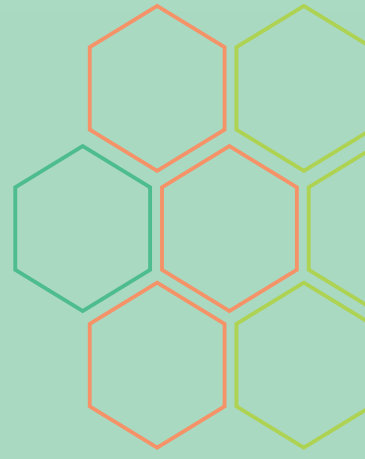




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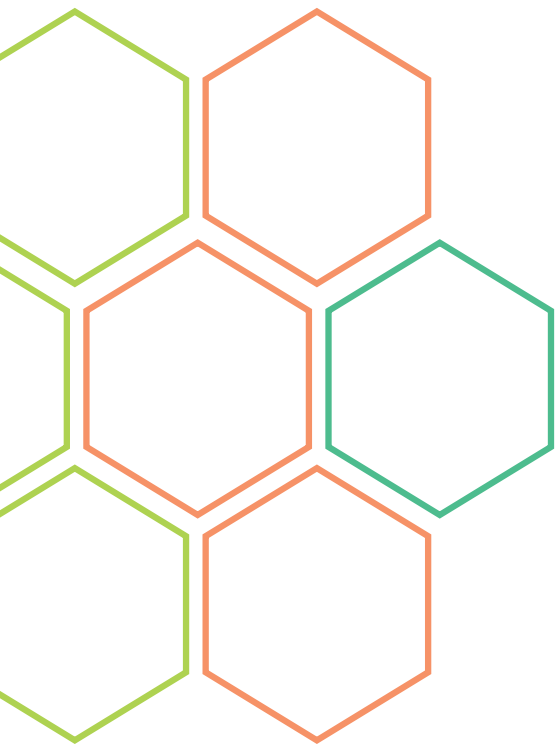


Large-scale land acquisitions for carbon offsetting: Green grabbing or just transition?

Analytical report on land-based offset projects | 2025

Executive Summary







Executive summary

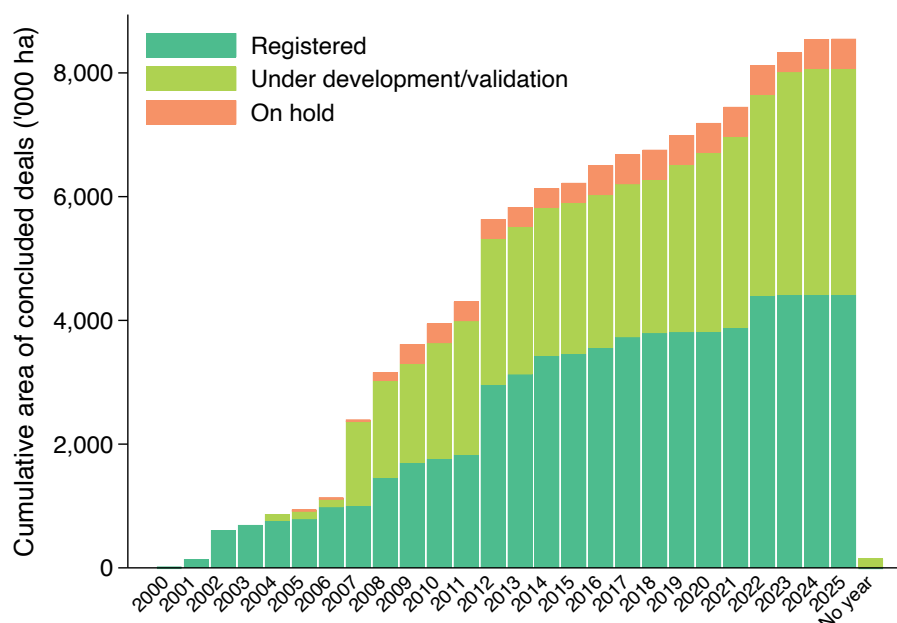
With demand for land remaining high in the agricultural sector, large-scale land acquisitions (LSLAs) continue to reshape rural landscapes and communities in low- and middle-income countries (LMICs). In the last years, however, a critical but often underestimated new force has added further pressure to land: the growth of carbon markets. Their expansion—in particular of the voluntary carbon market (VCM)—has picked up pace in the recent decade, driven by the implementation of nature-based solutions as carbon offsets in the Global South, although their integrity has been called into question due to overestimation of emission reductions. Crucially, while such land-based investments can generate environmental and socioeconomic co-benefits, they require extensive land resources, which are frequently obtained through the acquisition of large tracts of land that are seldom genuinely idle. This practice poses significant risks to the land rights of smallholders, pastoralists, and Indigenous Peoples and local communities (IPs & LCs) that depend on secure access to land for their livelihoods.

