

Potential Impacts of Tree Plantation Projects under the CDM An African Case Study

This project will gather information about a carbon sink tree plantation project of a Norwegian company, Green Resources Ltd, at Idete in southern Tanzania. The company aims to obtain registration under the CDM (Clean Development Mechanism) in order to sell carbon credits to the Norwegian government, and FSC (Forest Stewardship Council) certification, to justify the establishment of industrial tree plantations that will destroy nearly 7,000 hectares of grassland

By Blessing Karumbidza and Wally Menne



The Timberwatch Coalition, South Africa

www.timberwatch.org

“The CDM was created to tackle climate change. It has, instead, become a cheap way for developed countries to avoid making real emission reductions”

Jaisel Vadagam from the Centre for Science and Environment
India, New Delhi, 16 November 2009

Acknowledgements:

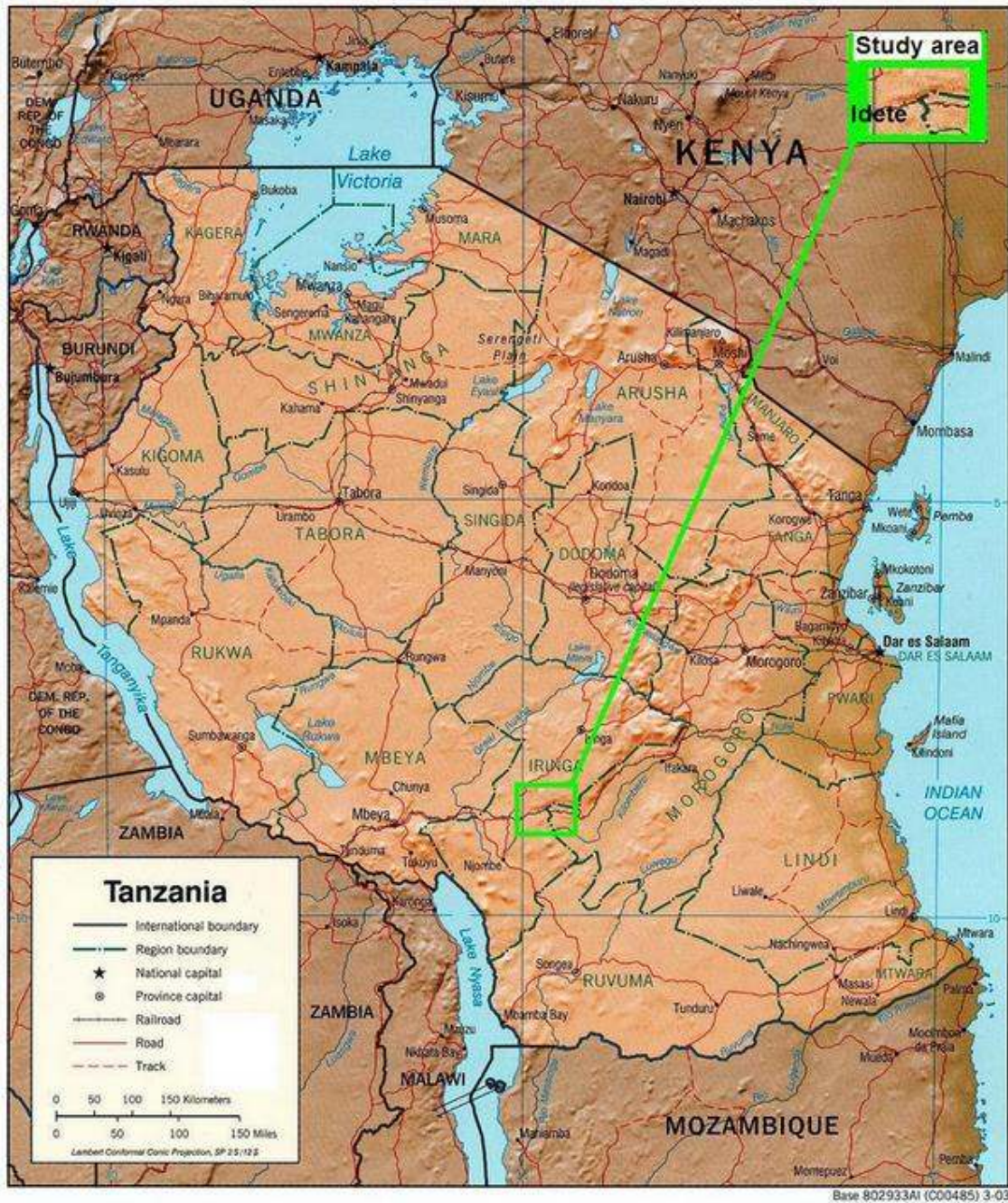
This preliminary report was made possible with the generous support of the Siemenpuu Foundation in Helsinki, Finland.

The information and the views contained in this report were provided by the authors. As such, the report does not necessarily reflect the opinion or position of the Timberwatch Coalition, its donors, or other contributors.

December 2009

CONTENTS

	Page
Map of Tanzania	3
Summary	4
Methodology for the study	6
Introduction	7
Background to the Norway-Tanzania carbon deal	9
Does the CDM work?	10
• The CDM and the carbon market – A play with many parts	10
• CDM offsets and carbon trading - Robbing Peter to pay Paul?	11
• CDM carbon sink plantations - Land grab or a helping hand?	12
• The CDM and energy politics	12
• The role of UN agencies	14
• Is there any hope for the CDM?	15
• Will CDM trees become REDD trees?	15
• Will CDM/REDD affect Indigenous People's rights?	16
The case study	17
• The role of Norwatch	17
• The role of Green Resources Ltd	21
• The role of the Tanzanian government	22
• The role of the FSC (Forest Stewardship Council)	22
Premises and positions: Lessons from South Africa	24
Conclusions and questions	26
About Timberwatch	28
References and resources	29
Internet reports and articles that mention "Idete" and "FSC"	32



Tanzania is a large country, covering more than eighty million hectares, and supporting a population of about 36 million people. The case study area is at Idete in the Southern Highlands, where soil and climate conditions are most suitable for extensive industrial plantations of alien pine and eucalyptus trees

The Idete plantation project is located in the Mufindi district of Iringa Province

Summary

This preliminary report raises critical questions about the sustainability and viability of tree plantations intended as carbon sequestration projects under the rules of the Clean Development Mechanism (CDM), of the Kyoto Protocol of the United Nations Framework Convention on Climate Change (UNFCCC), which commits industrialised nations to cut their overall carbon emissions by at least five (5) percent of 1990 levels in the period 2008 – 2012.

It looks at the proposed CDM plantation project at Idete, situated in the Mufindi district of Iringa Province in southern Tanzania, where a Norwegian timber company, Green Resources Ltd (with the support of the Norwegian government), is hoping to be issued with Certified Emission Reductions (CERs) by the CDM Executive Board in order to earn income from the sale of carbon credits generated from establishing monocultures of alien pine and eucalyptus trees in natural grasslands.

Norway occupies an ambivalent position. On the one hand, it is a major oil producer and exporter through the company now known as Statoil, and contributes substantially to global greenhouse gas emissions. On the other hand, Norway wants to be seen as a moral superpower and therefore seeks to position itself with progressive policies (in matters of social, environmental, human rights and other development issues). As such, the Norwegian government has committed itself to mitigation projects around the world in view of the climate change debate. In line with this position, Norway is looking to buy more than 6 000 000 carbon reduction units (credits) throughout the world for the purpose of offsetting domestic carbon emissions. Through the Green Resources Ltd plantation projects in Tanzania, it hopes to bring in at least 400 000 of these units, and this therefore represents an important investment for the Norwegian government. As such, what should have simply been a deal between a private investor and a host country, became an event in intergovernmental diplomatic affairs with the Prime Minister of Norway participating at the launch of the project agreement.

Timberwatch has studied the social, cultural, political and economic impacts of industrial timber plantations in South Africa and Swaziland, and believes that in an African context the monoculture tree plantation model is unsustainable from many points of view, even with market-based mechanisms such as Forest Stewardship Council (FSC) certification in place. Findings from this research show major problems with land alienation affecting displaced local communities, poor working conditions, destruction of biodiversity upon which the local communities depend for food, fuel and medicines, reduced water availability, and many other things that can impact negatively on the livelihoods of affected communities.

The industrial timber plantation model is based on corporate financial accumulation, and often leads to the marginalisation of local communities. In this case, the governments of Norway (via Green Resources Ltd) and Tanzania do not appear to be able to guarantee an adequate level of participation in decision-making by the affected communities. Also, the government of Tanzania may not have the necessary capacity to be able to protect the communities from possible abuse and marginalisation during the course of the project. Another issue is that the equitable distribution of income from international and foreign direct investment projects is not

one of the strong points of developing country governments. It is therefore not far fetched to argue that the government of Tanzania would only have agreed to this type of project in the hope of receiving foreign direct investment that would also create sustainable employment for affected communities, whilst preventing environmental damage.

The full research programme and final report of this project is to be completed in 2010, and will aim to assess both existing and potential social and environmental impacts of the Idete tree plantation project. This will include the economic viability, social and ecological sustainability, and effects on biodiversity of the project. Also, the social and cultural opportunity cost to the community will be investigated. Another key aspect of this study will be to ascertain whether the claims of carbon sequestration made by Green Resources Ltd are valid or not.

