<u>Corporate enthusiasm for forest protection and tree planting driven by</u> <u>determination to protect profits from fossil fuel extraction</u>

Oil, coal and gas companies have destroyed and polluted large swaths of forests and the devastation that comes with their fossil fuel extraction continues. Those very same companies are now putting forest protection and tree planting at the heart of their climate strategies - one more move to protect corporate profits.

Over the years, oil, coal and gas companies have destroyed large swaths of forests and polluted many more. Yet all of a sudden, they proclaim to have discovered a love for forests. Moreover, they are putting them at the heart of the new climate strategies they are promoting after spending decades and billions of dollars casting doubt on any link between fossil fuels and global warming. (1)

Why the big change? Several factors probably play a role. First, governments are increasingly leaning toward legislation to rein in greenhouse gas emissions from fossil fuel burning. Second, more and more lawsuits are being filed against oil and coal companies for their role both in climate change and in denying that climate change is happening. And extreme climate events are happening much more frequently and in a way that is harder to ignore.

Accordingly, the oil industry has started to amend its climate denial strategy. Their new line is that climate change is real but that forests will take care of much of the problem. No need to be in such a rush to phase out burning oil or gas, they say. Why not just prevent forests from releasing carbon instead? Or plant new trees to soak up some of the carbon dioxide that is accumulating in the atmosphere?

Talking about nature protection while pocketing profits from destroying nature

Take the Italian oil and gas company Eni. Its website now includes a large section outlining the company's "commitment to protecting forests", showcasing glossy images of lush forests, and urgent calls to take action on deforestation. Meanwhile, Eni's long-term strategy projects that 90 percent of its energy production by 2050 will come from burning fossil gas.

The Anglo-Dutch oil company Shell is also proclaiming its enthusiasm for nature, and forests in particular. "Nature-Based Solutions and Shell" is the title of a video on Shell's webpage of the same name. It talks about how "Shell is harnessing nature", "supporting reforestation projects" and "protecting forests under threat". These activities, the video claims, are "making it easier for our customers to tackle their emissions." A world map presents the projects that have received funding from Shell or its customers who are paying a little extra to fill up with "climate-neutral fuel". The company says its oil-based energy production has already peaked but like Eni, Shell plans to increase its fossil gas business. Over half of its energy sales by 2030 will be from fossil gas.

Total, the French oil company wants to extract near and transport oil and gas through a World Heritage Site in the Albertine Rift in eastern Africa and destroy carbon-rich peat forests (along with the fossil carbon in oil and gas deposits underneath these forests) in the Republic of Congo's Cuvette

region. (2) It set up "Total Nature Based Solutions" in 2019. With a budget of US\$ 100 million (in 2019, Total spent US\$ 1.55 billion on fossil fuel exploration), the new unit "is tasked with funding, developing and managing projects in carbon sequestration and greenhouse gas emissions reduction." And the Total Foundation "has made forest preservation and restoration a key focus of its program" while the corporation Total plans to generate 85 percent of its energy sales by 2030 from either fossil oil or fossil gas.

Documents obtained by the UK-based organisation Culture Unstained show that Norway's oil and gas company Equinor (formerly Statoil) has been offering to fund tree planting and forest protection projects, if that opens the door to sponsorship of the next UN climate conference in Scotland, planned for November 2021. (3) In 2018, Equinor wrote that it would be ready to invest in forest carbon projects "when there is more clarity on the market development." That clarity, it seems, the UK government is preparing to deliver. Notes from a May 2020 meeting between UK government officials and Equinor representatives confirm that the UK government wants to use its position as host of the UN climate meeting to push through a decision to set up "robust carbon markets which unlock private finance for mitigation, including through nature-based solutions."

The documents obtained by Culture Unstained show that UK government officials also met with representatives from BP and Shell. (3) And BP has been preparing for such a carbon market to emerge: its subsidiary BP Ventures bought a majority stake in the largest US-based forest carbon offset development company, Finite Carbon, in December 2020. (4)

Corporate non-solution will cause massive land grab and fuel more climate chaos

Because oil companies have no intention to drastically shrink extraction of fossil carbon in the near future, their nature-based non-solutions - if implemented - will require huge areas of forest and land planted with trees as corporate carbon storage facility. Total's Nature Based Solutions unit will be looking for projects to store at least five million tonnes of the company's CO₂ emissions **annually** from 2030. Shell announced ramping up the purchase of carbon offsets, including from tree planting and forest conservation projects, to 120 million tonnes **a year** by 2030; Eni is counting on forests to store 40 million tonnes of its carbon dioxide emissions **annually** from 2050 (and six million tonnes **a nnually** from 2024). And that is just the demand for land from just a handful of oil companies to use as carbon offset. Over 1,500 large corporations have in the meantime made pledges to become carbon neutral, and corporations like Nestlé and Unilever or tech companies like Microsoft and Google and other corporate polluters such as the aviation industry are also demanding land for above-ground carbon storage.

