# Blue Carbon: Ocean Grabbing in Disguise?

Mads C. Barbesgaard





AUTHORS: Mads C. Barbesgaard

**DESIGN:** Karen Paalman

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#### Introduction

While the global rush to control land resources is well established, similar 'power-grabs' in relation to aquatic resources are less well-known and researched. Through on-going collaborative work between representatives of fisher peoples' movements, scholar-activists and social justice organisations such processes have recently been coined as 'ocean grabbing'<sup>1</sup>. Increasingly, conservation efforts that purportedly align the needs of the poor, profit interests and environmental concerns are one of the main processes through which ocean grabbing takes place. In recent years, different global policy processes have stressed the need for 'valuation' of aquatic resources as a tool to unlock their 'bluegrowth' potential and simultaneously preserve them. Such policy proposals, effectively opening up for widespread commodification, are being advocated as the only sustainable response to the increasingly dire straits of the aquatic and coastal ecosystems. Coupled with this broader process of 'selling nature to save it', valuation efforts that also take the carbon storage and capture abilities of coastal ecosystems into account are increasingly being pushed as a crucial tool to fight the climate crisis. In tune with broader emphasis on market-based solutions, under the rubric of 'blue carbon' a burgeoning alliance of international environmental NGOs, the private sector and a number of governments have begun advocating for the inclusion of coastal ecosystems into carbon markets. Most recently, at a side-event to the UNFCCC meeting in Paris, the 'International Partnership for Blue Carbon' was launched. While proponents guarantee sustainable outcomes, similar market-based mitigation efforts on land (REDD+<sup>2</sup>) have had huge negative socio-ecological consequences for communities on the ground. Will blue carbon projects have similar consequences for coastal communities? This short brief seeks to start a critical debate on the issue.

#### What is Blue Carbon?

Blue Carbon refers to CO<sub>2</sub> stored in coastal ecosystems, notably, mangroves, tidal marshes and seagrass meadows. The concept was first introduced by a number of UN-institutions in 2009 in a report titled 'Blue Carbon: the role of healthy oceans in binding carbon'. In line with the Ecosystems Services Framework's approach to nature-society relations, where "nature is a stock that provides a flow of services to people"<sup>3</sup>, the report stresses how the coastal ecosystems through their ability to capture and store carbon provide a major 'service' in the fight against climate change. This service, the report argues, make coastal ecosystems a key tool to mitigate global greenhouse gas emissions. While similar mitigating abilities of rainforests and other land-based resources has been recognized for some time, this was still not the case for coastal ecosystems. Consequently, the report makes the case for protecting and revitalizing coastal ecosystems by documenting their ability to absorb and store carbon, argue for the need to 'value' this service appropriately and to create mechanisms to allow for trade in 'blue carbon' (see text box).

# Blue Carbon from Nelleman et al. 20094:

"Science is now also telling us that we need to urgently address the question of 'blue' carbon." (:5)

"Targeted investments in the sustainable management of coastal and marine ecosystems - the natural infrastructure - alongside the rehabilitation and restoration of damaged and degraded ones, could prove a very wise transaction with inordinate returns." (:5)

"Maintaining or improving the ability of forests and oceans to absorb and bury CO2 is a crucial aspect of climate change mitigation. The contribution of forest in sequestering carbon is well known and is supported by relevant financial mechanisms. In contrast, the critical role of the oceans has been overlooked." (:6)

"Coastal ecosystem services have been estimated to be worth over USD 25,000 billion annually, ranking among the most economically valuable of all ecosystems." (:7)

"Much of the degradation of these ecosystems not only comes from unsustainable natural resource use practices, but also from poor watershed management, poor coastal development practices and poor waste management." (:7)

"Improved integrated management of our ocean's blue carbon sinks, provides one of the strongest win-win mitigation efforts known today, as it may provide value-added benefits well in excess of its costs, but has not yet been recognized in the global protocols and carbon trading systems." (:7)

In tune with the logic in the already existing REDD+ mechanisms, a prerequisite for trading is putting a monetary value on coastal ecosystems. Blue carbon projects therefore aim to value these areas based on how much carbon they can capture and store and open them up for investment that - it is assumed - will ensure protection. This will in turn give the investor (e.g. governments, transnational corporations etc.) an amount of carbon credits corresponding to the stored and expected capture of carbon, which in theory 'offsets' carbon emissions elsewhere. In other words, according to this scheme, a business activity that pollutes in one location is portrayed as being able to make up for this harm by "investing" in activities deemed carbon capturing in another location. These carbon credits would ideally be traded through carbon markets in the future. And, not least, these Blue Carbon Projects should involve 'win-win' mitigation strategies where the investment to protect the area also "promotes business, jobs and coastal development opportunities."<sup>5</sup>

This approach to and understanding of 'blue carbon' has since the initial report been backed up by a whole host of other actors and alliances<sup>6</sup> that are now all pushing 'blue carbon' as a solution that needs to be included in national and international policy processes concerning climate change and biodiversity.

