



DERECHO  
AMBIENTE Y  
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# Carbon Markets and Amazonian Communities: Challenges and Safeguards in the Lead-up to COP30

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## Abstract

In the Peruvian Amazon, Indigenous communities face growing threats associated with the expansion of carbon offset projects, where external actors exploit legal and technical gaps to negotiate rights to communal lands. **This paper examines the challenges communities face in relation to the carbon market and the need to establish effective safeguard their collective rights.**

Through an analysis of documents, legal frameworks, and field findings, this paper identifies the main concerns of these communities and proposes a capacity-building strategy as a response in the lead-up to COP30.

## Introduction

The increasing recognition of carbon as an environmental asset has spurred a wave of projects in the Peruvian Amazon, many of which directly impact the communal territories of Indigenous peoples. In this context, it is urgent to analyze the impacts, risks, and opportunities presented by carbon markets, particularly in relation to collective rights and international safeguards.

However, this balance is increasingly at risk. The advance of climate change, combined with the expansion of illegal activities such as mining, logging, land trafficking, and the construction of infrastructure without territorial or environmental planning, has heightened pressure on these territories.

A further emerging risk stems from the implementation of **Reducing Emissions from Deforestation and Forest Degradation (REDD+)** projects and the **carbon credit market**. Although these mechanisms aim to mitigate **greenhouse gas (GHG) emissions**, they may become new forms of rights violations if principles of environmental justice, transparency, and effective participation are not guaranteed.

## Current Challenges

In this scenario, Indigenous communities face **multiple challenges: misinformation, unfair contracts, threats to their territorial and cultural rights, and the presence of unscrupulous actors known as “carbon pirates.”** These factors endanger not only their natural resources but also their livelihoods and ancestral knowledge.

The Amazon is central to the sociocultural and ecological dynamics of Indigenous communities. They play a fundamental role in protecting their territories, thereby contributing to biodiversity conservation, ecosystem services, and sustainable access to natural resources—essential pillars for the human rights to a healthy environment and sustainable development.

Therefore, the demarcation and protection of Indigenous territories must be prioritized in both national and international agendas. It is necessary to strengthen their legal and technical capacities so that they can exercise their rights, manage their resources sustainably, and protect their territories from external pressures.

## Current Context and Emerging Risks

Today, the effects of climate change directly impact Indigenous communities and their environment. Illegal activities, deforestation, and the proliferation of unplanned infrastructure—such as roads built without environmental considerations—intensify forest loss and ecosystem degradation.

To address this, it is necessary to promote mitigation and adaptation activities aimed at achieving zero deforestation and ensuring access to effective environmental justice. The impacts resulting from illegal activities must be halted through concrete actions that safeguard community rights.

Nevertheless, the emergence of **REDD+ projects and the carbon market introduces new challenges**. While these initiatives aim to reduce GHG emissions and generate carbon credits, they also expose the Amazon and its peoples to risks related to misinformation, lack of connectivity, economic need, and the expectations of financial benefits in poorly regulated markets devoid of environmental or carbon justice principles.



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## Fieldwork Experience

These realities are not hypothetical—they are unfolding today. From the fieldwork conducted by **Law, Environment and Natural Resources – DAR**, the growing concern within communities about the scope, implications, and consequences of carbon markets has become evident.

**DAR develops capacity-building programs that enable communities to better understand carbon markets, safeguards, and related risks.** The goal is to foster knowledge exchange and create specialized spaces where environmental leaders—both women and men—can exchange experiences, identify lessons learned, and formulate recommendations to protect their territories.

In these spaces, concrete cases have revealed a lack of information in decision-making. The exchange of experiences among Indigenous leaders fosters dialogue, comparative reflection, and the co-creation of solutions to shared risks.

## Need for Safeguards and Institutional Strengthening

Within the framework of climate change, Indigenous communities must understand the scope of carbon markets and the need to implement safeguards and lessons learned to confront “carbon pirates.” It is also essential to understand the dynamics of climate finance in order to promote projects that recognize and incorporate these safeguards in territorial protection.

To this end, it is necessary to address community risks through **three strategic axes**:

1. Knowledge management.
2. Implementation of safeguards in carbon market contracts.
3. Improvement of national and international legal frameworks that reflect local realities.

The decisions that Indigenous leaders must make in their communities are increasingly affected by the threats and pressures of “carbon pirates,” who often attempt to impose unfavorable conditions such as the transfer of rights over territories or natural resources. **These practices endanger traditional activities** such as hunting, gathering, and the transmission of ancestral knowledge, even affecting cultural practices and traditional medicine..

