

Noel Kempff Mercado Climate Action Project Position of Fundación Amigos de la Naturaleza (FAN – Bolivia) on Greenpeace's Report



In a report released on October 15, 2009, entitled, "Carbon Scam: Noel Kempff Climate Action Project and the Push for Sub-national Forest Offsets"¹, Greenpeace asserts erroneously that the Noel Kempff Mercado Climate Action Project (NKCAP) failed to meet its commitments in terms of reducing emissions, improving the living conditions of the local communities affected by the project, and using appropriate monitoring and accounting methodologies for addressing leakage and proving the additionality and permanence of its emissions reductions. .

Unfortunately, Greenpeace's investigation into the NKCAP and the project's approach to Reducing Emissions from Deforestation and Forest Degradation (REDD) falls far short of meeting the minimum standards that professional research and reporting require.

In its report, Greenpeace uses questionable reporting methods and relies on information that is irrelevant, disorganized, out of context, or simply false in order to discredit the Noel Kempff Mercado Climate Action Project (NKCAP) and its achievements. This is done, we believe, for the political purpose of undermining global support for a carbon market approach to REDD in order to bolster support for Greenpeace's own proposal for a REDD fund called the Tropical Deforestation Emissions Reductions Mechanism (TDERM) or Forest for Climate².

The principle problems with Greenpeace's report include the following:

- Greenpeace bases its findings on preliminary reports of the NKCAP rather than the main Project Design Document (PDD)³, which is the only official document approved by all of the project partners. By using preliminary reports instead of the official document, Greenpeace's findings should be considered baseless and invalid.
- Greenpeace uses false information to justify its erroneous findings about the project's leakage and additionality. For example, the report cites an interview with a worker from a logging company that was not indemnified by the NKCAP, yet Greenpeace does so clearly implying that it was one of the forest concessionaires indemnified by the project. The report rejects the project's additionality by claiming that the indemnified logging companies are still operating. This assertion is false. To further support their claims of ongoing logging, the report employs photos and captions below photos that show and describe logging activities in areas that have no relationship to the project site.



- Greenpeace also attacks the validity of the additionality of the project, by incorrectly comparing the project-specific baseline with circumstances at the country-level.
- The report cites anonymous interviews and uses unrelated documents⁴ in an attempt to demonstrate that the project has been left unattended and without day-a-day manager for over 3 years. This is false. Since its beginning, the NKCAP has continuously and without interruption provided support for the project site and park protection and monitoring activities as established in the PDD's comprehensive monitoring plan and annexes. The report's authors evidently confuse not only the project area and the national park area, but they also misunderstand the distinct roles of the national park administrator and the project manager. Both roles have been clearly differentiated through two separate comprehensive.
- Regarding the local communities, the report underestimates the NKCAP's efforts and the benefits that the 7 local communities have received as a result of the project. Instead of using a systematic and credible impact assessment approach to evaluate the project's impacts in these communities, Greenpeace instead bases its findings on anonymous interviews carried out in just one of the seven communities, and thus picks a few isolated anecdotes to make sweeping conclusions about the project's alleged failure to deliver benefits or improve local livelihoods.

These and other errors throughout the report demonstrate a lack of professionalism on the part of the authors. Their supposed investigation distorts information and facts in order to damage the reputation of the Noel Kempff Climate Action Project in a feeble attempt to justify the interests and position of Greenpeace on REDD.

Real facts about the Noel Kempff Mercado Climate Action Project

The following paragraphs provide a summary of the key elements that make the Noel Kempff Climate Action Project (NKCAP) a successful experience in the reduction of emissions through forest conservation and that prove that well-designed REDD projects can result in real, scientifically measurable, and verifiable emissions reductions with important benefits for biodiversity and local communities.

A comprehensive and rigorous monitoring system for the NKCAP was developed and implemented that quantifies the emissions of greenhouse gases (GHG) that are prevented as a result of the project.



The monitoring program also addresses environmental and socioeconomic impacts, biomass increment, development of timber markets, deforestation dynamics, and risks such as fires and leakage

Scientifically Certain Emissions Reductions

The NKCAP was begun in 1997 as a pilot project of the Activities Implemented Jointly (AIJ) under the United Nations Framework Convention on Climate Change (UNFCCC). At the time, there were no precedents for avoided deforestation projects, nor methods developed for how to calculate estimated emissions reductions.

