

Summary Report for the PES and REDD workshop

## **Course: Payments for Ecosystem Services and REDD for Community Leaders**

### ***(Curso: Pago por Servicios Ambientales y REDD para Líderes Comunitarios)***

May 24-27, 2010

Puerto Maldonado, Madre de Dios, Perú

#### *Organized by*

Forest Trends, Initiative for the Conservation of the Andean Amazon (ICAA), Institute for Amazonian Environmental Research (IPAM), Association for the Conservation of the Amazonian Basin (ACCA), Peruvian Society for Environmental Law (SPDA) and the Organization for Tropical Studies (OTS);

#### *In collaboration with*

the World Agroforestry Center (ICRAF) and the National Service for Protected Areas (SERNAP);

#### *With support from*

the Moore Foundation, the United States Agency for International Development (USAID), the United Nations Development Program (UNDP), the Global Environmental Facility (GEF) and the Norwegian Agency for Development Co-Operation (NORAD).



This workshop was made possible by the generous support of the American people through the United States Agency for International Development (USAID), under the terms of the TransLinks Cooperative Agreement No.EPP-A-00-06-00014-00 to the Wildlife Conservation Society (WCS). TransLinks is a partnership of WCS, The Earth Institute, Enterprise Works/VITA, Forest Trends and the Land Tenure Center. The contents are the responsibility of the authors and do not necessarily reflect the views of USAID or the United States government.

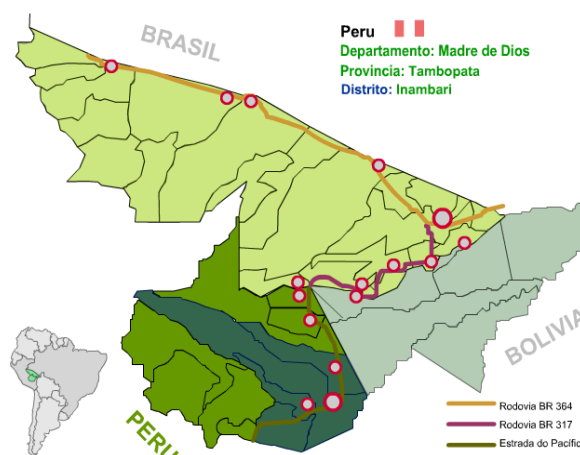


**Community Capacity Building Workshop on PES & REDD - MAP Series**  
**May 24-27, 2010 - Puerto Maldonado, Madre de Dios, Perú**  
**Summary Report**

From May 24-27, 2010, **Forest Trends** held the second community PES & REDD workshop in the city of Puerto Maldonado, in the Department of Madre Dios, Peru. The workshop was co-organized with the following partner organizations: Initiative for the Conservation of the Andean Amazon (**ICAA**), Institute for Amazonian Environmental Research (**IPAM**), Association for the Conservation of the Amazonian Basin (**ACCA**), Peruvian Society for Environmental Law (**SPDA**) and the Organization for Tropical Studies (**OTS**). The workshop was supported by the **Moore Foundation**, the United States Agency for International Development (**USAID**), the United Nations Development Program (**UNDP**), the Global Environmental Facility (**GEF**) and the Norwegian Agency for Development Co-Operation (**NORAD**). The World Agroforestry Center (**ICRAF**) and the National Service for Protected Areas (**SERNAP**) also collaborated in the design and execution of the workshop.

This is the second workshop in a series designed to increase the awareness and critical understanding of indigenous and local communities about Payments for Ecosystem Service (PES) schemes and the Reduction of Emissions from Deforestation and Degradation (REDD). Despite the uncertainties out of COP15 in Copenhagen, both PES and REDD continue to generate international attention as potentially effective mechanisms to promote conservation while improving the livelihoods of local communities. However, communities lack the information necessary to decide whether or not to participate in these initiatives. Forest Trends is leading these trainings to create local awareness, share accurate and unbiased technical information and, specially, build the critical capacity of community leaders to secure benefits from PES and REDD, such as strengthening land tenure rights and improving territorial governance.

This first series of workshops focuses on the MAP region in the Southwestern Amazon, formed by the states of Madre de Dios in Peru, Acre in Brazil, and Pando in Bolivia. A mega biodiversity hotspot of about 20 million hectares home to thousands of indigenous and traditional communities. The MAP region is experiencing increasing deforestation due to illegal logging, mining, extensive agriculture and major infrastructure projects, including the transoceanic highway connecting the region to ports on the Pacific and Atlantic oceans as well as markets throughout South America. The governments of these three states are collaborating on an integrated plan to fast track development in the region.



