

Civil society statement on biodiversity offsets and credits

We, the undersigned, express our grave concerns about biodiversity crediting, offsetting, and related trading schemes. Biodiversity markets are being modelled on the carbon markets, which have serious failings. Additionally, there are insurmountable problems and dangers:

A wrong answer to the wrong question

- The justification for biodiversity offsets and credits is that there is a huge gap between the funding needed and what is available for biodiversity protection. Biodiversity offsets and credits build on a top-down, fortress conservation model, which is highly ineffective, costly, has often involved human rights abuses, and is the wrong response to address biodiversity loss.
- Instead, other proven forms of biodiversity protection, such as the legal designation of Indigenous Peoples' territories, and environmental regulation and enforcement, should be implemented.
- There is a deficit in the prevention and regulation of biodiversity-destructive activities, which amounted to \$7 trillion annually in 2023. Reforming and redirecting harmful subsidies, estimated to be \$1.7 trillion in 2022 and providing public financing in the form of grants, are better ways to address the funding gap, avoiding the need for risky financing schemes.¹
- Just as carbon offsetting delays climate ambition, biodiversity offsetting will only delay urgent action on addressing the root causes of biodiversity loss.

Offsetting and greenwashing

- Cumulative land-based carbon-removal pledges, before the new land-based biodiversity credits that are now being scaled up, added up to 1,200 million hectares globally, nearly as much as all agricultural land.² There is no more land to offset carbon emissions or biodiversity loss without displacing peoples and undermining food systems.
- Based on the long experience with carbon credits, claims that biodiversity credits are 'additional contributions' to biodiversity protection and would not ultimately be used for offsetting purposes are either naïve or false.³ If biodiversity credits are purchased without the intention of using them for offsetting purposes, they are most likely purchased for greenwashing purposes.

Failing on equity and rights

- International biodiversity markets could allow elites, especially in the Global North, to continue destroying ecosystems, whilst purchasing cheap and abundant credits from the Global South.
- Biodiversity offsetting can create conflicts over tenure rights and the use of lands, fisheries and forests, competing with agroecology and smallholder agriculture, undermining food sovereignty. It will likely drive land grabbing, community displacements, increasing land inequality⁴ and human rights abuses, just as carbon offsets do.⁵
- Indigenous Peoples, local communities, peasants and other small-scale food producers, women and youth, the guardians of most of the planet's biodiversity, typically have received only a fraction of the proceeds of offset projects in their lands, whereas project developers and financial intermediaries receive the biggest share. Resources generated by market supply and demand are further unlikely to be equitably accessible for communities.

Perpetuating market-driven failures

- The commodification of nature through the monetary valuation of ecosystem functions and the creation of biodiversity markets runs fundamentally in opposition to the cosmovisions of many

Indigenous Peoples and other communities, who understand Nature as our mother, not as a commodity.⁶

- Biodiversity offsets and credits allow private markets to price and prioritize biodiversity actions, diminishing governments' role in biodiversity protection as a public good. Market-based biodiversity protection, driven primarily by short-term financial considerations, cannot be consistent with scientific knowledge on species and ecosystem prioritization needs⁷.
- Offsetting schemes typically rely on creating a future scenario of what would have happened without the project. These 'baseline' scenarios have proven extremely easy to manipulate, resulting in false and worthless credits.
- Proving 'additionality' is difficult, as it is impossible to demonstrate that conservation outcomes would not have happened otherwise. Achieving 'permanence', i.e. demonstrating that the positive changes will last over time, is inherently impossible. 'Leakage', where the negative impacts on biodiversity will only be shifted elsewhere, is a tangible risk.
- The problems with additionality, permanence, leakage, and baseline manipulation will be much more severe and intractable in biodiversity markets than in carbon markets, where these problems already exist.

Weak measurement methodologies

- Finding a common unit for biodiversity accounting purposes would involve serious oversimplification of ecosystem values and functioning. It is not possible to simplify millions of species and their complex web of interdependences into a few tradable assets⁸.
- Proposals to measure biodiversity gains are based on poor methodologies, many of which allow the cherry-picking of indicators, ignoring important and unique attributes of ecosystems.
- The different ways of living from, in, with, and as, nature illustrate the challenges of taking into account the diverse values held by peoples, which are not comparable or interchangeable⁹.

Uncertain revenues

- 'Investment' through biodiversity markets will be unstable and changeable, leading to unpredictable revenue swings for recipients, and fickle economic incentives for conservation¹⁰.
- No major companies have confirmed their interest in purchasing biodiversity credits. Moreover, they are pulling out of the carbon markets after recent exposes of their inherent flaws. There is every reason to expect that the biodiversity market will follow the same path.