It is expected that the conclusions arrived at in the final report will have profound implications for other existing and would be CDM carbon sink tree and agrofuel plantation projects around the world. Depending on the outcomes of the negotiations at the UNFCCC COP 15 in Copenhagen this month, they may also affect plans to include tree plantations under the rules for REDD (Reducing Emissions from Deforestation and Forest Degradation).



Will Tanzania's southern highland grasslands end up looking like this FSC certified, "responsibly managed" eucalyptus plantation in South Africa?

Methodology for the study

The main aim of this project is to examine the claims made by Green Resources Ltd in pursuit of CDM registration, and then to undertake research to test the validity of the claims that have been made. Research findings from studies in other countries (South Africa, Uruguay, Ecuador and Brasil) will be compared to the Tanzanian data in order to identify common issues and trends that can be used to determine the likely future impacts of similar tree plantations in Tanzania.

The methodology for this study will be multi-pronged. An initial desktop study will survey existing literature on the CDM tree plantation plans in Tanzania and also gather information on the effects of tree plantations in general. The focus will be on potential impacts on the natural environment (biodiversity and ecology) of the area, as well as possible impacts on local people that have either already been displaced from their land, or will be displaced due to the CDM plantation project activities.

This will be followed by a fieldwork study in early 2010, during which researchers will visit the study area to meet various stakeholders including affected communities, NGOs, company and government officials, to solicit their perspectives on this topic. The company's claims as well as our postulated position will be tested on the ground, using a participatory approach. In order to understand the potential impacts of the newly or yet to be planted tree plantations at Idete, some of the older existing plantations in the area will need to be evaluated. Taking into account the experiences of already affected communities, questions will be asked to establish if food security and access to medicinal plants could be jeopardised, and to determine if water resources could become depleted, and how this could affect the community.



Photo: Jørn Stave/Norwatch

Will Tanzanian's lives improve if their land is converted to tree plantations?

These studies will generate data for comparison with that presented by Green Resources Ltd; and thus it will be possible to draw conclusions as to whether the information they have provided in the Idete CDM Project Design Document (PDD) is sufficiently robust and accurate. Also, additional information will be gathered in order to examine the claimed carbon sequestration "additionality" of the tree plantation project, and to assess whether it should be entitled to earn CDM carbon credits.

Introduction

This is a preliminary report prepared specially to be available in time for the Climate Change [COP15](#) taking place in Copenhagen from 7th –18th December 2009. During 2010 Timberwatch will undertake a detailed study of a proposed CDM carbon sink tree plantation project of the Norwegian company Green Resources Ltd, formerly known as 'Tree Farms', at Idete in the Mufindi district of Iringa Province in southern Tanzania. The plantation project, confusingly titled "Reforestation at the Idete Forest Project in the Southern Highlands of Tanzania", first submitted a Clean Development Mechanism (CDM) "Afforestation / Reforestation" Project Design Document (PDD) in November 2008, yet it appears that tree planting had already begun in 2006.

The Timberwatch study will examine information on existing tree plantations of both Green Resources Ltd and other plantation growers in southern Africa, in order to assess the potential ecological, social, and climate change implications of the tree plantation project planned at Idete, as well as of other planned projects in the East African region (e.g. northern Mozambique). The proposed area (nearly 6500 ha) to be converted to timber plantations at Idete is natural grassland, yet the CDM application submitted by Green Resources is for 'reforestation', which implies that the area was recently under some natural type of forest, rather than grassland.

Globally, there have been many attempts to establish carbon offset projects using tree plantations as carbon sinks, with the stated objective of reducing atmospheric CO₂, which is considered to be the major factor in global warming and climate change. Although tree plantations are included within the Clean Development Mechanism of the Kyoto Protocol, it has not yet been feasible to generate carbon credits through the establishment of plantations for a number of reasons. The most obvious drawback is that tree plantations are a temporary timber crop, usually to be cut down for pulp or saw-wood within a relatively short period; and are exceptionally vulnerable to fire, and by their nature also vulnerable to high levels of damage through disease, wind and drought. As a consequence, few plantations would ever be likely to store carbon for periods long enough to meaningfully mitigate against climate change, especially considering the effects of climate change on plantations.

See: http://www.wrm.org.uy/bulletin/125/Carbon_sink_plantations.html

Despite this obvious flaw, the global timber industry has continued to lobby the UNFCCC for the rules on carbon sink plantations to be relaxed so as to make it easier for fast-growing short-rotation pulp and saw-wood alien tree plantations to be registered as CDM projects. As most of this particular plantation project has yet to be established, it may still be possible to save the area from a poor choice of land use - one that has been driven by external economic forces that stand to benefit considerably from the project without having to take responsibility for its long term negative consequences. From studies in southern Africa, especially focusing on the KwaZulu-Natal, Mpumalanga and the Eastern Cape provinces of South Africa, and Swaziland, it has become abundantly clear that monoculture tree plantations have heavy social, economic, cultural and environmental impacts on communities living contiguous to them and beyond. It may also be possible to demonstrate that their usefulness as carbon sinks is insignificant and that they are far more likely to be a net source of greenhouse gas emissions during their complete timber production, consumption and disposal cycle.

Through comprehensive research and analysis, it is intended to demonstrate that despite the claims and promises made by the project proponent, Green Resources Ltd, that the social and environmental costs of plantations such as those planned in Tanzania could far outweigh their benefits. The research will also aim to establish whether local communities have been meaningfully engaged, on the basis of full prior informed consent, in making the land-use decision, and as such might not be in agreement, and may not be willing to exchange their current cultural and social benefits for the promised economic ones.

The promises of development need to be carefully analysed. Signing the agreement in Dar es Salaam, Norwegian Prime Minister Jens Stoltenberg said the deal would make Tanzania an example for other countries, of incorporating forests into fighting climate change. He added: "How to do it, and how to combine the idea of rural development with creating new sinks for carbon dioxide by planting new trees is exactly what we are going to do in Tanzania".

The final motivation for this research project was when Green Resources Ltd issued a press release on 21st July 2009, making unsubstantiated claims about their other proposed carbon sink plantation projects in the region, claiming that they would be "reforesting degraded grasslands" and employing "over 3000 staff" in Africa. See <http://timberwatch.org/uploads/Green%20Resources%20Press%20R%2021%207%2009.pdf>

The following press Release from the International Finance Corporation (IFC), part of the World Bank Group, was even more enthusiastic about the Idete project's job creation potential.
<http://www.ifc.org/ifcext/media.nsf/content/SelectedPressRelease?OpenDocument&UNID=4AB39481551E6F93852575D10051368C>

IFC Investment in Green Resources Supports Reforestation, Environment in Tanzania:

New Power Plant and Plantations to Create More Than 5,000 Jobs by 2011.

Dar es Salaam, Tanzania, June 10, 2009— "IFC, a member of the World Bank Group, announced today it will invest \$18 million to help Green Resources plant 8,000 hectares of forest in Tanzania, implement international environmental standards, and increase productivity and energy efficiency."

"Green Resources will also obtain certification from the Forest Stewardship Council that its plantations in Mozambique, Tanzania, and Uganda are environmentally and socially sustainable, offer favourable working conditions, and adhere to the highest international standards."

But as it turns out there may be only 500 permanent jobs for local people, rather than for the 5000 that could perhaps get some seasonal work if they are lucky!

Ultimately this research project is about exposing the truth and helping to make local communities aware of how their rights and livelihoods could be prejudiced by this and other plantation projects.

Background to the Norway-Tanzania carbon deal

In June 2009 Timberwatch received information via the newsletter of the Norwegian NGO 'Norwatch' that Green Resources Ltd had been offered funding through the sale of carbon credits to the Norwegian Government. See page 17 - [Climate Project on Cheap Ground](#). In order to satisfy the requirements under the rules of the CDM, and to legitimise the sale of the credits to the Norwegian Government, the company has embarked on a campaign to validate the methodologies used in a series of 'carbon sink' plantation projects in East Africa. It plans to establish more alien pine and eucalyptus plantations in parts of Uganda, Tanzania and Mocambique, that were previously, or are still, natural habitat. These areas are in well watered fertile regions of the respective countries, where the land has been utilised by local communities for generations.

Thanks to a lack of awareness of the potential social and environmental impacts of such plantations, together with the Tanzanian government's desire for foreign direct investment, the company has had little difficulty in obtaining leases of land in the areas they have identified for their projects. Such government-company deals are reminiscent of the colonial arrangements between kings with limited exposure to the ways of the imperial world and concessionnaire companies. The use of the land has been acquired with long term leases (99 years) at extremely low cost, but with limited obligations in terms of environmental management and conservation. In spite of the lucrative benefits and advantages to Green Resources Ltd, there appear to be few obligations on their part to protect or to restore the area held under their lease. This means that land previously productive for grazing of livestock and the conservation of both water and biodiversity could become degraded and rendered less valuable in the future, while in the immediate instance, local communities have been deprived of their citizen's (constitutional and human) right of access.

It is therefore vital that the technical conditions and guarantees agreed to by Green Resources Ltd should be fully investigated to ensure that the land resource would be guaranteed full protection into the long term. The tree plantation project is primarily driven by the Norwegian interest in both carbon credits and access to African land and water resources. There is little doubt that the extra income from carbon credits has provided an incentive to the company, but from all accounts it appears that this plantation project would have happened in any event. The Norwegian Government together with its emissary, Green Resources Ltd have triggered a near irreversible land-use change that could result in increased carbon emissions from the area in the short term, and net carbon leakage from the overall project activities.