#### Who is pushing blue carbon and how?

Following the initial stream of reports from the different UN-bodies, the role of Blue Carbon was first discussed in the context of the UNFCCC in the Subsidiary Body for Scientific and Technological Advice, which provides input to the yearly COPs, in June 2011. Initially pushed by Papua New Guinea, there

was, reportedly<sup>7</sup>, wide agreement that there should be done more research on the role of Blue Carbon and that it should formally be included to the working group's agenda. However, this was blocked by Venezuela and Bolivia that stated the proposal was an "underhanded' way to include new market mechanisms on the agenda under the guise of a research item."<sup>8</sup> As a result, since then, instead of pushing Blue Carbon as a separate issue through the UNFCCC, the main focus of the proponents has been to broaden out existing UNFCCC-mechanisms, like REDD+ to include coastal ecosystems. Currently, Indonesia (see below), Ecuador, Costa Rica and others are already doing so. The most organised forum pushing the idea is the Blue Carbon Initiative, but many other alliances of NGOs, the private sector, governments and international institutions have been created in the past years (see text box).

## Alliances

The Blue Carbon Initiative consists of Conservation International (CI), International Union for Conservation of Nature (IUCN) and UNESCO's International Oceanographic Commission (IOC-UNESCO). This initiative has two working groups, one on policy (established July 2011) and one on science (esablished. February 2011). The policy group's main goal is to attempt to integrate the idea of 'blue carbon' into existing international frameworks and agreements, like the UN Framework on Conservation and Climate Change (UNFCCC) and the Convention on Biodiversity (CBD). For the policy group to be effective in this lobby work, it relies on the science group's input which is to identify "priority research areas, synthesizes current and emerging blue carbon research and provides the robust scientific basis for coastal carbon conservation, management and assessment."

The Eye on Oceans & Blue Carbon Special Initiative is part of the broader Eye on Earth initiative that aims at increasing access to information to support sustainable development. One of its long term goals include: "Greater local capacity to use marketbased mechanisms as a source of sustainable financing for coastal management and conservation. Includes: Environment Agency – Abu Dhabi, Global Environment Fund (GEF), UNEP, UNEP Global Resource Information Database (GRID), World Bank, Blue Ventures, Ecological Society of America, IUCN, CI and others."<sup>10</sup>

In the run-up to the recent UNFCCC meeting in Paris, an alliance called the 'Ocean and Climate Platform'<sup>11</sup> was created, where one of the 9 policy proposals was pushing for the recognition of Blue Carbon. Includes: Blue Fish, Global Ocean Trust, IUCN, IOC-UNESCO, Marine Stewardship Council, Mission Blue, The Nature Conservancy, The World Ocean Council.

At a side event to the Paris meeting, Australia launched the so-called 'International Partnership for Blue Carbon'<sup>12</sup> together with the governments of Indonesia & Costa Rica and a number of institutions – herein the aforementioned Blue Carbon Initiative.

#### Why is it a false solution?

The increased focus on the vital importance of coastal ecosystems is commendable. People relying on these resources for their livelihoods have for years been stressing how the well-being of these socio-ecological systems are crucial for hundreds of millions of people. However, while this increased attention is perhaps positive in itself, blue carbon projects have been called a 'false solution' by social movements<sup>13</sup>. Blue carbon projects' central principle is a wider belief that market logic provides the best tool to organise society and, herein, conserve nature. Blue Carbon is therefore yet another example of the ideological shift in conservation practice: "Increasing numbers of conservation interventions run on the assumption that the biggest obstacle to effective conservation is that nature has not yet been adequately commodified."<sup>14</sup> What the proponents fail to acknowledge however, is that in contrast to their assumptions of the unfolding of a benevolent and efficient market, commodification of nature in reality involves massive shifts in and struggles over social relations (e.g. ownership of natural resources), socio-economic (in)equality and power more broadly. Not to mention the fact, of how nature is reduced to a commodity that only has true value in so far that it is used by humans. Basically, many of the core issues to the environmental justice perspective are completely overlooked. The following sections elaborate a little on this critique.

