

# Impacts of German private sector involvement for Indigenous Peoples and Local Communities in the Maï-Ndombe REDD+ Project in the Democratic Republic of Congo



Institut für Ökologie  
und Aktions-  
Ethnologie e.V.

## **Editorial**

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## **Content**

- I. Introduction**
- II. Project Context and Description**
- III. Executive Summary and Context of Field Mission**
- IV. Research Objectives**
- V. Field Work**
- VI. Mission Results: Key Findings**
- VII. Conclusion**

## I. Introduction

The present case study on the “Mai Ndombe REDD Project”, a project financially supported by the German-based company ‘Forest Carbon Group AG’, has been elaborated in the framework of INFOE’s research project on ‘Forest Conservation Measures in the Context of Climate Protection and the Rights of Indigenous Peoples’ analyzing Germany’s engagement in forest and climate protection programmes and projects, including REDD+, and the participation and respect for the rights of indigenous peoples and local communities in such projects. This case study represents the only one in the context of the overall research study on the involvement of the private sector in the area of forest and climate protection and REDD+. The selection of this project for a case study has emanated from the dialogue initiated among INFOE and other German NGOs and the Forest Carbon Group in mid 2012 and because of the long-term engagement and experience of the UK based NGO Forest Peoples Programmes in advocacy and capacity-building work with indigenous and local communities and organizations in the Democratic Republic of Congo (DRC).

The objective of the case study is to document the engagement and the development of the performance of the German-based Forest Carbon Group AG acting through ERA Carbon Offsets Ltd, Congo<sup>1</sup> to implement the Mai-Ndombe REDD project in the Bandundu province of the DRC with regards to the participation of the indigenous and local communities affected by the project and the respect for their rights, in particular their right to Free, Prior and Informed Consent. The information compiled and the lessons learned from the project aim to contribute to enhancing the knowledge and understanding of different actors in Germany, among others, engaged in forest and climate protection with regard to the need for compliance with human rights standards pertaining to indigenous peoples in the framework of forest conservation and climate protection projects. It is also hoped that the communities affected by the project will benefit from the documentation of the experiences and lessons learned and be able to use them in asserting their rights.

The case study consists of three main parts: the present introduction and following project description including information on the overall context of forest and climate protection projects in DRC supported and/or implemented by German institutions and a short overview of the development of the Forest Carbon Group’s engagement in this area. This information is based on a desk-top research as well as an information exchange meeting between the FCG, INFOE and a representative from the Batwa people from DRC in June 2013 and an interview with a representative from the FCG carried out by INFOE in September 2013. This is followed by the report from a field mission conducted by a team composed of staff from the Forest Peoples Programme, the Congolese NGO CEDEN (Cercle pour la Défense de

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<sup>1</sup> Since March 2013, ERA has officially changed its name to ‘Offsetters Climate Solutions Inc.’. However, we continue to use the abbreviation „ERA ”, as this is also used in the project area and associated with the project. Furthermore, Offsetters Climate Solutions Inc./ ERA has sold its shares in the project to its partner Wildlife Works in October 2013. Wildlife Works Carbon LLC thus now owns 100 % of the Mai Ndombe REDD-Project “*in partnership with the government of the DRC and the local forest community.*” The FCG is still the largest buyer of certificates and therefore the largest single donor to the project and will continue to follow the local implementation of the project. The project will continue to be managed by Jean -Robert Bwangoy Bankanza , director of ERA-Congo. A founding member and long- time employee of FCG is now also an employee of Wildlife Works which further helps to ensure continuity. Sources: Communication with Mr. Sahm of the FCG and under [http://www.csrwire.com/press\\_releases/36359-Wildlife-Works-Acquires-JV-Partner-s-Interest-in-Mai-Ndombe-Congo-Basin-s-First-and-Largest-REDD-Project](http://www.csrwire.com/press_releases/36359-Wildlife-Works-Acquires-JV-Partner-s-Interest-in-Mai-Ndombe-Congo-Basin-s-First-and-Largest-REDD-Project)

l'Environnement) and ERA in July 2013. The final part includes the conclusions drawn from the desk-top study, the interviews with FCG in Germany and the field mission by FPP and partners.

## II. Project Context and Description

The primary forests of the Democratic Republic of the Congo (DRC) are one of the world's largest uninterrupted tropical forest areas. They make up 60 per cent of the forests of the Congo Basin and cover approximately 1.5 million square kilometres of DRC's land surface. These conditions make the DRC a prime country for the protection of forests and the climate as well as for potential exploitation, deforestation and forest degradation. Consequently, the DRC is also a target country for forest and climate protection projects.