The numbers thus suggest that this corporate nature-grabbing non-solution will turn into a major threat to food sovereignty and community control over their territories in the global South because it will enclose forests and land for tree planting on a massive scale.

Conservation industry presents nature as solution to corporate polluters

Corporations have had a lot of help from large conservation groups in designing this latest corporate non-solution to climate change. Back in 2009, conservation groups including The Nature Conservancy, Conservation International and IUCN were discussing ways to turn the carbon stored in protected forest areas under their management into money for their organisations. From these discussions grew the "nature-based solutions" idea (see article in this bulletin issue).

Their proposal involves enclosing forests and land planted with trees, declaring them as above-

ground corporate carbon storage facility and trading the carbon stored in them as compensation for digging up more fossil carbon from underground oil, gas and coal deposits.

So, let's recall the bogus reasoning behind the idea of offsetting which starts from believing that damage caused by pollution or destruction in one place can be undone by preventing pollution or destruction that was going to take place elsewhere.

Take the example of forest carbon projects, which are also often called REDD offsets. A for-profit conservation company based in an industrialized country such as Wildlife Works Carbon or a conservation group such as The Nature Conservancy claims that without their intervention, a forest would have been destroyed. It is worth noting that no REDD project site includes a forest actually threatened by destruction for, say, expansion of oil palm or soy plantations or industrial logging. Nor are REDD projects located where a fossil fuel company was planning to extract oil, coal or gas from underground carbon deposits. Almost without exception, offset project owners identify peasant farming, 'population pressure' and shifting cultivation as alleged drivers of deforestation. The identified deforestation threat then must be prevented by the REDD project. In reality, this has meant undermining and controlling peasant farming practises and bad-mouthing and restricting shifting cultivation. (6)

The story from which an offset project calculates its emission savings (the alleged deforestation threat that was prevented) is always hypothetical, because it is not possible to know what would have happened to the forest without the offset project. Studies suggest that many, if not most REDD and tree planting offset projects exaggerate the emissions they allegedly prevented. (7)

The oil company emissions, by contrast, are real. This is a risky combination for the climate.

The result is that emissions from burning fossil fuels keep accumulating, heating up the planet. Yet, their customers and governments pushed by oil industry lobbyists are led to believe that the climate damage of these emissions has been dealt with.

Carbon cycle chaos

Offsets involving forest conservation and tree planting also confuse two carbon cycles that have very different impacts on the climate. The carbon in the tree is part of a much faster-moving cycle than the carbon stored in underground oil, gas or coal deposits. These underground carbon stores are made up of fossil carbon, carbon that has been locked up in these deposits for millions of years. By contrast, even old forests store carbon only for a few hundred to thousand years before it is released again into the atmosphere when trees decompose. In industrial tree plantations, the trees are often cut after as little as seven years.

>From a climate perspective, underground carbon and above-ground carbon are therefore not the same. One (fossil carbon) is safely locked away for millennia - unless companies drill oil wells and dig up coal mines. The other (carbon in vegetation) has always been part of the cycle that is shaping the climate, but never to an extent that will cause climate chaos like adding more fossil carbon does.

REDD as precursor

It was at the UN climate conference in 2019 that Shell, BP and others joined the carbon markets lobby and the conservation industry to launch a market for what they then called 'nature climate solutions' (today's 'nature-based solutions'). (5)

Whatever the words used, however ("net-zero decarbonization", "climate neutral," "carbon neutral" are other popular terms used in relation with nature-based corporate solutions), such company initiatives have one thing in common: the oil industry's resolve to keep destroying underground carbon deposits for decades to come.

Their long-term extraction plans show that for Shell, Eni, Equinor, Total, Exxon, BP and their industry, 'decarbonization' means they will continue to extract and burn fossil carbon to produce energy and release more carbon dioxide into the atmosphere – which is causing the climate to rapidly change. Nature-based enclosures merely provide a dangerous cover for this destruction (Bulletin 247).

Like enclosing forests as above-ground corporate carbon storage facility through REDD, this latest greenwashing of fossil carbon extraction also risks depriving countless peasant farming communities and forest peoples of their livelihoods. (6) Although REDD stands for Reducing Emissions from Deforestation and forest Degradation, REDD projects and programmes never even tried to reduce corporate-led large-scale deforestation - which has continued largely unhindered by REDD initiatives. Instead, REDD led to stifling restrictions on peasant farming practises, and shifting cultivation in particular.