#### A smokescreen

While Blue Carbon Projects perhaps at the outset sound like a good and straight forward solution that will lessen the immense challenge presented by the climate crisis, this is in a sense precisely the problem. Blue carbon projects act as a smoke-screen diverting attention away from the systemic changes needed to stop the climate crisis. Instead, the reasoning behind the projects, stress that polluting actors, be they states or transnational corporations, can have a 'net positive impact' in terms of their emissions if they provide investment for enough blue carbon projects. More bleakly, they can continue to pollute and destroy one place, as long as a coastal ecosystem that stores and absorbs carbon somewhere else is 'protected'. Thus, far from combatting the root causes of climate change and destruction of crucial ecosystems, blue carbon projects legitimise continued emissions, mainly from the Global North, by protecting selected ecosystems, mainly in the Global South.

## 'Net positive impact'?

Danone, the transnational food corporation, has together with its Livelihoods Carbon Fund planned investments for 23 million euros through blue carbon projects – some of which is going to 'conserve' mangroves in India and Senegal. This investment will 'offset' the company's carbon footprint through the attaining of between 6-11 million tonnes of carbon credits<sup>15</sup>. By investing in enough of these projects, Danone could in theory end up having a 'net positive impact' on the world, but do such projects truly make up for the negative social and environmental aspects of its business model that climate justice campaigners and social movements have been targeting for years? Most recently, La Via Campesina protested at the company's headquarters during COP21 for its role as a 'corporate criminal' with a key part in the climate crisis as well as for pushing 'false solutions'<sup>16</sup>. Furthermore, this tit-for-tat approach requires that nature and its 'services' anywhere and everywhere can be reduced to a certain value and compared to the value of alternative economic practices in such areas (aquaculture, agriculture etc.). The idea then is that through payments for the ecosystem services of NOT pursuing these alternative economic practices, the use can be tilted towards what is deemed 'conservation'. Through these means, the Blue Carbon Initiative, aims to address the core drivers in the destruction of these ecosystems, which they identify as: "aquaculture, agriculture, mangrove forest exploitation, terrestrial and marine sources of pollution and industrial and urban coastal development."<sup>17</sup> However, as Kathleen McAfee has explained with reference to similar projects on land, the underlying market-logic in this system will mean that instead of focusing on the large-scale, and more destructive variants of all these, which would require considerable economic payments before the actors would consider foregoing their profits in favour of 'conservation', the projects instead target small-scale, less-destructive variants as these require less money to persuade. As she writes, "As in [Payment for Ecosystem Services] projects, opportunity-cost criteria channel investment toward activities and places where conservation gains can be achieved for the lowest cost" and as a result, "market efficiency reasoning would restrict smallholder and communal land and forest use while allowing more profitable, more destructive activities to continue."<sup>18</sup> So in other words, the need of these projects to be 'economically efficient' will by necessity mean that they can never challenge the main culprits of climate change making them the ultimate smoke screen. The next section goes more into depth with the problems in such a market-based approach.

#### 'Selling nature to save it'

More than diverting attention away from solutions that would move us towards more profound systemic changes, the blue carbon projects' conservation can also end up doing more harm than good through their insistence on market-based solutions. As the preceding sections show, the tools for protecting blue carbon areas, is basically to draw them into the market system by giving them economic value and making them available on carbon markets. This is completely in tune with the dominant approach to conservation, where the main idea is that we must 'sell nature to save it'<sup>19</sup> and as long as the price-tag is right, the market will by itself solve all problems.

Consequently, as blue carbon promoters stress, the coastal ecosystems and their 'environmental services' are estimated to be worth over USD 25,000 billion (see text box on Blue Carbon). However, far from the rosy picture drawn by blue carbon proponents, scholars have shown that such commodification processes: "give [natural resources] new types of economic value and ... make that value available to transnational interests and national elites, often at the expense of local communities."<sup>20</sup> Thus, instead of being a win-win for all actors involved, this commodification and marketisation further entrenches power inequalities and facilitates grabbing of resources and/or expulsion of local communities: "once there are markets for nature's assets, so nature's assets can also be stripped."<sup>21</sup>

