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To the Parties of the UNFCCC and Members of the Article 6.4 Supervisory Body

Blue Carbon and the New Scramble for Africa's Forests

As the United Arab Emirates (UAE) prepares to host the crucial COP28 climate summit, a company run by one of the oil-producing country's royal family is acquiring vast areas of forest in Africa, in order to generate controversial carbon offset credits.

Blue Carbon LLC, a private company based in Dubai, is finalising deals with at least six African countries to acquire huge swathes of their forests to harvest carbon credits. Although the deals are shrouded in secrecy, it appears that at least 25 million hectares of forests – an area larger than the UK – is being handed to Blue Carbon.

These deals not only pose serious risks to the lives and livelihoods of millions of people living in these areas, they also undermine the possibility of these countries being able to use these forests to meet their own climate commitments. And as these credits could be used by UAE and other rich, polluting countries to increase fossil fuel development, it will further deepen the climate crisis.

The deals

Sheikh Ahmed Dalmook Al Maktoum, a member of the royal family of Dubai, which is part of the UAE, founded Blue Carbon in October 2022 "to create environmental assets and nature-based solutions as well as support carbon removal projects worldwide," according to **Trade Arabia**. The company says it will work to advance and integrate nature-based solutions into climate change mitigation initiatives to help countries fulfil their net-zero emissions commitments by 2050, in compliance with Article 6 of the Paris Agreement.

Blue Carbon is in the process of finalising deals with six African countries which would give it the right to manage a forest area larger than the UK. In July, a contract was **leaked** detailing an agreement between the Liberian government and Blue Carbon. The deal, which is yet to be signed, gives Blue Carbon exclusive rights to control 1 million hectares of land, one-tenth of Liberia's land mass where up to one million people live, for 30 years - in return for unclear financial benefits.[1] In this new scramble for Africa, Blue Carbon has also signed Memorandums of Understanding (MoUs) for similar deals with the governments of Angola, Kenya, Tanzania, Uganda, Zambia and Zimbabwe. The details remain opaque. But what we know is alarming. In Zimbabwe, a **fifth** of the country's **landmass** - or 7.5 million hectares - would be given over for the production of carbon credits; while in both Tanzania and Zambia, Blue Carbon will assume control of 8 million hectares of land. No data has been made public for Kenya or Angola.

Deepening the climate crisis

All carbon offset schemes are a huge diversion from the urgent task of decarbonising our societies. The very premise that fossil fuel emissions can be offset by tree planting or other land-based schemes is **flawed**. Blue Carbon's primary target for carbon-credit generation appears to be curbs on deforestation. Credits from such "avoided emissions" are highly disputed as estimates of how much carbon has been kept in the forests depend on assumptions about how much deforestation would otherwise have occurred, which are inherently uncertain and prone to falsification and corruption. Meanwhile, burning fossil fuels now contributes to further heating of the planet. In this case, UAE's state oil company Adnoc has the largest net-zero-busting expansion plans of any company in the world. In November 2022, **Adnoc announced a US\$150bn investment** over five years to enable an "accelerated growth strategy" for oil and gas production. **Data** also shows that Adnoc has more planned expansion due to be approved after 2023 than any other company. Hence, it appears that Blue Carbon's interest in harvesting carbon credits in Africa's forests is linked with UAE's fossil fuel expansion plans.

Communities losing control

Local communities in these forests, who have so far not been consulted in any of the countries where the deals will take place, are, however, very concerned. Not only could they lose control over their forests for generations; what they can and can't do on their own land will be regulated by a foreign company with no previous experience in forest management.

Among the Liberians speaking out is **Goldman Prize winner Silas Kpanan'Ayoung Siakor**. While he stresses that money is desperately needed to support local communities protecting their forests, he also sees the deal as a threat to rural Liberians' hard-won land rights. The Blue Carbon deal certainly does not recognise that local communities in Liberia own their land and must give informed consent before it is handed out in carbon concessions.

