



POLICY BRIEF

Are Biodiversity Credits and Offsets the Solution to the Biodiversity Crisis in Africa?

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Executive Summary

Africa's rich biodiversity faces immense challenges from industrial exploitation, habitat degradation, and the escalating impacts of climate change. Biodiversity credits and offsets are increasingly promoted as solutions; however, they fall short of addressing the root causes of biodiversity loss. Instead, they perpetuate inequalities, marginalize local communities, and fail to deliver meaningful conservation outcomes.

This policy brief argues that biodiversity credits and offsets are an unnecessary diversion from effective conservation. Rather than relying on market mechanisms that commodify nature, Africa must pursue bold and transformative alternatives that tackle systemic drivers of biodiversity loss. These include robust governance, community empowerment, and a unified African strategy that rejects Biodiversity commodification and promotes equity and resilience.

Key Messages

- **Implement strong national and regional regulatory frameworks** to hold polluters accountable and prevent biodiversity loss. Lead: African governments, African Union Commission (AUC), African Ministerial Conference on the Environment (AMCEN).
- **Build capacity through education and long-term training programs** to empower local communities in biodiversity governance. Lead: United Nations Environment Programme (UNEP), United Nations Development Programme (UNDP), AMCEN, AUC, and National Training Institutes.
- **Increase public and international investment in community-driven conservation initiatives** that reflect local socio-economic priorities and ecological knowledge. Lead: National governments, multilateral donors such as the Global Environment Facility (GEF), the Green Climate Fund (GCF), the World Bank, the African Development Bank (AfDB), and Non-Governmental Organizations (NGOs).
- **Develop a unified African position rejecting biodiversity commodification and calling for just biodiversity finance, not credit markets.** Lead: African Group of Negotiators (AGN), AUC, AMCEN.

Problem Statement: Africa's Biodiversity Crisis

Africa's biodiversity is under unprecedented threat from extractive industries, land-use change, weak governance, and inequitable conservation finance mechanisms. In response, market-based tools such as biodiversity credits and offsets are often proposed as solutions. These mechanisms typically allow, for example, a mining company to “compensate” for environmental damage in one area by restoring or protecting biodiversity in another. However, such approaches are largely ineffective at addressing the root causes of biodiversity loss. Crucially, offsetting the destruction of one ecosystem by restoring another overlooks the unique and irreplaceable ecological value of the site being lost (Pimm et al., 2014).

These systems are often shaped by the priorities of the Global North and implemented without meaningful input from African communities. They risk allowing wealthy corporations to continue harmful practices under the guise of conservation, while shifting the burden onto the Global South (Lang, 2024a). The lack of enforceable regulations and community participation undermines conservation goals and reinforces global inequities.

Challenges and Risks

Africa's monitored wildlife populations have declined by 76% between 1970 and 2020 (World Wildlife Fund, 2024). Biodiversity offsets replicate the structural failures of carbon markets by enabling destructive behavior rather than preventing it. Biodiversity is not fungible like carbon: ecosystems are site-specific and cannot be simply replaced.

While references to carbon markets offer useful cautionary lessons, it is important to distinguish them clearly. Biodiversity credits are less developed, poorly regulated, and far more ecologically complex. The International Advisory Panel on Biodiversity Credits (IAPB), under the Convention on Biological Diversity (CBD), was established to explore the development of such markets; however, their own framework cautions against global offsetting, and experts remain skeptical about the feasibility and equity of biodiversity credit schemes (International Advisory Panel on Biodiversity Credits, 2024).

Lang (2024b) notes that biodiversity credits, like carbon credits, often function as a “get-out-of-jail-free” card for polluters. The Campaign for Nature (2024) argues that carbon credits have failed to provide climate finance and should not be replicated in the biodiversity context. Biodiversity credits are not a legitimate substitute for Just Conservation Finance; the market is too nascent to meaningfully address the biodiversity crisis.

These challenges are compounded by systemic issues, including a lack of adequate financial mechanisms and insufficient support for African nations to address biodiversity loss. The failure to secure a definitive agreement on biodiversity finance at the Conference of the Parties (COP 16) has also left African countries without the necessary resources for effective conservation and adaptation strategies (CBD, 2024).