The “green land grab” for carbon offsets: How much and where?

Within this context, the Land Matrix Initiative (LMI) has been documenting LSLAs for individual offset projects designed to generate tradable carbon credits in the VCM. Of the 217 deals recorded in our database, 183 are concluded and listed in carbon credit registries:

- These projects already cover approximately **8.8 million hectares worldwide**, an area comparable to the size of Austria or Jordan.
- They represent nearly **one-third of the magnitude of the global rush for agricultural land** that began in the late 2000s—an expansion that has so far accumulated around 30 million hectares in LMICs.
- **Offset projects relying on LSLAs are concentrated in Brazil, the Republic of the Congo, and the Democratic Republic of the Congo (DRC)**, with more than one million hectares each. In Asia, significant activity was also documented in Indonesia, with close to half a million hectares.
- **Avoided-deforestation projects are the major contributor, totalling 7 million hectares.** Reforestation and afforestation projects also cover almost 1.5 million hectares.

Figure: Cumulative area of concluded LSLAs for carbon offset projects by registration status



Notes: The year of land acquisition (conclusion of land contract) is provided in the figure. For some deals, the year of the land acquisition was not available. These deals are recorded without a specified year in the last column. If operations were abandoned, the area is set to zero. The figure is based on concluded deals that are listed in carbon credit registries (n=183).

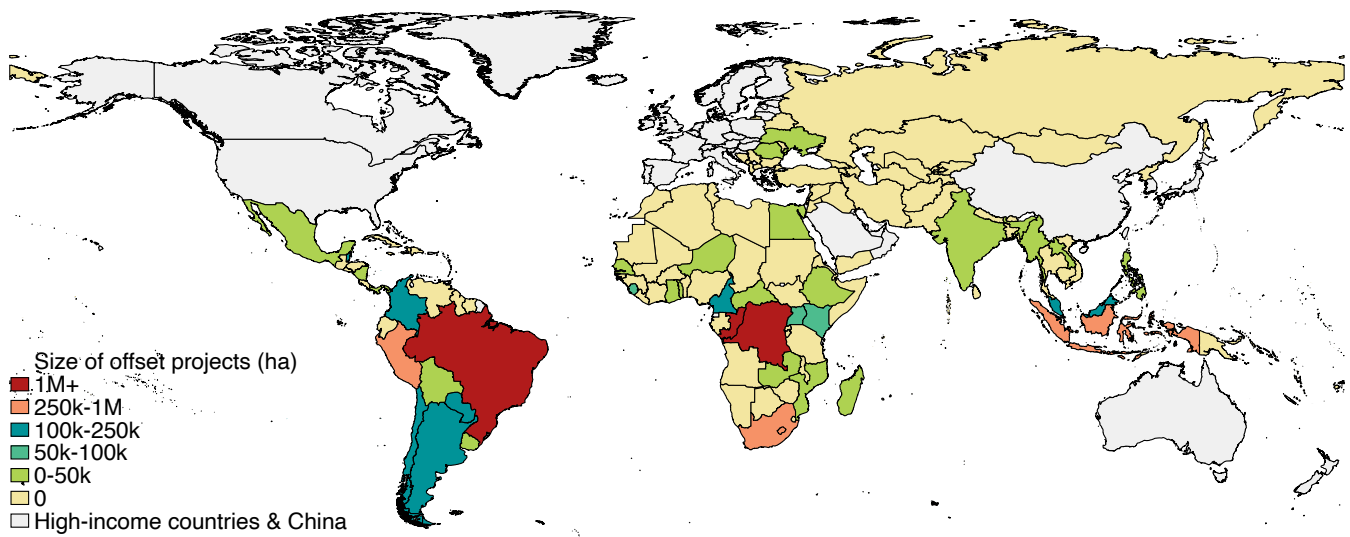
New players in the field: Project developers and certification bodies