Poor governance and conflicts of interest

- There is an absence of effective regulation based on human rights and environmental law. Biodiversity offsets and credit schemes that create human rights violations, or do not live up to minimal environmental standards, are rarely sanctioned.
- The central involvement of organizations such as Verra is highly problematic. They have been responsible for issuing hundreds of millions of phantom carbon credits and have been unable to prevent human rights abuses in projects audited in accordance with their standards¹¹.
- The experience with carbon markets showed us that there is a conflict of interest when it is the same organization which is financially benefiting from the issuance of credits whilst overseeing the process of standard-setting and third-party validation and verification.

Biodiversity credits and offset schemes are false solutions to a false problem – there are much better ways to increase biodiversity financing, without recourse to these risky schemes. Biodiversity offsetting, like carbon offsetting, enables rich countries, corporate actors, financial institutions, and

other actors to profit from the biodiversity crisis they have created and maintain the status quo, avoiding implementing politically difficult decisions to regulate destructive activities domestically, while creating a new asset class for their financial sectors.

We call on governments, multilateral bodies, conservation organizations and other actors to stop the promotion, development and use of biodiversity offsetting and crediting schemes. Instead, we call on them to prioritize transformational change in tackling the underlying causes of biodiversity loss, including: promoting effective regulation of harmful corporate activity; recognizing, respecting, protecting and promoting the right to land of Indigenous Peoples, local communities, small-scale food producers and women; stopping financial flows and investments that are harmful to biodiversity and peoples; removing harmful government subsidies; changing production and consumption patterns especially of the rich; supporting a just transition, including the transformation of food systems toward agroecology; ensuring funds flow directly and fairly to Indigenous Peoples, local communities, small-scale food producers, women and youth for community-led approaches; pursuing effective and equitable means of conservation; and taking immediate steps to phase down the supply and use of fossil fuels.

SIGNATORIES *(as of 29 September 2024)*

Global Civil Society Organizations

1. A Growing Culture
2. Association For Promotion Sustainable Development
3. BankTrack
4. CIDSE (Coopération internationale pour le développement et la solidarité)
5. Community And Family Aid Foundation-Ghana
6. Corporate Accountability
7. Denkhausembremen
8. EcoNexus
9. ECOS
10. Environmental Investigation Agency
11. ETC Group
12. Fern NGO
13. FIAN International
14. Friends of the Earth International
15. Global Forest Coalition
16. Global Justice Association
17. Global Justice Ecology Project
18. Global Youth Biodiversity Network
19. GRAIN
20. Green Global Future
21. Habitat International Coalition- Housing and Land Rights Network
22. Heinrich Böll Foundation
23. HEKS/EPER Swiss Church Cooperation
24. Indigenous Environmental Network
25. Initiative for Equality (IfE)
26. INSPIRIT Creatives
27. International Accountability Project
28. IUCN CEM Eastern Europe
29. MOBILIZED NEWS NETWORK

30. Navdanya International
31. Profundo
32. Rainforest Action Network
33. Rainforest Foundation UK
34. Rettet den Regenwald
35. Schola Campesina Aps
36. Smart Youth Network Initiative
37. Society for International Development
38. Survival International
39. Third World Network
40. Transnational Institute
41. Tripla Difesa On lus Guardie Sicurezza Sociale ed Eco Zoofila
42. Udaan Youth Club
43. War on Want
44. What Next?
45. Women4Biodiversity
46. Women's Earth and Climate Action Network (WECAN) International
47. Women's Environment and Development Organization
48. WOMENVAI
49. World Animal Protection
50. World Rainforest Movement

Regional Civil Society Organizations

51. Action for Climate and Environmental Sustainability ~ ACES
52. Alianza Biodiversidad en América Latina
53. Biofuelwatch
54. Chirapaq/ECMIA
55. Convergence Globale des Luttes pour la Terre, eau et les semences paysannes CGLTE-OA
56. Corporate Europe Observatory
57. Earth Thrive
58. Ecoropa
59. FIDEPE (Fondation Internationale pour le Développement, l'Éducation, l'Entreprenariat et la Protection de l'Environnement)
60. Focus on the Global South
61. Friends of the Earth Europe
62. Gritode los Excluidos Continental
63. Insituto Maíra
64. Instituto Madeira Vivo
65. JVE
66. MAELA
67. Mouvement d'Action Paysanne
68. Natural Justice
69. Ogiek Peoples' Development Program (OPDP)
70. Pacto Ecosocial e Intercultural del Sur
71. PAN Asia Pacific
72. PELUM Association
73. Pesticide Action Network Asia Pacific
74. Redde Acción en Plaguicidas, RAP-AL
75. Redde Cooperación Amazónica REDCAM
76. Resilient40 (R40) Africa
77. Southeast Asia Regional Initiatives for Community Empowerment

