FINAL DRAFT FOR SIGN-ONs

Climate Justice Now! The Durban Declaration on Carbon Trading

As representatives of people's movements and independent organisations, we 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 jeopardising Earth's ability to maintain a liveable 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.

We 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, labour, 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.

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.

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

- The carbon market creates transferable rights to dump carbon in the air, oceans, soil and vegetation far in excess of the capacity of these systems to hold it. Billions of dollars worth of these rights are to be awarded free of charge to the biggest corporate emitters of greenhouse gases in the electric power, iron and steel, cement, pulp and paper, and other sectors in industrialised nations who have caused the climate crisis and already exploit these systems the most. Costs of future reductions in fossil fuel use are likely to fall disproportionately on the public sector, communities, indigenous peoples and individual taxpayers.
- The Kyoto Protocol's Clean Development Mechanism (CDM), as well as many private sector trading schemes, encourage industrialised countries and their corporations to finance or create cheap carbon dumps such as large-scale tree plantations in the South as a lucrative alternative to reducing emissions in the North. Other CDM projects, such as hydrochlorofluorocarbons (HCFC) -reduction schemes, focus on end-of pipe technologies and thus do nothing to reduce the impact of fossil fuel industries' impacts on local communities. In addition, these projects dwarf the tiny volume of renewable energy projects which constitute the CDM's sustainable development window-dressing.

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- Impacts from fossil-fuel industries and other greenhouse-gas producing industries such as displacement, pollution, or climate change, are already disproportionately felt by small island states, coastal peoples, indigenous peoples, local communities, fisherfolk, women, youth, poor people, elderly and marginalized communities. CDM projects intensify these impacts in several ways. First, they sanction continued exploration for, and extraction, refining and burning of fossil fuels. Second, by providing finance for private sector projects such as industrial tree plantations, they appropriate land, water and air already supporting the lives and livelihoods of local communities for new carbon dumps for Northern industries.
- The refusal to phase out the use of coal, oil and gas, which is further entrenched by carbon trading, is also causing more and more military conflicts around the world, magnifying social and environmental injustice. This in turn diverts vast resources to military budgets which could otherwise be utilized to support economies based on renewable energies and energy efficiency.

In addition to these injustices, the internal weaknesses and contradictions of carbon trading are in fact likely to make global warming worse rather than "mitigate" it. CDM projects, for instance, cannot be verified to be "neutralizing" any given quantity of fossil fuel extraction and burning. Their claim to be able to do so is increasingly dangerous because it creates the illusion that consumption and production patterns, particularly in the North, can be maintained without harming the climate.

In addition, because of the verification problem, as well as a lack of credible regulation, no one in the CDM market is likely to be sure what they are buying. Without a viable commodity to trade, the CDM market and similar private sector trading schemes are a total waste of time when the world has a critical climate crisis to address.

In an absurd 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 – many of which are to ensure increased emissions of the North.

In conclusion, 'giving carbon a price' will not prove to be any more effective, democratic, or conducive to human welfare, than giving genes, forests, biodiversity or clean rivers a price.

We reaffirm that drastic reductions in emissions from fossil fuel use are a pre-requisite if we are to avert the climate crisis. We affirm our responsibility to coming generations to seek real solutions that are viable and truly sustainable and that do not sacrifice marginalized communities.

We therefore commit ourselves to help build a global grassroots movement for climate justice, mobilize communities around the world and pledge our solidarity with people opposing carbon trading on the ground.

Signed 10 October 2004 Glenmore Centre, Durban, South Africa

[DURBAN SIGNATORIES] See <u>www.sinkswatch.org</u> for up-to-date list of signatories [SUPPORTING SIGNATORIES] See <u>www.sinkswatch.org</u> for up-to-date list of signatories

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