
Ecuador: First steps towards leaving the oil under the ground in Yasuni

On 3 August the Ecuadorian Government and the United Nations Development Programme signed the Ishpingo-Tambococha-Tiputini (ITT) Trust Fund agreement. The signing of this financial instrument is the first concrete step towards implementing the project launched 3 years ago which set out to keep 846 million barrels of crude oil under the ground in the Yasuni national park – one of the planet's most bio-diverse places and home to the Waorani indigenous people and of indigenous groups living in voluntary isolation.

In this way, Ecuador, which bases a major part of its income on the export of crude oil, will avoid the emission of 410 million tons of carbon dioxide in exchange for international monetary compensation equivalent to a minimum of 50 percent of the benefits it would have obtained in the event it had exploited these oil fields (estimated at some 3,500 million dollars).

UNDP as trustee will be responsible for receiving and managing the funds from the countries participating in this Initiative. It will hand over these funds to the Ecuadorian Government, guaranteeing that they are used for stipulated purposes and that the crude oil remains underground. For Ecuador, this measure is in accordance with the new Constitution, which incorporates the concept of Sumak Kawsai or “the good life” as an economic rationale which, according to Ecuadorian economist and university professor, Pablo Dávalos, “is the possibility of linking human beings with nature from the standpoint of respect because it is a way of restoring ethics to human beings living in harmony, because a new social contract is necessary making it possible to live in unity with diversity, because it is an opportunity to oppose the violence of the system.” (1)

The signing of the Trust-Fund agreement is important because it implies the implementation of the long-drawn out Yasuni project, a strategic initiative with several fronts: it is a national option to obtain funds without further destruction of the Amazon; it is a way to genuinely curb climate change; and it may open the door for the construction of a post-oil, post-extractivist economy.

Although signing the Trust Fund agreement has given visibility to the Initiative and has consolidated positions favourable to it, Alberto Acosta, former president of the Ecuadorian Constituent Assembly considers that regarding international contributions, although some European governments have shown some positive signs, a more solid stand by civil society is needed: “The governments of industrialized countries regard the project in the framework of development aid. They do not accept the co-responsibility of their countries being the world's greatest predators,” he declared during an interview (1).

Furthermore, and regarding Ecuador, Acosta denounced contradictions: “this Initiative cannot be used as a pretext for the government of President Correa to boast that they are already doing a lot for Nature and the lives of the peoples in voluntary isolation, while simultaneously expanding the oil frontier in the southern centre of the Amazon and while encouraging large-scale open cast metal mining.” He warned that the Trust Fund is not enough; the government “should not tolerate oil-related activities in the surroundings of ITT, which includes unrestricted respect for the peoples in voluntary isolation in any area of the Amazon.” Acosta recalled that “oil and mining activities lead to

high environmental costs. Costs which, additionally, are never included in profitability calculations made by companies and even by governments. Costs that later, one way or another, are brutally transferred to society.” He pointed out that the government should curb “the other threats that are hanging over Yasuni, such as deforestation and illegal timber extraction, uncontrolled settlements, illegal tourism, and the multi-modal Manta-Manaos axis in the framework of IIRSA, inherited from neoliberal times. The activities taking place in neighbouring oil blocs and in the highways opened up for nearby oil projects will also have to be controlled.”

Other considerations made by Esperanza Martínez, from the Ecuadorian organization Acción Ecológica, aim at “local, national and international actions that are still pending:

- 1) On a local level, communities must be supported in defence of territories, forests and water; without these communities and their struggles, there never would have been a Yasuni initiative. It is intolerable that they should be repressed or discredited; this is the equivalent of turning the initiative into an orphan.
- 2) The Yasuni Initiative can and must prepare the ground for a post-oil Ecuador. In fact it has made it possible to counter the classical idea of prioritizing exploitation by that of heritage preservation. It is necessary to overcome the measures and policies for more prospecting, more consumption that tie us to the oil model, and even worse when they affect central and southern Amazon. It is necessary to close the wound represented by bloc 31 with minimum amounts of oil and Bloc 16 which is still artificially alive, as the contract should expire in two years time, and Armadillo camp which affects peoples in voluntary isolation.
- 3) Although the Yasuni proposal showed up the shameful carbon trade negotiations promoted by the Kyoto Protocol and inspired other peoples and countries to replicate the initiative of leaving crude oil in the ground and encouraged the discussion on the existence of an ecological debt owed by the North to the South, official positions must be unified as in some cases they are contradictory. In this respect, it is necessary to separate the Yasuni funds from carbon trade funds and REDD projects, which lead to complicity between the contaminators and a loss of local and national sovereignty, or in megaproject investments sustaining the extractivist model.”

However, now is the time for congratulations on progress made. And, as stated by Esperanza Martínez, “it is a time to acknowledge and congratulate those who have worked towards this Initiative: the Waorani indigenous people who have been denouncing the impacts of oil operations on their territories for the past twenty years; the peoples and communities that, with their resistance inspired the Yasuni proposal; the CONAIE leaders who have maintained and promoted the protection of Yasuni; those oil workers who provided valuable technical information and who have supported the Initiative from their positions; the plaintiffs in the court case against Texaco that have enabled us to have information on the impacts of oil-drilling activities; the young people from the Amazonia For Life campaign that have promoted the defence of Yasuni in schools, colleges and neighbourhoods all over the country; the artists, journalists, academics who have kept the Initiative alive. And of course, the State officials and former officials who have promoted action to consolidate the so-called first option for Yasuni.”

- (1) “El ‘Sumak Kawsay’ (‘Buen vivir’) y las cesuras del desarrollo”, Pablo Dávalos, ALAI, <http://alainet.org/active/23920>
- (2) “Pensando alternativas. Entre la crisis europea y el Yasuní”, Franck Gaudichaud, interview with Alberto Acosta, former president of the Ecuadorian Constituent Assembly <http://www.cadtm.org/Pensando-alternativas-Entre-la>
- (2) “¿Qué celebramos con la firma del fideicomiso de la iniciativa Yasuní?”, Esperanza Martínez, Acción Ecológica, <http://www.amazoniaporlavida.org/es/>

