

Government, private sector vie for carbon credits in the Amazon

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Public hearing presents a REDD+ project proposal in the Tenharim village in southern Amazonas; the initiative is still in the planning stage — Photo: Wildlife Works/Divulgação

The rapid spread of private projects in the Amazon aimed at generating carbon credits by reducing emissions from deforestation and forest degradation—an arrangement known as REDD+—has raised concern among scientists and government officials, who advocate for broader, public-led initiatives.

Despite a history of limited success, these projects are once again drawing interest, particularly among Indigenous peoples, who see them as a way to secure funding for forest preservation amid delays in the transfer of official resources. The carbon credit market will be one of the central topics at [COP30](#), to be held in Belém in November.

Carbon credits assign a monetary value to preserved biomass (such as trees), which prevents the release of CO₂ into the atmosphere. Each credit corresponds to one tonne of carbon and can be sold on the voluntary market to companies seeking to offset their ecological footprint. Since the idea began to take hold two decades ago, the sector estimates that more than 50 million credits have been issued, at prices ranging from \$3 to \$30 per tonne.

Specific REDD+ projects, tied to particular areas—such as Indigenous lands, extractive reserves, or private properties—contrast with large jurisdictional REDD+ programs that cover vast regions, such as entire states or countries. In Brazil, the largest of these is the Amazon Fund, which compensates the federal government for reducing deforestation across the Legal Amazon. According to official figures, the program has already generated more than 325 million credits. State-level initiatives also exist in Acre and Mato Grosso.

Carbon cowboys

The tension between local and jurisdictional REDD+ projects begins with the accounting of carbon preserved. For example, the CO₂ avoided by projects on Indigenous lands must be deducted from the Amazon Fund's balance to prevent double counting.

The federal government is now working to establish mechanisms that strengthen the bargaining power of traditional communities against so-called carbon cowboys—opportunistic companies that offer Indigenous peoples REDD+ projects with short-term goals and often unfair revenue-sharing arrangements.

Roberta Cantinho, director of policies for deforestation and fire control at the Ministry of the Environment, stresses that the government is not opposed to private initiatives, but warns that their track record has been poor.

“I challenge you to bring me a success story. It is important to differentiate between a jurisdictional REDD+ program and a local REDD+ project,” says Ms. Cantinho.

Since the government cannot dictate the terms of private contracts, the Ministry of the Environment has been working with the National Commission for REDD+ (CONAREDD+) to establish stricter standards for the sector.

Launching a REDD+ project is a complex process that demands safeguards against distortions. Beyond the problem of double counting, one key concern is avoiding overly optimistic projections of future deforestation.

“It turns out that those who calculate the expectation [of credits generated] are the ones who will earn the credit,” warns Raoni Rajão, a scientist at the Federal University of Minas Gerais (UFMG).

This artificial inflation of credits undermines the integrity of REDD+, distorting calculations of CO₂ emission reductions—the very purpose of the mechanism. The principle is to support groups that genuinely work to preserve the forest and prevent the release of carbon stored in trees, which would otherwise exacerbate the climate crisis.

According to Ms. Cantinho, jurisdictional programs such as the Amazon Fund ensure greater transparency. Their methodologies are endorsed by the UN Climate Convention (UNFCCC), which makes results more robust and auditable. In these cases, reductions in deforestation can be more directly attributed to public policies. By contrast, if deforestation slows in a small, specific area, it is difficult to credit the outcome solely to local efforts, as federal and state enforcement also play decisive roles.

With revenue from jurisdictional programs flowing into the country, the federal government has pledged to distribute funds among all actors protecting the forest—from enforcement agencies to traditional communities.

Funds do not reach villages

Indigenous leaders argue this is where the system falls short. Representatives from three ethnic groups and one extractive community told the reporter that the resources allocated to traditional peoples have not been sufficient to finance their monitoring activities.

“We need the funds to reach the front line,” says Neidinha Suruí, leader of the Paiter Suruí, who hopes to relaunch a REDD+ project that was shut down in her community.

The Paiter Suruí live in the Sete de Setembro Indigenous Territory in Rondônia, where a previous REDD+ project was canceled due to internal disagreements among villages.

“We are not against part of the funds going to the government, because the government needs support to function—for example, Funai [the National Indigenous Peoples Foundation], which has a negligible budget. But if the territory is Indigenous, if it is Quilombola, if it is extractivist, funds need to go directly to the territory,” the leader says.

Monitoring these areas, which often span thousands of hectares (an area of land equivalent to 10,000 m², approximately two and a half acres), is costly. Expenses range from fuel and boat or truck maintenance to compensating Indigenous teams who often dedicate themselves exclusively to surveillance. The use of drones has helped reduce some costs, but the challenge of confronting invaders remains.

Another people preparing to launch a REDD+ project are the Tenharim, from southern Amazonas. In the past, the community rejected proposals from so-called carbon cowboys, but is now moving forward with a plan that originated within the community itself.

According to local leader Daiane Tenharim, the resources from REDD+ projects represent a form of justice for those who have long protected the forest.

“We see this project as strengthening what we already do in terms of preservation,” she says. “We have environmental agents who work on monitoring and territorial surveillance. What we don’t have is transportation for them to carry out these activities.”

The consulting firm developing the Tenharim initiative is Wildlife Works, which is also working with the Ka’apor people in the Amazon region of Maranhão. Director Monique Vanni explains that the project was born out of the communities’ own demands, and that Wildlife Works was only accepted as a partner because it did not arrive with ready-made paperwork to be signed.

She emphasizes that the company adopts a cautious, educational approach to free, prior, and informed consultation (FPIC). This process guarantees communities’ approval before a REDD+ project moves forward.

“Wildlife Works is a community conservation company. The communities will manage the project with us,” says Ms. Vanni.

The director acknowledges criticism of the REDD+ sector but argues that some of it amounts to “friendly fire” from other environmental professionals who inadvertently target Indigenous initiatives.

“Those who are not in the field may not realize the level of helplessness and lack of resources faced by these populations, often in a context of complete absence of the State,” she says.

Julie Messias, executive director of Aliança Brasil NBS, which represents companies in the carbon credit sector, argues that public and private projects should not be seen as opposing forces.

“We consider public policies that structure jurisdictional programs to be legitimate, and we believe there is space for genuine, complementary coexistence between these initiatives and private projects,” she said in a written response.

“While private projects act directly and locally, focusing on reducing deforestation in specific territories and closely engaging with communities, jurisdictional programs operate on a broader scale, creating conditions and policies that favor reducing deforestation across entire states.”

Still, Raoni Rajão, from the Federal University of Minas Gerais (UFMG), warns that without a thorough review, it will be difficult to rely on local projects as a large-scale strategy against deforestation.

“In the Amazon, there is chaos over land ownership. We have seen situations where even illegally occupied areas were used for REDD+ projects. If Indigenous peoples protect the forest, they deserve to have resources. But a carbon credit gives someone on the other side

of the world the right to emit a tonne of carbon. You have to be absolutely certain that tonne is truly being offset,” says the scientist.

Translation: Todd Harkin