Map from <http://map-amazonia.net>

In August 2009, we conducted the first workshop in the capital of the state of Acre, Rio Branco, in the Brazilian Western Amazon. This second workshop continued the training in PES and REDD, focusing on the potential application as conservation and community rights' instruments in the Madre de Dios region. The training was particularly timely as the Peruvian government is discussing PES legislation. Currently, there are two draft bills of law under discussion in connection with PES, one that addresses valuation and compensation of environmental services, drafted in 2007 (Project 2386/2007-CR) and another that establishes the framework for the use of environmental services, submitted to Congress in 2008 (Project 3213/2008-PE). The latter was in the list of draft laws that the Executive has asked Congress to prioritize. This regulatory context presents an opportunity for community leaders to leverage benefit sharing outcomes by pressuring for socio-environmental safeguards to be included.

The course in Puerto Maldonado consisted of 12 modules spread over 4 days covering topics such as reading and interpreting graphs and maps, climate change and forests, ecosystem services, payments and compensation for ecosystem services, ecosystem services in Madre de Dios, carbon markets and opportunities for local communities, REDD and PES in the Peruvian legislation, integrating with the MAP region, international climate negotiations and impacts on the region, PES contracts, and the importance of social environmental standards in REDD projects. In addition, two case studies from Madre de Dios were presented, ACCA's REDD Project in the Conservation Concession Los Amigos and the Madre de Dios Amazon REDD Project of Asociación para la Investigación y el Desarrollo Integral (AIDER). Time was provided for participant interaction and lively discussions facilitated by the instructors and organizers. Instructors included renowned leaders in PES and REDD such as Lucio Pedroni (Carbon Decisions International), Jose Luis Capella (SPDA), Marcos Rognitz Tito (ICRAF), Foster Brown (Woods Hole Research Center) and Elsa Mendoza (IPAM).

In total, 125 participants attended the workshop. The majority was from Peru, but there were also eight participants from Bolivia and three from Ecuador. Instructors came from various countries including the United States, Costa Rica, Brazil, Ecuador and Peru. Participants represented various institutions and community based organizations, including the Coordinator of Indigenous Organizations of the Amazon River Basin (COICA), the National Organization of the Amazon Indigenous Peoples of Peru (AIDSEP), the Native Federation of the Madre de Dios River and Tributaries (FENAMAD), the Indigenous Forestry Association (AFIMAD), and the Confederation of Indigenous Peoples of Bolivia (CIDOB); research institutions such as the Association for Integrated Research and Development (AIDER), The Southern Institute (SUR), the National University of Madre de Dios (UNAMAD), and the Institute for Research in the Peruvian Amazon (IIAP); local non-governmental organizations including the Peruvian Foundation for the Conservation of Nature (ProNaturaleza) and the Institute for the Common Good. There were also representatives from government agencies including the Regional Government of Madre de Dios (GOREMAD) and the National Service for Protected Areas (SERNAP). A list of participants is attached.

One of the key aspects of this workshop was that we allocated plenty of time for the community leaders not only to ask clarifying questions about the information presented, but also to voice their concerns and share collective experiences related to PES and REDD. A representative from a forestry community association, for instance, shared that they signed a contract with an American carbon company without really understanding its full implications. After the presentations on PES contracts and socio-

environmental standards for REDD (modules 11 & 12, see attached course agenda), this leader was very concerned about what his association had agreed to in the contract with the carbon company and was determined to re-negotiate it. Once the technical aspects of PES and REDD were presented, we spent considerable time discussing the risks associated with these emerging markets as well as related evolving public schemes, emphasizing the rights of local communities as stewards of ecosystem services over generations and the importance to understand and advocate for socio-environmental safeguards in the future regulatory framework as well as at the project level. One of the key safeguards highlighted in the workshop was the need to respect free prior informed consent and the respect of land tenure rights in PES and REDD schemes, as well as the recognition that local communities have to be involved for these new market-like mechanisms to be successful.