A number of issues have led to questions being asked about the Norwegian plantation projects in Tanzania, and the environmental and social studies that have been used by Green Resources to justify obtaining CDM registration. The Forest Stewardship Council (FSC) certification awarded to the Green Resources tree plantations at Uchindile and Mapanda needs to be investigated, because there is concern that the process followed was inadequate. The company claimed that its plantations would be in "degraded grasslands" and would improve the local environment by halting degradation. Also that the local community would benefit from jobs and infrastructure.

Does the Clean Development Mechanism (CDM) work?

"The [Clean Development Mechanism \(CDM\)](#) was established under Article 12 of the [Kyoto Protocol](#) adopted by the Third Conference of the Parties to the Framework Convention on Climate Change on December 11, 1997.

"The dual goals of the CDM are to promote sustainable development in developing countries and to allow industrialized countries to earn emissions credits from their investments in emission-reducing projects in developing countries. To earn credits under the CDM, the project proponent must prove and have verified that the greenhouse gas emissions reductions are real, measurable and additional to what would have occurred in the absence of the project.

Source- <http://www.iisd.org/climate/global/cdm.asp>

CDM – A play with many parts

The question of how effective the CDM has been is the topic of an ongoing debate, with both supportive and critical views being expressed by various actors. At the front of the stage are the government parties to the UNFCCC - theoretically the architects of the CDM, although in reality it is more likely that some staff within the vast bureaucracy of the UNFCCC deserve the honours. They are determined to keep their global audience happy, mainly to justify the large amounts of money that have been spent in pursuit of making the CDM appear to be a success.

At their side are representatives of the polluting industries in Annex I (industrialised) countries that see the CDM as a useful escape clause in terms of meeting their greenhouse gas emission (ghg) reduction targets under the Kyoto Protocol. These major emitters generally perceive CDM project offsets as a far cheaper alternative to making large capital investments into renewable energy technology or to physically reduce their own emissions.

Together with the Annex I governments is an array of lobbyists, consultants and brokers that represent the carbon trading industry. 'Traders of Nothing' <http://timberwatch.org/uploads/Traders%20of%20nothing.pdf> These parasites feed upon the reluctance of those governments that constitute the so-called industrialised nations, to meet their Kyoto commitments through meaningful domestic emission reduction activities, instead preferring to buy carbon credits from CDM offset projects in developing countries. In theory CDM projects will result in emission reductions that can be offset against their outstanding Kyoto reduction commitments.

Half-hidden at the rear of the stage are the governments of developing nations that will supposedly benefit from the carbon credit income derived from the 'additional' emission reductions achieved, and 'sustainable development' that CDM projects are supposed to deliver. It should come as no surprise that another 'army' of CDM advisors and carbon credit brokers (usually from or funded by Annex1 countries) has also established itself in the developing world. Its soldiers will sniff out every opportunity to make money through projects that may or may not produce genuine emission reductions - perhaps a few fake carbon credits to be sold - but can still generate some pretty lucrative consultancy fees!

Beneath the stage are communities whose land and livelihoods are on the line; under-resourced civil society organisations cheer and boo from the aisles, because all the seats are taken by BINGOs (Big international NGOs) and Big Business!

It appears that the measure of a CDM project's potential success lies mainly in its ability to create the illusion that it will in some mysterious manner actually negate Climate Change. To maintain this illusion it must be continuously reinforced by the UNFCCC, with a never-ending stream of hype.

CDM international photo contest <http://cdm.unfccc.int/contest/index.html>

'Time running out for CDM forestry'

www.carbonpositive.net/viewarticle.aspx?articleID=1266

And yet it moves' UNEP report [PDF 470 KB]

http://www.unepfi.org/fileadmin/documents/and_yet_it_moves.pdf

Robbing Peter to pay Paul? (And making a profit!)

What really makes the CDM ineffective is that at country level any real emission reductions from CDM projects would soon be neutralised as a consequence of simultaneous increases in emissions from fossil fuel combustion, amongst others. In China, for example, there are CDM projects that supposedly reduce millions of tonnes of CO₂ and CO₂ equivalent emissions from coalmine methane capture and HFC 23 conversion activities. However, at the same time, many new coal-fired power stations are being built, and millions of new fossil-fueled vehicles are being added to those already on the road. The additional emissions must far exceed the claimed reductions achieved through China's CDM projects.

India is the second largest producer of CDM carbon credits in the world. Here too, new and expanding industries that are heavy ghg emitters, such as the steelworks of TATA and POSCO, would probably wipe out any genuine gains made through CDM activities or even the 6 million hectares of carbon 'forests' (eucalyptus plantations), that the government plans to plant on community land.

In Indonesia, fuel-switching CDM projects have converted from burning coal or mineral oil (fossil fuels) to so-called 'natural gas' (also a fossil fuel), in the name of reducing ghg emissions. Meanwhile, forest destruction and fossil-fuelled transport related emissions have grown out of all proportion to the minimal reductions made from fuel-switching, even where solid biomass fuels are included. Clearing land for Oil Palm plantations, and by setting fires that penetrate and destroy peat beds, has possibly released far more CO₂ than CDM could ever hope to prevent in that country, let alone the world.

The same applies to Brasil. A few rubbish dump methane-to-electricity projects fade into insignificance when compared to the carbon released there through logging, forest fires, and industrial agriculture. Not to feed Brasil's poor, but to help keep North American and European luxury vehicles on the road, and to satisfy meat and paper demand in the so-called developed world!

CDM seems to offer little more than an opportunity to ease the consciences of big polluting nations while allowing them to give a few crumbs to developing countries.

CDM carbon sink plantations - Land grab or a helping hand?

Analysts and observers are warning about the possibility of CDM tree plantations becoming another form of land dispossession by rich countries. This is because of the amount of land that has already been alienated from traditional use to meet the objectives of CDM in satisfying the wood biomass market and the carbon market.

So is the CDM any different in Tanzania? The same country that wants to offset its carbon pollution with tree plantations in Idete, is also the home of a major cement producer (highest CO₂ emissions of any industrial activity) called Scancem, and that also happens to be the owner of Tanzania's largest cement factory, Tanzania Portland Cement! See the Norwatch report [Norway's Scancem in Bitter Land Conflict](http://www.norwatch.no/20080225620/english/industry/norway-s-scancem-in-bitter-land-conflict.html). <http://www.norwatch.no/20080225620/english/industry/norway-s-scancem-in-bitter-land-conflict.html> Both projects are exploiting Tanzania's natural resources for a profit, but the similarity does not end there. Both of the companies are involved in land occupation where the previous occupants have been displaced, and non-Tanzanians control both from afar.

Norwegian involvement in developing countries is often perceived as benevolent, almost charitable. Could this be a revival of the missionary movement? Coming to Africa to 'save the heathens'? Has the concept of slavery changed to now embrace so-called 'job creation', which sounds wonderful until its façade of respectability starts to crack and crumble? The people remain poor, undernourished, and exploited, but Northern capital still has the final say over their resources.

The CDM and energy politics

In almost every country's future development plans, scenarios for increased energy consumption are the norm in the short-term at least. Whether energy is from renewable energy sources or not, this will inevitably mean that more energy-intensive development will result, maintaining 'business-as-usual' production and consumption scenarios! Under these circumstances, it is likely that the over-exploitation of all types of natural resources will continue, resulting in ongoing natural habitat loss, and more pollution. Unless the growth in Northern consumption is addressed, there will be increasing demand for energy from all sources, inevitably resulting in more of the same unsustainable industrial urbanisation that led to the present climate crisis in the first place. 'Unlimited economic growth' will undermine conservation efforts, causing new and greater damage to ecosystems, and exacerbating the degradation of water, soil and air resources.

'Biofuels' in transportation have been hailed as an energy-source that supposedly reduces CO₂ emissions when compared to petroleum. From available information, it would appear that certain bio-fuels such as ethanol from sugarcane are far more efficient from a production point of view; but when viewed in the context of the overall energy mix, where misleading biofuel targets based on percentages, such as those of the EU, are used to disguise plans for increased fossil-fuel consumption, it exposes the lie contained in claims of how overall ghg emissions will be contained. The CDM now includes biofuel crop projects.

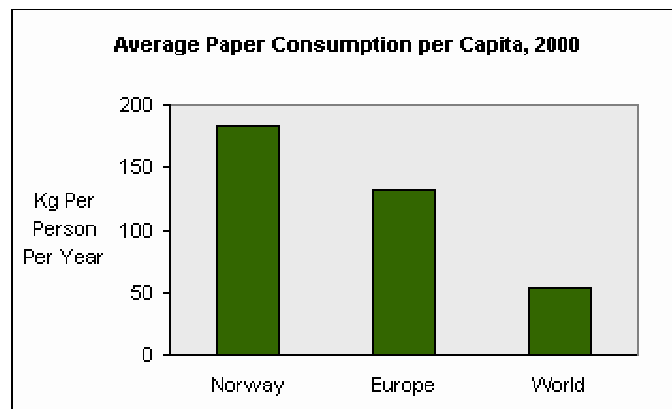
Wherever one looks at CDM projects in the world, there are problems. It is clear that the slow uptake of renewable energy projects such as solar, wind, and geothermal, the only genuine sources of 'clean energy' that could conceivably reduce emissions, will probably be overtaken by more dirty energy. Coal is being burned in the name of 'claiming a historical right to development space', as in South Africa, one of the 20 highest per capita emitters, using cheap coal generated energy for dirty smelters!

