



OILWATCH INTERNATIONAL POSITION TO COP 27

# **COP: DAMAGED AND LOST MAKE CLIMATE JUSTICE CENTRAL AT THE COP**

The United Nations Framework Convention on Climate Change (UNFCCC) and its Conference of Parties (COP) have studiously avoided naming fossil fuels as the Primary source of greenhouse gases driving climate change. The United Nations estimates that fossil fuels account for about 75 per cent of all carbon dioxide emissions.<sup>1</sup>

Other sources place the figure at much higher percentages.<sup>2</sup> The COPs are a study in retrogression. It has moved from measuring binding emissions reduction to a voluntary system that permits bogus commitments and offers latitudes for inaction, or fictional action as permitted by market environmentalism. With COPs totally co-opted by corporations and banks, Parties continue with business as usual, seeking deals that benefit fossil and related industries rather than tackling a global polycrisis.

The Emissions Gap Report of the United Nations Environment Programme (UNEP) highlights the grim gap between the climate talks, “ambitions,” and reality.

The 2022 report shows that if nations carry out the national pledges made since 2021, there will only be a 1 per cent emissions reduction by the end of the century. Starkly, the pledges will only make a “negligible difference” to predicted 2030 emissions.<sup>3</sup>

The current pledges are placing the world on the path to a 2.8 degrees Celsius temperature rise by the end of the century. This is because the “pledges”, or NDC are mere inventions and tricky mathematical operations and, again, do not tackle the real causes of the global warming.

All these promises are in fact only baselines for the global carbon market and ITMOs business exchanges. Asking for a more “ambitious” pledge is in fact to ask governments to create more and more fairy scenarios and contrafactual futures, that only seeks more possibilities to buy credits by the polluters and arrive to the goal of Net Zero or carbon neutral.

## PROFITEERING

Reports published in late October 2022 showed that profits at the world's biggest oil companies have soared to nearly \$173 bn as Russia's war on Ukraine pushed up energy prices, according to estimates from analysts.<sup>4</sup>

Oil Company	Profit Announced 2021 (\$)	Profit Announced 2022 (\$)
Shell	12.8bn	30.1bn
British Petroleum	8.7bn	14bn
Exxon Mobil	14.3bn	26.5bn
Chevron	10.7bn	16bn
Total Energies	11.3bn	28.7bn
Eni	2.6bn	7bn
ConocoPhillips	5bn	9bn

With sky-rocketing profits it is evident that the time for real climate action is now, outside of dire cons like offsets and NDCs. . The world cannot afford one more moment of procrastination. At COP15, which gave birth to the Paris Agreement (PA), Oilwatch International presented an innovative proposal that promotes real climate action and at the same time debunked false solutions hinged on carbon markets. The proposal was titled ANNEX 0.<sup>5</sup>

## ANNEX ZERO

In 1992, the United Nations Framework Convention on Climate Change, held at the Rio in Brazil, after exhaustive deliberations, divided the member states into two groups: Annex 1 and Non-Annex 1 nations. The Annex 1 nations were composed of the industrialised nations of the North. These nations were chosen based on their economies which are in transition, while the Non-Annex I were countries from the Global South, with developing economies. Later, Annex 2 was created, and the members of this group were nations which could provide financial and technical resources to enable the countries of the South to undertake activities that would help them reduce emissions and adapt to climate change.

Oilwatch, a network of organisations working to halt fossil fuel extractive activities globally, holds that for the countries in Annex 1 and 2, the drivers of capitalist development since the nineteenth century have been coal, oil, and gas. For this reason, the countries included in these Annexes have done everything in their power to prevent specific and binding actions requiring reducing the consumption of these fossil fuels. Their possible reason is to ensure they continue polluting the atmosphere and maintaining their high consumption lifestyles.

After about 27 years of international negotiations, global warming continues to worsen with no effective and real solutions. In this scenario, one of the obstacles has been the direct influence that corporations linked to fossil fuels have had on the Convention's decisions.

Emitting, capturing, and sequestering carbon is a false solution that ignores the root cause of global warming or heating.