Based on the best data and methods available at that time, secondary sources of information and expert judgment, the project's preliminary proposal estimated that 53 million metric tons of CO₂ equivalent would be prevented from being released over a 30-year period⁵.

Through the years of implementation, and while the rules and procedures for the mechanism under UNFCCC were being agreed to by the parties, the project developed the methodologies and adjusted its preliminary estimates of the potential emission reductions. In order to be validated and verified, FAN elaborated a Project Design Document (PDD) that presented all of the methodologies used by the project to quantify the carbon offsets⁶. In November 2005, NKCAP underwent a full validation and verification assessment executed by Société Générale de Surveillance (SGS), a registered Designated Operational Entity to the Clean Development Mechanism (CDM). SGS applied the recently developed CDM guidelines for afforestation and reforestation (A/R)-projects (as defined in October 2005). In particular, the project's additionality, baseline, possible leakage, environmental and social impacts and monitoring plan were assessed against the relevant UNFCCC requirements—and where appropriate Kyoto Protocol requirements, host country criteria and the guiding principles of completeness, consistency, accuracy, transparency and scientific appropriateness. The assessment verified that between 1997 and 2005, the project prevented 1,034,107 metric tons of CO₂ equivalent from being released. The project estimated that over a 30-year period (1997-2026) 5,836,961 metric tons of CO₂ equivalent will be prevented from being released. This will be monitored and then verified. The PDD and its appendix and annexes constitute the only official document that presents all methodologies used by the project.

Leakage

Leakage is the increase in GHG emissions by sources which occurs outside the boundary of an CDM project activity which is measurable and attributable to the CDM project activity⁷. The NKCAP seeks to ensure the reduction in carbon emissions that result from the expansion of the Noel Kempff Park in Bolivia in 1996. When projects such as this remove productive timberland from the base of economic activity, they can have effects beyond the direct hectares that are conserved by the project itself. The NKCAP therefore monitors and quantifies four types of leakage :

- Shifting of slash-and-burn activities by community members to areas outside the project area;
- Shifting of domestic timber supply as the result of the indemnification's impact on timber prices and volumes of timber traded;
- Logging activities being carried out elsewhere by the concessionaires indemnified by the project;
- Increased logging activities by the communities in the communal forestry area.

With data from monitoring, the leakage of the NKCAP for the period between 1997 and 2005 was calculated to be 127,515 tons of CO₂. This leakage was due to the shifting of domestic timber supply caused by the impact of indemnification on timber prices and volumes of timber traded. This quantity of CO₂ was subtracted from net emission reductions of the project. Moreover, the monitoring of deforestation⁸ shows that real deforestation in the 15km buffer area⁹ is lower than estimated baseline deforestation, thus there is no leakage by shifting deforestation activities.

Additionality

A project is additional if the emissions reductions it produces are greater than the emissions that would have occurred without the project¹⁰.

Without the project, logging would have continued in the forest concessions. Deforestation would have spread in areas around new settlements and communities that lacked land titles. The project is financially additional, as it would have been impossible for the Bolivian government to indemnify the concessionaires and to extend the park with its own resources. Furthermore, carbon sequestration is financially less attractive than ongoing timber harvesting. Furthermore, indemnification of timber concessionaires to establish protected areas is not a common practice in Bolivia and it was not required by law.

Permanence

The permanence of carbon benefits generated by the NKCAP is safeguarded by legal, financial and institutional means. The project area has been incorporated into a national park, as legally designated by the Government of Bolivia in a binding legal document (Supreme Decree #24457). Under the auspices of the Government of Bolivia, the project facilitated the legal recognition of the local indigenous communities as “Communities of Native Peoples” and helped them to gain official land title.

Additionally, the NKCAP has designed a financial mechanism to guarantee project’s benefits through an endowment fund and a long-term financial plan that funds project activities, including support for park protection and carbon monitoring activities.

According to the project’s Comprehensive Agreement, the Government of Bolivia is entitled to 49% of the carbon offsets. Once the offsets are sold, the resulting funds should be used to guarantee park protection and sustainable activities in local communities.

