

## CASE STUDY

## THE CORDILLERA AZUL NATIONAL PARK VERRA-VERIFIED REDD+ PROJECT, PERU<sup>142</sup>



**Accounting period:** since 2002



**Forest area:** 1.3 million hectares



**Claimed carbon savings:** 25.2 million tonnes



**Key issues:** inflated baseline, leakage, lack of additionality, lack of Indigenous peoples' consent



This project was developed under the Verra VM0007 REDD Methodology. It was initiated in 2008, though only validated by the certification company SCS in 2013, with the first verification having taken place at the same time<sup>143</sup>. According to the Verra registry, the first carbon credits for the project were issued in July 2015, and will continue to be generated until 2028.

The project's claim to additionality was that, in its absence, the area of the Cordillera Azul National Park (CANP) would be deforested, and funds would not be available to protect it<sup>144</sup>. However, according to various reports (including the carbon project document itself), the main threats to the area's forests had already been rapidly resolved following the park's establishment in 2001 – seven years before the REDD+ project started.

The baseline for the project was derived from deforestation data from the area surrounding the park. However, this was not comparable, as this area is mostly lowland suitable for agriculture, whereas the CANP is mostly uplands and partially very inaccessible. A future scenario of deforestation in the park in the absence of the carbon project rested on huge projected increases in population, up to 26 percent annual compound growth in some areas. This resulted in an implausibly high baseline, and hence the creation of a high volume of credits. Actual deforestation, even before carbon funding started, was very much lower than the project had claimed it would be.

Another major issue was the extent to which any emissions reductions inside the project area were simply shifted elsewhere. Though the project recognised this could be an issue, methodological manipulations allowed for the recordable 'leakage' (which should be deducted from the issuable carbon credits) to be reduced to zero. While the project was based on its ability to stop immigration into the park of a fast-growing population, it could not and did not attempt to do anything to stop farmers seeking land from simply clearing abundantly available forests elsewhere, even in close proximity to the park. Leakage could in fact be close to 100 percent. Nevertheless, the first four monitoring reports for the project (covering 2008-2016) recorded zero emissions leakage, and every corresponding verification report issued by Verra-accredited auditing firms duly accepted this claim.

Finally, the project failed to properly consult with and obtain the consent of various Indigenous communities living in and around the park. According to a local Indigenous federation, the CANP has blocked the community's land title claims to several thousand hectares of the park<sup>145</sup>. In July 2020, the community started a court case against the Peruvian Government and the park, challenging their '*refusal to title their traditional lands, the imposition of exclusionary conservation and profit-making from carbon credits sold without their consent*'<sup>146</sup>.

<sup>142</sup> A more detailed version of this case study, and full references, can be found in Kill, J. and Counsell, S., 2022

<sup>143</sup> VCS, 2013

<sup>144</sup> CIMA, 2012

<sup>145</sup> Hill, D., 2021

<sup>146</sup> FPP, 2021