

Day of reckoning for Ecuador's biodiversity



The world's indifference to a request for \$3.6 billion to preserve a diversity hot spot may push the country to extract oil there, says Kelly Swing.

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How much is the world willing to pay to protect a piece of Amazonian Ecuador that is home to the greatest concentration of species on the planet? Ecuador's government has asked for US \$3.6 billion to refrain from developing the region, in the Yasuní Biosphere Reserve, but the reaction of the world suggests that the price is too high. We need to accept that big oil firms are coming to Yasuní, and the struggle now must be how to limit the damage, rather than prevent it.

The effort to save the region mirrors the plot of 2009's blockbuster film *Avatar*. Yasuní is the set and its ancestral people are the Waorani. The precious commodity beneath their feet is fossil fuel. The region and its people are highly threatened by oil extraction and the collateral damage that such development brings. For most of the past half-century, Ecuador's economy has depended heavily on oil revenue. Oil-field development continues to push into more remote areas to keep the cash flowing. It has already reached into the heart of the Yasuní reserve.

In an innovative proposal set out in 2007, President Rafael Correa offered to sell the world a guarantee that oil would not be extracted from the Ishpingo-Tambococha-Tiputini (ITT) block, a 1,200-square-kilometre portion of Yasuní on the country's eastern border with Peru. The \$3.6-billion price is about half of what Ecuador could expect to make from the roughly 850 million barrels of crude oil reckoned to be there. In exchange, Correa said that the area would be legally set aside, and become off-limits to extraction in perpetuity. In Ecuador, the plan is optimistically referred to as Plan A.

Two decades in Yasuní have infused me with an intense desire for this initiative to work. Unfortunately, after three years of worldwide campaigning, it is heartbreaking to say that I don't see it happening. All the environmentalists who see the initiative as Yasuní's last chance don't want to believe it might fail. Out of fear that we might jinx it, most of us haven't even been willing to hint at its possible failure. But the trust fund set up to receive the money contains just \$100,000 so far. Correa says he will evaluate its accumulation rate in a few

months. If more money does not come, he could withdraw the offer.

Why the poor response? Some people suggest that his initiative is essentially an ugly ultimatum — either the world pays to save Yasuní or Ecuador will have no choice but to exploit the oil beneath it. In this scenario, the Ecuadorian government can blame the rest of the world for any negative consequences. Ecuador's vice-president, Lenín Moreno, denies the reserve is being held for ransom, and points out that his country would be the greatest contributor, as it is willing to accept losses of \$3.6 billion to make the plan work. Either way, there is a credibility gap. According to stipulations, Ecuador's responsibility would be to use contributions for sustainable development that would decrease the country's energy footprint and boost conservation efforts. Does the world believe that Ecuador can be trusted to use the funds in this way and to keep its promises — not only for the next decade but forever? Realistically, no conservation plan can demand that any sovereign nation be permanently deprived of rights to develop and profit from its own natural resources.

We have to realize that Plan B, to extract and sell the oil, is ready to be set in motion. Historically, such development north of the Napo River has led to widespread oil spills and surface dumping of formation water, and the opening of access roads has been followed by waves of settlers, deforestation, expansion of the agricultural frontier, acculturation of indigenous groups, timber harvest and the marketing of bushmeat, resulting in near complete destruction of that region. This same process has already compromised the accessible western parts of Yasuní.

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If the crude oil in the ITT block and surrounding region is exploited using the same methods, the result will be nothing short of a world-class environmental disaster. If an earthquake, hurricane or bomb caused the same amount of destruction in an instant, no one could ignore the impact, or would simply stand by and accept it. Because this tremendous loss would be stretched out over decades, few are likely to notice the gradual change.

Does this have to be the future? Oil companies say they can do better, if given the chance. The oil industry has improved its strategies and technologies to minimize risks, but minimizing risks is not the same as eliminating them. Just think back on BP's summer of oil in the Gulf of Mexico.

If extraction is deemed necessary and unavoidable in the ITT (and probably most of the Yasuní reserve), any plan must require that the job genuinely be done in an environmentally sound way. This can be done only if the oil is extracted without new roads, which open the way to so many destructive forces. If roads continue to be built to provide access then, without question, all is lost. Instead, the oil must be extracted using 'off-shore' strategies, which are more expensive but do less damage. It goes without saying that any operations would have to include proper maintenance and independent monitoring, but having isolated oil platforms scattered across the landscape has to be better than horizon-to-horizon deforestation.

Correa's government has already indicated that it would sacrifice revenues of \$3.6 billion to save a small portion of this regional biodiversity hot spot. A simple policy of no more roads built in the reserve would go a long way to protecting much more of Yasuní, well beyond the bounds of the ITT block, and for far less money.

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