78. TAFATAFA
79. Tamil Nadu Land Rights Federation
80. Youth Volunteers for Environment Ghana

National Civil Society Organizations

81. Aalem for Orphan and Vulnerable Children, Inc.
82. Abibi Nsroma Foundation
83. Acción Ecológica
84. Actions Sans Frontières
85. ADJMOR
86. Aksi! for gender, social and ecological justice
87. Al-Haq
88. Alliance for Sustainable and Holistic Agriculture (ASHA)
89. Asociación Nacional de Empresas Comercializadoras de Productores del Campo AC
90. Association for Farmers Rights Defense, AFRD
91. Association Nigerienne des Scouts de l'Environnement (ANSEN)
92. Association of Young People for Environmental Protection in Guinea-Bissau
93. Association pour la Conservation et la Protection des Écosystèmes des Lacs et l'Agriculture Durable
94. Association Pour la protection de l'Environnement et le Développement Durable de Bizerte (APEDDUB)
95. Awaz CDS-Pakistan
96. Awinakola Foundation
97. Biodiversity Conservation Center
98. Biowatch South Africa
99. Broederlijk Delen
100. Brot für die Welt
101. Bruno Manser Fonds
102. Build Peace and Development
103. CAMBIUM
104. Censat Agua Viva
105. Center for Environment/FoE BiH
106. Center for Peace Education and Community Development
107. Centre for Citizens Conserving Environment & Management (CECIC)
108. Centro de estudios Heñói
109. Centro de Estudios y apoyo al Desarrollo Local
110. Centro Ecosocial Latinoamericano
111. Centro Eori de Investigación y Promoción Regional
112. Centro Interdisciplinario de Investigación y Desarrollo Alternativo U Yich Lu'um
113. Chandra Jyoti Integrated Rural Development Society (CIRDS) Dhading Nepal
114. Climate and Community Project
115. Colectivo por la Autonomía
116. Collectif pour la défense des terres malgaches -TANY
117. Collective Determination
118. Consumers' Association of Penang
119. Dejusticia - Centro de Estudios de Derecho, Justicia y Sociedad
120. DKA Austria - Dreikönigsaktion der Katholischen Jungschar
121. Don't gas Indonesia
122. DUKINGIRE ISI YACU (DIY)
123. ECOLISE
124. Ecologistas en Acción

125. ECOPE
126. Ei polteta tulevaisuutta
127. Enda Pronat
128. ESG
129. Family Farm Defenders
130. FDCL-Center for Research and Documentation Chile-Latin America
131. FIAN Belgium
132. FIAN Brasil
133. FIAN Deutschland
134. FIAN Ecuador
135. FIAN India
136. FIAN Indonesia
137. FIAN Paraguay
138. FIAN Sri Lanka
139. FIAN Switzerland
140. FIAN UGANDA
141. FIAN ZAMBIA
142. FIAN, NEPAL
143. FOCSIV Italian Federation Christian NGOs
144. Focus Association for Sustainable Development
145. Forum Ökologie & Papier
146. Friends of the Earth Australia
147. Friends of the Earth Canada
148. Friends of the Earth England, Wales and Northern Ireland
149. Friends of the Earth Japan
150. Friends of the Earth Sri Lanka/CEJ
151. Friends of the Earth US
152. Fundación Ambiente y Recursos Naturales (FARN)
153. Fundación Chile Sustentable
154. Global Media Foundation LBG
155. Good Health Community Programmes
156. Gramya Resource Centre for Women
157. Grupo Semillas
158. Hope of Africa (HOFA) Cameroon
159. Igapo Project
160. Indigenous Environmental Network
161. Indigenous Taiwan Self-Determination Alliance
162. Investigación y Acción Biocultural, Anima Mundi, A.C.
163. JA! Justica Ambiental/FOE Mozambique
164. Jamaa Resource Initiatives
165. JPIC Kalimantan
166. Just Forests
167. Justica Ambiental - JA!
168. Kalpavriksh
169. KOO - Co-ordination office of the Austrian Bishops' Conference for international development and mission
170. KRuHA - people's coalition for the right to water
171. Landelijk Netwerk Bossen-en Bomenbescherming
172. Leefmilieu
173. Legal Resources Centre
174. Legal Rights and Natural Resources Center (LRC)