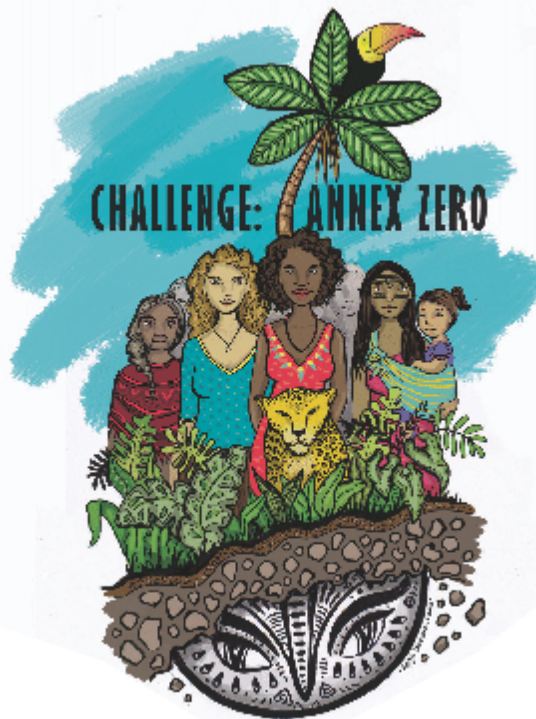
The surest way to halt the upward temperature rise is to stop emissions at source by halting the opening of new fossil fuels mines or wells. It also means winding down further extraction from existing oil and gas fields. Other proposals for solar radiation management and carbon trading mechanisms, may yield profit but will not tackle the climate crisis.

Real climate champions are communities, territories and nations that have decided to keep the Oil in the Soil and the Coal in the Hole where they belong.

Efforts towards this have been made by the courageous peoples of Ecuador regarding Yasuni ITT and the resilient Ogoni people of Nigeria, who have kept the extractive companies off their territory since 1993.<sup>6</sup> France has also decided not to carry out any fossil fuel extraction in their country.

This has, however, not stopped their international oil companies, such as Total, from exploiting these resources in other countries, including in very volatile places in Mozambique and Nigeria.

The ongoing war in Ukraine has led to a shift in behaviour by European nations that now set their eyes on extracting fossil fuels, especially fossil gas, in the Global South and directing considerable investments in that direction at a time the financial taps should be turned off. As the war on Ukraine drags on, fossil fuel companies are reaping huge profits. The president of the United States rightly characterized this as profiting from war.<sup>7</sup>



A more direct way would be to call these profits blood money, not only because war is the trigger but because increased carbon in the atmosphere is killing people across the world through floods, droughts, wildfires, etc., and sentencing future generations to high levels of uncertainty.

It is time for the creation of Annex 0!

## LOST AND DAMAGED

Loss and Damage is a topical issue at COP27, having strongly entered the books at COP26. Whereas the idea is that irreparable damage caused by climate change should be compensated, it is obvious that measuring such damage may lead to inadequate reparations. Nevertheless, vulnerable countries see the payment of *loss and damage* as extremely important. The clamour is understandable since the mechanisms for obtaining Green Climate Finance (GFC) are heavily weighed against victims of climate change as they tend to lean towards profit-generating projects mainly controlled by the private sector and financial institutions and linked to carbon offsets plans and a rise of indebtedness.

Loss and Damage may be a pie in the sky or a mere palliative that would not be accessed by victims but may become a tool for profiteering carbon speculators and experts on financial facilities. Loss and Damage would make some sense if the funds were made directly to impacted territories and communities without undue interference by financial institutions and meddlesome intermediaries and as part of the ecological debt recognition and restitution,

Oilwatch believes that the right thing to push for now is to demand payment of the climate debt. The declaration of the Peoples



Summit of Climate Change and the Rights of Mother Earth (Cochabamba, 2011) includes obligations by States and humans. The following articles on the Universal Declaration of the Rights of Mother Earth<sup>8</sup> speak particularly to issues that include human and corporate activities that breach the rights of Mother Earth and lead to loss and damage. These are articles e-g of the declaration:

- Establish and apply effective norms and laws for the defense, protection and conservation of the rights of Mother Earth (Rights of Nature);
- respect, protect, conserve and, where necessary, restore the integrity of the vital ecological cycles, processes and balances of Mother Earth;
- guarantee that the damages caused by human violations of the inherent rights recognized in this Declaration are rectified and that those responsible are held accountable for restoring the integrity and health of Mother Earth;

The essence of the Rights of Mother Earth is not only focused on financial reparation but, more significantly, on restorative justice or the restitution of integrity to Mother Earth and all its beings.<sup>9</sup>

The COPs have become a treadmill, an annual weird ritual that needs to recommit to its global focus and to make justice its core principle as initially conceived in the Common But Differentiated Responsibilities (CBDR).

The principles of climate justice must be universally accepted as central to tackling the climate crisis. Part of the requirements of justice is that those who have contributed to the problem must do their fair share towards solving it. We also need to fight against corporate influence on UNFCCC.

Climate finance issues have been addressed as though they were charities of new business. This ignores the historical roots of the crisis. Oilwatch believes that a sober agreement to ensure justice will turn around the lethargic approaches that compound the problems. The solution is the recognition and payment of the climate debt owed to the World's exploited and devastated territories and nations, as well as to Mother Earth. The first stage towards paying this debt is a recognition that it exists. It also requires the humility to accept that some countries are responsible. Finance cannot be a stumbling block. Loss and damage will be adequately addressed through the payment of the climate debt.

## ENDNOTES

- 1 United Nations. Causes and Effects of Climate Change. <https://www.un.org/en/climatechange/science/causes-effects-climate-change#>
- 2 ClientEarth Communications (February 2022). Fossil Fuels and Climate Change: The Facts. <https://www.clientearth.org/latest/latest-updates/stories/fossil-fuels-and-climate-change-the-facts/>
- 3 Indian Express (1 November 2022). Why the Emissions Gap Report 2022 has raised alarm on climate action. <https://indianexpress.com/article/explained/explained-climate/why-emissions-gap-report-2022-climate-8239765/>
- 4 Jasper Jolly and Jessica Elgot (October 2022). Profits at World's even Biggest Oil Firms Soar to Almost £150bn this year. <https://www.theguardian.com/business/2022/oct/27/profits-at-worlds-seven-biggest-oil-firms-soar-to-almost-150bn-this-year-windfall-tax>
- 5 Oilwatch (2015). Annex 0. <http://www.oilwatch.org/wp-content/uploads/2020/05/ANNEX-ZERO-OILWATCH-English.pdf>
- 6 In 1993, Shell Petroleum Company was driven out of Ogoniland because of massive pollution and neglect of the rights of the people. The resistance of the Ogoni people to all forms of extractive activities in their land led to the execution of the Ogoni nine including Ken Saro-Wiwa, a famous environmental activist and author. Saro-Wiwa was hung by the then Military head of state, Late General Sani Abacha in November 10, 1995.
- 7 Al Jazeera (1 November 2022). Biden warns of windfall tax on 'War Profiteering' Oil Companies. <https://www.aljazeera.com/news/2022/11/1/biden-warns-of-windfall-tax-on-war-profiteering-oil-companies>
- 8 Universal Declaration of the Rights of Mother Earth (2010). <https://www.garn.org/universal-declaration/>
- 9 World People's Conference on Climate Change and the Rights of Mother Earth- Peoples Agreement (2010). <https://www.ienearth.org/docs/WorldPeoplesConferenceonClimateChange.pdf>





## **SUMMARY**

- **Keep fossils in the ground**
- **Pay the climate debt**
- **Corporations out of UNFCCC**
- **Annex 0**

© November 2022

Contact : [contact@oilwatch.org](mailto:contact@oilwatch.org)  
[kentebe@oilwatch.africa](mailto:kentebe@oilwatch.africa)

[www.oilwatch.org](http://www.oilwatch.org)



## OUR PRINCIPLES

### Halt the expansion

Oilwatch aims to stop the expansion of fossil fuel activities that are degrading to the environment

### Network of Resistance

We are a network of resistance to the negative impacts of the fossil fuels industry

### Solidarity in diversity

We build solidarity and promote a common identity in the peoples of the south

### Self determination

We recognise people's rights to self-determination as one of the main solutions to environmental problems

### Network of Support

The network exists to support the independent monitoring of the devastations and violations of fossil fuel activities.

### Decentralization

Oilwatch works as a movement, allowing us to combine our energies and preserve our identity

### Local Action

Our members act at the local level and join together at the international level to protect the environment

### Debate

Oilwatch promotes the debate on issues around oil activities such as human rights, climate change, etc.

### Moratorium

We promote moratoriums to new projects of hydro