As part of Germany's governmental engagement in the field of forest and climate protection, the German Society for International Cooperation (Deutsche Gesellschaft für Internationale Zusammenarbeit – GIZ) is implementing a number of projects on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) as well as the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU).<sup>2</sup> Among these projects is the *Conservation of biodiversity and sustainable forest management* Project running from 2005 to 2017 offering "advisory services and assistance at different levels within the framework of a multi-donor programme. At regional level, it promotes integration within the framework of the Convergence Plan of the Central African Forests Commission (Commission des Forêts d'Afrique Central – COMIFAC). At central government level, the programme supports the Ministry of Environment in the implementation of national environmental protection and forest policies and provides the nature conservation authority with technical, organisational and financial advisory services."<sup>3</sup>

Other projects by German institutions include projects implemented jointly by GIZ and the German Development Bank KfW (Kreditanstalt für Wiederaufbau - Credit Agency for Reconstruction) such as protected area projects as well as joint projects by KfW and WWF on carbon accounting and WWF projects on protected areas.<sup>4</sup> Most of the projects are based on an understanding of the drivers of deforestation rooting in an interaction between logging, agriculture, fuel wood and bush fires, placing an emphasis on overexploitation caused by household-scale slash-and-burn agriculture and exploitation of fuel wood.<sup>5</sup> As indirect drivers of deforestation the following are mentioned: "lack of governance, lack of security and land tenure, land degradation, lack of viable alternatives, the need for infrastructural development, high informal exploitation of natural resources (80 per cent), low technical capacity, and population growth."<sup>6</sup> This provides some insight into the underlying understanding and approach of these actors when engaging in forest conservation projects in DRC. While slash-and-burn agriculture surely comprises one of the main forms of subsistence of indigenous and local communities living in DRC's forests, the contribution of this practice to deforestation and climate change must be considered in

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<sup>2</sup> <http://www.giz.de/en/worldwide/348.html>

<sup>3</sup> <http://www.giz.de/themen/en/16089.htm>

<sup>4</sup> See electronic project list on [www.infoe.de](http://www.infoe.de) for further information on these projects

<sup>5</sup> WWF: REDD+ Country Profile Democratic Republic of Congo, May 2013

[http://awsassets.panda.org/downloads/r3\\_drc\\_survey.pdf](http://awsassets.panda.org/downloads/r3_drc_survey.pdf)

<sup>6</sup> Ibid.

relation to other major drivers of deforestation (industrial and illegal logging, mining activities etc.) and be balanced with the contribution of this practice to biodiversity conservation and climate change mitigation as well as food security of the communities.<sup>7</sup>

The REDD process in DRC started in 2009 with a scoping mission by UN-REDD, the World Bank (WB) and the Norwegian Government. It was officially launched in a workshop which gathered together government officials, the private sector, researchers and civil society. On this occasion, certain central issues were discussed, among others, full participation of civil society and benefits for the communities. Indigenous peoples and civil society had been actively involved in reforms in the forest sector since 2004, culminating in a complaint before the WB Inspection Panel in 2005 because the WB had failed to apply its own safeguard on indigenous peoples. This was followed by developments such as indigenous peoples being recognized in the forestry reform, the adoption of a new forestry code and the cancellation of many forest concessions which were reviewed and declared illegal.<sup>8</sup> These developments paved the way for a positive start to a participatory REDD process in DRC, both under the UN-REDD Programme as well as the WB hosted Forest Carbon Partnership Facility (FCPF), in which indigenous peoples are participating actively, remain critical and continuously assert their rights, in particular their right to free, prior and informed consent (FPIC). "For the DRC's indigenous peoples, 2010 was a year marked by the country's commitment to the REDD process. The REDD Readiness Preparation Plan anticipates reforms that will have an impact on indigenous Pygmies in terms of land issues, territorial development and the right to free, prior and informed consent."<sup>9</sup>

It is also in 2009 when the Forest Carbon Group through Ecosystem Restoration Associates (ERA) Carbon Offsets Ltd. Congo branch started to engage in DRC. The Forest Carbon Group, describing itself as "match-maker", is a company that brings together experienced project developers on the one side with companies, who want to offset their "unavoidable" greenhouse gas emissions by buying emission certificates generated from forest conservation projects in other countries on the other side. In the case of the Mai Ndombe REDD-Project the funds to buy the certificates come from an energy company in the federal state of Hessen in Germany which uses the certificates to sell CO<sub>2</sub>-neutral gas.<sup>10</sup> Together with Congolese partners, the Canadian company Ecosystem Restoration Associates (ERA), of which 30 % are in the hands of the Forest Carbon Group as the largest shareholder, developed the *Mai Ndombe REDD + Project*.<sup>11</sup>

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<sup>7</sup> See AIPP, IWGIA, IKAP (2009) *Shifting Cultivation And Climate Change* . p. 36 [http://www.iwgia.org/iwgia\\_files\\_publications\\_files/514\\_Briefing\\_paper\\_shifting\\_cultivation\\_final.pdf](http://www.iwgia.org/iwgia_files_publications_files/514_Briefing_paper_shifting_cultivation_final.pdf) and chapter 5.5. of the overall INFOE research study for further discussion of slash-and-burn agriculture in the context of deforestation and climate change.

<sup>8</sup> IWGIA: *Indigenous Affairs 1-2/2009: REDD and Indigenous Peoples* p.33ff.