While so much hot air being generated by climate talks, and the political posturing continues, so too is the global consumption of coal, crude oil, and 'natural' gas now drawn largely from developing countries where resources of these fuels have been exploited at a relatively lower rate than in places like the US and Europe, where viable local reserves have become depleted, resulting in increased demand from sources such as 'tar sands' in Canada, and methane gas in Eastern Europe.

The potential long term effects of coal, oil and gas extraction from the Earth's mantle are not well understood at all, yet ever-more invasive technologies are being used to extract every bit of fuel from the planet. At the same time, countries that are guilty of high CO2 emissions are pursuing so-called 'Carbon Capture and Storage' (CCS) as a way to help justify their ongoing over consumption of fossil fuels. Besides the huge cost and time-delays involved with CCS, it can only help to make things far worse in the long term. Norway is one of the main countries involved in promoting CCS, anticipating being able to inject liquidified carbon into old oil wells, not just as a means to hopefully store carbon safely and permanently in underground cavities, but also to help displace and to extract the last remnants of oil and gas in wells that would otherwise have ceased to be productive.

(CCS website of FoE Denmark/NOAH Energy and Climate at <http://ccs-info.org>)

Norway hopes to have 'carbon-neutral' status by 2030, but this will be dependent on a range of 'fixes' rather than genuine energy efficiency gains and overall reductions in local fossil-fuel consumption. One of the possible 'fixes' is reducing exploitation of local forests and plantations, and increasing imports of forest and plantation biomass such as wood chips and pellets that can be used as an alternative fuel to coal in power plants. Biomass fuels are assumed to be 'carbon neutral', but this cannot be true when they are transported by ship all the way from southern Africa,

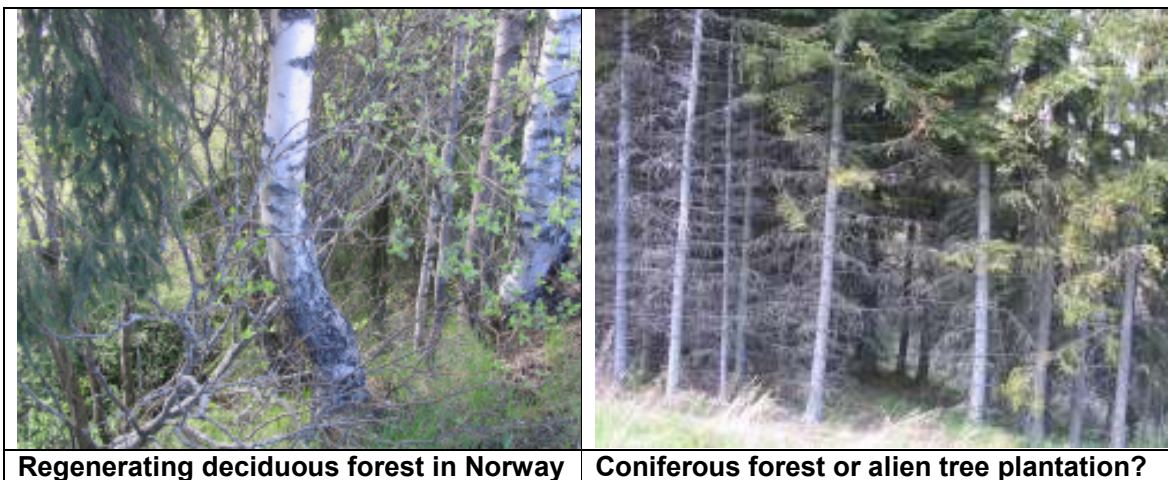


High paper consumption is an indicator of overall economic trends in Norway, which imports timber products equal to 65% of its exports by value
<http://earthtrends.wri.org/text/forests-grasslands-drylands/country-profile-138.html>

It seems it is only a matter of time before other dubious methodologies such as CCS and biomass fuels are incorporated into Kyoto-type mechanisms, legitimising even more dubious solutions to Climate Change.

So what is the connection to Norway's tree plantations in Africa, and specifically those in Tanzania? Norway is not short of trees – considering its tiny population of 5 million that could fit into a single African city. According to the 2005 FAO State of the World's Forests report, Norway has forests covering 9 million hectares but it seems that a large part of that is actually plantations. In temperate regions, the difference between plantations and forests is not as distinct as it is in Africa, particularly where grasslands have been destroyed through the process of establishing plantations of non-indigenous trees.

The majority of Norwegian plantations appear to utilise local tree species, such as Norway Spruce, whereas in African countries it is the opposite, with non-indigenous pine and eucalyptus species being most commonly used. In Tanzania there has at least been some effort to promote the growing of indigenous trees such as African Blackwood or Mpingo (*Dalbergia melanoxylon*), which have been overexploited.



The role of UN agencies

CDM related plantation or 'afforestation' projects are informed by a number of UN/FAO related protocols, objectives, definitions and procedures. The scope for such projects is subject to UNFCCC initiatives such as; the Kyoto Protocol (especially article 12), Decision 2/CMP1 and Decision 3/CMP.1 (Marrakech Accords), and COP/MOP decisions with reference to CDM. Decisions of the CDM Executive Board (<http://cdm.unfccc.int>) and the selected approved CDM baseline methodology AR-AM0005, version 3 among others, are also relevant.

It is important to note that any CDM plantation project has to be registered and approved by the CDM Executive Board, which is the core international decision-making body, before it can become possible to generate and sell project CERs.

Is there any hope for the CDM?

It appears that the measure of a CDM project's potential success lies mainly in its ability to create the illusion that it will in some mysterious manner actually negate Climate Change.

The deeper one delves, the more clear it becomes that the ghg emissions trading system upon which CDM rests is very much the false climate change solution that most non-corporate environmental NGOs and IPOs claim. This message will be spelt out loud and clear at the UNFCCC COP15/MOP5 being held in Copenhagen.

The Story of Cap & Trade is a fast-paced, fact-filled look at the leading climate solution - emissions trading - on the negotiating table at Copenhagen and in other capitals. Host Annie Leonard introduces the energy traders and Wall Street financiers at the heart of this scheme and reveals the "devils in the details" in current cap and trade proposals: free permits to big polluters, fake offsets and distraction from what's really required to tackle the climate crisis. If you've heard about Cap & Trade, but aren't sure how it works (or who benefits), this is the film is for you.

<http://www.storyofcapandtrade.org>

For more information on Cap and Trade download pdf file [HERE](#)

Will CDM trees become REDD trees?

The programme for Reducing Emissions from Deforestation and Degradation (REDD) is likely to become the major mechanism by which carbon finances will flow in the forests/tree plantation sector. At the Conference of Parties held in Bali in 2007 the UNFCCC's scientific body reported on how REDD (referred to by Tom Griffiths, 2007 as 'Avoided Deforestation') is key to achieving mitigation of climate change. The proponents of this investment tool suggest that it is possible to operate this programme on the basis of an equitable benefit sharing mechanism targeting the poorest (Luttell, Schreckenber and Peskett, 2007).

One of the biggest problems facing negotiators at the UNFCCC COP 15 is the lack of clear and unambiguous, and separate, definitions for forests and tree plantations. This single issue has wasted literally years and many millions of Euros thanks to the timber industry insistence that tree plantations should be classified as a kind of forest. This intentional mistake has been accommodated by the FAO (Food and Agriculture Organisation of the United Nations), the CBD (Convention on Biodiversity) and the UNFCCC, and all these organisations, along with the FSC (Forest Stewardship Council), should be held responsible for the damage to ecosystems and communities that has resulted from this. Implementing REDD will be a major headache because of this issue. See: Critical need for new definitions of "forest" and "forest degradation" in global climate change agreements. <http://www3.interscience.wiley.com/journal/122515795/abstract?CRETRY=1&SRETRY=0>

Will CDM/REDD affect Indigenous People's rights?

Experiences throughout the world have shown that industrial tree plantations always have deleterious impacts on the rights and livelihoods of local communities. A recent GFC (Global Forest Coalition) workshop held at Kirimara Springs Hotel in the district of Nanyuki in Kenya (23rd – 25th September, 2009) attended by approximately 35 representatives of NGOs and IPOs from Cameroon, Kenya, Mocambique, South Africa, Tanzania and Uganda deliberated on the potential impacts introduced by REDD related projects. A visit undertaken by this group in Kenya to the Yiaku community in Dol Dol, Laikipia North district showed the double pressure that communities endure. On one hand, along the 60 km drive, participants witnessed a massive drought that has seriously affected the area. The rivers have dried up, animals have died, no grass and both humans, their livestock, and wildlife are fighting for the little vegetation that can still be collected in the desert-like land. On the other hand, this community is now subjected to limited access to the forest from which they have lived for generations as it is earmarked for REDD.

The rapid expansion of tree plantation activity in line with CDM/REDD financing has a number of impacts on community rights, access and livelihoods, which can be summarized as including (but not limited to the following);

- the likelihood of increased state control over natural forests and the blocking of indigenous communities from access to non-timber forest products they have depended on for generations, for instance the case of the Maasai in the Laikipia North district of Kenya and the Zulu cattle keepers in Zululand (South Africa)
- poor governments supporting anti-community and exclusionary models of forest conservation that may often include evictions and expropriation once forests become carbon banks
- the loss of land and grasslands due to the expansion of plantations to establish carbon related investment
- the unjust targeting of indigenous and marginal communities as drivers of deforestation as a precursor to their dispossession
- state and business interests zoning of forest lands without the informed participation of forest dwellers
- unequal and abusive contracts imposed on communities
- foreign money intended for affected communities could be embezzled by corrupt governments and not reach the legitimate beneficiaries

Theoretically, REDD seems to be based on community forestry principles that would benefit the communities, but the implementation is most likely to affect communities negatively. If communities were encouraged to establish mixed tree and crop fields of indigenous and fruit trees REDD projects could also have the added advantage of supporting food security. Without guarantees that the human, customary and economic rights of indigenous and marginal communities are protected and respected, these programmes will remain nothing but re-colonisation and the final phase in the commodification of the spaces of Africa that were left in indigenous hands during the first round of formal colonialism.