Recommendations

1. Implement Robust Regulatory Frameworks.

African governments, with support from bodies like the Rio Conventions, United Nations Framework Convention on Climate Change (UNFCCC), United Nations Convention on Biological Diversity (UNCBD), and United Nations Convention to Combat Desertification (UNCCD), must prioritize national regulations to prevent biodiversity loss. Regulations should target extractive industries, deforestation, and unsustainable agriculture. Proposed actions:

- a) Develop national biodiversity monitoring systems.
- b) Enforce penalties for non-compliance.
- c) Integrate environmental justice to address Global North-induced harm.

A regional regulatory framework led by the African Union Commission (AUC), African Group of Negotiators (AGN), and AMCEN should define common standards, protect rights, and assert Africa's interests.

2. Strengthen Education and Capacity Building.

Long-term training and education programs are essential to empower local communities to participate in biodiversity governance. The United Nations Environment Programme (UNEP), United Nations Development Programme (UNDP), NGOs, and African institutions must collaborate to:

- a) Incorporate indigenous knowledge systems.
- b) Ensure inclusive governance models.
- c) Ensure inclusive governance models.

International funding is essential to sustain these efforts and support communities in leading conservation efforts. This is not about enabling participation in a biodiversity credit market, which is emerging and unregulated, but about securing reparative, Just Biodiversity Finance owed by the Global North for historical ecological debt.

3. Invest in Community-Led Conservation.

Scalable, results-based conservation initiatives rooted in local priorities must replace market-based offsets. Projects like Regreening Africa showed the value of engaging communities in sustainable land restoration across

countries such as Ethiopia, Ghana, Kenya, Mali, Niger, Rwanda, Senegal, and Somalia. Through Farmer Managed Natural Regeneration (FMNR) and agroforestry, these efforts improved soil fertility, boosted productivity, and enhanced livelihoods (CIFOR-ICRAF, 2023). These models offer multiple co-benefits:

- Improved livelihoods and food security.
- Enforce penalties for non-compliance.
- Integrate environmental justice to address Global North-induced harm.

While some initiatives, such as ECOTRUST Uganda, involve credit-like mechanisms, their success lies in community co-ownership and ecological integrity, not market commodification. The ECOTRUST model operates through a payment for ecosystem services scheme, where smallholder farmers are financially rewarded for restoring and conserving forest landscapes (EcoTrust, 2023).

4. Develop a Unified African Position on Biodiversity Markets.

Africa needs to develop a coordinated position against the commodification of biodiversity to strengthen its global advocacy. This includes:

- Regional consensus rejecting biodiversity credit markets.
- Common principles on equity and community rights.
- Integrate environmental justice to address Global North-induced harm.

Africa's experience with carbon markets offers a cautionary example: without strong governance and a unified position, such markets often disproportionately benefit external actors while marginalizing local communities. According to the United Nations University Institute for Natural Resources in Africa (UNU-INRA), voluntary carbon markets often lack regulation, displace communities, and reproduce global power asymmetries (UNU-INRA, 2024). These lessons reinforce the urgent need for self-determined and community-driven conservation funding, which aligns with Africa's development goals.

Conclusion

Biodiversity credits and offsets are not the solution to Africa's biodiversity crisis. These market-driven mechanisms risk entrenching inequalities, enabling continued ecological destruction, and distracting from the bold, transformative approaches required to protect ecosystems. Africa must reject these flawed solutions and lead with people-centered, community-driven conservation strategies. Prioritizing local ownership, robust governance, and reparative financial justice is essential to secure the continent's ecological future.

Africa's biodiversity is not only vital to the continent but also to global climate regulation, food sovereignty, and the stability of supply chains. If Africa is not prioritized in global conservation efforts, the world stands to lose far more than its ecosystems; the very foundation of environmental stability is at risk. The consequences of losing Africa's biodiversity would be far-reaching and irreversible. The future of biodiversity in Africa hinges on a decisive shift: from commodification to cooperation, from offsets to ecological stewardship, and from market dependency to sovereignty.

The time to act is now. Africa's ecosystems, its communities, and the future of the planet depend on bold, collective action. Failure to act will have irreversible consequences for all of humanity.

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