Community Benefits

The project conducted a socioeconomic impact assessment which examined qualitative and quantitative access to livelihoods in the 7 communities that are beneficiaries of the project. This assessment identified some short-term negative impacts and described the measures taken by the project to minimize them. Through its Community Development Program the project has improved access to basic education, health, and livelihood sources for the 7 communities inside and around the project area. To enhance access to livelihood means in the 7 communities adjacent to and inside the park and to strengthen their organizational development, two sequential programs have been initiated. The APOCOM program (1997-2001) improved access to basic services (health, education, communication), and PRODECOM program(2002–2006) emphasized community development by securing land titles, strengthening organizational development, and promoting income-generating activities (community forestry and micro enterprises). A Community Development Action Plan was implemented between 2006 and 2008 with the goal of raising the standard of living for those communities affected by the project to levels at or above those that existed prior to the project implementation. The principal activities carried out in benefit of the communities include the following :

- The project assisted local communities in gaining legal recognition as an official indigenous organization, and helped them to obtain legal title over 360,565 hectares of ancestral lands;
- NKCAP provided alternative, environmentally-sustainable economic opportunities for the local population (most notably in community forestry and ecotourism);
- Scholarships were provided to 120 students that allowed them to continue their studies in courses that are not available in their communities. Community members were trained in sustainable community forestry, while others became community agricultural promoters thanks to special scholarships in strategic areas (business administration, tourism, agricultural and forest engineering).

End Notes:

1. For more information visit: http://www.greenpeace.org/international/campaigns/climate-change/forests_for_climate/Noell_Kempff
2. For more information visit : [/www.greenpeace.org/international/press/reports/forests_for_climate_factsheet](http://www.greenpeace.org/international/press/reports/forests_for_climate_factsheet)
3. The Project Design Document (PDD) presents all methodologies and assumptions used to calculate and estimate net emission reductions of the project. The scope of the validation and verification executed in 2005 covers the activities and methodologies described in the PDD and its annexes. The PDD is available in:
<http://conserveonline.org/workspaces/climate.change/ClimateActionProjects/NoelKempff/NKPDD/PDDZip/view.html>
4. The report cites an agreement between Fundación Amigos de la Naturaleza (FAN) and the National Protected Areas Service (SERNAP) that is not related to the implementation of the NKCAP. This comprehensive agreement between FAN and SERNAP signed on February 10, 2009 (not 24 June 2009 as stated by Greenpeace) aims to establish and formalize the guidelines for collaborative efforts between both institutions for the implementation of plans, programs or projects of biodiversity conservation in protected areas that are part of the National System of Protected Areas (SNAP).
5. Since the beginning, it was clear that this initial estimate would be refined as targeted research was carried out during the course of project implementation. It could be verified in the Comprehensive Agreement of the Project article 8.3.2.
6. The PDD and its appendix and annexes constitute the only official document that presents all methodologies used by the project.
7. According to Decision 17 of the Conference of the Parties (CoP-7), paragraph 51 of the annex.
8. Deforestation monitoring through remote sensing covers the project area, the park, the buffer zone and the reference area. Monitoring shows that there is not an increment of deforestation in the project area and the park. In the case deforestation were detected, it should be discounted from net emissions of the project.
9. The buffer zone defines the area where the project influences deforestation outside of its boundary. This depends on the spatial boundaries of the people who cause deforestation avoided by the project. In the case of subsistence farmers it is highly unlikely that these people would travel long distances away from the project area in order to deforest outside the park what they would have deforested inside the park otherwise. Therefore the buffer zone covers an area which is within 15km distance of the project area.
10. An afforestation or reforestation project activity under the CDM is additional if the actual net greenhouse gas removals by sinks are increased above the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the registered CDM afforestation or reforestation project activity (5/CMP.1, Annex, paragraph 18).



For more information, please contact:

Natalia Calderón Angeleri

Coordinator Climate Change and
Environmental Services Department

Fundación Amigos de la Naturaleza

Km. 7 1/2 Doble Vía a La Guardia

Tel: (591-3) 355-6800 Fax: (591-3) 354-7383

e-mail: ncalderon@fan-bo.org - www.fan-bo.org

Santa Cruz de la Sierra, Bolivia

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