175. Les Amis de la Terre - Belgique asbl (FoE Belgium)
176. Les Amis de la Terre-Togo
177. Lok Shakti Abhiyan
178. Maryknoll Office for Global Concerns
179. Masifundise Development Trust
180. MAUSAM Movement for Advancing Understanding of Sustainability and Mutuality
181. Milieu defensie
182. Monteverde Commission for Resilience to Climate Change
183. Mouvement Ecologique asbl., FoE Luxembourg
184. Movimiento Independiente Indigena Lenca de la Paz Honduras MILPAH
185. Naturaleza con Derechos
186. ÖBV-Via Campesina Austria
187. OFRANEH
188. ONG
189. ONG ACIEDD
190. ONG ASHAD
191. Pakistan Fisherfolk Forum
192. Participatory Research & Action Network -PRAAN
193. Pastoralists Alliance for Resilience and Adaptation Across Nations (PARAAN)
194. People's Vigilance Committee on Human Rights (PVCHR)
195. Persatuan Aktivis Sahabat Alam - KUASA, Malaysia
196. Persatuan Pemeliharaan dan Pemuliharaan Alam Sekitar Sarawak (PELIHARA)
197. Pertubuhan Pelindung Khazanah Alam Malaysia (PEKA)
198. PILIER AUX FEMMESVULNERABLESACTIVES - PIFEVA
199. Pro Natura / Friends of the Earth Switzerland
200. Protect The Forest
201. Reacción Climática
202. ReCommon
203. Red de Coordinación en Biodiversidad
204. Red Dominicana de Estudios y Empoderamiento Afrodescendiente -Red Afros
205. Réseau des Jeunes pour le Développement Durable -Madagascar
206. Réseau Nigérien des Défenseurs des Droits Humains RNDDH
207. Roots for Equity
208. RSCDA-IO
209. Rural Integrated Center For Community Empowerment
210. RURAL RECONSTRUCTION FOUNDATION (RRF)
211. Sahabat Alam Malaysia
212. Salva la Selva
213. Save Our Rice Campaign Network
214. Size of Wales
215. Slow Food Deutschland
216. Small Scale Livestock and Livelihoods Program
217. SNEHAKUNJA Trusthonnavaar Karnataka
218. Support for Women in Agriculture and Environment (SWAGEN)
219. Sustainable Development Institute (SDI)
220. The Australia Institute
221. The Development Institute
222. The Green Institute
223. The Oakland Institute
224. TORANG TRUST
225. Trend Asia

226. Ubuntu learning hub Trust
227. Unidad de la Fuerza Indígena y Campesina
228. vzw Climaxi
229. Welthaus Diözese Graz-Seckau
230. Zambia Alliance for Agroecology and Biodiversity (ZAAB)
231. Zambian Governance Foundation for Civil Society (ZGF)
232. Zimbabwe People's Land Rights Movement

Academics

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239. Aruna Rodrigues, India
240. Carlos Augusto Pantoja Ramos, Brasil
241. Christine Leiser, Germany
242. David Barkin, Mexico
243. Dr. med. vet. Anita Idel, Germany
244. Elen Shute, Australia
245. Elizabeth Bravo, Ecuador
246. Floren Satizabal P., Colombia
247. Gerardo Cerdas Vega, Costa Rica
248. Giulia Chersoni, Italy
249. Guillaume Carbou, France
250. Helen Newing, UK
251. Jackie Sunde, South Africa
252. Janis Alcorn, Canada
253. Jeff Corntassel, Cherokee Nation citizen; Canada
254. John Thackara, UK
255. K. Nadeesha Nisansala, Sri Lanka
256. Kshama Nagaraja
257. Kudzai, South Africa
258. Kyle, Spain
259. Liliana Buitrago , Venezuela
260. Maria Carolina Olarte, Colombia
261. Marie Bouchet, France
262. Michel PIMBERT, UK
263. Mike Jones, Sweden
264. Nora Faltmann, Austria
265. Olivier Hamerlynck, Mozambique
266. Peter Mukasa Reutter, Germany
267. Prof Jack Heinemann, New Zealand
268. Rajeswari S. Raina, India
269. Rosario Carmona, Norway
270. S Faizi PhD, India
271. Saloni, India
272. Yung En Chee, Australia

