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## Ecuador: Iniciativa Yasuní Double-Speak

On Aug. 3, the Ecuadoran government and the UN Development Programme (UNDP) signed a trust agreement to administer the financial resources with which the international community will support the Iniciativa Yasuní. In this initiative, the government has committed to leave in the ground existing oil reserves in this area of the Ecuadoran Amazon. Nevertheless, "Plan B"--to extract the oil--is moving forward more quickly, despite the agreements.

Several years ago, some 856 million barrels of oil were discovered in the Ishpingo Tiputini Tambocochoa (ITT) exploration block, in the Parque Nacional Yasuni, whose extraction would eventually provide the Ecuadoran state with US\$7 billion. However, the Yasuní, considered one of the areas of greatest biodiversity on the planet, was created as a national park in 1979 and declared a World Biosphere Reserve by the UN Educational, Scientific, and Cultural Organization (UNESCO) in 1989.

It is also protected by clear constitutional precepts, such as Article 407, which says: "Extraction of nonrenewable resources, including forestry exploitation, is prohibited in protected areas and in zones declared intangible." Accordingly, this oil could not be extracted.

Given this dilemma, the administration of President Rafael Correa proposed that the international community contribute at least US\$3.6 billion, equivalent to 50% of the resources that would be earned from oil exploitation, in exchange for which the government would leave the crude in the ground. The arrangement was seen as being beneficial for the entire planet, since the atmosphere would not be polluted by the 407 million tons of carbon that consumption of the oil would generate.

At the end of 2009, the agreement seemed ready and the signing was planned with the countries that had committed to participate in the donor group, represented by the UNDP, within the framework of the UN Climate Change Conference in Copenhagen. However, that did not happen; on the contrary, Correa insisted that the agreement would violate national sovereignty.

Correa questioned the negotiating commission (Comision Negociadora de la Iniciativa Yasuni), entrusted with convincing developing countries to add their support to the proposal. The irony is that the commission was led by then foreign minister Fänder Falconi, who formulated the proposal, for whom it was not only a project to bring in financial income but also the very foundation for transforming the development model based on natural-resource extraction and the beginning of an ecology-based model.

The president's questioning prompted Falconi's resignation as well as that of other high-ranking officials and activists who were staunch supporters in consolidating Alianza País, the movement that brought Correa to the presidency.

### **Correa promises to change course and gives life to Yasuní initiative**

Facing an avalanche of criticism and the resignation of several Alianza País activists, Correa again said that Iniciativa Yasuní was his administration's priority, but he formed a new

commission to continue the negotiation process with countries that had shown an interest in supporting it.

The new commission had a very unique makeup, as it was led by María Fernanda Espinoza, a former foreign minister with little political clout. It included Ivonne Baki, a one-time official in the administration of ex-President Lucio Gutiérrez (2003-2005) with links to oil companies. Baki proposed seeking support from oil-exporting countries and toured the Middle East with that goal in mind but returned without any concrete results.

The new commission also included Vice President Lenin Moreno, who tried to consolidate the support pledged by Germany, Belgium, Italy, Spain, and other European Union (EU) countries.

Nevertheless, while Iniciativa Yasuní negotiations were continuing, the Correa administration gave the green light for oil exploitation in the Armadillo field at the entrance to Yasuní, and he clarified that he had a Plan B, in case the international community could not come up with the required financial resources.

Despite everything, negotiations continued, and, on Aug.3, in the Palacio de Najas, the Ministerio de Relaciones Exteriores, Comercio e Integración headquarters in Quito, the long-awaited trust agreement was signed, through which Ecuador will receive the support of friendly countries, international organizations, nongovernmental organizations (NGOs), socially responsible and environmental businesses, and individuals.

Environmental organizations were very optimistic with the signing of the trust agreement, since, as Esperanza Martínez, an activist with Acción Ecológica, said, "Not to have signed the agreement would probably have meant the accelerated invasion of oil companies in the Yasuní, or, at best, it would have reduced bilateral negotiations for carbon-market projects in exchange for a partial rejection of oil exploitation."

Martínez also said that the agreement should be an opportunity to turn public policies around and serve as a positive precedent for protecting nature by paving the way for a post-petroleum Ecuador.

Academic sectors also caught the optimism, and they will now be encouraged to incorporate into the Spanish language various words derived from "Yasuní," which means sacred land. They proposed, for example, incorporating the verb "Yasunizar," meaning "to protect sacred land."

These and many other expressions of optimism have had to be halted in the face of evidence that Plan B is the only alternative that the national government is undertaking and that the media coverage caused by the Iniciativa Yasuní negotiation and trust-agreement signing is nothing more than that, a media campaign to win sympathy and distract environmental organizations and the indigenous.

## **Plan B moves along--in secret**

On June 30, Oswaldo Madrid, manager of Petroamazonas, a company given a concession by Petroecuador and in charge of Block ITT, informed Minister of Nonrenewable Natural Resources Wilson Pastor of the steps taken in the Yasuni to carry out oil exploitation in the area.

Publication of Madrid's report in the national press caught off guard those who had trusted the presidential "correction" and believed that Iniciativa Yasuni was an irreversible fact.

In the report, Madrid listed the steps and the timeline for oil exploitation in the ITT and wrote, "Personnel working in the Tiputini area have been given instructions to use the discourse proposed by the executive, in the sense that Alternative A, to leave the oil in the ground, is the national government's priority."

Oil expert Fernando Villavicencio insisted that signing the trust agreement was not a necessary condition for leaving the oil in the ground, since 80% of the field is within the Parque Nacional Yasuni, which is protected and, according to Article 407 of the Constitution, cannot be exploited. In addition, since it is within an intangible area, according to Article 57 and international treaties, it cannot ever be exploited because it is an area where isolated communities live.

Therefore, the negotiation and the signing of the trust agreement were only a smokescreen to hide the work that had already begun in the Yasuni, including in the town of Tiputini, in Aguarico canton, Orellana province, which will be the beachhead for developing this project, since the support of local authorities has already been obtained by Petroecuador. "A unanimous decision exists to implement the project on the condition that all commitments be met to benefit residents of this canton," said Mauricio Mier, Petroecuador's coordinator for environmental management.

Plan B would seem to be the administration's real plan. Now those who fight to fulfill the rights of nature, outlined in the Constitution, do not have an easy task in the face of an administration that, intermittently, is able to seduce them with promises that turn out to be false.