

Leave the oil in the ground!

Resolution of the Climate Alliance General Assembly on April 15 2010 in Perugia/Italy regarding Ecuador's "Yasuní Proposal"

Background

Beneath the Yasuní national park in the Amazon region of Ecuador lies the oilfield boasting the largest oil reserves in the country (approximately 900 million barrels): Ishpingo-Tambococha-Tiputini, ITT for short. The Ecuadorian government has offered to leave this oil in the ground if the international community pays them half of the anticipated revenue. It is the first time that an oil exploitation country has been prepared to leave the oil in the ground indefinitely.

The Yasuní national park is home to an area offering the greatest biodiversity on earth and was declared a Biosphere Reserve by UNESCO in 1989: over 2,270 types of trees and bushes, 593 species of birds, 80 species of bats, 150 species of amphibians and 121 species of reptiles can be found in its 200,000 hectares. The area is also home to two indigenous peoples, the Tagaeri and the Taromenane who abstain from contact with our civilisation and live in voluntary isolation. Oil exploitation would destroy their living space and thus their chances of survival.

The Yasuní-ITT proposal provides a solution to fundamental issues of our civilisation that is organised into states with regard to the management of global public goods. It respects the rights of those wishing to live according to their own cultural values. It combines climate protection with protection of the rainforests and its inhabitants in ways that are as yet unique.

We're talking about approximately 900 million barrels of crude oil through whose exploitation and consumption 400 million tons of CO₂ would be released into the atmosphere; this equates to the worldwide oil requirements for eleven days.

The Ecuadorian government estimates the loss of revenue at around 7 billion dollars from 13 years of exploitation. Ecuador therefore expects to receive at least 270 million dollars per year over the 13-year period as an international return for forgoing exploitation. The funds are to be administered from a trust fund in which the contributing countries will also have a say and vote. The funds are not only to be used directly in the Yasuní region, but also for more efficient administration of all of the country's nature protection areas and for a change in the energy source of the oil exploitation country of Ecuador to renewable energies. Ecuador's offer deserves a positive reaction from the developed countries.

In the "Copenhagen Accord", the developed countries declared their intention to support the developing countries in their climate protection and adaptation measures to climate change with an annual sum of 30 billion dollars up until 2012 and 100 billion dollars until 2020. The Yasuní proposal is a current and urgent example of how these pledges of support on paper can also take on a concrete form.



Climate Alliance

Support for the Yasuní initiative

Resolution of the
General Assembly,
Perugia, 15. April 2010

Proposal text

Climate Alliance supports the "Yasuní-ITT Initiative" of the Ecuadorian government. Climate Alliance calls upon the European Union and its Member States to support the Yasuní initiative financially so that they cover the European share within the developed countries.

Rationale

The initiative for the suggestion came from the country's civil society and the indigenous organisations of the affected region who have battled the destructive oil exploitation in the Amazonian rainforest for years now. The participants of a Climate Alliance trip that took place in September 2009 with municipal representatives from Germany, Austria, Luxembourg, Hungary and the Czech Republic were not only able to gain an impression of the destruction caused by oil exploitation, but also of the widespread support for the idea of leaving the oil in the ground among the indigenous peoples, environmental organisations and municipal administrations in the region. A country like Ecuador also cannot simply forgo the revenue from oil exploitation however, as this makes up approximately 30% of the country's annual income. Ecuador's request for reimbursement of half of the earnings is therefore understandable.

Investors will receive "Yasuní Guarantee Certificates" from the Ecuadorian government guaranteeing the oil will remain underground indefinitely. The revenue from these certificates will be deposited in an international trust fund on whose board the major donors to the initiative as well as representatives from Ecuadorian civil society shall be represented. The trust board will ensure that contributions are used solely for projects for alternative energy generation, support of the indigenous peoples and local communities, protection of the biodiversity, reforestation and social development in the project regions. Administration of the trust fund is expected to form part of the UN development programme. Should a future government approve exploitation at the Yasuní-ITT field, the shareholders will be able to redeem their certificates; the Ecuadorian government would then also lose credibility. The greater the participation from public and private sources, the less the government must fall back on fossil fuels and the lower the appeal for future governments to exploit the oil after all.

Following consideration of all pros and cons, and due to their long-standing experience in climate protection and in cooperating with indigenous organisations in Amazonia and Ecuador, the European Secretariat of Climate Alliance, Climate Alliance Austria and Climate Alliance Luxembourg consider the Yasuní-ITT initiative to be an innovative, feasible way to more efficient climate and rainforest protection. If we want to keep global warming below 2 C, we cannot exploit and use all oil reserves – it makes sense to stop exploitation where the impact of the exploitation will be the greatest for humankind and the environment. The fact that we in the developed countries are the main contributors to climate change along with the outcome of the climate talks gave us no reason to accept that we also have the greatest capacity for climate protection. Rather, we should be happy to be able to take up an initiative from a developing country that originates from the local civil society and is supported by them. The Yasuní-ITT proposal is not a request for development aid – oil exploitation represents a secure source of revenue – but rather a fair, target-oriented offer to partners on an equal footing.

Climate Alliance offers the European Union and Member States that it will add its experience and contacts in Amazonia for participation in the Yasuní initiative and the public relations work in Europe.

Further information

- Official internet site on the Yasuní initiative of the Ecuadorian government: www.yasuni-itt.gov.ec
- The Yasuní Green Gold Campaign, a project of the Ecuadorian civil society: www.yasunigreengold.org
- Climate Alliance press release on the Yasuní initiative and an open letter to Ecuadorian president, Rafael Correa: www.energybridges.eu



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