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## [Expansion of tree plantations for carbon markets: more evidence of the offsetting fraud](#)

Destructive extractive industries are tapping into the public concern about climate chaos to promote misleading tree plantation projects as a solution for their increasing fossil fuel emissions. Plantation companies hope for new sources of revenue while fossil fuel-dependent industries seek an alibi to continue with their pollution. The result is the intense growth of tree plantation projects for carbon offsetting and a steady increase in the demand for carbon credits.

Several organisations already warned 23 years ago (1) that the capacity of trees to absorb and store carbon has been perversely used to boost the greenwashing lie that planting more trees can compensate the climate damage caused by fossil carbon emissions. What does not appear in the companies' "planted forests" adverts is the devastation their plantations cause.

Industrial timber plantations have taken over 130 million hectares of the planet at the cost of eviction of grassroots communities, land grab, water grab, increasing oppression on women, deforestation, biodiversity loss and often raging fires that not only release all the carbon back into the atmosphere, but also destroy livelihoods and cause deaths. To conceal the intrinsic violence of this production model, companies continue spreading lies and greenwashing their plantations. (2)

This trail of destruction and community conflicts has not stopped companies, investors and governments from presenting plantations for carbon offsetting as a solution to the climate crisis.

In the past two years, tree plantation initiatives aimed at carbon markets have doubled in terms of both the number of projects, as well as their average size. Considering the four major voluntary carbon registries in the world (3), the number of applications and projects increased from 167 to 367 from January 2021 to May 2023, with an average of estimated annual emission reductions from 135,000 to 213,000 tons of carbon dioxide per project. Almost 90 percent of the projects take place in the Global South.

Some of the largest plantation companies are among the profiteers. The giant pulp & paper company Suzano in Brazil argues that its 38,000 hectares of eucalyptus plantation project in the state of Mato Grosso do Sul would not have taken place without the extra income from the carbon credits – a blatant lie given that the company has been aggressively expanding its plantations to feed its new pulp plant under construction.

**Tree monocultures are not the only problem.** Companies that specialize in profiteering from the polluting industries' interest in carbon offsets are signing up small-scale farmers and indigenous peoples for tree planting. In several of these smallholder schemes, the farmers are unaware that their names and lands will be used by faraway companies to make an extra profit and claim to be 'carbon neutral'. Through the Paris-based Livelihoods Fund, for example, companies like Danone, Michelin, Hermès, SAP, Mars, Chanel, and 'development' banks like Germany's KfW (through its subsidiary DEG Invest), and others are investing in plantations in Andhra Pradesh, India, where farmers say they are not aware of carbon credits, even though their land and labour has generated carbon credits

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that only benefit polluting industries. (4)

Oil companies have also been involved in land grabs to expand tree plantations for carbon offsetting. In the Republic of Congo, communities have nowhere to grow their food because oil giant Total is taking over the land to set up tree plantations, claiming its profiting from oil and gas extraction can continue without damaging the climate. (5)

At the national level, many governments and lawmakers have done their part to promote tree plantations for carbon offsetting. For example:

- In New Zealand, as a central piece of the government's path to emissions reduction, the state emissions trading scheme rewards those landowners who invest in pine monocultures. This government support has driven a sharp increase of such monocultures; this has dissolved communities and caused huge social and cultural losses. (6)
- In Paraguay, the Proeza project guides the State's institutional policy for forestry, and is based on eucalyptus plantations expansion to meet the country's National Determined Contributions (NDC). (7) Projects have been financed by the Green Climate Fund and carried out through the Arbaro Fund, whose plantations have been exposed for abuses and harm to communities in the South American and African countries where it operates. (8)
- In India, the parliament has recently approved the Forest Conservation (Amendment) Bill, which lowers the restrictions for establishing tree plantations on certain types of land. This could trigger a considerable expansion of afforestation and reforestation projects under the guise of planting trees to help the country to achieve its net-zero emissions target by 2070.

At the international level, corporate lobbies, intergovernmental organizations and big conservation NGOs push States to advance even further the legitimization of compensation mechanisms, including monoculture tree plantations. That's what stands out when looking at attempts to further integrate carbon offsetting in the UN Paris Agreement; the number of deals (9) signed between big project developers and national governments ahead of the UN-Climate COP 28 to scale up carbon projects covering millions of hectares; at the fact that corporations are closely monitoring the outcomes of the UN climate conference in terms of the market implications of its decision-making (10); and at events such as the Africa Climate Summit aimed at "driving green growth & climate finance solutions", in which tree plantations and carbon offsets received significant attention.

Meanwhile, the root of the problem remains untouched. Global extraction of oil, gas and even coal is expected to reach record levels by the end of 2023 – and so are greenhouse gas emissions. (11) As large as they can be, no tree plantation or any other "nature-based solution" will ever be able to absorb the carbon continuously transferred from the underground to the atmosphere.

Whether as large monocultures or as nicely sounding projects with grassroots communities, tree plantations for carbon offsetting will never be a solution to the climate chaos and will never solve the problems of land- and forest-dependent communities in the Global South. On the contrary, the expansion of these plantations is further evidence of the scam of carbon offsetting, allowing the fossil fuel-dependent industry to keep business as usual and deepening colonial, capitalist, patriarchal and racist relations that oppress communities. For all these reasons, tree plantations for carbon offsetting must be confronted and stopped!

## **WRM International Secretariat**

(1) [The Mount Tamalpais Declaration](#), 2000.

(2) See here the [most common misleading statements](#) currently used by plantation companies or

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here [what could be wrong about planting trees](#).

(3) [Verra-VCS, Gold Standard, Climate Action Reserve \(CAR\) and American Carbon Registry \(ACR\)](#)

(4) See more in the report [“Discredited: the voluntary carbon market in India”](#).

(5) [“La compensation carbone au détriment des populations”](#).

(6) [New Zealand falls out of love with sheep farming as lucrative pine forests spread](#).

(7) [“The devil’s totality: Paraguay’s struggle against agribusiness and monoculture”](#).

(8) [Arbaro Fund: a strategy to expand industrial tree plantations in the Global South](#).

(9) For example [the agreement signed between UAE and Zimbabwe](#).

(10) An example was the [“Global Carbon Markets Conference” in November 2023](#).

(11) [Oil](#). [Gas](#). [Coal](#).