<sup>9</sup> IWGIA, *Indigenous World 2011* p. 444

[http://www.iwgia.org/iwgia\\_files\\_publications\\_files/0454\\_THE\\_INDIGENOUS\\_ORLD-2011\\_eb.pdf](http://www.iwgia.org/iwgia_files_publications_files/0454_THE_INDIGENOUS_ORLD-2011_eb.pdf)

<sup>10</sup> Burning gas creates emissions which, according to the logic of an offset—mechanism, can be compensated by supporting forest conservation and the reduction of emissions elsewhere. See

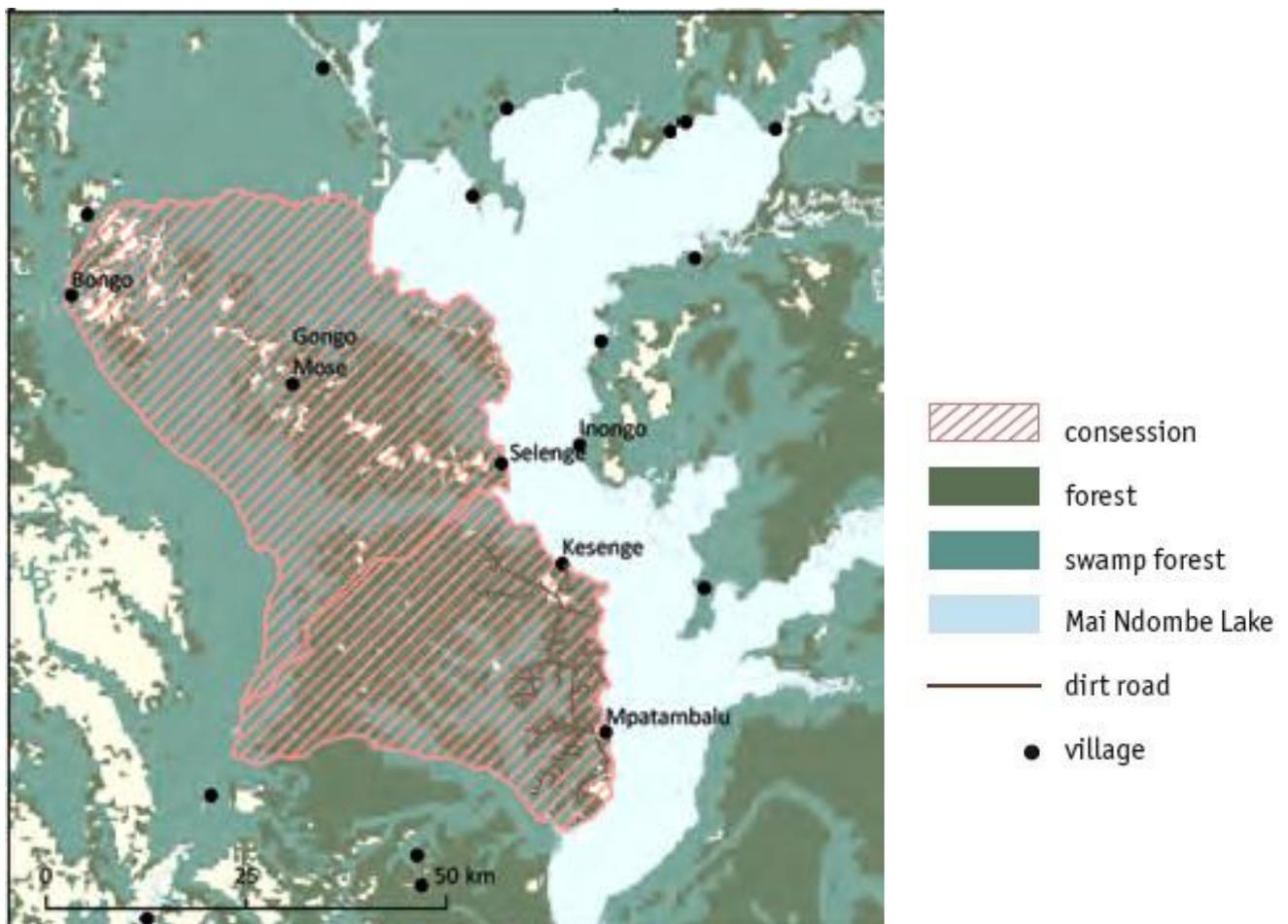
<http://www.forestcarbongroup.de/idee/fragen.html#c39> as well as the information on the webpage of ENTEGA

<http://www.entega.de/produkte-und-service/erdgas/entega-klimaneutrales-erdgas/qx/afmkom2/fx/6421/pid/7654321/?pid=1860076603934323712track/1/>

<sup>11</sup> Interview with Mr Sahm, FCG 19.9.2013.

