



The social impacts of carbon forestry offsets in Mexico

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Talk outline

- Presentation objectives
- Case study (location, duration and objectives of the PCOs)
- Methods
- Results: Project management & community impacts
- Discussion points
- Conclusions

Presentation objectives


- Highlight the social impacts of one of the most successful carbon forestry offsets project in the world

Examine trade-offs between environmental and development objectives in project management

Illustrate which factors influence the access to and distribution of project activities and payments in rural communities

- Provide key lessons for the future implementation of carbon forestry offsets

Case study: Fondo Bioclimatico

- Carbon forestry project in Chiapas, Mexico (USIJI, 1997) 
- Community-based, small-scale forestry activities
33 communities, 7 rural organisations, 650 farmers
- Up-front crediting of Verified/Voluntary Emission Reductions
3.27 US\$/tCO₂e (2.18US\$/tCO₂e for farmers)
IAF, World Bank, Carbon Neutral, DfID
Payments vary across farmers and communities
Average income per family over 25-30 yr: US\$280-801/ha
- 2 *ejidos*: individual *versus* communal planting
Ejido: social organisation based on common property
Formal & informal right-holders (*ejidatarios* & *avecindados*)
Common forests and pastures: open to all the community
Institutions to regulate the commons



Methods

- Semi-structured interviews (participant observation)
 - 16 project level, incl. managers, broker and investors
 - 42 individuals “individual carbon” community (all participants)
 - 22 individuals in “community carbon” community
- Communities chosen on the basis of:
 - Longer involvement with the project
 - Labelled as implementation “success” by project managers
- 11 focus groups in both communities
 - Involving a total of 106 farmers (men & women)
- Land endowment survey in the “individual carbon” community
 - 95 out of 555 households -non-probability sampling method-

Project management I

1. Research development-oriented project (1994-1997)

Feasibility study (1995-1997)

8 communities

Multiple objectives (agroforestry, forest systems, energy)

