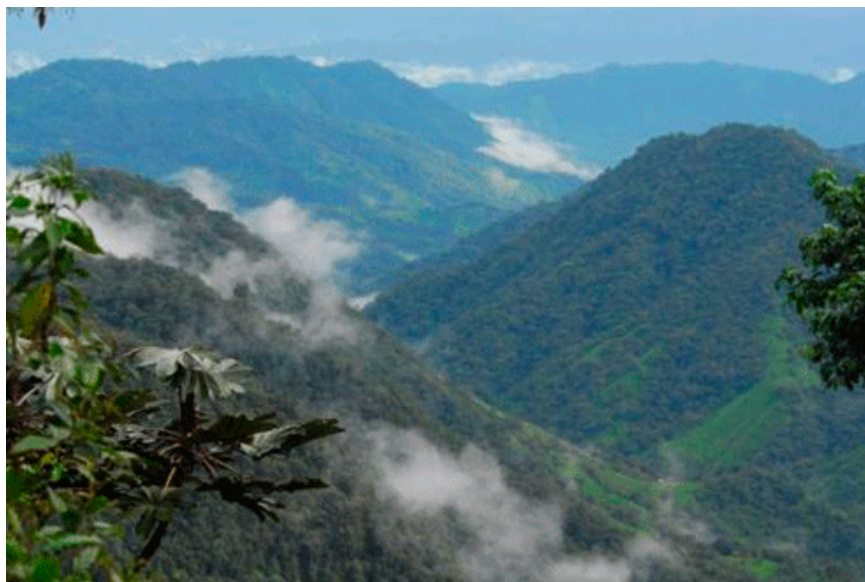


Small country sets precedent choosing forest conservation over oil

Ecuador has announced it will go ahead with its so-called ‘Yasuni ITT Initiative’ to leave untapped more than 900 million barrels of crude oil – 20 per cent of its known oil reserves – beneath a pristine Amazonian nature reserve, in exchange for annual international donations.



Credit: Danny Catt/British Columbia Institute of Technology

The government made its decision after receiving pledges totalling US\$116 million – its goal was US\$100 million – by the end of 2011. Pledges came from other foreign governments, individuals and foundations including \$50 million from Germany.

‘We’ve created amazing momentum,’ says Ivonne Baki, the head of the Yasuni ITT Initiative. That momentum will be needed as Ecuador has now set a new goal of securing US\$291 million in contributions in both 2012 and 2013 to keep the initiative going.

Launched in mid-2010 after three years of technical consultation, the Yasuni ITT project was praised by foreign governments and environmental groups as an innovative way to fight global warming.

According to the UN Development Programme (UNDP), which oversees the project’s trust fund, foregoing exploitation of the Ishpingo-Tambococha-Tiputini (ITT) oilfields in Yasuni National Park will prevent around 410 million metric tons of carbon dioxide from being emitted into the atmosphere – equivalent to France’s annual emissions.

The project could also prevent the extermination of at least two indigenous tribes that live in voluntary isolation, while conserving a forested area that scientists say is the most biodiverse place on earth.

Donor countries, particularly Germany, initially declined to support the initiative, fearing that the initiative’s ‘avoided emissions’ strategy would lead to similar plans being considered as part of future global warming/climate change treaty

negotiations. Indeed Germany's Secretary for Economic Cooperation and Development, Gudrun Kopp, claimed that 'a direct payment into a fund of this type would set a precedent that could ultimately prove very costly'.

However, according to Pamela Martin, author of *Oil in the Soil: The Politics of Paying to Preserve the Amazon*, the final Yasuni agreement signed with UNDP is 'very limited in scale'. It only applies to countries situated between the Tropics of Capricorn and Cancer which have tropical forests, a certified high level of biodiversity, and a credible program for investment in sustainable energy programs, she notes.

Germany has now agreed to a one-time, non-refundable commitment of US\$47 million in bilateral technical assistance to be paid over three years. This contribution will not pass through the UNDP Trust Fund, however, but will be invested instead directly in the park.

Other funding pledges came from provincial governments, such as the Belgian region of Wallonia and the French 'department' of Meurthe-et-Moselle. Although the Initiative was previously open to only governments and corporations pledging more US\$100 000, individuals and businesses wishing to contribute amounts as small as US\$25 may now become involved.

Baki says the next step is to launch an aggressive advertising, social networking, and promotional campaign focused on Europe, North America and Australasia. Insiders say the new strategy is an attempt to put public pressure on Ecuador's elected officials, while also drawing upon the financial resources and discontent of a global population that finds itself increasingly frustrated with slow-paced climate negotiations.

The Amazon oil campaign coordinator for Amazon Watch, Kevin Koenig says while environmental campaigners are deeply concerned about stepped up drilling plans in other parts of the Ecuadorian Amazon, they see merit in supporting the Yasuni Initiative as a means by which to enable Ecuador to extricate itself from its current 'oil debt trap'.

At present, Ecuador relies upon oil income for more than half of its annual export revenue. 'If the world is so concerned about preserving biodiversity, protecting indigenous rights and trying to find solutions to climate change, this proposal merits support,' he adds.

'It's not perfect but, regardless, it's important for Ecuador and the world.'

Source: ScienceInsider/Eric Marx

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