Even if local communities do not directly lose access to the resource, we have seen how powerful actors' view of conservation efforts impact hugely on *control* of the resource, herein reducing customary or community rights and fundamentally changing the communities' relationship with the resource to a more narrow understanding of 'conservation'. As Credit Suisse, WWF & McKinsey explain quite openly in a report on 'Conservation Finance'<sup>22</sup>: "the local communities involved in such projects ... need to develop more business acumen and financial literacy to roll out projects at scale and be able to participate in their development." In their view then, while local communities should perhaps not be expelled, they clearly have to change, as they currently have a flawed relationship to nature and do not understand

the true value of the ecosystem that they in many cases have been living with and off for generations. As Igoe & Brockington put it, "According to the dominant perception, their hope lies in being brought out of nature and into the market so that they can return to nature as competent conservationists."<sup>23</sup> Aside from the obvious point of the shift in who benefits from this marketisation process, whereby 'new values' are made accessible to what the report calls Ultra High Net Worth Individuals, there is also the broader point of how the burden of the climate crisis is shifted onto communities in the Global South. Instead of changing our extractivist economies and transnational corporations' business models, local communities must be taught and disciplined to become 'eco-rational subjects'<sup>24</sup> and take care of nature in a manner that fits with the dominant perception.

As can be read on Conservation International's description of a Blue Carbon project in Gulf of Nicoya, Costa Rica: "[The Blue Carbon Project] includes education for the community, including through local schools, about the importance of healthy mangroves for climate adaptation and reducing carbon emissions."<sup>25</sup> This approach suggests that the people living off and with the resources do not themselves know the importance of these resources. It stands in direct contrast to what social movements of smallscale fisher peoples are saying themselves: "Instead of these corporate-friendly false solutions, we, the small-scale fishers, together with other small-scale food producers, have the socially and ecologically just visions and solutions to climate change. Our indigenous traditional knowledge and culture is an entire way of life that is about sustaining communities and nature, not about profit."<sup>26</sup>

#### **Blue Carbon in Indonesia**

For Blue Carbon proponents, Indonesia is a key country targeted for Blue Carbon Projects, due to the sheer area of mangroves along the coastlines. The country has 23% of the world's mangroves, so as Jennifer Howard, marine climate change director at Conservation International, remarked to The Guardian in June: "The idea is to get the country's mangroves into the policy fold and start monetising them."<sup>27</sup> Since the launch of the aforementioned report in 2009, UN-institutions and others have been working together with the Indonesian government in profiling Blue Carbon at a number of international conferences and meetings taking place in Indonesia (e.g. The World Ocean Conference in Manado, 2009; the 11th Special Session of the Governing Council/ Global Ministerial Environment Forum of UNEP in Bali 2010). As mentioned above, the Indonesian government is also part of the recently launched International Partnership for Blue Carbon. And with opinion pieces by government employees in national media with polemic titles like 'Blue Carbon: a new hope for Indonesia'<sup>28</sup>, there is a significant push from state and non-state actors to further the concept in an Indonesian context<sup>29</sup>.

According to Riza Damanik, Chairman of Kesatuan Nelayan Tradisional Indonesia (KNTI - Indonesia Traditional Fisherfolks Union)<sup>30</sup>, the blue carbon projects being debated and pushed forward internationally, do however not take heed of the solutions or demands from Indonesian small-scale fisherfolk, who have been living off and with the resources that the blue carbon projects purportedly want to 'save' for generations. This despite the fact that small-scale fishers, aside from being an important driver of conserving fisheries and natural resources through local knowledge and management practices also play a strategic role as a provider of jobs, nutritional needs, and economic sustainability. In addition, as noted in the FAO's Small-Scale Fisheries Guidelines<sup>31</sup>, small-scale fishers use non-industrialised methods of harvesting (passive gear or manually hauled) which has a low impact on the ecosystem, is energy efficient and has a low carbon footprint.

Aside from being overlooked by the proposed solutions, Riza Damanik explained at a side-event to the recent COP21 on Blue Carbon organised by the World Forum of Fisher Peoples<sup>32</sup>, that the many positive contributions of small-scale fisheries are furthermore threatened by a series of large-scale developments, which the Blue Carbon projects divert attention away from. For example, in a supposed 'adaptation' response to sea level rise, there has been an expansion in the development of water front cities through coastal reclamation. In Jakarta Bay, reclamation activities have required over 3.3 billion cubic meters of sand material taken from other regions, which have been used to build 17 new islands. As Riza Damanik lamented, "16 thousand fishers could be robbed from their lives and livelihoods, the coastal ecosystems destroyed and the main issue related to the pollution in the Bay of Jakarta is barely a concern. Similar coastal reclamation projects have also been happening in at least 19 coastal areas in Indonesia, such as in the Gulf of Benoa, Bali, and the coast of Makassar, South Sulawesi."