Gender sensitive

2. Early funding years (1997-1998)

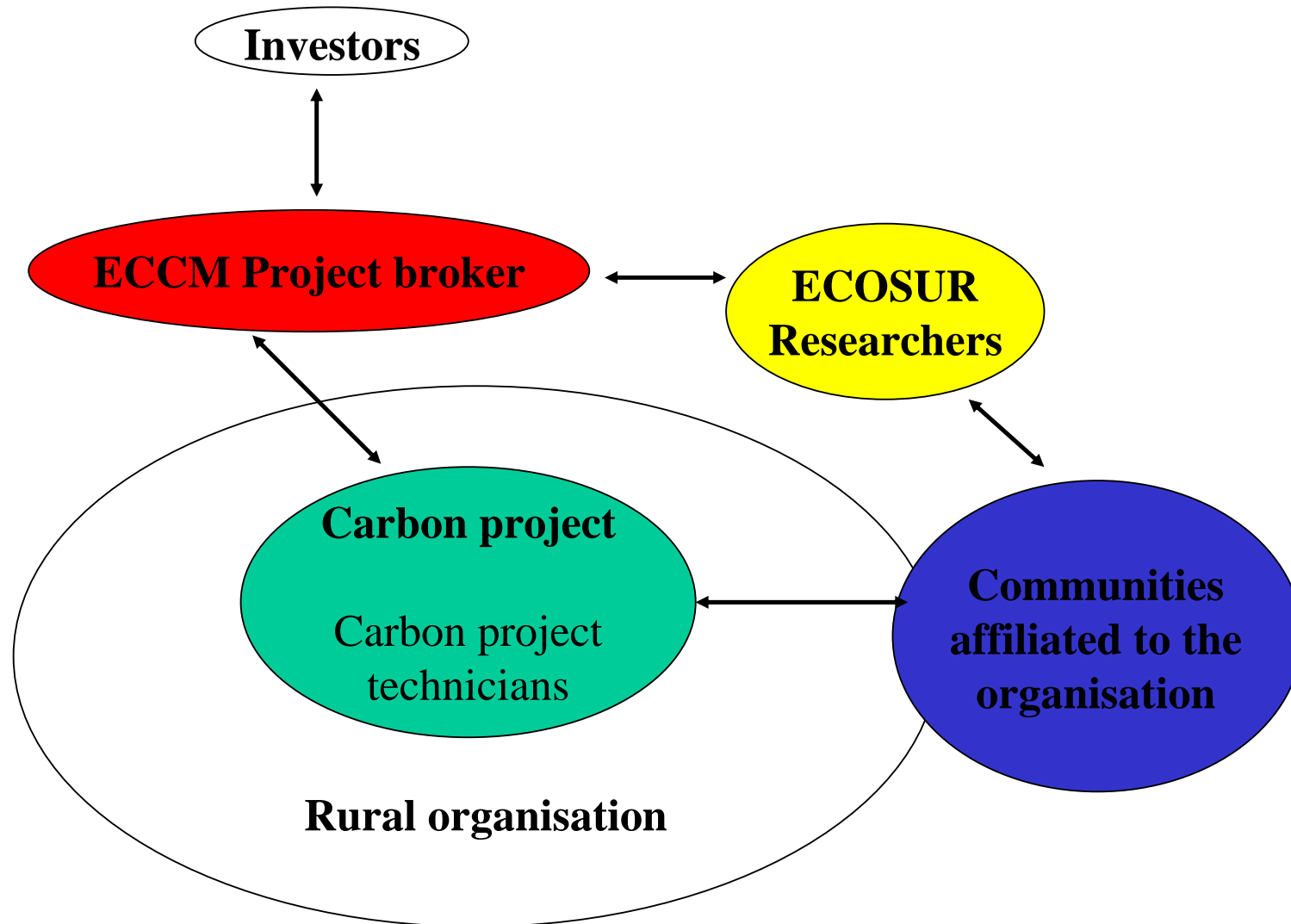
Design of forestry systems

Support of rural development activities

Simple organisational structure

Shared decision-making

Project organisation 1997-1998



Project management II

3. Carbon banking approach (1999-2002)