The project must not be confused with a WWF project of the same title being carried out by WWF further South in the Bandundu Province. [http://awsassets.panda.org/downloads/mai\\_ndombe\\_eng\\_11\\_07\\_11.pdf](http://awsassets.panda.org/downloads/mai_ndombe_eng_11_07_11.pdf)

According to FCG, the FCG/ERA *Mai Ndombe REDD Project* is the first REDD-Project in the DRC which is supported by the government and the UN-REDD Programme. It includes different measures for the conservation and sustainable use of 299.645 hectares of tropical rainforest and its biodiversity and aims to improve the living conditions of the indigenous and local communities living in the project area, comprising 26 villages and around 50.000 inhabitants. It started with a parallel process of exploring possibilities for a nested approach REDD project and respective negotiations with the government and consultations with communities in the proposed project area. ERA Congo works closely with the forest communities and had engaged in a two year consultation process from 2009 to 2011. In August 2011 ERA received a "conservation concession", signing the first REDD+ Conservation Contract in the country, with management rights in the concession area for 25 years. Before this, there were two legal logging concessions on the project area which would have ultimately led to at least partial deforestation and forest degradation of the area.<sup>12</sup>



Quelle: FCG: Mai Ndombe REDD Projekt. Factsheet.<sup>13</sup>

<sup>12</sup> <http://www.forestcarbongroup.de/?id=47>

[http://eraecosystems.com/carbon\\_projects/community\\_conservation/](http://eraecosystems.com/carbon_projects/community_conservation/) Accessed July 2013

<sup>13</sup> [http://www.forestcarbongroup.de/fileadmin/Downloads/Unternehmen/Mai\\_Ndombe\\_factsheet\\_De\\_2\\_.pdf](http://www.forestcarbongroup.de/fileadmin/Downloads/Unternehmen/Mai_Ndombe_factsheet_De_2_.pdf)

In December 2012, the project was validated to both, the Verified Carbon Standard (VCS) and the Climate, Community and Biodiversity Alliance (CCBA) Standards with two Gold Levels.<sup>14</sup> With the revenues from the sale of emission certificates the project measures will be financed. The first certificates were sold in January 2013:

*[ERA] has completed its first sale and delivery of carbon offsets from its landmark Mai Ndombe REDD+ (Reduced Emissions from Deforestation and Degradation) project in the Democratic Republic of Congo. The buyer is Forest Carbon Group AG ("FCG"), based in Frankfurt Germany. A total of 300,000 offsets from the first vintage of approximately 2.5 million verified offsets were transacted. This transaction is the first sale and delivery of Mai Ndombe REDD+ offsets to occur under a three year sales agreement with FCG under which ERA will deliver a total of 1.1 million offsets through the end of 2014. Following this initial delivery, subsequent delivery is scheduled to occur in tranches of 100,000 offsets in each quarter throughout 2013 and 2014.*<sup>15</sup>

The project measures aim at improving the communities' livelihoods through a fair sharing of the benefits from the revenues from selling carbon credits. These will be channelled to the communities through a „Local Development Fund“, managed by a committee of villagers, which decides on the allocation of resources - for example, there were urgent concerns expressed by the communities to build more and better schools. Two of four planned schools have been constructed<sup>16</sup> and improved wells and hospital wards will be built as well. Overall, 30 people are already working for the project; around 100 additional workers will be needed to move the project forward. The project will create new working opportunities: forest guards, tree nursery, monitoring crews, agriculture, community engagement work and school construction.<sup>17</sup>

The communities are recognized by ERA/FCG as stewards of the land who will prevent deforestation through a combination of traditional land-use activities, monitoring, reporting and verification and the introduction of new agricultural techniques which aim at making the slash-and-burn practice more sustainable and enable local farmers to increase and diversify crops and yields in a sustainable way. The measures to be undertaken will be determined and executed through Village-based Stewardship Plans.<sup>18</sup> Looking at the verification report for validation under the CCB Standard, information can be found on workshops held in *"nine villages where local development committees (CLD) have been formed since the start of the project. These workshops centred around such topics as ways to improve committee members' understanding of the function of CLDs for local decision-making processes, the creation and submission of development proposals, financial management, and democratic processes. [...] It was furthermore confirmed, „that the project proponents carried out a three day workshop where all the chefs de terre (clan chiefs) from the project area came to*

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<sup>14</sup> The "Gold Level" is granted to projects which are delivering exceptional climate, community and/or biodiversity benefits. In the case of the Mai Ndombe REDD-Project, the Gold Level was achieved for Climate and Biodiversity Benefits and not Community Benefits.

<sup>15</sup> <http://www.offsetters.ca/media-centre/investor-relations/2013/02/01/era-carbon-offsets-announces-significant-first-sale-and-delivery-of-offsets-from-mai-ndombe-redd-project-in-the-drc>

<sup>16</sup> According to a comment by ERA of December 2013, two of 19 planned schools have been completed.

<sup>17</sup> <http://www.forestcarbongroup.com/en/projekte/mai-ndombe-redd-project.html>

<sup>18</sup> [http://eraecosystems.com/carbon\\_projects/community\\_conservation/](http://eraecosystems.com/carbon_projects/community_conservation/) Accessed July 2013 And information from ERA of December 2013.

