

# Ecuador offers world a sustainable path



**RAFAEL CORREA**, President of Ecuador, an oil-producing country, offers the world a new economic model. By not exploiting petroleum reserves in Yasuní, an ecological zone, Ecuador will protect the world's climate and preserve a rich biodiverse region. He invites the world's rich countries, more responsible for climate change to help build a fair, more human civilisation.

24/09/07, UN HIGH LEVEL MEETING ON CLIMATE CHANGE – The dialogue that brings us together is a clear sign climate change has become a concern at the highest political levels. A commitment to offset climate change compels us to give serious thought to our current development model. Climate change knows no borders, but its distribution and impact are inequitable. An average US citizen generates six tons of carbon yearly and an average European citizen generates nearly 3 tons yearly, yet the world per capita emissions average is about 1.3 tons per year, and is characterized by great asymmetry. This fact clearly demonstrates where the major responsibility lies for the impact of carbon emissions on the environment and on life on the planet.

This is not an attempt to deny the increasing emissions of some developing countries, but to demonstrate that the present model of growth, based on intensive use of fossil fuel and over-consumption, is untenable. Its benefits reach the 'privileged' minority of modern society, while enormously harming us all. In recent years, climate disasters have cost the lives of more than 3 million people in the world, harmed 800 million other victims, and inflicted more than \$23 billion in immediate damage. 90% of this damage occurred in developing countries.

Ecuador is a marginal country in terms of emissions, but in our country the impact of climate change could cause the gradual transformation of tropical forests into savannahs, replacement of semi-arid vegetation by deserts, significant loss of biodiversity, shrinking glaciers and changes in rainfall patterns with potential impacts on availability of water for human consumption. Adaptation measures required to adjust to climate change are a heavy burden on developing countries' budgets, and could reach \$40 billion according to World Bank studies. We do not need loans to adapt. That would increase the burden of our external debt. We need compensation for damage caused by the disproportionate amount of historical and current emissions of greenhouse gases by industrialized countries. Inequality in the origin and distribution of effects of global warming cannot be overlooked in the climate change debate.

Yet Ecuador is prepared to make enormous sacrifices, with a sense of justice and creativity, to counteract global warming. The initiative of the Ecuadorian Government to maintain crude oil underground in a reserve

located in a highly-sensitive ecological zone called Yasuní, entails a commitment not to exploit nearly 920 million barrels of petroleum, thereby preserving one of the most biodiverse regions of the world. This means enormous investments will be lost, nearly \$720 million annually, a very significant sum for a small country with 13 million habitants and around 6 million living in poverty. We are ready to make this tremendous sacrifice, but we need the international community to share the responsibility by providing minimum compensation in recognition of the environmental benefits we will generate for the entire planet. The Yasuní-ITT model promoted by the Ecuadorian government will prevent around 111 million tons of carbon emissions produced by burning oil. The cost to Ecuador of not exploiting the crude is at least 10 to 15 dollars a barrel. However, Ecuador asks humanity to make a contribution of only 5 dollars per barrel, to preserve biodiversity, protect the indigenous people who live in the area in voluntary isolation, and to prevent carbon dioxide emissions. The total amount we request is approximately \$4.6 billion. This would be an excellent example of worldwide collective action to reduce global warming and benefit the entire planet.

Our proposal includes establishing the Yasuní-ITT Environmental Fund, to support a National Development Plan that includes diversifying energy sources, development and investment in eco-tourism, and implementing a comprehensive program including health, education and environmental remediation. The Ecuadorian proposal seeks to transform old concepts of the economy and value. In the market system the only possible value is the cost and exchange. The Yasuní-ITT project is based above all on recognising the value and use of the non-economic values of environmental safety and maintenance of planetary diversity. Our project aims to introduce a new economic logic for the 21st century, where value is rewarded, not only commodity production. For the first time, an oil producing country, Ecuador, where one-third of state revenues depends on exploiting the petroleum resource, forsakes this income for the sake of humanity, and invites the world to join in the effort with fair compensation, so together we can lay the foundation of a more human and fair civilization. ■PE