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Agenda Item 13.8 - Biofuels

Biofuels: Is the CBD asleep at the wheel?

Rachel Smolker, Energy Justice Network

COP11's draft decision on impacts of biofuels on biodiversity, as discussed on Thursday, is remarkably meek in its recommendations on the issue of biodiversity impacts from biofuels. A wealth of evidence demonstrates serious harm to both biodiversity and to human rights and food security. Global opinion on biofuels has soured considerably in light of all this evidence. Yet CBD Parties appear to be largely asleep at the wheel.

The draft decision starts by acknowledging that demand for biomass resulting from development of biofuels "may" result in negative impacts; this is followed by a statement "also acknowledging the potential for biofuels technologies to make a positive contribution to mitigating climate change, another of the main drivers of biodiversity loss, and generating additional income, especially in rural areas."

Treading carefully on the middle ground between these two statements, CBD appears essentially neutral towards a force that must now be recognized as one of the leading new drivers of biodiversity loss. Where are those stated positive impacts? As civil society organisations, we have followed the developments around biofuels for some years now - and we have seen only deforestation, expanding industrial monocultures, cultivation of invasive species, development of risky technologies like synthetic biology and, most obviously, escalating global hunger. Report after report has detailed these impacts. CBD has noted many concerns in information paper 65: in general terms - but it seems to have missed a large number of case study reports from around the world detailing the actual negative impacts on communities and biodiversity.

So, what does CBD advise in the face of so much clear evidence of serious destruction? It invites parties "to consider the use of various relevant voluntary tools regarding the impact of the production and use of biofuels on biodiversity, such as in strategic environment and socio-economic assessment and integrated land-use

planning in accordance with national circumstances." In other words, if they choose to, Parties can rely on "sustainability standards" to take care of the problems. Such

voluntary standards are doomed to fail if for no other reason than that they are *qualitative*, whereas the damage from biofuels is largely *quantitative*, i.e. related to the very large scale of demand.

But Parties did not want to open the text up to further negotiation, especially as Canada threatened it would not hesitate to fight for further weakening the text should the opportunity arise. The Canadian delegate stated that the CBD "is not a food venue," i.e. it should not take into consideration the impact of biofuels on food, but limit its scope to biodiversity - as if these were entirely independent of each other. Bolivia pointed out/reminded Parties that the CBD forum belongs to the people, and is part of the real world, where 1 billion people cannot afford to eat, a situation in which biofuels play a key role. (ie 1 in 7 people) Civil society was allowed no intervention.

National and regional policies are beginning to change in response to accumulating evidence. In the face of this year's drought-related loss of the US corn crop - 40% of which is used as ethanol - the US is considering a repeal of their ethanol mandate. Meanwhile the EU is perhaps going to place limits on the use of food crops - unless pressure from the biofuels industry changes their mind.

Now is the time to call for countries to do away with the targets and mandates that are driving biofuel expansion, but this time, sadly, CBD will not rise to the occasion. However, Parties still have the opportunity and the obligation to implement X/37.



CBD and financial resources

Helmut Röscheisen, German Society for Nature and Environment (DNR)

Already at COP9 in 2008 in Bonn, the German League for Nature and Environment, Deutscher Naturschutzring (DNR), presented the study "Environmentally Harmful Subsidies - How perverse financial incentives threaten biodiversity."¹ Unfortunately, here at COP11, the issue is still relevant.

Environmentally harmful subsidies (EHS) or perverse subsidies are the main cause for biodiversity loss. UNEP (2004) estimates the cost for environmentally harmful subsidies to be between 0.5 to 1.5 trillion US Dollar per year, while Kjellingbro and Skotte (2005) estimate it as 0.485 to 0.677 trillion USD. The agricultural sector is an important recipient of EHS, particularly in the EU and the US. OECD research suggests that subsidies account for one third of income in the agricultural sector. But only 4% of these subsidies can be regarded as environmentally friendly; more than two thirds pose a threat to biodiversity. Perverse subsidies are also a significant issue in the fisheries sector. Nearly 75% of fish stocks are over-fished and the national fishing fleets are 2,5 times larger than they should be to achieve sustainable development.

Without regard to the failure of significantly reducing the loss of global biodiversity by 2010, the DNR supported the adoption of the strategy and the target-setting for financial resource flows at COP10 in Nagoya. By 2020 at the latest, subsidies harmful to biodiversity ought to be eliminated, phased out or reformed in order to minimize or avoid negative impacts. Environmental NGOs await the application of the Indicator Methodology for the Strategy for Resource Mobilization. Especially the Indicator 13 looks promising: "Resources mobilized from the removal, reform or phase-out of incentives, including subsidies harmful to biodiversity."

For the first time during CBD existence, a detailed procedure including several indicators is available to assess the funding for the CBD and to estimate the financial needs to achieve the 20 Aichi targets by 2020, which will be twenty times the current GEF-5 spending, totalling 4.25 billion USD. Since only 28% of this fund (1.2 billion USD) are allocated to the biodiversity area,

additional financial resources are necessary, most importantly by the official development assistance (ODA). ODA is a predictable financial resource for conservation and sustainable use of biodiversity and benefit-sharing related to genetic resources. It was noted that direct support to reach the Aichi biodiversity targets constitutes only a rather small part of the total ODA of 106 billion USD from OECD Countries. Main-streaming into other sectors and routines for impact assessments are needed to ensure environmental and biodiversity benefits. ODA was also considered to be important in leveraging other resources. This is the result of a working group of the Quito seminar "Biodiversity Finance".

DNR agrees with the position formulated by Bente Herstad from Norad: "ODA is small in relation to other financial flows, especially compared to flows such as the illegal capital flows of 750 billion USD per year from developing countries to developed countries. Support to reduce illicit capital flows related to natural resources may be more efficient than supporting biodiversity programmes, as it may contribute both directly to biodiversity conservation and to increased domestic financing for biodiversity. Therefore, attention should be focused on generating more financial resources for developing countries for biodiversity through better terms of trade, development-oriented trade policies, correcting imbalances in the multilateral trading system and structural reform of the international financial system."

Therefore the DNR promotes the idea of generating revenues for conservation and sustainable use of biodiversity from financial transaction tax, and we are glad to see that by now 11 EU member states are supporting such a tax. The Austrian Institute for Economic Research estimates that a global transaction tax of 0.05% could yield between 447 billion USD and 1.022 billion USD a year. The Center for Economic and Policy Research (CEPR) estimates a varied tax (0.5% for stock transactions, 0.01% for bond trading, and 0.01% for swaps) would generate around 350 billion USD in US markets alone. Still, it is possible that biodiversity would have difficulties in ensuring a

substantial budget allocation among other global public goods that would claim access to such a tax, once implemented.

Then there is still a debate about innovative financial mechanisms like payment for ecosystem services or even biodiversity offsets as a compensate for

significant residual adverse impacts on biodiversity arising from project development. Of course the the pro`s and contra`s of these innovative mechanisms could be analysed but DNR and many other NGOs are sceptically that they are compatible with CBD policy.

1 <http://www.dnr.de/aktuell/archiv/subventionen-koennen-der-biol-vielfalt-schaden.html>

The Seed Festival Declaration

Mumbai, Pune and Kolkata, 2012

- 1) We assert the farming communities' and indigenous peoples' sovereign rights over their collective bio-cultural heritage, including the right to freely plant, use, reproduce, select, improve, adapt, save, share, exchange or sell seeds, without restriction or hindrance, as they have done for past millennia.
- 2) We reject the validity of any private or corporate proprietary claim of ownership over any variety of seed, crop, plant or life form, and particularly any variety rooted in our natural heritage, cultural history and identity.
- 3) We demand a ban on GM seeds and species, and strict enforcement of corporate liability for any contamination of seeds/plants, and any damage to the health of farmers, consumers, animals, croplands and eco-systems from the use/release of GM seeds and species.
- 4) We urge our government to partner with our farmers, gardeners and civil society organizations in systematically and transparently recording and documenting in a freely accessible database our genetic wealth, particularly the diversity of our crops and crop varieties, originating in or found in various regions and cultures of India.
- 5) We demand that our government facilitate and simplify farmers' and cultivators' access to our heritage seed varieties from national and international germplasm collections, and support their decentralized conservation in the croplands and regions of origin
- 6) We assert our unconditional right to pass on our collective bio-cultural heritage and the health of our croplands and eco-systems to future generations.
- 7) We demand that our government fulfill its responsibility of safeguarding and regenerating our collective bio-cultural heritage and the health of our croplands and eco-systems
- 8) We call upon our government to pro-actively promote and support bio-diverse and holistic ecological agriculture to meet our basic, priority needs in a sustainable manner.



People's Biodiversity Festival
'Unity for Diversity'
13-16 Oct, 11-19:30
Exhibition Grounds,
Nampalli. Hyderabad

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Submissions are welcome from all civil society groups.

Email to lorch@ifrik.org or just.tasneem@gmail.com

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Geoengineering the planet with biomass?

Almuth Ernsting, Biofuelwatch

When the CBD's de-facto geo-engineering moratorium was agreed in 2010, its reach explicitly covered not only solar radiation management (such as spraying sulphur particles into the stratosphere), but also all measures to "increase carbon sequestration from the atmosphere on a large scale that may affect biodiversity". Technologies proposed for increasing carbon sequestration on land (i.e. 'biosequestration') include bioenergy with carbon capture and storage (BECCS), biochar, and covering much of the planet's surface with possibly genetically engineered industrial tree plantations falsely described as 'afforestation'. Proponents of such techno-fixes frequently argue that they pose lower risks than types of geoengineering which involve direct interventions into the atmosphere. For example, the International Panel on Climate Change (IPCC), which has so far adopted a cautious approach towards geoengineering in general, claims: "Bioenergy technologies coupled with CCS. .. could substantially increase the role of biomass-based GHG mitigation if the geological technologies of CCS can be developed, demonstrated and verified to maintain the stored CO₂ over time."¹

Yet while the threats to biodiversity, people and climate posed by biosequestration techno-fixes are of a different nature to those posed by direct experiments with the atmosphere, they are no less grave. The CBD Secretariat's newly released report on geoengineering² highlights the scale at which biosequestration would need to be implemented for geoengineering and what this would mean for ecosystems and people: "[It] would likely entail large changes in land use leading to the significant loss of biodiversity and habitats directly, or indirectly as biomass production displaces food crops, which subsequently leads to encroachment into natural areas... For example, a recent assessment of global biochar potential...indicates that the capture of 12% of annual anthropogenic CO₂ emissions would require as much as 556 million hectares of dedicated biomass

plantations, much of it established through the destructive conversion of biodiverse grassland."

So far, biochar and BECCS have been confined to small demonstration projects. Both of them have proven highly problematic and expensive even at a small scale. The impacts of Biochar on soil carbon, crops and soil fertility are highly variable, often negative and always unpredictable.³ BECCS shares all of the

problems with fossil fuel-based CCS: uncertainties over long-term carbon sequestration and risks of potentially catastrophic CO₂ leaks, high ongoing energy requirements as well as other hurdles.⁴ Yet there are vested interests behind developing both activities; which have little to do with climate protection: Biochar is being strongly supported by the tar sands industry which is looking for cheap carbon offsets to allow them to expand their most destructive activities. CCS - especially the capture of 'cheap' nearly pure CO₂



Source: Centre for Science and Environment

from ethanol fermentation - is of growing interest to the oil industry: CO₂ flooding of partially depleted oil reservoirs, the industry hopes, could help extend the productive life of oil fields in North America, the North Sea and elsewhere for several more decades. The combination of those economic interests with the wider push for geoengineering as a response to climate change makes biosequestration a very real threat. It makes a long-term CBD geoengineering moratorium, including on biosequestration at a scale which threatens biodiversity, all the more critical.

- 1 IPCC Working Group 3. Special Report on Renewable Energy Sources and Climate Change Mitigation. 2011 (see Chapter 2)
- 2 CBD Technical Series No. 66, Geoengineering in relation to the Convention on Biological Diversity: Technical and Regulatory matters, CBD Secretariat, September 2012
- 3 A critical review of biochar science and policy, Biofuelwatch, November 2011
- 4 BECCS: Climate Saviour or dangerous hype? , Biofuelwatch, October 2012