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- ¹ UNEP 2023. State of Finance of Nature, <https://www.unep.org/resources/state-finance-nature-2023>
- ² Dooley K., Keith H., Larson A., Catacora-Vargas G., Carton W., Christiansen K.L., Enokeba Baa O., Frechette A., Hugh S., Ivetic N., Lim L.C., Lund J.F., Luqman M., Mackey B., Monterroso I., Ojha H., Perfecto I., Riamit K., Robiou du Pont Y., Young V., 2022. The Land Gap Report 2022, <https://www.landgap.org/>
- ³ Green Finance Observatory, GFO's response to IAPB's consultation on archetypes, 29 April 2024 <https://greenfinanceobservatory.org/wp-content/uploads/2024/04/IAPBconsultation2v5.pdf>
- ⁴ IPES-Food, 2024. Land Squeeze: What is driving unprecedented pressures on global farmland and what can be done to achieve equitable access to land? <https://ipes-food.org/report/land-squeeze/>
- ⁵ Kill J, Franchi G, Rio Tinto's biodiversity offset in Madagascar – Double landgrab in the name of biodiversity?, World Rainforest Movement, Re:Common, March 2016. https://wrm.org.uy/wp-content/uploads/2016/04/RioTintoBiodivOffsetMadagascar_report_EN_web.pdf; Re:common, Turning forests into hotels The true cost of biodiversity offsetting in Uganda, Apr 2019 <https://www.recommon.org/en/turning-forests-into-hotels-the-true-cost-of-biodiversity-offsetting-in-uganda/>; The Guardian, 'Nowhere else to go': forest communities of Alto Mayo, Peru, at centre of offsetting row, January 2023, <https://www.theguardian.com/environment/2023/jan/18/forest-communities-alto-mayo-peru-carbon-offsetting-aoe>; Mongabay, Shell affiliate accused of violating Indigenous rights in carbon credit contracts, November 2023 <https://news.mongabay.com/2023/11/shell-affiliate-accused-of-violating-indigenous-rights-in-carbon-credit-contracts/>; Counsell S., Survival International, Blood Carbon: how a carbon offset scheme makes millions from Indigenous land in Northern Kenya, March 2023, https://assets.survivalinternational.org/documents/2466/Blood_Carbon_Report.pdf
- ⁶ Rojas-Marchini F and Carmona R. Biodiversity offsets and credits: Key aspects that make them problematic for protecting biodiversity, Third World Network Briefing Paper, March 2024, https://www.twn.my/title2/briefing_papers/twn/Biodiversity%20offsets%20TWNBP%20Mar%202024%20Rojas.pdf
- ⁷ As an example, figure S2 in the following article shows early evidence of large concentration of offsets (23% of the dataset) on "moderate condition other neutral grassland" in the UK's Biodiversity Offset Market. Rampling, E., zu Ermgassen, S.O.S.E., Hawkins, I. and Bull, J.W., 2023. Achieving biodiversity net gain by addressing governance gaps underpinning ecological compensation policies. Conservation Biology, <https://osf.io/preprints/osf/avrhf>
- ⁸ Evidence from New South Wales' biodiversity offset market shows that a large number of credit types leads to an illiquid market: "Liquidity of the credit market 7.6 As noted above, there are over 1,000 different credit types that can be traded under the scheme. Stakeholders noted that this reflects the complexity of biodiversity, but the result is that the credit market is also complex, and largely illiquid." New South Wales Parliament, Integrity of the NSW Biodiversity Offsets Scheme, Report 16, November 2022, <https://www.parliament.nsw.gov.au/tp/files/83368/Report%20No.%2016%20-%20PC%207%20-%20Integrity%20of%20the%20NSW%20Biodiversity%20Offsets%20Scheme.pdf>
- ⁹ Pascual, U. et al. Diverse values of nature for sustainability. Nature, v. 620, n. 7975, p. 813–823, 2023. <https://doi.org/10.1038/s41586-023-06406-9>
- ¹⁰ As an example, UK's new "environmental services" payments to farmers will go hand in hand with a phasing out of direct farming subsidies. Horton H, The Guardian, Revealed: farmers received only tiny sum from post-Brexit sustainability fund last year, 12 February 2023, <https://www.theguardian.com/environment/2023/feb/12/farmers-post-brexit-payments>; Farmers Weekly, Defra confirms reductions in support for farmers, 24 February 2020, <https://www.fwi.co.uk/business/payments-schemes/defra-confirms-reductions-in-support-for-farmers>
- ¹¹ Greenfield P, The Guardian, Revealed: more than 90% of rainforest carbon offsets by biggest certifier are worthless, analysis shows, 18 January 2023, <https://www.theguardian.com/environment/2023/jan/18/revealed-forest-carbon-offsets-biggest-provider-worthless-verra-aoe>