

Motion

tabled by the Members of the German Bundestag Dr Christian Ruck, Anette Hübinger, Dr Wolf Bauer, Hartwig Fischer (Göttingen), Norbert Geis, Manfred Grund, Jürgen Klimke, Sibylle Pfeiffer, Volker Kauder, Dr Peter Ramsauer and the CDU/CSU parliamentary group,

the Members of the German Bundestag Dr Sascha Raabe, Gregor Amann, Elvira Drobinski-Weiss, Detlef Dzembritzki, Gabriele Groneberg, Stephan Hilsberg, Iris Hoffmann, Dr Bärbel Kofler, Walter Kolbow, Ute Kumpf, Thomas Oppermann, Christel Riemann-Hanewinkel, Walter Riester, Frank Schwabe, Dr Ditmar Staffelt, Hedi Wegener, Dr Wolfgang Wodarg, Dr Peter Struck and the SPD parliamentary group,

and the Members of the German Bundestag Ute Koczy, Undine Kurth (Quedlinburg), Thilo Hoppe, Hans-Josef Fell, Bärbel Höhn, Renate Künast, Fritz Kuhn and the ALLIANCE 90/THE GREENS parliamentary group

For the scrutiny and development of Ecuador's proposal for the global protection of the climate and biodiversity: protecting Yasuní National Park through compensation payments for foregone oil revenue

The Bundestag is requested to adopt the following motion:

I. The German Bundestag notes:

Ecuador's proposal of 5 June 2007 to leave the Ishpingo-Tambococha-Tiputini (ITT) oilfields in Yasuní National Park untapped and thus protect the area from the damage caused by oil extraction is most welcome. It is an extremely important proposal which offers significant opportunities to preserve a globally unique biosphere reserve and protect the indigenous peoples who live there. It also makes a vital contribution to the necessary debate about the developing countries' role in global climate protection and the value of biodiversity. In exchange for protecting the ITT and leaving the oil in the ground – with permanent safeguards to be enshrined in binding international agreements – Ecuador is requesting the international community to agree to make compensation payments to Ecuador. These payments would be used pro-actively to protect biodiversity, rather than simply offsetting the foregone oil revenue. There is no intention to create a precedent which would put the international climate process at risk from unrealistic financial demands from oil-producing countries.

Ecuador is asking for donors to cover 50 percent of the projected lost oil revenues as a contribution to preserving the functional and intrinsic value of Yasuní's ecosystem, which is unique in the world. According to current estimates, the compensation figure would amount to around USD 350 million per annum over a 13-year period. The Ecuadorian Government itself is willing to cover the remaining 50 percent of the lost revenue. This would be a massive sacrifice for Ecuador, and clearly signals the seriousness of its proposal. President Rafael Correa has set a deadline of one year for potential donors to pledge to pay into a compensation fund. If the funding is not secure by the expiry of the deadline in June/July 2008, it must be assumed that the

ITT's protected status will be lifted and permission will be granted for drilling in the area. If oil extraction goes ahead, the impacts on Yasuní National Park will be irreversible. Infrastructural development will cause environmental degradation on a massive scale. The laying of pipelines and the associated road-building will cause human encroachment into the virgin forest, and this valuable forest will be cleared and colonized. The local indigenous communities will inevitably be forced off their ancestral lands. Conditions in areas of the Amazon where oil production is already taking place are catastrophic, with a lack of environmental awareness, poor management and leaks causing the progressive contamination of these territories.

In January this year, the Government of Ecuador reaffirmed its determination to carry out its proposal, setting up an ITT Technical Secretariat Office and appointing a Special Commissioner for the ITT in order to drive forward the implementation process. Since then, the Special Commissioner for the ITT, Francisco Carrión Mena, has presented the ITT proposal in discussions with parliamentarians and governments all over the world, including Germany in March 2008. The Federal Ministry for Economic Cooperation and Development (BMZ) has already provided assistance and resources for the deployment of short-term experts to support the development of possible solutions to unresolved issues.

The Ishpingo-Tambococha-Tiputini (ITT) oilfields are located in Yasuní National Park. Yasuní lies in the north-west Amazon. Due to its unique species diversity, it is a Natural World Heritage Site and was designated a UNESCO Biosphere Reserve in 1989. There are almost as many different tree species in one hectare of Yasuní National Park as there are in the whole of North America. More species of beetle can be found on a single tree in Yasuní than in all of Europe, and of the 1300 species of bird found in the Amazon basin, 567 have been identified in Yasuní. The National Park is home to indigenous peoples whose culture and way of life are closely bound up with the forest and its biodiversity. They include the Tagaeri and Taromenane communities, who continue to maintain their ancestral way of life here in isolation from "civilization".

Despite Yasuní's right to protection by virtue of its status as a National Park, oilfields have existed and have been exploited in Ecuador's Amazon region for some time. Known as "blocks", some of these oilfields extend into the territory of Yasuní National Park. The ITT block is located almost entirely within the National Park's territory and contains proven reserves of at least 412 million barrels of oil, although according to some estimates, the figure may be as high as 920 million barrels in total. Oil extraction in this area would cause massive ecological damage and would destroy the ancestral lands of traditional indigenous communities. As experience during the 40-year-history of oil extraction in Ecuador has shown, standards and safeguards are catastrophic, and the industry is still causing widespread contamination of habitats. Furthermore, oil production also contributes to climate change, firstly through deforestation and then through the subsequent use of the extracted oil, as both fossil fuels and deforestation are among the main causes of climate change. Forest clearance alone accounts for around 20% of annual global CO₂ emissions, releasing not only the CO₂ that is stored in vegetation but also CO₂ from soil.

On 5 June 2007, at the initiative of former Energy Minister Alberto Acosta, the Ecuadorian Government under President Rafael Correa officially adopted the proposal to leave the oil in the ground in the ITT zone in order to protect biodiversity

and the indigenous communities' habitat. Ecuador would thus forego annual oil revenues projected at around USD 700 million. Ecuador assumes that this sum would be generated during the first 13 years of oil extraction in the ITT fields, with productivity and revenue steadily decreasing thereafter. As the precondition for implementation of the ITT proposal, the international community is being asked to pay 50 percent of the projected oil revenue, i.e. USD 350 million dollars annually, into a fund. Ecuador itself is prepared to cover the remaining 50 percent. A further option under discussion is capitalization of a fund with USD 4 billion, which could generate an ongoing income equivalent to the annual figure requested by Ecuador. Ecuador intends to use the fund to invest in social projects, the development of alternative energies, conservation and environmental projects, and ecotourism. In exchange, Ecuador is willing to sign up to binding international agreements to confer long-term protected status on the ITT zone and forego oil production here in order to avoid damage to biological diversity and indigenous habitats. Another option is for Ecuador to issue bonds to donors, with a face value equivalent to the donor's financial contribution. Then if Ecuador breached the agreement and allowed oil extraction to go ahead, it would be required to pay back the sums to the individual donors.

As regards the possible composition of the compensation payments, the Government of Ecuador has proposed various options:

- debt relief (relief of bilateral debts, external debt with the "Paris Club" and debts with international institutions),
- financial contributions from other countries,
- contributions from non-government organizations and other civil society groups,
- donations from individuals.

The one-year deadline initially set by President Correa is due to expire in June/July 2008. By then, the ITT proposal must be backed by binding financial commitments/funding proposals if it is to go ahead. Otherwise, Ecuador will proceed with the extraction of the oil reserves in the ITT block. It should be noted, however, that President Correa did not present the proposal to the UN General Assembly until September 2007. Ecuador established the ITT Technical Secretariat Office and appointed the Government's Special Commissioner in January this year in order to provide support and resolve numerous questions relating to the proposal. Issues which have yet to be clarified include the question of who would administer the fund, and how binding rules can be framed for the protection of the ITT zone. There is also a need for reliable calculations to determine the extent of the oil reserves in the ITT block, and agreement must be reached on a methodology for calculating the potential revenue from extraction. An extension of the deadline to the end of 2008 is therefore urgently required so that there is enough time to clarify the various issues and draw up proposals for the practical implementation of the project, and thus to gain the confidence of potential donors – countries, organizations and private individuals – so that this pioneering initiative can be implemented successfully.

II. The German Bundestag calls on the Federal Government:

1. to encourage the Government of Ecuador to extend the deadline to the end of 2008 to allow time for more detailed scrutiny of its proposals and establish a robust and scientifically valid basis for a decision on their adoption;

2. as well as supporting the ITT proposal in general terms, to declare its fundamental willingness to make financial contributions, in conjunction with other donors, within the framework of the Federal Government's current budget planning, once a viable and equitable funding mechanism has been identified which makes sparing use of budgetary resources;
3. to support the Government of Ecuador in developing practical proposals for the establishment of a compensation fund, and to support its efforts to encourage participation by other bi- and multilateral donors;
4. to initiate the drafting of a study which would examine critical issues (such as the uncertainty surrounding the ITT's actual oil production potential and hence its proper valorization) and technical problems likely to arise during implementation of the ITT proposal (including the monitoring of the protected area), and identify possible solutions as well as mechanisms to finance the compensation payments. Preserving the ITT's rich biodiversity must be the starting point for any compensation payments;
5. to ensure that the modalities for the payment of compensation are sustainable, transparent, efficient and equitable, taking account of the interests and concerns of the local communities, and that they remain unaffected by any political changes that may take place at local level;
6. to look again at the possibility of debt relief for Ecuador as a contribution to the compensation payments, and to champion a "debt-for-nature" swap among European Union and Paris Club partners;
7. to promote this initiative within the EU and the OECD and to persuade as many partner governments as possible to give it their financial and political backing;
8. in this context, also to work towards a strengthening of policies for the protection of Yasuní National Park as a whole, and ensure that Ecuador receives technical support so that it can protect this territory effectively and promote its sustainable use, thereby offering alternative sources of income to local communities;
9. to ascertain the extent to which the ITT proposal and the funding and redistribution mechanism identified will offer valuable experience which can be utilized when protecting other equally sensitive ecosystems in developing countries, and to determine to what extent this model could be applied to a future international funding regime that would replace single-fund solutions.

Berlin, 25 June 2008

Volker Kauder, Dr Peter Ramsauer and parliamentary group
Dr Peter Struck and parliamentary group
Renate Künast, Fritz Kuhn and parliamentary group