## Case Analysis – Peruvian Amazon

Based on real testimonies, five recurring risks faced by environmental leaders on a daily basis can be identified:

1. “Our community currently has a contract, but it lacks safeguard measures that ensure tangible benefits for the community.”
2. “We have observed that companies enter communities presenting unexpected proposals; due to low knowledge on the subject, some leaders agree, but later see harm in their communities because those companies never return.”
3. “Our current experience is with a private company that arrives offering a carbon market project with 30-year contracts, but there’s another intermediary company, and communities lack clarity.”

4. “In many of our communities, we’ve identified existing carbon market contracts with different benefit-sharing terms; it’s unclear how amounts are determined.”
5. “Many communities are working on carbon credit projects, but without clear guidance on safeguards or benefit distribution.”

**Anonymous personal interview, 2024, conducted by Jimena Cucho Misaico.**

## Main Findings

Within the framework of climate change, Indigenous communities must understand carbon markets and the importance of implementing safeguards to prevent abuse and confront “carbon pirates.” It is also essential to strengthen knowledge management, incorporate safeguards into contracts, and improve legal frameworks.

## Conclusions

1. **Carbon markets can serve as key tools** in combating climate change, but they face multiple challenges that must be addressed ahead of COP30 in 2025.
2. **Regulation and transparency.** The lack of clear global standards calls for coherent regulation harmonized with national and international contexts.
3. **Contract transparency.** Indigenous communities lack sufficient information to verify negotiation terms, leading to poor practices in benefit-sharing, internal division, and violations of collective rights.
4. **Lack of intercultural perspective.** Negotiations and decision-making processes often fail to consider the cultural, linguistic, and customary diversity of communities.
5. **Implementation of safeguards.** Major challenges remain for adequate application of safeguards at local, national, and international levels.

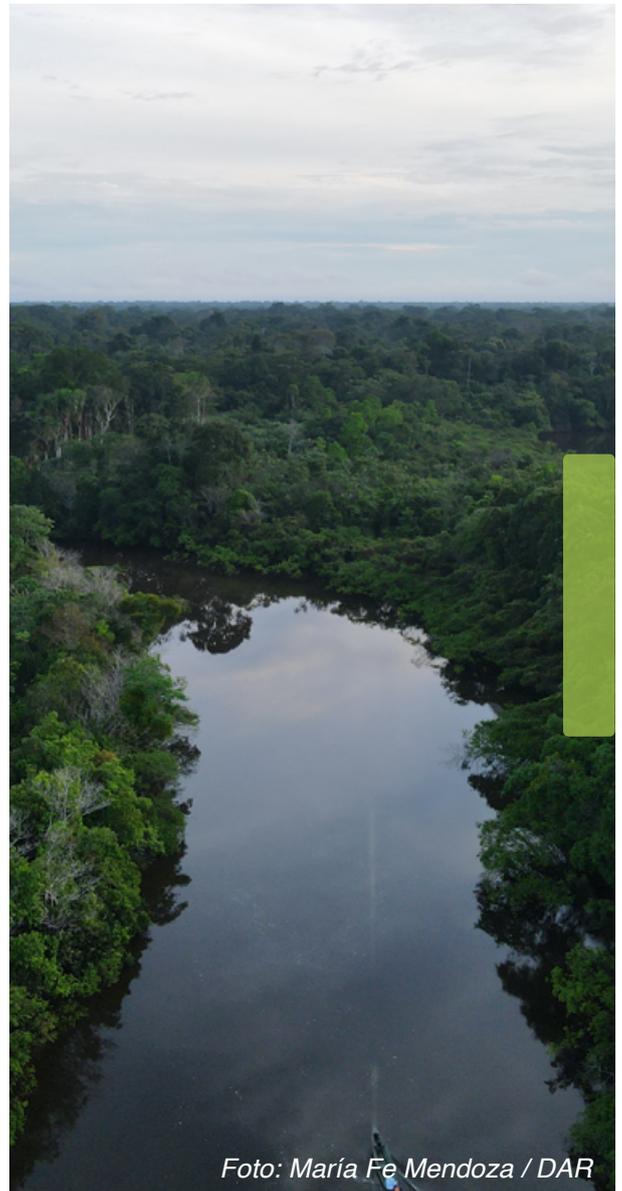


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6. **Organizational recognition.** It is crucial to acknowledge internal decision-making processes and the risks faced by environmental defenders, including threats, extortion, and exploitation of their vulnerabilities by “carbon pirates.”
7. **Toward COP30.** Countries must address existing gaps and adopt measures ensuring fair and informed dealings, avoiding community rights violations. Moreover, advancing Indigenous land titling is urgent, given its essential role in conserving Amazonian forests.

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