Demand from companies seeking to achieve carbon neutrality—along with emerging linkages to compliance markets and UN trading mechanisms—has mobilised a diverse array of actors on the supply side of the VCM that are involved in the documented land acquisitions.

- While a few non-governmental organisations have acquired land for carbon offsetting, the vast majority of actors are from the private sector. Alongside companies well versed in agricultural or forestry operations, **specialised carbon project developers participate in deals to procure land in LMICs.**
- The ultimate parent companies involve a mix of **foreign and domestic companies**, including countries of origin from the Global North such as the USA and the UK, as well as core target countries like Brazil and Colombia.

- **Verra's Verified Carbon Standard (VCS) is the most pervasive carbon standard for offset projects relying on LSLAs** in the world, covering close to three quarters of all documented projects. Some VCS projects are also certified by the Climate, Community & Biodiversity (CCB) standard, which includes more comprehensive safeguards to protect IPs & LCs. The Gold Standard for Global Goals comes second, but only applies to very few projects.
- A review of the dominant standards shows that many include **no clear guidance for benefit sharing.** Although consultation and Free, Prior, and Informed Consent (FPIC) processes are mentioned in all reviewed standards, a closer examination of the documents reveals that their requirements are weak.

Figure: Map of target countries of LSLAs



Notes: Map is based on concluded deals that are listed in carbon credit registries (n=183).

Climate mitigation for the planet and people?

Carbon markets have strongly embraced the narrative of benefitting both the planet and its people. However, besides the actual mitigation potential of the VCM in its current state remaining questionable—particularly due to overstated claims regarding emissions reductions—the idea that it will reliably generate social and economic co-benefits for remote communities also warrants scepticism. In fact, as our data highlight, there are several significant associated risks, especially for projects linked to LSLAs.

- **Key target countries, particularly in Central Africa, have weak land governance systems** that can further exacerbate the risk of displacement, marginalisation, and conflict, above all for communities with customary tenure rights.
- In the past, IPs & LCs living in remote regions were shielded from external investments to some extent due to their inaccessibility and limited infrastructure, reducing the risk of displacement and land appropriation. This has changed with the surge of carbon offset deals, however, and **many projects are now concentrated in remote areas** that have limited population density and little infrastructure.

- While projects may in theory deliver important environmental co-benefits that could lead to higher biodiversity and climate resilience, which are important for natural resource-dependent communities, other **co-benefits such as employment generation are limited**.
- Since carbon standards often include only vague requirements in terms of benefit sharing, **implementation and coverage of benefit-sharing arrangements is based on the discretion of project developers**. Consequently, as a number of case studies attest to, projects frequently fall short of promises, with considerable gaps between pledged and realised benefits.

Policy recommendations

This report argues that without rigorous global and national safeguards, **carbon offset projects based on LSLAs risk exacerbating social and environmental injustices** that occurred in the wake of past waves of land acquisitions in other sectors. While acknowledging that citing all necessary reforms for the VCM extends beyond the scope of this analysis, we have formulated four key policy recommendations based on the documented evidence.

