the use/conservation of the forest.

Equitable and Cultural Climate Compensation

Based on the valorization of climate contribution in indigenous communities as a result of their management and governance, this study argues for an equitable and culturally appropriate compensation. It should be presently applicable within the climate funding processes and programs, with innovative proposals presented to the Green Climate Fund (GCF) and to be continued in the future when distributing benefits based on Payment for Performance when reducing future emissions in the framework of NDCs, ER-PDs and ERPAs. In dialogue with the afore-mentioned indigenous organizations, the following considerations on equitable and culturally appropriate climate compensation were made:

- Compensation should be *based on the valorization* of the high level and diversity of the climate functions of indigenous territories.
- Be included in the *national strategies* for reducing emissions (NDC), or Payment for Performance and distribution of benefits (ER-PD, ERPA), it should go beyond just being mentioned in potential and transitory projects.
- Be executable through the *Indigenous Life Plans*, taken as State climate management tools and overcoming the limitations of “competitive funds” or “eligible activities”.
- Be included in the *Payment for Performance* plans for emission reduction and in the strategies, projects, funds and other bilateral, multilateral, state and interstate funding mechanisms.
- Include in such state sponsored Payment for Performance programs the need for a net effective reduction of emissions by investors without disregarding the indigenous rights.
- Guarantee territorial security and governance of the indigenous people, which are essential to slowing down deforestation, degradation and contamination in the Amazon.
- Promoting a “Buen vivir” life style with the added value of a standing forests; contribute toward a *post-extraction* transition towards clean energy and a low-carbon and climate-resilient development.
- Implementing *integrated and holistic plans*, of mitigation, adaptation and social and climate resilience; with an ancestral and traditional perspective, according to the principles of each indigenous people.



- Contribute to complying with the *emission reduction targets* of the NDCs and even surpass them.
- Strengthen the proposals made by *indigenous women* and their wisdom and respect for nature.

Climate Funds and Reduction of Asymmetries

The relationship between climate funding and indigenous people, their present asymmetry and the goal of reaching equitable and cultural compensation are dealt with in a new context. Redd+ stages are being mixed whereas they were supposed to be sequential, as are the “ideas” to prepare a national plan for Redd+ readiness, the design of the plan, its execution and ultimately the commitments, targets and strategies for reducing emissions (ER-PD) and the interstate agreement for Payment for Performance (ERPA). The NDC goals and their mitigation and adaptation actions should be added to this. In that context of assumptions, the “final” processes, as is the case of both **ER-PD and ERPA, are articulating and guiding the implementation of the comprehensive** present and future climate funding mechanism. Consequently, there is a need to assess such mechanisms and to make proposals that reflect the global rights of indigenous people and comply with the Cancun safeguards (COP 16).

Considering this need, Forest Trends is giving technical assistance to the Amazonian indigenous organizations (AIDSEP, OPIAC and CONFENIAE); to capture the following considerations regarding the relationship between indigenous people and the NDCs, ER-PD and ERPA and other climate funds linked to these processes.

Because of the non-valorization of the climate contributions of the indigenous territories in the ER-PD and ERPA, deforestation and degradation agents are given priority, especially those related to **agribusiness**. Such focus and support of these industries, aimed at improving their productivity in return for limiting their expansion, generates concern because of the failure of similar prior programs and opens the possibility for **detrimental results**, such as increase displacement of Amazonian people and colonization. This approach might uphold the unfair distribution of benefits when paying for performance in emission reductions. Such potential inequity combined with the present reality of minimal access to funding of climate projects for indigenous people paints a grim future.