The Case Study

The role of the Norwegian NGO, Norwatch

Norwatch has played an extremely important part by helping to bring the Norwegian involvement in the spread of tree plantations to the attention of the world. Previously, Timberwatch had contact with Norwatch in 1998 when Norwegian company Borregaard decided to partner with wood pulp manufacturer Sappi Saiccor in a lignin factory. A Norwatch team came to South Africa in order to investigate the situation.

Norwatch has published a number of critical reports and articles on the projects of Green Resources Ltd in East Africa, and these publications provided an incentive for Timberwatch to pursue the problem further, and to undertake the present research. The most recent report from Norwatch is pasted below. Because it provides such comprehensive information and links to relevant information on the Internet, it was felt the full report should be included here, rather than just the link www.norwatch.no.

Climate Project on Cheap Ground

When Norwatch examined Green Resources' tree-planting project in Tanzania more closely in 2000, one of the objections was that Tanzania leased out the ground at a bargain price. Nine years later the leasing price has sunk to a third of that.

By Pia A. Gaarder
Norwatch 05.06.09

The English translation of this story was published on 12 June 2009.



Photo: Jørn Stave/Norwatch

The Ministry of Finance has recently signed contracts for the purchase of about 400,000 quotas from the reforestation project Idete in Tanzania. The seller is Green Resources Limited, previously known as Tree Farms.

In 2000 Norwatch visited, among others, the mentioned Idete project in Tanzania, which at that point was in its initial phase, and wrote the report [Carbon Upsets -Norwegian 'Carbon Plantations' in Tanzania](#). Today the company is leasing a 7330-hectare savannah area in Idete from the Tanzanian government for 99 years.

The emission reduction is to be achieved by storing carbon in the biomass at the plantation. The project is under evaluation – that is, independent control of the project's contribution to reduced emission. The prerequisite for the government's purchase of quotas from Green Resources is that the project is approved by the UN and by Tanzania.

The decision to purchase quotas from the Norwegian company was made even though the project has been criticised on the basis of several fundamental points by the consultancy firms Point Carbon and Perspectives. They were appointed by the Ministry of Finance, which has now published the report [“CDM Due Diligence. Idete Reforestation Project in Tanzania”](#) and made it available on Internet.

<http://www.regjeringen.no/upload/FIN/okonomiavdelingen/Idete%20CDM%20due%20diligence.pdf>

State Secretary Geir Axelsen has told the Norwegian newspaper VG that he knows that the company has been criticised previously and that the Ministry therefore chose to obtain a new, independent report on the project before signing the sales contract.

On a series of decisive points the Idete project is characterised by the report as a “high-risk project”, and the analysts question whether the quotas will be approved by the UN at all.

Reduced Leasing Price

The Point Carbon/Perspectives report examines the project with regard to the possibility of being qualified to sell quotas. However, it also examines a series of other conditions. Among other things, it appears that the lease that Green Resources pays to Tanzania today is 2.3 Norwegian kroners a hectare, or 500 Tanzanian shillings yearly (26 euro-cents).

When Norwatch visited the area in 2000, however, the lease was 1500 shillings a hectare yearly. Nine years later, in other words, the yearly leasing earnings for Tanzania have decreased by two thirds. Mr. Odd Ivar Løvhaugen, the managing director of Tree Farms at that time, told Norwatch in 2000 that the company wanted the leasing price of the Tanzania project to be further reduced in order that the project risk would be as low as possible.

Tree Farms' subsidiary, Escarpment Forestry Company Ltd. (EFC), stated at the time that it was actively trying to reduce the leasing prices. The managing director of EFC, John P. Haule, told Norwatch that the authorities ought to stimulate private investments by reducing the yearly leasing charges by 50%, to 750 shillings.

The leasing price is now down to 500 shillings a hectare. In Norwegian currency the lease has thus decreased from 16 to 2.3 Norwegian kroner (1.8 to 0.26 euro-cents) in 9 years.

Ground Prices Too High

Green Resources now believes that this price development indicates that the land price has been too high in Tanzania.

“The land price is determined by Tanzanian authorities and not by us. But it is interesting to note that the demand for land in Tanzania is very low and that there is little development within forestry and agriculture. The conclusion can only be that the price of land is too high,” Mr.

Mads Aspem, administrative director and chief owner of Green Resources, wrote to Norwatch. Aspem was absent and answered by e-mail with regard to queries about the price development. He said that the company has still not earned any money on the project. “Unfortunately, we have not earned anything on our operation, and carbon financing is necessary to make this function,” Aspem wrote.

Disagrees

The company’s administrative director moreover does not like Norwatch’s and Point Carbon’s reports.

“The report you wrote 9 years ago was an extremely biased and incorrect report. And I was shocked at how you related to reality and ignored our help and comments,” Aspem said, but he has still not clarified what he meant.

“With regard to the price of land and the profitability of our project, Point Carbon’s analysis was completely incorrect. It was carried out by someone who lacks elementary economic insight and who had 1 year’s experience in this kind of work,” he added. Aspem confirmed, nevertheless, the leasing price of 1500 shillings a hectare in 2000 and 500 shillings a hectare in 2009.

Tanzanian Authorities on the Board

In Point Carbon and Perspectives’ report it is also evident that, according to the Tanzanian investor guide for quota projects, Tanzanian authorities must be on the board of all companies that apply to have CDM projects approved.

“This may possibly entail a large intervention in the company’s ownership structure and may affect how great a share of the quotas the project company will receive if the project is implemented successfully,” the report stated.

Aspem has still not commented on how the company will solve this problem.

NEW:

The revised Project Design Document (version 4 - written by Green Resources after the Point Carbon-Perspective-Due Diligence-report) is now found on the UNFCCC website: [Reforestation at the Idete Forest Project in the Southern Highlands of Tanzania - Project Design Document Form for Afforestation and reforestation project activities \(CDM-AR PDD\)](http://cdm.unfccc.int/Projects/Validation/DB/U8X9GK2B480JL11FFZYY4569RLALS5/view.html)

<http://cdm.unfccc.int/Projects/Validation/DB/U8X9GK2B480JL11FFZYY4569RLALS5/view.html>

Facts

Green Resources AS was established in 1995 and was previously known by the company names Fjordgløtt AS (until March 2000) and Tree Farms AS (until August 2007). It is a privately owned Norwegian company. Mads Aspem is, according to the Norwegian Registry of Business Enterprises, the largest shareholder, with 30% of the shares; the next largest is Verbena Investment Holdings with 10.3%. According to <http://www.greenresources.no>, it employs more than 3000 persons and has since the upstart invested 250 million kroner (28.2 million euros) in its African projects. Green Resources is present in Tanzania, Uganda and Mozambique. The Norwegian Ministry of Finance has recently signed contracts for the purchase of 6 million quotas. In addition to Green Resources' reforestation project in Tanzania, the quotas come from a series of wind farm projects in China, a composting project in Chile and a biomass power plant in South Africa. See the Ministry of Finance's media release of 22 May this year.

CDM – Clean Development Mechanism

These projects are included in what is called CDM (Clean Development Mechanism) or “the green development mechanism”. This is to be a stamp of quality for an official quota that will both guarantee a reduction of emissions and support sustainable development in developing countries.

CER – Certified Emission Reduction

The official name of the quotas is CER (Certified Emission Reduction). CER means that the reduction in the emission of greenhouse gases has occurred when the quota is issued and the effect has been documented. This entails that a reduction in the emission of greenhouse gases equivalent to 1 ton CO₂ has been carried out in an approved CDM project.

tCER and ICER – Temporary and Long-Term Certified Emission Reduction

Tree-planting projects fall into another category of quotas. Carbon binding in wood is only temporary, and the risk is great, among other things because of the danger of fire, which would emit large amounts of CO₂. Time-limited certificates are therefore issued; these have to be renewed after a certain number of years. These are called either TCER or LCER and have different periods of validity.



Plantation clear-cut at Uchindile (Google Earth image)

The role of Green Resources Ltd

The roles of the Norwegian government and Green Resources Ltd can be compared to the relationship of European (imperial) governments with the concessionaire companies during the age of empire. A risk assessment report prepared by two consultancy firms Perspectives (www.perspectives.cc) and Point Carbon (www.pointcarbon.com) name both the government of Norway and Green Resources Ltd as equal parties and players in the Idete plantation project. The approval and creation of CERs is a complex process that requires the involvement of host country, investing country and other stakeholders such as the UNFCCC, the World Bank, the investor and some token NGO and community involvement. For instance, a CDM project life cycle starts with a number of tests and monitoring plans (the PDD development stage), followed by mandatory approval by the host country DNA (Designated National Authority). Projects require validation before any CERs can be registered by the CDM Executive Board, and must be followed by some more monitoring and then verification and certification before the final issuance of the CER certificate. The Idete project is now at the validation stage and there is need for more information and possible intervention before it goes the whole way.

