## Carbon cowboys and the fate of indigenous natural resource rights

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## **Abstract**

A renewed international re-appropriation of land for food and tree plantations, or biodiversity and terrestrial carbon is taking place worldwide. Until now, much attention has gone to land grabbing, i.e. efforts by agribusinesses, investment funds and government agencies to acquire long term rights over land and vast tracks of forests, for future food and biofuel production. The areas affected are vast and located on all three tropical continents. The exact nature of this land grabbing is diverse, but it is essentially fought out as a struggle over land property rights. Oftentimes the land grabbers negotiate with national governments who transfer land property or usufruct rights to the land grabbers and during that process dispossess local residents who only hold customary rights or even legal tenure.

Because of the global efforts under the UNFCCC to assure reduction of atmospheric carbon dioxide emission, much interest has been focused on carbon stocks of tropical forests, resulting in UN implemented or sanctioned global projects like REDD+, which aims to compensate reductions in forest carbon emission. These efforts aim for global climate change mitigation, but they also represent serious economic interests, since, for instance, they allow businesses to offset emission caused by industrial production at a lower cost, and they are causing a new wave of tropical forest rent seeking. As a result, a new trend especially in tropical forest countries of carbon grabbing can be observed. This carbon grabbing equally has numerous dimensions, including contestation over carbon rights, essentially property rights over carbon stored in forest vegetation. Carbon grabbing, however, also results in the restriction of indigenous user rights over natural resources in their own environments, rights that oftentimes had been acquired after much struggles in the last one or two decades.

The paper proposed here reviews global carbon grabbing and how it affects indigenous natural resource rights. In particular it analyses the case of carbon grabbing in the Peruvian Amazon, personified by an Australian national, David Nilsson and his company Sustainable Carbon Resource Limited. In 2010 Nilson offered a carbon deal to the Matses Indigenous People, which would transfer carbon rights from their territory to Nilsson's company. Applying a slick campaign based on skewed information on possibilities to cash in on carbon deals, Nilsson tried to convince the indigenous people, but also the Prefectural Government of the potential financial rewards. These efforts became known by the local press which published several articles accusing Nilsson of fraud. AIDESEP, the national indigenous organization that represents multiple Peruvian Indigenous Federations, and COICA, the Amazon basin wide representative of indigenous organizations specifically referred to this case in their Iquitos Declaration, and it contributed to the sceptical view on UNFCCC and REDD+ in that declaration. While initially condemned, at a later stage local collaborators, including prefectural government officials again supported Nilsson in a subsequent round of negotiation agreement with indigenous groups.

The case of David Nilsson and his company and how they aimed to manipulate indigenous groups to transfer carbon rights, allows posing some intriguing questions, as will be done in this paper. Does a new valuation of a previously low value resource (terrestrial carbon) and new global arrangements to mobilize those resources and facilitating their trade (UNFCCC and REDD+) undermine indigenous rights over natural resource, rights that they have acquired during half a century after oftentimes severe and even violent struggles? Is there something wrong with how those new global arrangements are designed and implemented? And, how much has the David Nilsson and SCRL case contributed to what can be considered an indigenous climate change counter discourse? The paper will try to answer those question.