What started as REDD 15 years ago has now been expanded into corporate nature-based nonsolutions that stand to enclose not just forests but also mangroves, grasslands and soils as corporate above-ground carbon storage facilities. For the time being, the oil companies claiming to be supporting this latest idea are mainly financing existing REDD projects: Shell is buying carbon credits among others from the Katingan REDD project in Indonesia, and three REDD projects in Peru; Eni is involved in the Luangwa REDD project in Zambia; Total has bought carbon credits from the Kariba REDD Forest Protection project in Zimbabwe for its first 'carbon-neutral' liquid fossil gas shipment in 2020. BP has focused on forest carbon projects managed by the US-based carbon offsets, BP invested in the Noel Kempff forest carbon conservation project in Bolivia which has been managed by The Nature Conservancy.

These carbon offset projects have been shown to either exaggerate the emission savings they are selling as carbon credits or to cause conflict and restrict peasant farming practises and community use of the forest – or both. (8) By supporting REDD projects like these, conservationist groups helped put the spotlight of the deforestation discourse on peasant farming - and away from the forest destruction driven by the corporations that so generously donate to their organisations. (9) Through their support for corporate 'nature-based solution' offsets, these same groups are now siding with the oil industry in delaying the winding-down of fossil fuel burning.

In short, these corporate nature-based non-solutions are a PR coup par excellence for oil corporations with limited intention to forego profits from fossil carbon extractivism at the scale and with the speed needed to reduce the risk of climate chaos. Let's not be fooled by the oil and conservation industry's latest deception. They will inevitably support some genuinely community-run forest conservation initiatives. There will be the same tireless promise as there was with REDD: that any 'problems' can be resolved through better oversight, certification standards, stricter monitoring of safeguard policies and more community participation. Such efforts mistake the root of the problem: The danger of nature-based corporate solutions does not arise from bad implementation (though that will happen, too); the danger lies in this non-solution triggering a massive land grab and distracting from the urgent need to end corporate destruction of underground oil, gas and coal deposits.

Jutta Kill

Member of the WRM Secretariat

(1) In the past five years alone, Exxon Mobil, Shell, BP, Total, and Chevron are believed to have spent more than US\$1 billion on lobbying against climate legislation that would endanger their profits from fossil fuel burning. The <u>website of the US-based group Climate Investigation Center</u> contains a large collection of documents showing the history of oil company funding of climate denial. See also <u>The Problem with Big Oil's Forest Fever</u>, by Phoebe Cooke, and InfluenceMap report 2019: <u>How the oil majors have spent \$1Bn since Paris on narrative capture and lobbying on climate</u>.

(2) <u>Anatomy of a 'Nature-Based Solution': Total oil, 40,000 hectares of disappearing African</u> <u>savannah, Emmanuel Macron, Norwegian and French 'aid' to an election-rigging dictator, trees to</u> <u>burn, secret contacts, and dumbstruck conservationists</u>, by Simon Counsell. April 2021.

(3) <u>Docs Show Equinor Pushing 'False Solutions' to Climate Change While Lobbying UK Government</u> on COP26, by Phoebe Cooke, DESMOG UK. October 2020. Documents obtained through Freedom of Information requests <u>filed by the organisation Culture Unstained</u>.

(4) The company statements can be found at: <u>Eni</u>; <u>Shell</u>; <u>Total</u>; <u>Equinor</u>; <u>BP</u>; the NGO Client Earth has <u>collected misleading energy company advetrising</u>.

(5) Launched at COP25, <u>IETA's Markets for Natural Climate Solutions is greenwash for the oil industry</u>. REDD-Monitor, 11 December 2019.

(6) To read more: <u>10 Things Communities Should Know About REDD</u>; <u>REDD</u>: <u>A Collection of</u> <u>Conflicts, Contradictions and Lies</u>; and <u>How REDD+ projects undermine peasant farming and real</u> <u>solutions to climate change</u>

(7) See for example: West, T. et al. 2020. <u>Overstated carbon emission reductions from voluntary</u> <u>REDD+ projects in the Brazilian Amazon</u>; Scott, D.F.et al. 2016. The virtual economy of REDD+ projects: does private certification of REDD+ projects ensure their environmental integrity?

International Forestry Review, 18(2):261-263; SSNC 2013. <u>REDD Plus or REDD 'Light'? Biodiversity,</u> <u>communities and forest carbon certification</u>. See also ReCommon 2016: <u>The Kasigau Corridor REDD</u> <u>Project in Kenya. A Crash Dive for Althelia Climate Fund</u>; and

https://projects.worldbank.org/en/projects-operations/project-detail/P160320?lang=en&tab=overview; (8) See <u>redd-monitor.org</u> for reports on these REDD projects.

(9) See, for example: <u>How big donors and corporations shape conservation goals</u>, by Jeremy Hance. Mongabay 03 May 2016; and <u>A Challenge to Conservationists</u>, by M. Chapin.