The partnership and support of the Government of Norway to Green Resources Ltd is essential as the nature of tree related business is such that there is the issue of delayed and prolonged periods of low returns before the business begins to pay back. But this is after the initial hurdles of upfront finance for land leases, seed capital and technical capacity.

The Norwegian government is supporting Norwegian companies such as Green Resources Ltd to invest in the timber sector in Tanzania, where it seeks to acquire 400 000 of its targeted 6 million climate quotas from tree plantation projects. The Ministry of Finance, Norway is interested in buying CERs from the Idete 'reforestation' project of Green Resources Ltd in Tanzania, Africa, which aims for Clean Development Mechanism (CDM) registration (Point Carbon and Perspectives, 2008: 5). The Norwegian government would have to guarantee the funding from the World Bank under the funding mechanisms agreed for this type of investment. The accumulation of carbon credit also means that the Norwegian government increases its capacity to continue with business as usual in terms of non-environmentally friendly investment. Given that one of the aims of CDM is to assist industrialised countries in achieving compliance with their quantified greenhouse gas emission limitation and reduction commitments under article 3 of the Kyoto Protocol (to which the Norwegian government is a signatory).

The Norwegian government has announced a 500 million euro fund to support mitigation of climate change. From this point of view, and on face value, it would seem that Norway is at the cutting edge of showing commitment to doing something about climate change. However, the substance of the projects being supported could point to what analysts such as Harald Eraker (2000) have called C02lonialism.

Under such circumstances it would not be too far fetched to consider Green Resources Ltd as a resource extraction arm of the Norwegian Ministry of Finance.

The role of the Tanzanian Government

The Tanzanian government has made it possible for this transaction to take place in the name of promoting foreign direct investment in the primary sector, with all the related promises of employment creation, and of improving the local economy.

The host government is an important part of the equation. Where the host country's risk rating (a complex indicator of political stability, crime, corruption, and other indicators used by investors – easily manipulated to a positive reading where the investor is desperate to clinch a deal) is considered high, a CER certificate may not be issued. According to the Kyoto Protocol, the host government would establish a Designated National Authority (DNA) to manage the CDM project. This often implies increasing the bureaucratic burden on already pressurised low-income countries. To indicate the lack of capacity in Tanzania, consultants Point Carbon and Perspectives suggested that while the country was rated as low risk, it still had a number of issues outstanding, for instance:

The Tanzanian DNA had not yet defined the forest threshold values (required to distinguish forest and non-forest in both the current and historical environment); while satellite imagery provided at the site visit was dated 1990. The interpretation of 1990 satellite image patterns had been based on 2007/2008 ground reference data which resulted in unreliable mapping of 1990 vegetation cover; there was no evidence for the land cover at project start year provided and land eligibility had not been checked for each discrete parcel of land (Point Carbon and Perspectives, 2008).

Another important issue that this raises is the lack of available information on and the poor or non-existent understanding of the ecological importance and economic value of the grasslands that are steadily being destroyed by Green Resources Ltd, with the government's approval and consent!

The role of the FSC (Forest Stewardship Council)



It appears FSC certification of the Idete plantation project is a condition of the Norwegian government purchasing carbon credits from Green Resources. At this point Idete has not been certified, but the expectation has been raised that because Mapanda and Uchindile (M&U) plantations have been certified that Idete would follow as a matter of course! The SGS-Qualifor public summary for M&U lists numerous non-compliances yet the certificate was granted regardless! See <http://www.forestry.sgs.com/documents/7948-tz-grl-ma2007-10-ad36a-gm-psummary.pdf>

The FSC is a mechanism to control and ensure that timber plantations and forests are managed sustainably. In theory the mechanism promises to attend to the social, cultural, environmental and sustainability concerns raised about the timber industry

in general. If applied correctly, the FSC system for certifying forests (not timber plantations) has many potential benefits for the protection of natural forests. However, where forests, or as is mostly the case in Africa, grasslands, have been destroyed and replaced with mono-specific alien timber tree plantations, it is not possible to honestly apply the existing FSC principles and criteria. These were after all designed in order to be able to determine if wood or wood-products have originated in a 'FOREST' that is being managed responsibly. Clearly, there are many cases where overexploited forests have been unjustifiably certified, but it is not honest to apply the FSC 'Forest' certification principles to tree plantations. Our experience and the evidence from the cases we are familiar with in South Africa and Swaziland is that the FSC principles are often applied in a selective manner, not being fully implemented or even deliberately misinterpreted.

The Failed FSC Plantation Policy Review Process

In April 2006, as part of a review of the FSC policy in respect of certifying plantations, a team of FSC members visited South Africa to study the situation. This process was launched in response to numerous concerns raised, and objections to certifications, that have been lodged since the process started in 2004 in Bonn, Germany with a meeting that included stakeholders from all over the world.

More recently, a letter was sent to the FSC International board by a number of concerned NGOs and individuals, calling for the de-certification of plantations in many countries, including South Africa. It must be remembered that in general, most environmental NGO's support the certification of plantations in principle, but are not happy about the way the certifying bodies have issued certificates to companies that do not deserve them. In South Africa, this includes Mondi and Sappi, whose large-scale monoculture alien tree plantations invariably fail to meet the standards specified under the FSC principles, but are somehow still able to get FSC certified.

Life as Commerce - Certification Project

The certification project undertaken by Timberwatch in 2007 & 2008 was a part of the Global Forest Coalition "Life as Commerce" campaign, which focuses on examining the negative effects of market-based conservation measures. See "[Life as Commerce](http://www.globalforestcoalition.org/paginas/view/30)" - <http://www.globalforestcoalition.org/paginas/view/30>

The South African study commenced in March 2007 and a preliminary report THE SOCIAL IMPACTS OF CERTIFIED TIMBER PLANTATIONS IN SOUTH AFRICA AND THE IMPLICATIONS THEREOF FOR AGROFUEL CROPS was produced in June 2007. This report was made available in print form and as a pdf file (1,3MB) download [http://www.timberwatch.org/userfiles/Social%20impacts%20of%20certified%20timber%20plantations%20in%20South%20Africa%20-%20TW\(2\).pdf](http://www.timberwatch.org/userfiles/Social%20impacts%20of%20certified%20timber%20plantations%20in%20South%20Africa%20-%20TW(2).pdf).

The final report, LIFE AS COMMERCE: CERTIFICATION IN SOUTH AFRICA including a case study on FSC certified timber company Hans Merensky Holdings by Blessing Karumbidza, was released in November 2008. The full report (pdf 1,4MB) is available at: <http://www.globalforestcoalition.org/img/userpics/File/LifeAsCommerce/LIFEASCOMMERCE-CERTIFICATION.pdf>

Premises and positions: Lessons from South Africa

Social and Economic Impacts of Timber Plantations on Communities

The timber industry in KwaZulu-Natal has an overbearing presence that has led to an uncritical perception of it as a mainstay of the local economy. Its contribution to the economy is however undermined by the numerous negative impacts it has on society. These impacts can be characterised as social, cultural, economic, as well as environmental. Ironically, while these negative consequences become more apparent to the timber industry and society in general, more land is being converted to plantations of alien timber trees. This continued expansion happens without an adequately structured regional land-use plan and critics are dismissed as standing in the way of development. Their evidence is refuted as hearsay while government's weak licensing and monitoring regimes allow these large-scale mono-cropping timber regimes to expand unabated. A study by Timberwatch in selected districts of KZN commissioned by the World Rainforest Movement endorses the argument that these large-scale tree plantations have a permanent destructive effect on the natural environment that they are imposed on, and this in turn has negative impacts for communities.

[A Study of the Social and Economic Impacts of Industrial Tree Plantations in the KwaZulu - Natal Province of South Africa](http://www.wrm.org.uy/countries/SouthAfrica/book.pdf) By John Blessing Karumbidza - December 2005 <http://www.wrm.org.uy/countries/SouthAfrica/book.pdf>

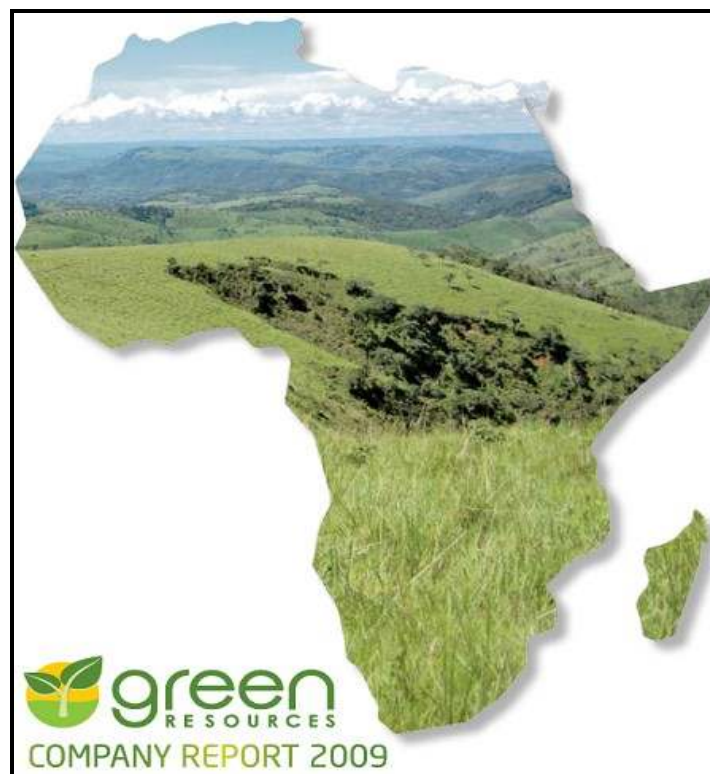
One obvious impact of tree plantations is the un-easy co-existence between the community and the 'sea' of timber plantations that reduces access to land for crops and grazing, while there is also little direct advantage in terms of jobs and other social and economic benefits. Communities feel intensely alienated from these timber plantations. The loss of the region's flora and fauna due to plantations has social, cultural and economic implications for society in general, and continuing encroachment of timber plantations has other negative effects including:

- the destruction of the natural vegetation, principally grasslands, in areas planted to timber plantations, which is an irreversible process;
- associated losses of indigenous taxa (plant and animal species) reduces local species availability;
- generates irreversible change in scenic values and in environmental quality, and has associated impacts on tourism and outdoor recreation;
- reduces stream-flow, groundwater recharge and water quality, with associated impacts on indigenous aquatic fauna, and
- has far-reaching effects on rural livelihoods and lifestyle, for instance:
 - due to loss of grasslands it has become more difficult for farmers to raise livestock for meat and milk for sale or own use
 - grasses used for thatching roofs of homes and other buildings are no longer freely available
 - reeds and sedges needed for making mats or cords used for roofing or trays have disappeared after plantations have caused small water-courses and wetlands to dry up

- conversion of food farms to plantations led to job losses and reduced access to nutritious food, leading to poverty and malnutrition
- workers from converted farms also lost housing and now occupy squatter settlements and slums, scavenging for a living
- runaway fire in timber plantations has increasingly threatened the lives and livelihoods of rural inhabitants
- plantations close to people's homes have increased safety and security concerns - women get raped and thieves dump their loot in the plantations
- lack of land and the close proximity of plantations undermine the culture and identity of rural people

In a nutshell, industrial timber plantations have very little to offer to nearby communities:

- Socially – they are a harbinger of crime, a hideaway for thugs, and theatre of rape and violence;
- Economically – they inflict poverty through the alienation of land and jobs;
- Culturally – they disrupt the way of life;
- Health wise – they deny access to traditional forest products used as medication, and
- Politically – they pose an obstacle to community regeneration and development.



From the latest Green Resources Ltd annual report it would appear that the company has plans to cover all of Africa with plantations!

Conclusions and questions

Large-scale industrial timber plantations should be viewed in the context of Africa's economic, political, social and cultural sustainability. Concerns arising from the spread of plantations transcend all these aspects of life and thus require a holistic approach, that involves major changes to existing policies that are in fact promoting plantation expansion into community land that is often of high conservation value.

The plight of communities affected negatively by industrial tree plantations needs be addressed and solutions to their problems sought and implemented. Timberwatch together with our international partners the global Forest Coalition (GFC) and the World rainforest Movement (WRM) propose that no new industrial timber plantations are allowed to be planted on agricultural land or natural areas, and that the social and environmental impacts of existing ones are fully and adequately addressed.

Questions that will be asked about the Idete CDM Project

Further research will attempt to respond to a wide range of questions aimed at establishing the social, economic, cultural and environmental sustainability of the Green Resources Ltd Idete CDM project.

Some of the questions to be asked include (but not limited to) the following:

(a) Questions of local capacity for engaging with the project and therefore ensuring that they reap the maximum possible benefit from it.

Do the Idete village community understand how the project will affect them?

(b) Questions around livelihood impacts

Will the project affect local community access to food and water?

Will the project affect food and water resources at a national level?

How will the community be compensated for their losses?

In what ways will this compensation cater for ongoing livelihood needs of the community?

On what basis will the compensation be calculated?

How has the community been engaged in making decisions about this project that will obviously have life-style and culture changing impacts on their lives?

(c) Questions about the environmental sustainability

How will grasslands be affected by the plantation project?

What will be lost from the biodiversity of the area if plantations are established at Idete?

How do the CBD and conservation NGOs protect Biodiversity in Tanzania?

What will be the effect of roads built to access the plantations?

(d) Questions about the climate change and carbon sequestration capacity of project in the short and the long term

How much carbon does a plantation project like this sequester?

Are there hidden ways that plantations cause carbon emissions?

(e) Questions around institutional involvement in the project

Do the World Bank and other IFIs, influence plantation policy in Tanzania?

What are the roles of the Norwegian government?

What are the capacity levels of the Tanzanian government in engaging with this project at inter-governmental level?

To what extent does existing capacity levels in Tanzania allow for ensuring that project benefits are reaped locally?

Does the government of Tanzania have enough credibility among the local people and what is its track record in other potentially lucrative deals in distributing income back to the affected communities?

What is the perception of the people at the community level about the capacity and political will of the government of Tanzania to channel back the resources to the affected communities?

What is the relationship between the government of Tanzania and NGOs in this sector in terms of ensuring open communication and engagement in dealing with any unintended, unforeseen and unplanned consequences of the project if it goes ahead?

About Timberwatch

The Timberwatch Coalition in South Africa was formed in 1995, to bring together a range of nongovernmental organisations (NGOs) and individuals concerned about the negative effects of large-scale industrial tree plantations. These plantations are grown to produce timber and paper products mainly for export to the North, and invariably cause substantial environmental damage, besides being to the detriment of local communities and rural economies in the affected areas.

Timberwatch has 14 local NGO members and a network of individual supporters that often serve as our 'eyes', especially in remote outlying regions of South Africa where tree plantations are grown. We also work closely with international NGOs such as the World Rainforest Movement (WRM).

Timberwatch has been associated with Global Forest Coalition (GFC) since 2003, and has produced national monitoring reports, on South Africa's compliance with forest related clauses in the CBD (Convention on Biodiversity), and the UNFCCC (United Nations Framework Convention on Climate Change). Timberwatch represents the GFC as its NGO focal point in Africa, with responsibility for building relationships with other African NGOs that are focussed on the welfare of forests, and forest dependent peoples. Other issues that we are involved in are the spread of agrofuel crop production; biochar, biomass fuels, and now carbon sink plantations.

See: www.timberwatch.org and:

The Global Forest Coalition – www.globalforestcoalition.org

The World Rainforest Movement - www.wrm.org.uy

Siemenpuu Foundation - www.siemenpuu.org

Grassroots Foundation - www.grassroots.de

Friends of the Earth – www.foei.org

FSC–Watch - www.fsc-watch.org

GeaSphere - www.geasphere.co.za

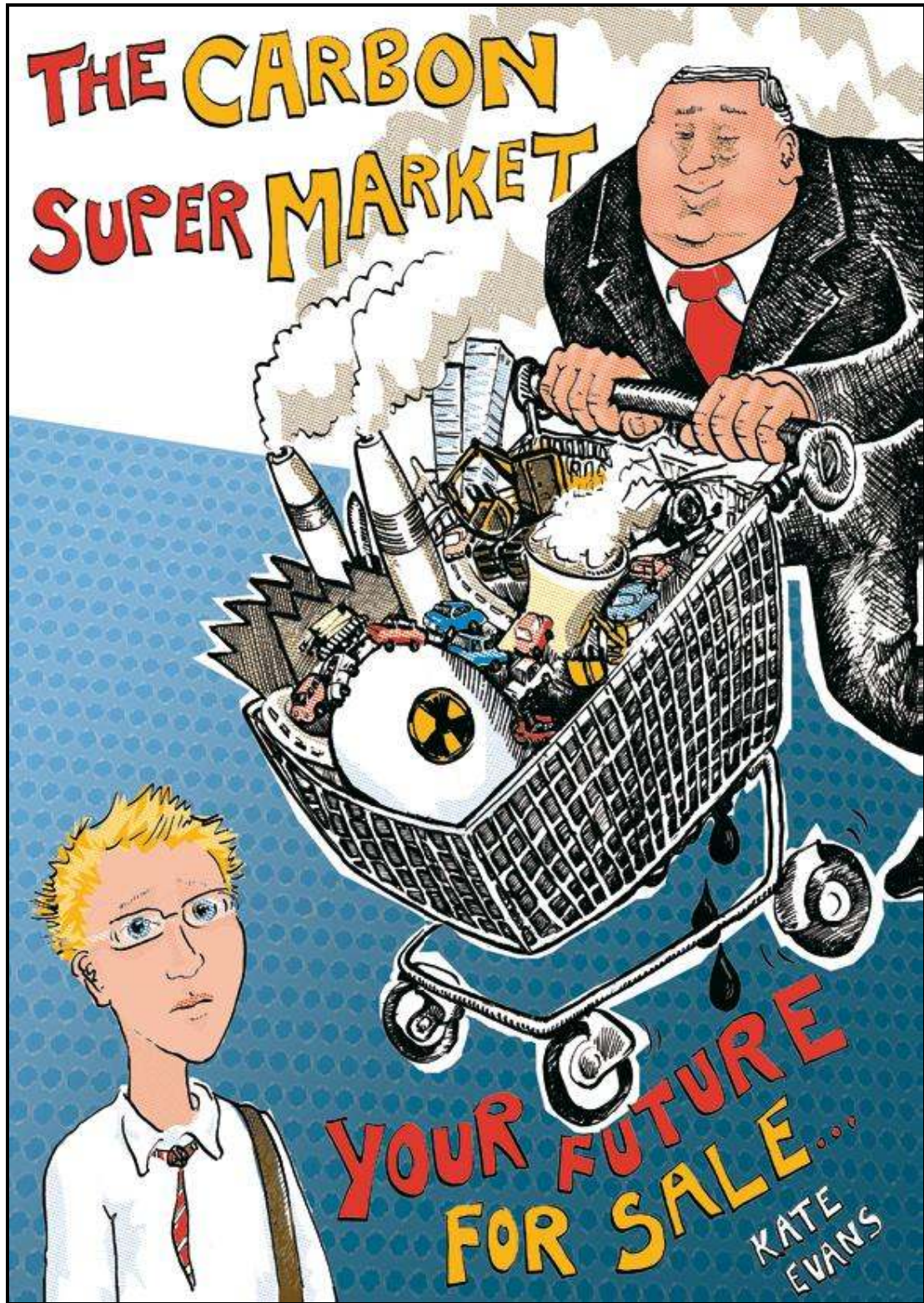


References and resources (Draft)

This section will be updated periodically and expanded as new information becomes available.