[1] The draft contract specifies that of the value of each carbon credit created, the Government of Liberia gets 10 % in royalties. Of this 10 %, half goes to the communities "in and around the conservation area". When a credit gets sold on the carbon market 70 % of the selling price (**minus the costs generated to create the credits**) goes to Blue Carbon and 30 % to the Government of Liberia for the first ten years. Of this 30 %, 40% goes to the affected communities.

It is likely that all these deals will require the governments to present the land 'free and clear of any encumbrances', as the Liberia deal stipulates. This could lead to evictions - **as is already happening today with the Ogiek people in Kenya**, where over 500 people have been evicted from their forest land, their houses have been burnt down and they have nowhere to go.

The Blue Carbon deals are not the only game in town, with scores of dubious offsetting projects being established across Africa and the tropical forest belt, often with no consultation of Indigenous Peoples and other local communities who can face displacement or severe restrictions on their livelihoods.

There is **clear evidence** that the best way to protect forests is to recognise the rights of the people living in these forests. Rather than undermining these rights, climate plans and related funding should go to recognising these rights, demarcating and gazetting community owned land areas and supporting the enabling conditions for communities to improve their livelihood.

COP 28

COP28 in Dubai, hosted by UAE is a perfect moment to show that Carbon colonialism is not the way forward. Real emission reductions must be made, rather than relying on dubious forest offsetting schemes. Local community rights must be strengthened, rather than undermined.

With Parties due to agree on the rules for trading carbon in Article 6 of the Paris Agreement, **we call upon all Parties to reject the inclusion of 'avoided emissions' credits.** [2] If these credits are accepted, it will lead to governments greenwashing, and make their declarations about Nationally Determined Contributions (NDCs) - the central plank of the Paris Agreement - meaningless. If avoided emissions from forests are excluded from Article 6 this would send a signal to governments that there is no credibility in trading credits from avoided deforestation.

We also call on Blue Carbon and its partner African governments to suspend their agreements and open them up to proper public scrutiny.

Real climate solutions involve empowering communities and stopping not accelerating the scramble for land, power and profit that are driving ecological breakdown across the world.

[2] They will likely not be excluded from article 6.2 but withdrawing them from article 6.4 would still be an important message and reduce loopholes in the Paris Agreement.

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The African CSO Biodiversity Network (ACBA) – Yemi Katerere
Biofuelwatch Europe/USA – Almuth Ernsting
BothENDS, Netherlands – Paul Wolvekamp
CCFD-Terre Solidaire, France – Jean-François Dubost
Centre for Natural Resources Governance, Zimbabwe – Farai Maguwu
Civil Society Independent Forest Monitoring (CSIFM), Liberia – Abraham Billy
Civic Response, Ghana - Albert Katako
The Corner House, UK – Larry Lohmann
Dogwood Alliance, US – Scot Quaranda
Environmental Investigation Agency (EIA), UK/US – Sophie Bennett
Fern, UK/Brussels – Alexandra Benjamin
Focus Association for Sustainable Development, Slovenia – Živa Kavka Gobbo
Forum Ökologie & Papier, Germany – Evelyn Schönheit
Foundation for Community Initiatives (FCI), Liberia
Foundation for Good Governance and Democratic Initiative (FGGDI), Liberia – Julie T. B. Weah
Friends of the Earth International – Sara Shaw
Friends of the Earth England, Wales, and Northern Ireland, UK – Mike Childs
Global Forest Coalition – Souparna Lahiri
GRAIN, Spain
Institute for Agriculture and Trade Policy (IATP), US – Steve Suppan
The Institute for Ecosoc Rights, Indonesia – Sri Palupi
The Institute for Multi-resource Development (IMDev), Liberia – Richard Hoff II
Kenya Land Alliance, Kenya – Faith Alubbe
Leefmilieu, Netherlands – Maarten Visschers
Maison de l'Enfant et de la Femme Pygmée, Central African Republic – Saint-Jérôme Sitamon
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Save Estonia's Forests, Estonia – Liina Steinberg
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