In view of these challenges some proposals are being submitted by indigenous organizations. These are:

- Reducing the exaggerated priority awarded to *agribusiness* and other deforestation agents, and *balance* the attention given to the holistic use-conservation players such as indigenous people.
- Withdrawing the activities launched on *oil palm and monocultures*, or worse, plantations of nonnative species.
- Realigning communities’ practices towards agroforestry, polyculture farming, with no GMOs or pesticides, and prioritize small production scales over extensive crops.
- Dropping activities that may lead to some form increase in migration, invasions of indigenous territories or that may facilitate overt or concealed land leasing.
- Prioritizing standing woodland *value added* initiatives such as plant and fruit extracts or flours (for medical, nutritional, cosmetic uses); sustainable wood and fishery products, community tourism, indigenous art and others.
- *Ecosystem restoration* and not only “reforestation”, with native species and local wisdom, imitating the forest’s diversity, including reintroducing of native fauna and flora for both community use and trade purposes.



- *Valorization* of the ecosystem functions of climate contribution by the indigenous territories in each country and recording such values in the national registers of emission reduction.
- Differentiating the indigenous climate contribution (both national and sub-national) as a “*special indigenous jurisdiction*” to avoid diluting their figures in the national averages and making a distinction between players and areas striving to reduce emissions and those where opposite is true.
- Distributing the benefits to the indigenous people must constitute an *equitable compensation* based on objective measurements of their high and diverse ecosystem and climate contribution.
- Encompassing the cultural relevance of such compensation, i.e. funneling it for the design and implementation of *Life Plans* as climate management tools, without the limitations set up by the “eligible activities” filters.
- Implementing the cultural adaptation of Redd+, through the *Amazon Indigenous Redd+* and their holistic vision, including the diverse climate functions (not only carbon) provided by forests, regardless of their deforestation level while integrating mitigation, adaptation and resilience.
- Regulating the *voluntary carbon market* by means of State measures in order to comply with the Cancun safeguards (UNFCCC-COP16), playing the protective role of indigenous rights and preventing potential conflicts.
- Prioritizing the indigenous climate ambition proposals in the *government budget* and not restricting it only to international climate cooperation.
- Establishing a prior *consent with a consultation mechanism* regarding State plans on infrastructure, hydrocarbons, mining, “sustainable agribusiness”, planting exotic species and introducing ER-PD and ERPA.
- Implementing the innovations achieved in the framework of the *Peruvian basic law regulation on Climate Change*⁷ regarding the multi-level indigenous Climate Platform, prioritizing the Life Plans within the climate funds, implementing the indigenous Redd+, achieving gender equality, climate risk management, etc.
- Making these sustainable, by means of indigenous proposals backed by the state, when introducing them before the *Green Climate Fund (GCF)*, implementing their indigenous people policy regarding territorial security (item 11 g), self-government and funding (11 h), equitable access to benefits (3 and 44), climate initiatives (22 g), Payment for Performance (99), preparation of indigenous proposals (72), capacity building and institutional strengthening (96).

Perspectives and Synergies

This process is ongoing. It is a continuation of the climate processes and funds of all three countries, drawing both on the common lessons and those that are specific to each case, providing technical assistance to OPIAC, AIDSEP and CONFENIAE and in continuous dialogue with the state authorities, the climate funds involved and civil society.

Their results will be translated into consensus proposals with the indigenous organizations. These organizations will work hand in hand with the state and cooperation agencies in order to overcome the dangers and unbalances of the emission reduction plans and to reduce the asymmetries in climate funding and thus make progress towards an equitable and cultural indigenous compensation.

⁷<https://www.dropbox.com/s/hsuary01g0mhw98/Acta%20de%20consulta%20propuesta%20de%20reglamento%20de%20LMCC.pdf?dl=0>



As the approach of this process aims at long term climate policies and structures (NDCs, ER-PDs and ERPAs), besides the ongoing projects, it will have a strategic impact on all three countries and at a regional Amazonian scale and in the respective global processes. The NDCs, ER-PDs and ERPAs will shape the future of all climate actions for many years to come and a continuous monitoring and assistance is necessary.

Challenges are large and far-reaching, and it is of the essence to establish synergies, alliances and convergences, with civil society, the scientific community and specialized media players. It is also necessary to reach out to sub-national and national initiatives and authorities and with the ER-PD and ERPA programs of multilateral agencies and with the UN family.