*Inongo to learn about the project, voice their concerns, and then help map out their clan's territorial boundaries, viewed as an important process especially as it pertains to FPIC.<sup>19</sup>*

While this proves that a participatory process is being carried out and traditional leaders are being consulted and involved in mapping the territory under their responsibility this does not seem to include full and effective participation and the provision of complete information in a way understandable to all the communities, as required in a due FPIC process. It was stated by the FCG that of course they do not carry out an FPIC process with all 50.000 inhabitants in the project area. Also, as participation is voluntary, meaning that each community can decide for itself whether it wants to participate in the project or not, this seems to imply that by agreeing to participate, communities are giving their consent and no further FPIC process is necessary.<sup>20</sup> ERA claims that in *"the Mai Ndombe REDD+ project, local communities do not participate in the REDD+ project unless they have given free prior and informed consent (FPIC). Communities do not relinquish customary land rights through participation in the REDD+ project."*<sup>21</sup> However, as such, this does not fully comply with the requirements of a FPIC process carried out in good faith in order to enable the communities make "free" and "informed" decisions. Communities cannot freely make an informed decision if the information provided to them is not complete and does not contain both, possible positive and negative impacts of the project.<sup>22</sup>

Mr Sahm from the FCG agreed that the dissemination of information needs to be improved. However, he underlined the big difference of the Mai Ndombe project in comparison to the logging companies with regard to the relation with the communities: ERA is talking to the people in the communities and not just the village chiefs. Now, there are village councils where even women participate. This was stated to be the main change experienced by the people in the villages when FCG visited some communities in the project area. Village counsellors have been equipped with mobile phones to facilitate communication among the villages. However, it is still a challenge to explain the long-term scope of the project to the villages, i.e. that the revenues from the carbon offsets will not come all at once but over a longer period of time. Mr Sahm, however, stated in the interview that the people know about the connection between the construction of the schools and the carbon credits. According to the findings of the field mission as well as the CCB Verification Report this however, seems to apply to no more than 9 villages out of 26 after a project period, including the initial consultation phase, of 4 years. According to updated information provided by ERA after the research and field mission in December 2013, there are *"22 local animateurs now in 16 villages that are employees of ERA and represent the project in their own village. Our principal animateurs and local animateurs have been working with communities to establish CLDs (Committees local de developement) and there are now a total of 16 CLDs that represent a total of 34 villages and annex villages."*

The FCG mentions that one of the big advantages of the project is its 25 year concession duration, meaning a long-term reliable commitment in support of the communities. In

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<sup>19</sup> CCB Verification report: Era and Wildlife Works' Mai Ndombe Redd Project in The Democratic Republic of Congo Verification Period: 14 March, 2011 to 31 October, 2012 REPORT NO. 2012-9749 REVISION NO. 01 [https://s3.amazonaws.com/CCBA/Projects/Mai\\_Ndombe\\_REDD\\_Project/CCBFinalVerificationReportDRC\\_forClient.pdf](https://s3.amazonaws.com/CCBA/Projects/Mai_Ndombe_REDD_Project/CCBFinalVerificationReportDRC_forClient.pdf)

<sup>20</sup> Information from Interviews with FCG on 13.June and 19. September 2013.

<sup>21</sup> [http://eraecosystems.com/carbon\\_projects/community\\_conservation/](http://eraecosystems.com/carbon_projects/community_conservation/) Accessed July 2013

<sup>22</sup> See findings of field mission in part VI.

comparison, development projects usually last no longer than an average of 8 years. However, also 25 years are just about the time of one generation, so it is uncertain what will happen to a family once the project is over. The next generation might not be able to benefit from their parents' participation in the project and related improvements for their livelihood if the project area goes back into the hands of the government or even a logging company.

### **III. Executive Summary and Context of Field Mission**

The Democratic Republic of Congo (DRC) is one of the wealthiest countries in Africa in terms of natural resource endowment. However, Congolese citizens are amongst the poorest in the world. The most impoverished and politically marginalized – indigenous and local forest communities - mostly rely upon forests and other natural resources to secure their basic livelihoods through subsistence forest hunting and gathering, and small-scale agriculture.

New finance and forest conservation initiatives falling under the title of 'Reducing Emissions from Deforestation and Forest Degradation (REDD+)', which aim to produce the global commodity of carbon sequestration to combat global climate change, are being developed now across the DRC. The potential benefits to rural forest communities from such REDD+ initiatives in DRC are considerable, given that they are the main users and custodians of the targeted forests. Proposed benefits sharing arrangements deriving from new REDD+ schemes could bring much needed resources into rural areas to support long-term development efforts to address prevalent and extreme rural poverty. However, the current arrangements for enabling such profit sharing or compensatory investment towards rural areas from REDD+ or carbon trading schemes continue to be hampered by the lack of participation by communities in the development of the plans, and the absence of information at local levels.

Since 2011 Forest Peoples Programme (FPP), in partnership with four Congolese NGOs and with generous support from the Swedish International Development Agency (Sida), has been implementing a project to enable forest communities – especially women and indigenous peoples – to protect their human rights in REDD+ pilot areas in DRC. The project also invests in economic development activities with forest communities on the basis of their free, prior and informed consent (FPIC). The collaboration is between FPP and four DRC national NGOs: Réseau pour la Conservation et la Réhabilitation des Ecosystèmes Forestiers (Reseau-CREF); Cercle pour la Défense de l'Environnement (CEDEN); Action pour les Droits, l'Environnement et la Vie (ADEV); and Centre d'Accompagnement des Peuples Autochtones et Minoritaires Vulnérables (CAMV) which are all working on forest issues in Bas Congo, Equateur, Oriental, Bandundu, North Kivu and South Kivu provinces. Aiming to ensure that the hundreds of rural forest communities most affected by REDD pilot initiatives on the ground across DRC are able to protect their rights and maximize the benefits they receive from these schemes, the project helps to create an enabling environment for long-term rural economic development in their areas.