Escalating conflicts

Project growth and organisational complexity

Focus on carbon accounting and monitoring

Simplification of forestry systems

Centralisation of decision-making

4. Integrating carbon and development objectives (2003-2004)

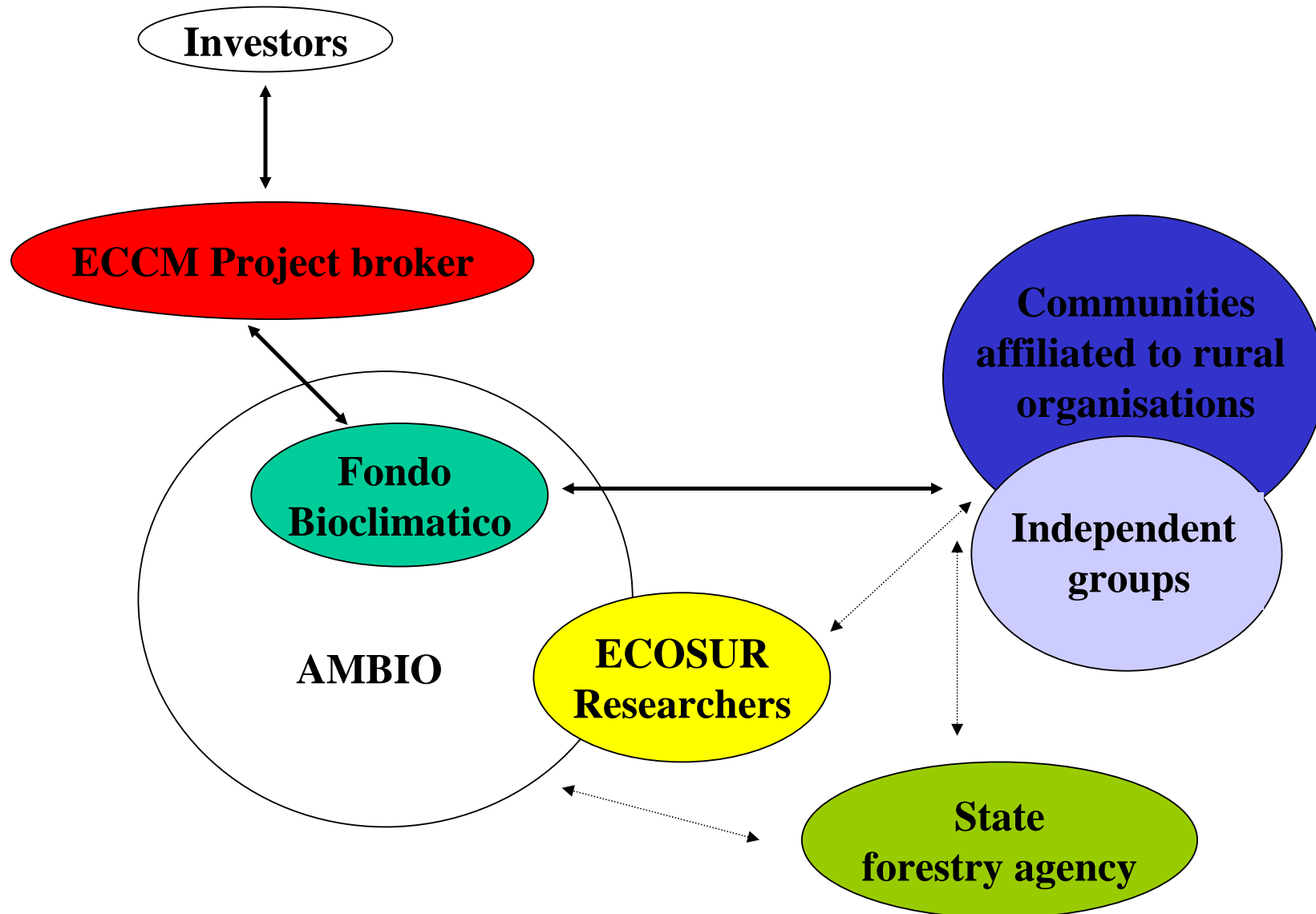
Re-structuring of organisational framework