This frank and open space for critical reflection stimulated the increased interest by many of the community organizations present to be more active promoting their vision for PES and REDD, be via market, public, or a mixed system. One interesting proposal came from FENAMAD, which represents 29 native communities and eight indigenous groups from Madre de Dios and Cusco. On the fourth day of the workshop, FENAMAD called for the creation of an international body to coordinate REDD activities in indigenous territories in the Amazon Basin. This coordinating body, named “REDD-Indígena,” would defend and promote the interests of indigenous groups, including the demarcation of indigenous territories, the right of indigenous groups to exercise full control over the territory and the resources contained therein, make REDD legislation and implementation accessible for communities, and make sure that benefits from PES and REDD are distributed directly to the communities involved, among others. FENAMAD declaration was well received as a sound representation of the concerns of indigenous and local communities in Madre de Dios, as well as their desire and initiative to be proactive in how PES and REDD should be implemented in the region. A copy of FENAMAD declaration is attached.

Space was also provided for COICA to express its position about PES and REDD in the context of indigenous rights in the Amazon Basin. COICA emphasized that REDD should only move forward if it respects the rights of indigenous peoples to their traditional lands, allowing them to exercise self-determination and autonomous decisions for managing their territories. COICA is interested to debate PES and REDD openly within its network of indigenous federations in the Amazon Basin to enable its leadership base to make informed decisions. COICA defends that if indigenous communities are to engage in REDD that it be with dignity, ensuring traditional rights and fair benefit sharing. COICA invited Forest Trends and its partner organizations that co-organized the workshop to assist in a series of workshops on REDD that COICA is organizing through December of 2010 in Peru, Brazil, French Guyana, Suriname, Guyana, and Venezuela.

Other community based organizations, such as Brazil nut and forestry associations, expressed their interest and hope that the system of land use concessions in Peru will allow them access to potential economic benefits derived from PES and REDD projects they may develop. However, the lack of a regulatory framework still leaves a lot of uncertainty as to who will hold the rights to receive economic incentives from the ecosystem services within concessions. There seems to be some apprehension between indigenous organizations and these other local community organizations in relation to the potential expansion of forest concessions conflicting with indigenous traditional territorial rights.

## **MDD REDD Project Meeting**

In addition to the community workshop, Forest Trends also hosted a technical meeting with most of the REDD projects operating in Madre de Dios. The meeting took place at the National University of Madre de Dios (UNAMAD) and counted with the participation of the following REDD projects: Cordillera Azul National Park, Los Amigos Conservation Concession, Maderacre y Maderija – Green Oxx, Project Belgica – Asesorandes, Bosque de Proteccion Alto Mayo, Bosques Amazonicos, Reserva Nacional Tambopata, ISUR, and AIDER's Madre de Dios Amazon REDD Project. Also present in the meeting were Lucio Pedroni of Carbon Decisions, Jacob Olander and Beto Borges of Forest Trends, Jose Luis Capella of SPDA, Patricia Santa Maria of SERNANP, Valentin Muiba of COICA, and the economist Angel Armas heading the PES Study for the Peruvian Amazon, among others.

The main purpose of the meeting was to exchange experiences and perspectives amongst the REDD project developers and policy makers in the Madre de Dios region and discuss a strategy to possibly include these projects in sub-national and national regimes in Peru, pointing to the need for common methodological approaches for determining baselines and carbon stocks, as well as combined efforts to avoid leakages. A good part of the discussion focused on some of the methodological and policy challenges of integrating REDD project accounting at a scale that moves beyond the project to regional or national scales. Madre de Dios is a particularly fruitful and urgent region for discussions of what has become known as “nested” approaches to link projects into broader frameworks with a dozen REDD projects in the region, adopting different methodological approaches [See EM' article [What Does Copenhagen Mean for the Private Sector in REDD-plus?](#)].

The meeting included presentations on the current state of REDD finance, markets and policy developments (from Jacob Olander of Forest Trends' Katoomba Incubator) and on methodological issues (from Lucio Pedroni, of Carbon Decisions International). This working session also afforded opportunity for a frank and productive exchange amongst different project developers, reinforcing the work of a broad “REDD Consortium” that has been established in Madre de Dios to facilitate coordination amongst project developers and regional authorities. These REDD projects cover approximately 40% of the Madre de Dios region; therefore, the need for a coordinated approach is essential. Lucio Pedroni called for a collective strategy to show how Madre de Dios could solve some of the critical technical issues through a nesting approach, addressing regional baselines, leakage, and public vs. private funding mechanisms. He recommended the REDD Consortium to organize a side event in Cancun to showcase this strategy, stating, “We have almost all the data and need to do some extra work to prepare a good presentation and publication for Cancun. We should pursue this idea.” The participants were grateful for the opportunity to come together and requested that Forest Trends sponsors a side event in Cancun.

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