

INDIGENOUS ENVIRONMENTAL NETWORK

Carbon Trading: Capitalism of the Air Conflicts with Indigenous Knowledge

Trading of Hot Air – Privatization of the Sky

“The modalities and procedures for activities under the Clean Development Mechanisms (CDM) do not respect and guarantee our right to lands, territories, and self-determination. CDM and Sinks projects do not contribute to climate change mitigation and sustainable development” - Paragraph, Tiohtiá:ke Declaration, Indigenous Declaration, UNFCCC, COP11/MOP1, Montreal, Canada 2005

The adoption of mechanisms that allow for carbon pollution trading in the **Clean Development Mechanisms (CDM) of the Kyoto Protocol** has turned the potential threat of climate change into an opportunity for profit. The trading of carbon and greenhouse gases is a new form of colonialism. It creates **CO2lonialism**.

Carbon trading enables corporations and governments to avoid reducing greenhouse gas emissions by purchasing carbon credits. These carbon credits can come either from carbon offsetting projects like tree plantations, which are established under the guise of “development” in poor countries.

Many Indigenous peoples reject the claim that carbon trading will halt the climate crisis. This crisis has been caused more than anything else by the mining of fossil fuels and the release of their carbon to the oceans, air, soil and living things. This excessive burning of fossil fuels is now jeopardizing Earth’s ability to maintain a livable climate.

Governments, export credit agencies, corporations and international financial institutions continue to support and finance fossil fuel exploration, extraction and other activities that worsen global warming, such as forest degradation and destruction on a massive scale, while dedicating only token sums to renewable energy. It is particularly disturbing that the World Bank has recently defied the recommendation of its own Extractive Industries Review which calls for the phasing out of World Bank financing for coal, oil and gas extraction. In contradiction, the World Bank facilitates these false, market-based approaches to climate change through its Prototype Carbon Fund, the BioCarbon Fund and the Community Development Carbon Fund at the same time it is promoting, on a far greater scale, the continued exploration for, and extraction and burning of fossil fuels – which will only ensure more of the same failed policies of the North.

Many Indigenous peoples and organizations denounce the further delays in ending fossil fuel extraction that are being caused by corporate, government and United Nations’ attempts to construct a “carbon market”, including a market trading in “carbon sinks”.

History has seen attempts to commodify land, food, labor, forests, water, genes and ideas. Carbon trading follows in the footsteps of this history and turns the earth’s carbon-cycling capacity into property to be bought or sold in a global market. Through this process of creating a new commodity – carbon - the Earth’s ability and capacity to support a climate conducive to life and human societies is now passing into the same corporate hands that are destroying the climate.

Carbon trading will not contribute to achieving protection of the Earth’s climate. It is a false solution which entrenches and magnifies social inequalities in many ways.

- **The carbon reductions claimed through the CDM are not real. They rely upon hypothetical baselines that can be manipulated to produce credits for imaginary reductions. CDM projects routinely fail to demonstrate that they are not giving credit for projects that would have occurred anyway, and there is no methodology that can truly show that the projects are additional.**
- **The CDM shifts the responsibility to act from those who have contributed most to the climate problem to those who have contributed least.**
- **Using the CDM, timber plantations, for example, are being planted under the guise of sustainable development. These projects are neither “clean” nor “sustainable” nor a means of “development.” This applies not only for CDM sinks projects, but also for most other CDM (carbon trading) projects.**
- **Sinks are particularly troubling. Confusing fossil carbon with biological carbon results in sinks being phantom reductions which do not actually address the problem of climate change.**

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SINKS

Why the Carbon Sink fix is dangerous:

- Sinks credits are unverifiable and are ineffective. They should not be included in policies addressing the climate change problem.
- It reduces forests to one single, tradable commodity – Carbon.
- It has taken away attention from the real issues.
- It subsidizes industrial tree monoculture plantations exhausting groundwater and depleting soil quality.
- Undermines forest peoples' indigenous rights.
- It will aggravate forest loss and loss of biodiversity.

Corporate capitalists are seizing on the growing concern about climate change to sell previously controversial projects such as, huge monoculture tree plantations, large-scale production of biofuels and genetically engineered trees and crops as “solutions” to global warming. In this way, these so-called solutions can be sold to a Northern audience as a means to maintain a grossly over-consumptive lifestyle while supposedly making a positive contribution to the fight against global warming. Many Indigenous peoples globally condemn the promotion of such false solutions to global warming.

The unfortunate truth about these projects, however, is that they do little to mitigate climate change while causing tremendous environmental and social impacts.

Why the technical fix does not save the climate:

- Carbon stored above-ground is not the same as carbon stored in fossil fuel. Confusing fossil carbon with biological carbon results in sinks being phantom reductions which do not actually address the problem of climate change.
- Carbon stored in fossil fuel is stored permanently (unless it is drilled).
- Trees store carbon only temporarily (trees decay, burn, die through insect outbreaks, seedling are pulled out, e.g. as a response to plantation establishment on disputed land). It is NOT a permanent solution.
- If we assume that a molecule of carbon released from fossil fuels will be active as an agent of climate change in the atmosphere for about 100 years, then the carbon stored in the tree to ‘offset’ this additional emission would also have to be stored for at least those 100 years. Plantations of fast-growing trees like eucalyptus however, are cut after only 8-15 years.
- No adequate methodologies exist to measure changes in carbon stocks in a way necessary for the market-based mechanisms of the Kyoto Protocol.

Carbon trading and the sinks often involve genetically engineered (GE) plants and trees. GE trees and plants have the potential to devastate forest ecosystems and conventional agricultural crops by contaminating native trees and crops with pollen or seeds engineered to kill insects, resist toxic herbicides and with other destructive engineered traits.

People around the world need to be made aware of this commodification and privatization and actively intervene to ensure the protection of the Earth's climate.

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