Among regions covered by the project across DRC is the Mai-Ndombe area, where CEDEN works. Administratively, the zone is located in the province of Bandundu, District of Lake Mai-Ndombe, in the territory of Inongo, and encompasses three sectors: Baselenge, Bolia and Ntomba.

In 2011 the private Canadian company Ecosystem Restoration Associates (ERA) signed a management contract with the government of the Democratic Republic of Congo (DRC) for a former logging concession to be transformed into a conservation concession – in Mai-Ndombe – covering 299,645 hectares of forest, with the main objective of carbon trading and the generation of carbon credits through forest preservation and enhancement. The conservation concession project site is home to a little over 50,000 people living in extreme poverty in around 32 large and small communities/villages – who all depend on forest resources for their subsistence.

As part of their continuous work supporting communities in REDD pilot areas, FPP and CEDEN staff travelled with ERA staff in July 2013 to the region to meet with communities to find out what was happening on the ground and the extent to which communities were involved and taking ownership of initiatives being implemented. This was also part of a short-term cooperation between INFOE and FPP with regard to researching in the DRC and reporting on the impacts of German private sector involvement in the Mai-Ndombe region on indigenous and local communities. As part of the mission, several meetings and discussions were held at the ERA offices in Inongo and in three larger communities: Mpata-Mbalu, Lobeke and Kesenge.

The several findings of the mission may be summarized in the following key points:

(a) Communities are open to development initiatives, such as the ERA project, but need detailed information sharing – and capacity building to help them better decide and influence their own development. In the three visited villages (Mpata-Mbalu, Lobeke, and Keseke), communities expressed a willingness to know more about what the ERA project is all about. Many still wonder what is REDD?, what is carbon or carbon market? and were not clear about how the ERA project will impact their daily lives, and traditional rights on forest.

(b) In the three visited communities, ERA has recruited two villagers as 'Local Animators' to help explain the project to other villagers. The mission noted that although this is a good initiative as the local animator live with the villagers for a period, this has not yet been wholly effective, yet, as local animators require further training to strengthen their capacity building skills.

(c) To help communities' ownership of the initiative, ERA has already helped organize local structures called 'Local Committee of Development (CLD)' in eight of the 32 villages located in the conservation concession.<sup>23</sup> In the three communities visited, the CLDs were small committees of five or six people per village, with the mission to serve as communication channels between communities and the ERA project. However, ERA declares that there are no CLDs that small and that CLDs usually comprise 15 people and some CLDs, which were made before the statute was finalized, are even as big as 22 people.<sup>24</sup>

(d) There is no plan (from ERA) on how and when CLD will be installed in the remaining villages - and how, and when CLD will be trained and funded for work on the ground.

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<sup>23</sup> According to the updated information received from ERA in December 2013, there are now 16 CLDs representing 34 villages and annex villages.

<sup>24</sup> Comments by ERA from December 2013.

(e) There is no existing economic development plan formulated by communities and/or ERA as to how financial flows from carbon trading will be channeled to support local development. ERA states: *"The basics for flows of carbon financing were agreed to by communities and legally submitted in the Cahier de Charge in 2011. ERA and project area communities are in the process of detailing the distribution flows but in order for full participation to be reached we must wait until all project area CLDs are created before this final validation step is made. It will likely be completed in late 2014."*<sup>25</sup>

(f) There is no planned schedule of completion of ERA's promises or *its social responsibilities contract charges vis-à-vis local communities*. The mission assisted in fuelled discussions over and over again in all the three villages between ERA staff and communities regarding when the promised school or medical centers will be built, etc.

(g) Considering problems with information sharing/access (understanding of the project concepts among villagers), and the absence of clear planning between ERA and communities as to how they engage and benefit from the project, it is difficult to conclude about proper implementation of Free, Prior and Informed Consent of communities - even if the mission noted a strong willingness from communities to get involve and see results from the ERA project.

(l) Communities were not clear about the scale of profit that ERA might be able to achieve by trading carbon, nor are they aware of what proportion of this profit would be shared with them.

#### **IV. Research Objectives**

The research is part of a short-term cooperation between INFOE and FPP in the DRC to report on the impact of German private sector involvement in the Mai-Ndombe region on indigenous and local communities.

The mission was carried out in the framework of INFOE's current research project 'Forest Conservation Measures in the Context of Climate Protection and the Rights of Indigenous Peoples' and FPPs advocacy and capacity-building work with indigenous and local communities and organizations in the DRC. The research centres on the performance of the German-based Forest Carbon Group AG acting through ERA Carbon Offsets Ltd, Congo to implement the Mai-Ndombe REDD project in the Bandundu province of the DRC, with regards to the participation of the indigenous and local communities affected by the project and the respect for their rights, in particular their rights to Free, Prior and Informed Consent.

The objective of the research is to document the development of the (working) relation between ERA and the affected communities and lessons learned in particular on the side of FCG/ERA with regard to the compliance with human rights standards pertaining to indigenous peoples in the framework of the Mai-Ndombe REDD+ conservation project.