Recognition of other interests at local level

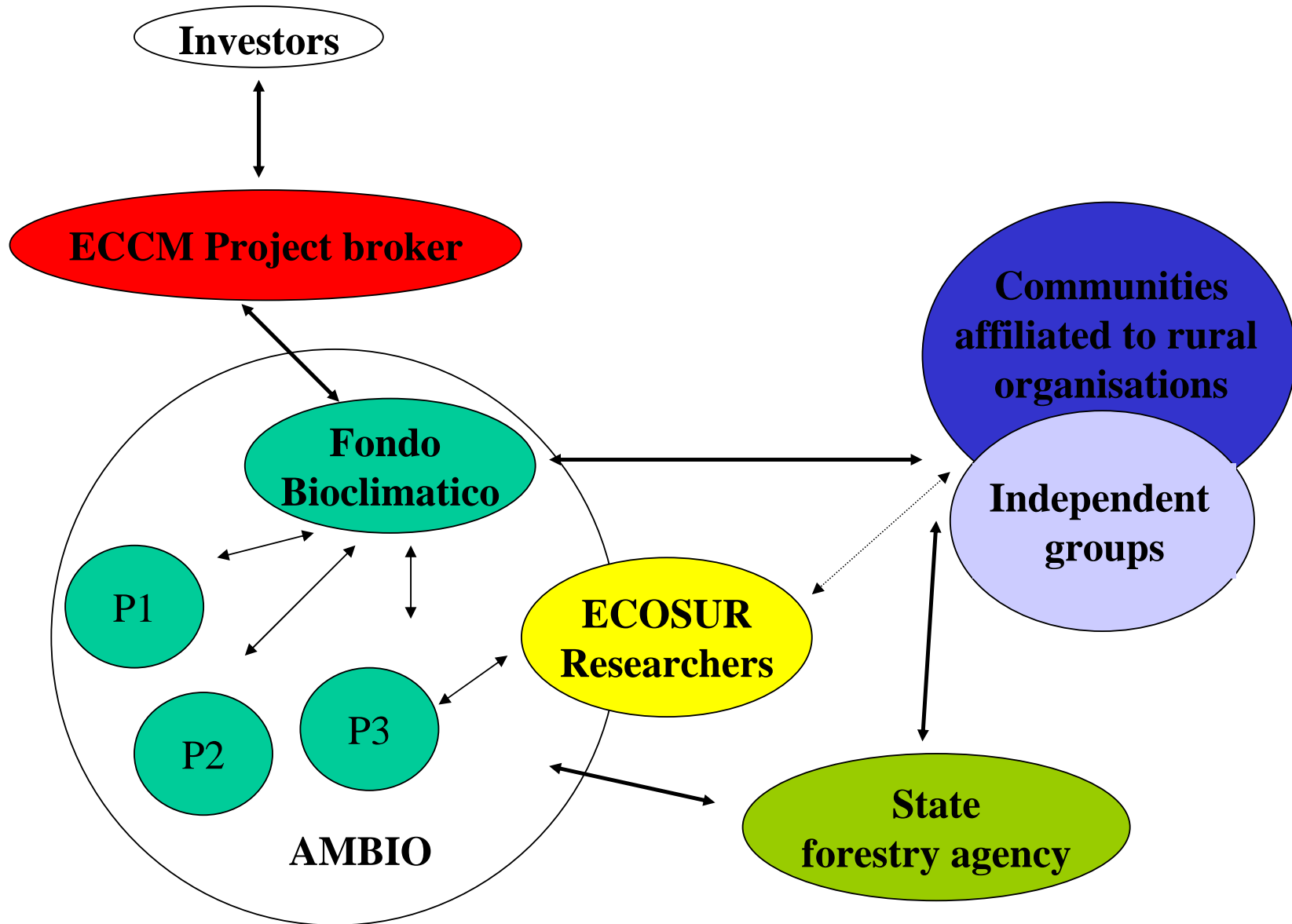
Incoming complementary projects

Organisational synergies

Project organisational structure 1999-2002



Project organisational structure 2003-2005



Community A

- **Individual carbon**

 - Lack of collective action**
 - Property rights history**

- **Access determined by:**

 - Legitimacy of rural organisation contested**
 - PR concerns: *I don't want to sell my land!***
 - Household land endowment**

- **Gendered nature of productive spaces and resource use not considered**

Community B

- **Collective carbon**

**Strong collective action (commons conservation)
Property rights conflicts with neighbouring
communities**

- **Rural organisation legitimate**

- **Carbon investment in collective goods**

- **Limited understanding of project activities**

- **Gendered nature of the commons ignored**

Discussion

- Trade-offs between environment & development objectives:
 - Planting capacity & forest management training prioritised
 - Biodiversity compromised: seedlings delivery bottleneck
 - Knowledge transfer insufficient
- Individual/collective carbon planting has:
 - Distinct project management implications
 - Distinct equity implications
 - Recognising informal right-holders remains a challenge
- Limits imposed by the carbon market:
 - Insufficient carbon funding
 - Networks/complementary funding are critical

Conclusions

- Carbon funding *alone* cannot deliver substantial development outcomes
- Sensitivity to local context should be central in project design and implementation (history of local politics and property rights)

Community-based institutions + project rules influence legitimacy and equity outcomes

- Bundling services (biodiversity + carbon) could increase the economic value of reforestation/conservation activities