1. **The World Rainforest Movement – Carbon sink plantations**
http://www.wrm.org.uy/bulletin/125/Carbon_sink_plantations.html
2. **Green Resources Ltd – various company documents and articles**
<http://www.greenresources.no/>
3. **Harald Eraker 2000, *CO2lonialism: Norwegian Tree Plantations, Carbon Credits and Land Conflicts in Uganda*. Norwatch, Norway**
<http://www.norwatch.no/rapporter/reports-in-english/44-treefarms-in-uganda-co2lonialism/download.html>
4. **Time running out for CDM forestry**
<http://www.carbonpositive.net/viewarticle.aspx?articleID=1443>
5. **Equity Watch (CSE India) Published date: 25/10/2000 ‘Carbon Colonialism, Cheap Fix’**
<http://www.cicero.uio.no/publications/detail.aspx?id=722&lang=EN>
6. **Point Carbon and Perspectives, ‘CDM Due Diligence Idete Reforestation Project in Tanzania’ *Prepared for the Ministry of Finance, Norway***
<http://www.regjeringen.no/upload/FIN/okonomiavdelingen/Idete%20CDM%20due%20diligence.pdf>
7. **Speculating on Carbon: The Next Toxic Asset - Author(s): Steve Suppan**
Summary: This paper reviews efforts within U.S. climate legislation and the UNFCCC to create a new carbon emissions derivatives market—which supporters claim is necessary to provide adequate capital for carbon trading. But proposals for a new carbon derivatives market include the same regulatory loopholes that led to excessive speculation on commodity futures markets in 2007 and 2008. Nov 30 2009
http://www.iatp.org/climate/files/document/Web_Steve_Cop15.pdf
8. **Agriculture and climate change: real problems, false solutions**
by Helena Paul, Almuth Ernsting, Stella Semino, Susanne Gura & Antje Lorch
EcoNexus, Biofuelwatch, Grupo de Reflexion Rural, NOAH - Friends of the Earth Denmark, and The Development Fund Norway
<http://www.econexus.info>

9. **FSC Public summary report for Green Resources Mapanda/Uchindile project**
<http://www.forestry.sgs.com/documents/7948-tz-qr1-ma2007-10-ad36a-gm-psummary.pdf>
10. Cecilia Luttrell, Kate Schreckenber and Leo Peskett, [PDF] [ODI Forestry Briefing - *The implications of carbon financing for Pro-poor Community Forestry*](#) *Forestry Briefing 14*, December 2007
<http://www.odi.org.uk/resources/download/438.pdf>
11. [PDF] [Seeing 'REDD'? 'Avoided deforestation' and the rights of Indigenous Peoples and local communities.](#) *Tom Griffiths, Forest People's Programme, June 2007*
http://www.forestpeoples.org/documents/ifi_igo/avoided_deforestation_red_jun07_eng.pdf
12. GLOBAL WITNESS September 2009. [Trick or Treat: REDD, Development and Sustainable Forest management](#) .
http://www.globalwitness.org/media_library_detail.php/838/en/trick_or_treat_red_agreement_threatened_by_logging_euphemism
13. Global Forest Coalition – REDD Realities Reports
<http://www.globalforestcoalition.org/img/userpics/File/publications/REDD-Realities.pdf>
14. Norway agreed to pay Guyana up to \$250 million by 2015 to preserve forests in the South American nation as part of a scheme to slow climate change. <http://www.reuters.com/article/idUSL9486183>. CH .2400
15. 'Traders of Nothing'
<http://timberwatch.org/uploads/Traders%20of%20nothing.pdf>
16. CDM international photo contest <http://cdm.unfccc.int/contest/index.html>
17. 'Time running out for CDM forestry'
www.carbonpositive.net/viewarticle.aspx?articleID=1266
18. 'And yet it moves' UNEP report [PDF 470 KB]
http://www.unepfi.org/fileadmin/documents/and_yet_it_moves.pdf
19. CCS (Carbon capture & storage) website of FoE Denmark/NOAH Energy and Climate <http://ccs-info.org>
20. Carbon Trading – How it works and why it fails [Oscar Reyes](#) & [Tamra Gilbertson](#) <http://www.tni.org/carbon-trade-fails>
<http://www.carbontradewatch.org>



Don't know about carbon trading? Don't care? Here, have a copy of my latest comic. You will. www.cartoonkate.co.uk
Click on the image to download the pdf - read and enjoy. [3.6MB]

Internet reports and articles that mention “Idete” and “FSC”

1. [GRAS comments to VG article June 3rd 2009](#)
Idete C GRAS comments to VG article June 3rd 2009 · Annual Report 2007 ... *Idete* Forest project with the expectation of achieving FSC certification within a year
<http://www.greenresources.no/GRAScommentstoVGarticleJune3rd2009/tabid/178/Default.aspx>
2. [letter to Shareholders May 2009](#)
In Tanzania, we received the title to 14000 ha land in *Idete*, the Southern ... In March, GRL had a successful FSC surveillance visit, confirming last year's
<http://www.greenresources.no/lettertoShareholdersMay2009/tabid/175/Default.aspx>
3. [PDF] Reforestation in grassland areas of *Idete*, Mufindi District.
the *Idete* Forest Project and surrounding areas. Of these species 6 (5%) are ...design, and has followed FSC guidelines in relation to procedures. ...
http://www.climate-standards.org/projects/files/tanzania/CCBA_PDD_Idete_21th_May_2009.pdf
4. [PDF] [Validation Report](#) followed by *Idete* and Kiyowela in IFP and lastly Chogo and. Mapanda in MF. protected following FSC rules where a distance of one to two tree ...
http://climate-standards.org/projects/files/tanzania/Validation_Report_CCBA_UFP-MFP_16Oct09-4.pdf
5. [PDF] CDM Due Diligence *Idete* reforestation project in Tanzania: PDF/Adobe Acrobat - [View as HTML](#) Finance in connection with the Green Resources *Idete* plantation project and ... purpose of commercial wood production in compliance with the FSC (Forest ...
<http://www.regjeringen.no/upload/FIN/okonomiavdelingen/Idete%20CDM%20due%20diligence.pdf>
6. [PDF] [Introduction to Green Resources carbon offset activities](#) File Format: PDF/Adobe Acrobat - [View as HTML](#) 24 Sep 2008 ... *Idete* Forest Project (IFP) in Mufindi district, Iringa Region ... FSC. CCBA. Done. Nov, 08. Documentation for monitoring in ...
<http://www.sawlog.ug/downloads/Session%203%20Plantation%20development%20Tanzania.pdf>
7. [Tree Trouble](#)
of Uchindile, *Idete*, and Mapanda identified a far greater problem than the low wages: Many workers had not been paid at all. In all three villages, ...
<http://www.old.fsc.org/plantations/docs/Resources%20-%20Stakeholder%20submissions/Friends%20of%20the%20Earth%20-%20Tree%20Trouble.pdf>
8. [Spørsmål og svar om kvotekjøp 2009 - regjeringen.no](#) - [[Translate this page](#)] Alle plantasjene til Ernslaw One på New Zealand er FSC-godkjent (Forest ... Hvorfor offentliggjorde dere ikke rapporten om *Idete* før dere inngikk kontrakt? ...
<http://www.regjeringen.no/nb/dep/fin/aktuelt/nyheter/2009/nye-kontrakter-om-kjop-av-6-millioner-kl/sporsmal-og-svar-om-kvotekjop.html?id=565070>
9. [PDF] [CLEAN DEVELOPMENT MECHANISM](#) [View as HTML](#)
Reforestation at the *Idete* Forest Project in the Southern Highlands of Tanzania been set aside to meet FSC and other requirements under Tanzanian law. ...
<http://cdm.unfccc.int/UserManagement/FileStorage/PBNE9CKZX6FG501AVQMYU3OJ8H2DWI>
10. [PDF] [Frontier Tanzania Environmental Research](#) - certification from the Forestry Stewardship Scheme (FSC) and ISO 14001. The company does not help because they are not in the area *Idete*,
<http://www.frontier-publications.co.uk/reports/Tanzania/Savannah/KilomberoValley/FTER122SocialSurveysPreliminaryReport.pdf>
11. [PDF] [[Translate this page](#)] - [View as HTML](#) 2. okt 2009 ... De to største plantasjene ble FSC sertifisert i 2008, øvrige sertifiseres For *Idete* forest prosjekt i Tanzania er det ingått ...
www.fylkesmannen.no/Salg_av_klimavoter_i_selskapet_Green_Resources_AS_i_Afrika_1np7r.pdf
[ile](#)