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<sup>25</sup> Comments by ERA from December 2013.

## V. Field Work

The mission arrived in Inongo on 9 July 2013 to participate in meetings at the ERA offices and then took the boat out to communities until 13 July 2013.

### 1. 'Introduction Meeting' at ERA Offices

During the meeting FPP, CEDEN and ERA separately introduced their organizations and work/projects. The presentations were followed by discussions that allowed each actor involved to understand details/lines of the work of each other.

ERA insisted on the fact that their project is not aiming at preventing communities from entering the forest or limit communities forest usage right in any way. Furthermore, they continued to insist that it was not appropriate to talk about human rights in the case of conservation concession (particularly the ERA case), because not only are they following VCS and CCBA standards but have committed to respect all international norms. Therefore, whoever talks about human rights in REDD+ (in this case FPP) does not understand REDD+. A long discussion followed, after explanation by FPP staff of human rights violations risks coming with REDD+, and the importance of the work being done by FPP and its partners to inform communities, built their capacities, and support them in securing their rights in order for them to effectively benefit from REDD+ initiatives.

### 2. Public Meetings in Communities

Three villages were visited – Mpata-Mbalu, Lobeke, and Kesenge - where the mission team held public meetings with communities (including men, women, youth, and traditional leaders). From these meetings it came out that:

- ERA has spent some time explaining the project to communities but there is still a lot work to be done for communities to better understand the concepts of REDD, carbon, and how they are going to benefit from the project. For many people it appeared that they have not understood much of ERAs sharing information meetings. This may be due to language issues, information sharing methods used, or that not everyone attends these meetings.



Patrick Kipalu from FPP speaking during a community meeting in Lobeke village with ERA, CEDEN and communities. July 2013. Photo FPP.

- Communities are not aware of any limitations on their usage rights or traditional rights of their forests as a result of the ERA project activities. They said that they will continue to use their forest as they did in the past because they have not discussed with ERA about 'limiting' their forest use in a certain way, although they are aware of their interest in a rational use of forest for sustainability purposes.
- Communities were told that schools will be built for them but they also have other demands that they have not yet discussed with ERA because they have been told that carbon trading has not started so the money is not yet flowing.
- 'Local Committees of Development (CLDs)' put in place by ERA in the three villages are still awaiting trainings and funding to start discussing with communities how to appropriately involve them in project activities.



Communities addressing ERA, FPP & CEDEN during a meeting in Lobeke Village. July 2013. Photo FPP

- Since the beginning of their activities in the region ERA has been promising to build schools, local medical centres, etc. but there is no schedule for completion of these promises. Up to now only one school has been built in Kesenge – and is not yet in use as it needs to be 'repaired' because of some technical errors during the construction. As by December 2013, two schools are now repaired, completed and in use according to information by ERA.
- Communities are desperate of initiatives that can lift them out of poverty so are keen to work with ERA if that may help them improve their living conditions but they are fed up with promises. Over and over again we heard: '...ERA is always promising but not realizing, yet, we want to see what they can do...'
- Communities do not know how the carbon market works, how much ERA may make selling their forest carbon or how much of that benefit will come to them and through which channel. Of the 32 or so villages inside the concession only around eight have a CLD installed (as by July 2013). Furthermore, CLDs put in place are not capable of managing large amount of funds.



Jean Robert Bwangoy ERA DRC Director speaking during a community meeting in Mpata-Mbalu village. July 2013. Photo FPP

### 3. Concluding Meeting at ERA Offices

After the completion of field work and meetings with communities in the three visited villages, a meeting was held at the ERA offices to discuss field work findings and the plan for days to come.

ERA, CEDEN and FPP were all happy to have completed the mission together and shared the interest of improving:

- The relationship with communities and with each other.
- ERA expressed its willingness to cooperate with other organizations in the area only if their work will not jeopardize their own interests.
- FPP reiterated its intention to continue to support forest communities with information, and trainings, etc. in order to help them better protect their rights and maximize their chances of effectively benefiting from initiatives that affect their forest.



Joelle Mukungu & Patrick Kipalu from FPP - meeting with the ERA Team in Inongo, DRC, July 2013. Photo FPP.

## **VI. Mission Results: Key Findings**

The findings of the mission may be summarized on the following points:

(a) Communities are open to development initiatives, such as the ERA project, but need detailed information sharing and capacity building to help them better decide and influence their own development. Of the three visited villages (Mpata-Mbalu, Lobeke, and Keseke), communities expressed concerns about not fully understanding what the ERA project is all about. Many still wonder what is REDD?, what is carbon or carbon market? and were not clear about how the ERA project will impact their daily lives, and traditional rights on forest;

(b) In the three visited communities, ERA has recruited two villagers as 'Local Animator' to help explain the project to the rest of the villages. The local animators need capacity building (trainings) to strengthen their capacities so that they can effectively support communities.

