

Climate Culprits – trading away the planet for profits

During the climate talks in Bali last December, NASA scientist James Hansen presented new data showing that serious climate change impacts are already happening more rapidly and at lower global temperature rises than previously projected, indicating that the atmosphere is more “sensitive” to greenhouse gases than previously assumed.¹

Based on this more rapid pace of change, eight million squares kilometres of ice sheet at the North Pole – an area as large as Australia – is likely to be entirely lost during the summer within five years. This may trigger the melting of the Greenland ice sheet whose total disintegration would raise sea levels by seven metres. Hansen stated that we need to move towards a post-fossil fuel clean energy system and cool the planet.

Unfortunately, these dire warnings are not being met by action by the G8 nations, which represent just 13 per cent of the world’s population but are responsible for 45 per cent of the world’s greenhouse gas emissions.

These industrialised countries have caused this crisis while benefiting economically and accruing a climate debt to the South.² Yet they are continuing to push unfair free trade and reliance on carbon trade initiatives which could accelerate climate change and further exacerbate developing countries’ vulnerability to its impacts.

Those least responsible for creating the current crisis such as Indigenous Peoples, peasant farmers and fisher peoples will be hit hardest by climate change and also these dangerous, corporate-driven initiatives which are being perversely branded as climate solutions.

To illustrate: Indigenous Peoples and forest-dwelling communities are among the first to face the direct consequences of climate change, owing to their dependence upon, and close relationship with the environment and its resources. Of the 350 million Indigenous People in the world, half live in tropical rainforests, which are known to harbour 80 per cent of our planet's biological diversity.³ Most of these rainforests are the traditional territories of Indigenous Peoples.

Both the United Nations Declaration on Right to Development⁴ and the Declaration of Rights of Indigenous Peoples⁵ assert Indigenous Peoples’ sovereignty over their natural resources. However, Indigenous Peoples continue to be marginalised in international decision-making processes including the United Nations Framework Convention on

¹ James Hansen and seven fellow scientists’ report is available at <http://arxiv.org/abs/0804.1126> November 2007; See also David Spratt, Philip Sutton, “Climate Code Red” <http://www.climatecoded.net> February 2008

² See Friends of the Earth International’s report “Climate Debt – Making historical responsibility part of the solution” <http://www.foei.org/en/publications/pdfs/climatedebt.pdf> December 2005

³ United Nations Environment Program, “Environment and cultural diversity” <http://www.unep.org/GC/GC23/documents/GC23-INF23.pdf> November 2004

⁴ United Nations Declaration on the Right to Development: adopted by General Assembly resolution 41/128 of 4 December 1986 <http://www.unhcr.ch/html/menu3/b/74.htm>

⁵ Adopted by General Assembly Resolution 61/295 on 13 September 2007 <http://www.un.org/esa/socdev/unpfii/en/drip.html>

Climate Change (UNFCCC).⁶ UNFCCC negotiations are now taking place on ways to reduce emissions of deforestation in developing countries (REDD) that will have direct impacts on the lives of millions of Indigenous Peoples.

Member Parties nations that have ratified the UNFCCC have agreed that they will conserve and enhance forests, and also provide financial assistance to developing countries to achieve these obligations.⁷

However, the UN definition of forests includes plantations and this poses major concerns as the expansion of monoculture plantations is a major driver of deforestation – undermining Indigenous Peoples’ land rights and damaging the environment through pesticides usage, water stress and biodiversity loss. In addition – according to the Consultative Group on International Agricultural Research (CGIAR) – at the most, plantations store only one-fifth of carbon compared to untouched primary forests.

There is concerted lobbying by both some governments and conservation-based NGOs for REDD mechanisms through the UNFCCC to implement carbon trading for forests, instead of a fund-based approach to community-based forest management (let alone other reliable non-money-based approaches such as strengthening land rights, leaving fossil fuels in the ground and bans on deforestation).

The central idea of carbon trading for forests is that developing countries reduce their deforestation rates and this will allow them to sell the carbon stored in their forests to the North. This allows Northern countries and corporations to buy their way out of emission reductions and continue business-as-usual polluting. It is also based on a false premise that the inactive underground carbon cycles (coal, oil and gas in stable underground reservoirs) and the active land-based carbon cycles are the same. This false assumption enables the protection of one carbon cycle to offset the exploitation of the other.