1. Rebalance the share between offset projects based on LSLAs versus community or farmer-based projects.

This includes persistent efforts to legally recognise the land rights of IPs & LCs, coupled with stronger FPIC processes to ensure both genuine participation in carbon markets and protection against green grabbing.

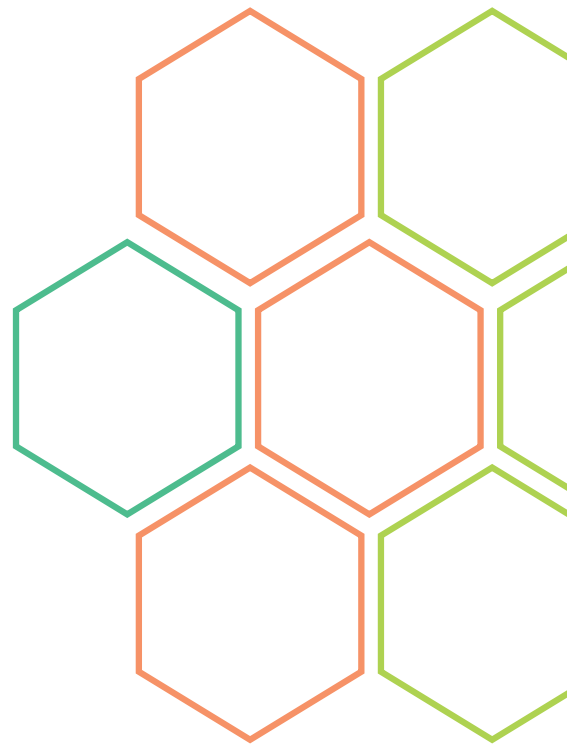
2. Implement more comprehensive carbon standards.

The guidance provided in dominant standards is insufficient for large-scale projects acquiring land in remote and at times conflict-ridden regions of the world. For large-scale land-based offset projects, more comprehensive requirements are needed on consultations, FPIC, and benefit sharing.

3. Strengthen alignment with global governance frameworks. Strict compliance with frameworks such as the Voluntary Guidelines on the Responsible Governance of Tenure (VGGT) should be promoted. Many governance frameworks have been built on the experience of past episodes of land acquisitions and the lessons learned need to be better integrated in the carbon market space.

4. Improved transparency and accountability remain a *sine qua non* for land transactions in the carbon market. This is necessary to exert more public control over a largely decentralised system and should include public disclosure of land contracts and benefit-sharing agreements. In addition, robust monitoring and transparency initiatives are essential to increase public oversight. Lastly, extensive capacity-building efforts for affected communities are critical to address entrenched power asymmetries and to support a just and inclusive climate transition.

This report demonstrates that without meaningful adjustments, this sector risks repeating past mistakes by prioritising large-scale projects that neglect customary land tenure systems—the foundation of local livelihoods worldwide. However, the integrity challenges facing the VCM extend beyond issues of justice. A growing body of research has questioned the actual climate benefits delivered by land-based carbon offset projects. Taken together, these findings cast fundamental doubt on the current contribution of land-based carbon offset projects to more sustainable development trajectories, underscoring the urgent need for profound reform in the VCM and stringent eligibility criteria for compliance markets and UN mechanisms.





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This research forms part of the Land Matrix Initiative Phase 4, which focuses on enhancing transparency and accountability in land acquisitions, particularly concerning Indigenous Peoples and local communities, biodiversity hotspots, and emerging pressures on land in the context of climate change and sustainable supply chains. Funds from the German Federal Ministry of Economic Cooperation and Development (BMZ) (Grant No. 2023.0124.0), the European Commission (Grant No. FOOD/2022/434 – 707) and the Swiss Agency for Development and Cooperation (SDC) (concerning a contribution signed on 29.07.2022 and valid until 31.12.2024), are greatly appreciated.



The Land Matrix Initiative's partners are:

