PRESS RELEASE

THE LOW CARBON DEVELOPMENT STRATEGY 2030 - GUYANA UP FOR SALE

From a pioneering REDD+ Agreement with Norway a decade ago, Guyana's forests are now being re-packaged as an 'eco-system service' in the Low Carbon Development Strategy (LCDS) 2030 in which the world's leading fossil fuel generating companies are encouraged to invest. Buying credits is a device for companies to avoid reducing their fossil fuel emissions. To this extent, the re-vamped LCDS undermines the essential purpose of low carbon strategies namely reduction in fossil fuel emissions.

Money-making rather than reducing global warming dominates the breezy but opaque text of the *LCDS* 2030 document, as typified in the following quote. "*In Guyana's case, harnessing the value of the country's ecosystem services can build a long-term, low- carbon diversification opportunity."(*LCDS p.7)

However, reputable international studies have concluded that 90% of the projects invested in by the carbon credit market are 'worthless', neither strengthening forest capacity to capture emissions nor expanding emissions captures. An earlier version of carbon marketing attracted the attention of Interpol which in 2007 dubbed carbon off-sets as *"an imaginary commodity created by deducting what you hope happens from what you guess would have happened."* In the intervening period much effort has gone into cleaning up the image and the science along with copious references to the UN Framework Convention Commission Climate Change (UNFCC) to add respectability.

The money-making emphasis of the LCDS becomes clearer when we take into account that the New York Stock Exchange has started to market a new class of natural assets to convert them into financial capital. This market is driven by the basic economic rule that rare objects attract value. Applied to the natural world it means that threatened species of plants, animals or – in the present case –forests, will become financially valuable.

Whether this is the attraction of the massive investment in Guyana's carbon credits by HESS oil (USD 750mn – US75mn per year for 10 years) is unclear. It may be that in a decade's time they can turn around and sell the credits at a handsome profit. Or the reason may be more mundane, relating to the avoidance of huge taxes in the US on HESS profits from Guyana. Passing off the transaction as investment or costs would benefit from the vague LCDS language referred to earlier. The odds are that the US Internal Revenue Service is no clearer about the nature of carbon credits than Interpol was.

On the domestic front the LCDS is emerging as a factor determining the future of Guyana's indigenous communities. Colonial 'protection' of indigenous peoples as in need of protection was replaced after Independence by the notion of 'development'. This was understood as integration into Guyana's coastal communities by abandoning traditional features of life. Over the past three decades, indigenous communities have begun to recover aspects of their indigenous identity, especially related to land ownership, language and culture.

Renewed confidence in their tribal identities have seen the emergence of the Wapishan South Rupununi Development Council, the Macusi-led North Rupununi Development Board, the Akawaio Upper Mazaruni Council and others which have all challenged negative features of coastal development. Underlying the challenges to mining devastation is a cosmo-vision shared by the communities. One that clashes fundamentally with the LCDS. That cosmo-vision sees all forms of life as related and linked to each other. The notion of humans dominating nature which lies at the heart of the marketing of 'natural assets' is alien to indigenous communities. If the LCDS is as successful as the Government intends, communal ownership rights and other mechanisms that protect the communal nature of indigenous life are all threatened.

The Government will have no difficulty finding indigenous voices to shout down these views, given the decades of integration propaganda. However, if our criticism is groundless, why does the launching of the LCDS coincide with a campaign by Government representatives denouncing indigenous activists and undermining their organizations?

A more welcome and constructive response would be for the relevant oversight mechanisms, namely the Office of Climate Change, the Natural Resources Fund and the Guyana Forestry Commission to address the respective issues below:

- With the immense wealth to be generated from oil, why does Guyana need a fire-sale of its natural resources - minerals, rivers, bio-diversity, beaches, and wildlife ?
- What is the legality of the Government commercializing publicly-owned assets of which the State is only the Trustee, not the owner (Doctrine of Public Trust)?
- Indigenous communities were recognized as owners of forests on community lands under the REDD+ scheme and payments were to be proportionate to deferred de-forestation. Why was this changed?
- Why is the Government by-passing the requirement in the Amerindian Act for the explicit agreement by two-thirds of the villagers in every village that holds titled land to agree to any decision regarding the disposal of their titled land?
- What is the justification of communities receiving 15% of the HESS purchase? By what authority is the Government determining how the communities should spend this money?
- If carbon credits genuinely aim to reduce emissions why did the Government of Guyana allow HESS to make an enormous investment in credits?
- Why are the proceeds from credit sales not deposited in the Natural Resources Fund?
- Why were Guyana's Nationally Determined Contributions to COP21 - approved formally and unanimously by a wide cross-section abruptly abandoned?

A study released this week from the Grantham Institute, a leading climate research group, exposes the shallowness and obsession with 'prosperity' of the *LCDS 2030* when it states "*Our main aim should still be radical emissions cuts to try to avoid breaching 1.5C but we should now also be considering what happens if we continue to fail…This will mean bringing temperatures back down [and] we will have to invest in geoengineering options such as carbon dioxide removal and even solar radiation management. But it also means we will have to spend far more on dealing with [climate] damage, which will make it more difficult to make the transition to a sustainable, inclusive and resilient world."*

February 18, 2023

Policy Forum Guyana
c/o 56B Hadfield st & Austin Place, Georgetown Tel: 227-4908, 7073511
E-mail policyforumgy@gmail.com
Website: www.policyforumgy.org **FB/Instagram**: Policy Forum Guyana