So at best this should theoretically lead to zero global emission reductions if it were not for the fact that the different carbon cycles vary hugely, making it impossible to actually verify whether or not emissions have actually been reduced.

If our last remaining forests are to be included in carbon markets, the question naturally arises of who owns those trees and what happens to those forest-dwelling communities

⁶ Estebancio Castro Diaz, Global Forest Coalition “Climate Change, Forest Conservation and Indigenous Peoples’ Rights, April 2008.”

⁷ “All Parties, taking into account their common but differentiated responsibilities and their specific national and regional development priorities, objectives and circumstances, shall: ...Promote sustainable management, and promote and cooperate in the conservation and enhancement, as appropriate, of sinks and reservoirs of all greenhouse gases not controlled by the Montreal Protocol, including ..., forests ...” (UNFCCC Article 4.1 d).
“The developed country Parties and other developed Parties included in Annex II shall provide new and additional financial resources to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12, paragraph 1. They shall also provide such financial resources, including for the transfer of technology, needed by the developing country Parties to meet the agreed full incremental costs of implementing measures that are covered by paragraph 1 of this Article and that are agreed between a developing country Party and the international entity or entities referred to in Article 11, in accordance with that Article. The implementation of these commitments shall take into account the need for adequacy and predictability in the flow of funds and the importance of appropriate burden sharing among the developed country Parties.” (UNFCCC Article 4.3)

that have depended on them for generations? There are huge risks for a dramatic expansion of exclusionary models of forest conservation that violate Indigenous Peoples and traditional communities' customary and human rights on a global scale.

The World Bank is at the helm in the trading of forest carbon credits and its portfolio is rapidly expanding with its Forest Carbon Partnership Facility (FCPF) which was launched amidst protests at climate talks in Bali last December. At the G8 in Japan, the Bank's multi-billion dollar climate investment funds – which include carbon finance for forests – are being formally launched and these funds are already casting a dark shadow over United Nations climate negotiations.⁸

The World Bank's conflict of interests is all too apparent since the majority of its carbon finance portfolio has been channeled toward polluting industries and it has even been supporting industrial logging.⁹ The Bank must be excluded from the UN talks or the integrity of a post-2012 Kyoto agreement will be severely undermined.

In a similar vein to carbon trading for forests, trade liberalisation is also being promoted as a solution to the climate crisis when in reality it also threatens communities that are highly vulnerable to the impacts of climate change by accelerating the commodification of their natural resources. Hundreds of millions of people rely on the world's last remaining forests and are dependent on them for their livelihoods, medicine and food.

The European Commission has stated that: “Trade liberalisation can accentuate negative sustainability trends unless appropriate forest governance systems are in place and enforced”. Such systems are clearly not operating in many countries and further liberalisation should therefore not take place.

The report also points out that in African, Caribbean and Pacific (ACP) countries such as the Congo Basin countries and Papua New Guinea, possible negative impacts on biodiversity can be irreversible. A United Nations Environment Program study reinforces by highlighting how trade liberalisation in Tanzania led to a rapid increase in deforestation as exports for forest-based products rose dramatically.¹⁰

⁸ Forest Peoples Programme (FPP) “The Forest Carbon Partnership Facility: Facilitating the weakening of indigenous peoples' rights to lands and resources.” February 2008; “Seeing RED – ‘Avoided deforestation’ and the rights of Indigenous Peoples and local communities” June 2007. Available at:

www.forestpeoples.org/documents/forest_issues/bases/forest_issues.shtml

SEEN “World Bank Climate Profiteer” <http://www.ips-dc.org/reports/#292> April 2008

See information on the World Bank climate investment funds

http://action.foe.org/t/3877/content.jsp?content_KEY=4176

⁹ SEEN “World Bank Climate Profiteer” <http://www.ips-dc.org/reports/#292> April 2008

<http://www.rainforestfoundationuk.org/s-Stop%20the%20carve%20up%20of%20the%20Congo%20forests>