(c) To help communities' ownership of the initiative, ERA has already helped organize local structures called 'Local Committee of Development (CLD)'. By December 2013 there were 16 CLDs representing 34 villages located in the conservation concession. A CLD is a community committee of up to 25 people, with the mission to serve as communication channels between communities and the ERA Inongo office. Furthermore, according to ERA, CLD will be key to developing and implementing communities projects on the ground with local animators and communities based on Local Development Plans for their villages they will create in the following two years. This process has already started in the Northern Groupment of Lokanga, according to the information received by ERA after the field mission in December 2013. The mission team found however, that for now, CLD members are awaiting trainings and funding for actions.

(d) There is no schedule from ERA on how and when CLDs will be installed in the remaining villages. According to information from the FCG, CLDs will be created in all villages in the course of 4 years.

(e) There is no existing economic development plan put together by communities and/or ERA as to how financial flows from carbon trading will be channeled to support local development. ERA has promised to build five schools, and local medical centres but so far only one school has been built – located in the village of Kesenge. The mission was very warmly received in the village as the villagers expressed their enthusiasm for their new school.

(f) There is no schedule for completion of ERA's promises or its social responsibilities contract charges vis-à-vis communities. The mission assisted in fueled discussions over and over again in all the three villages between ERA staff and communities regarding when the promised school or medical will be built, etc.



Communities addressing ERA, FPP & CEDEN during a meeting in Kesenge Village. July 2013. Photo FPP

(g) ERA is helping communities to improve their agriculture production by distributing improved seeds of beans and other vegetables to communities in order to improve agriculture production. The mission visited the first experimental plot installed in the village of Kesenge. There is no plan on how and when this will be replicated in other villages.

(h) If well implemented, with communities' FPIC and effective participation, the ERA project may help the Mai-Ndombe forest (region) to attract much more attention from the government and other initiatives (investments) with the potential to help improve communities' living conditions.

(i) Considering problems with information sharing/access (understanding of the project concepts among villagers), and the absence of clear planning between ERA and communities as to how communities engage and benefit from the project, it is difficult to conclude about proper implementation of Free, Prior and Informed Consent of communities if well implemented with communities FPIC, and participation – even if the mission noted a strong willingness from communities to get involved in and see results from the ERA project.

(j) Communities were not clear about the scale of profit that ERA might be able to achieve by trading carbon, nor are they aware of what proportion of this profit would be shared with them.<sup>26</sup>

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<sup>26</sup> In December 2013, ERA states that "Unfortunately no one is clear about the scale of profit that ERA might be able to achieve. What is very clear is the amount that communities will get and they know this and have copies of the Cahier de Charges themselves: 0.50\$/ton of carbon sold, this is legally bound and publicly available information. "



Communities addressing ERA, FPP & CEDEN during a meeting in Mpata-Mbalu Village. July 2013. Photo FPP

## VII. Conclusion

The work of ERA/FCG is important to the region as it can help bring development to communities, but only if they are well-informed and properly engaged in the initiative. There is a strong willingness from communities to work with ERA but they do not understand the project and are not aware of repercussions that the project may have on their customary rights. Discussing actions ahead, planning them with communities, and respecting those plans are key to gain communities trust and improve ERAs image on the ground among communities.

ERA/FCG claim to have carried out a broad consultation process and call the project “community-based”.<sup>27</sup> However, the evidence from the mission report proves otherwise. While efforts are being made to better inform and involve the communities and the consultation and capacity-building process are ongoing, the use of the term “community-based REDD project” is not appropriate in the case of the Mai Ndombe REDD Project as it is not putting forest peoples’ rights first. While improvements in ERA/FCGs performance in relation to informing and consulting with communities can be noted when considering the findings of a FPP/CEDEN mission to the area in March 2012 and the mission carried out in July 2013,<sup>28</sup> human rights issues are still neither adequately addressed nor fully understood. ERA seems to believe that by allowing the communities to stay in the area and continue their practices of using the forest resources and by involving clan leaders in participatory mapping, human rights requirements are already fulfilled. Furthermore, the understanding of compliance with human rights seems to be reduced to ticking off some of the points that need to be done to meet the requirements for VCS and CCBS certification. However, the VCS

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<sup>27</sup> [http://eraecosystems.com/carbon\\_projects/community\\_conservation/](http://eraecosystems.com/carbon_projects/community_conservation/) Accessed July 2013

<sup>28</sup> See reports in FPPs newsletter from April 2012 <http://www.forestpeoples.org/enewsletters/fpp-e-newsletter-april-2012> and February 2013 <http://www.forestpeoples.org/enewsletters/fpp-e-newsletter-february-2013>

Standard does not require undertaking an FPIC process and the CCBA Standard has been very weak in this regard.<sup>29</sup>

It is noted positively though, that both, the FCG and ERA, are open to engage in a dialogue with NGOs and indigenous organizations to further improve their working relation with the communities, consultation and compliance with the rights of the communities. This is crucial in order for the Mai Ndombe REDD Project to contribute to reforms in the forest sector in DRC with regard to issues such as forest governance, tenure rights and the effective participation of indigenous and local communities including in decision-making processes.

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<sup>29</sup> With the current revision of the CCBS, this is being improved. See Chapter 1.3. of INFOE's main study and CCBA: Climate, Community & Biodiversity Standards, Draft Third Edition of the CCB Standards for Public Comment. 22nd March 2013. S.17