¹⁰The Institute for Development Policies and Management University of Manchester, Savcor Indufor Oy “Sustainability Impact Assessment of Proposed WTO Negotiations: Final Final Report for the Forest Sector Study”, 2005 www.sia-trade.org/wto/Phase3B/Reports/ForestFR19June05.pdf

United Nations Environment Program, “Economic Reforms, Trade Liberalization and the Environment: A Synthesis of UNEP Country Projects”, November 2001 www.unep.ch/etu/doha/pdfs/papers/synthesisround2.pdf

Another of the EU's impact assessment states that Central African countries should consider the environmental costs of trade liberalisation such as increased deforestation resulting from timber exports and environmental degradation linked to oil exploration.¹¹

The liberalisation of energy markets – a key demand by the European Commission – is also going to have obvious climate change impacts and undermine community-based campaigns to leave fossil fuels in the ground.

The European Union is so often portrayed internationally as a force for good – a enlightened voice of reason in a world dominated by an intransigent and deeply unpopular Washington administration. Yet often below the media radar and away from the gaze of the general public, the EU has been bullying 77 ACP countries to sign unfair trade deals misnamed Economic Partnership Agreements (EPAs).

Leaders of ACP Ministers issued a joint statement deploring “the enormous pressure that has been brought to bear on the ACP States by the European Commission to initial the interim trade arrangements, contrary to the spirit of the ACP-EU partnership”. The Pacific's lead negotiator, Jo Keil has slammed the EC's aggressive bully-boy approach to the negotiations stating: “None of that will ever happen again to the Pacific to suffer that indignity that was forced upon us by Commissioner Mandelson”.¹²

The Pacific region is holding out, the Caribbean region has agreed to an EPA and many African countries have relented to the EU's bullying. A Namibian diplomat reportedly lamented: “The pressure was too much. Bully tactics are used with the threat ‘you either sign or you don't have the market.’”¹³

Millions of peasant farmers and fisherfolk are facing the combined threat of climate change and unfair trade impacts. In Senegal, trade liberalisation exposed its waters to heavily subsidised fleets. Ecologists claim that some 11,000 tonnes of fish caught in Senegalese waters are discarded annually by EU trawlers. UN studies show that in Mauritania fishing stocks have been devastated largely as a result of trade liberalisation with certain species such, as sawfish, disappearing altogether.¹⁴

Studies by the United Nations Environmental Programme highlight that further trade liberalisation threatens small-scale rice farmers and the environment in countries such as Senegal and Nigeria.¹⁵

¹¹ PricewaterhouseCoopers, “Sustainability Impact Assessment (SIA) of the EU-ACP Economic Partnership Agreements: Financial Services in Central Africa,” 11 September 2006
www.siaqcc.org/acp/download/sia_fs_cemac_finalreport_11sept2006.pdf

¹² http://www.acp-eu-trade.org/news/news_detail.php?5846

¹³ <http://ipsnews.net/news.asp?idnews=40486>

¹⁴ United Nations Environment Programme, “Economic Reforms, Trade Liberalization and the Environment: a Synthesis of UNEP Country Projects”, 2001 www.unep.ch/etu/doha/

United Nations Environment Programme, “UNEP briefs on economics, trade and sustainable development”, May 2002 www.unep.ch/etu/publications/UNEP_Fisheries.pdf

¹⁵ <http://www.unep.ch/etb/publications/intAssessment/RapSynRice.pdf>

Friends of the Earth Ghana has warned that EPAs are likely to undermine agricultural sectors. Rice and poultry farmers have already suffered from trade liberalisation and unfair competition from subsidised imports. An increase in cheap EU imports of frozen chicken and cheap rice would force rice farmers out of work and could lead to the collapse of the poultry industry.

Both carbon trading and trade liberalisation have appalling track records. The corporate takeover of the climate agenda – cloaked in philanthropic, planet-saving rhetoric and backed up with billions of dollars of financial support – poses new grave dangers that will be resisted from the corridors of international negotiations to communities struggling for survival on the ground.

A radical shift away from neo-liberalism must take place. We need to radically reduce our unsustainable consumption, secure peoples' food sovereignty, leave fossil fuels in the ground, promote community-based forest conservation and invest in clean energy generated from the sun, wind and sea to help us cool the planet and attain sustainable societies. The North must repay its ecological debt to the South – it's time for climate justice.

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