#### 'The sea is our mother'

In tune with the statement released on the day of the side-event by fisher peoples' movements, Riza Damanik went on to explain how small-scale fisher communities themselves have a deep awareness of the importance of these ecosystems. Since the sixteenth century, fisherfolks in Lamalera, West Nusa Tenggara have believed that the sea is a mother. In the local language, it is said: *"Ina soro budi, budi Noro apadike. Pai pana ponu, te hama hama* which translates to: *"The sea is the mother who provides, protects and loves. Therefore, we should maintain its sustainability."* 

Seen in this light, blue carbon literally demands of these communities to sell their mother. As Riza Damanik put it: "The sea is our mother, and Blue Carbon asks us to sell our mother. We know that "mother" is sick because of the greed of the industrialised countries and corporations. But today, the same criminals come into our homes and without any guilt they say: "you need money to save the mother, there is no other way than to 'sell your mother's services'."

Instead of the 'false solution' of Blue Carbon, Riza Damanik clarified that the real solutions already exist within the small-scale fishing communities. The best way forward is therefore to support them: "Small-scale fisheries provides a holistic approach based on the principles of food sovereignty, where the needs of people and the planet are at the center. If we want to solve the climate crisis then our right to access and control coastal land for fisher families, decent work, access to fair markets, and also mobilising state resources to support adaptation to climate change based on the communities' own knowledge and solutions must be prioritised over narrow profit-interests."

### Endnotes

- 1 For discussion of Ocean Grabbing, see: https://www.tni.org/files/download/the\_global\_ocean\_grab.pdf
- 2 For a critical review see: http://noredd.makenoise.org/no-redd-a-reader.html
- 3 Sikor, T. 2013. (ed.). *The Justices and Injustices of Ecosystem Services*, New York: Routledge. Quote from p. 4
- 4 Nelleman, C., Corcoran, E., Duarte, C.M., Valdés, L., De Young, C., Fonseca, L., Grimsditch, G. (Eds). 2009. Blue Carbon. A Rapid Response Assessment. United Nations Environment Programme. GRID-Arendal, www.grida.no
- 5 Ibid, p. 69
- 6 See e.g. 'Blue Carbon Policy Framework 2.0': https://portals.iucn.org/library/efiles/documents/2012-016. pdf
- 7 Murray, B.C., C.E. Watt, D.M. Cooley & L.H. Pendleton. 2012. Coastal Blue Carbon and the United Nations Framework Convention on Climate Change. *Policy Brief from the Nicholas Institute for Environmental Policy Solutions*, Duke University. Retrieved from: https://nicholasinstitute.duke.edu/ sites/default/files/publications/coastal-blue-carbon-and-the-unfccc-paper.pdf
- 8 bid, p.1
- 9 http://thebluecarboninitiative.org/category/about/the-initiative/
- 10 http://www.eoesummit.org/initiative/eye-on-oceans-blue-carbon/
- 11 http://www.ocean-climate.org/?lang=en
- 12 http://www.environment.gov.au/minister/hunt/2015/mr20151206a.html
- 13 http://worldfishers.org/2015/12/11/no-to-blue-carbon-yes-to-food-sovereignty-and-climate-justice/
- Igoe, J. & D. Brockington. 2007. Neoliberal Conservation: a brief introduction. *Conservation & Society*, 5 (4), 432-49. Quote from p. 438
- 15 http://bluecarbonportal.org/?dt\_portfolio=livelihood-fund-reforestation-projects
- 16 http://tv.viacampesina.org/COP21-action-contre-Danone?lang=en
- 17 http://thebluecarboninitiative.org/category/about/blue-carbon/
- 18 McAfee, K. 2012. The Contradictory Logic of Global Ecosystem Services Markets. Development & Change, 43 (1), 105-31. Quote from p. 124
- 19 See McAfee, K. 1999. Selling nature to save it? Biodiversity and green developmentalism. *Environment and Planning D: Society and Space*, Vol. 17, 133-54
- 20 Igoe & Brockington 2007, p. 441
- 21 Melissa Leach in an interview with TNI on the special issue of Journal of Peasant Studies on 'Green Grabbing', 2012: https://www.tni.org/en/interview/green-grabbing
- 22 Credit Suisse, WWF & McKinsey & Company. 2014. Conservation Finance: Moving beyond donor funding toward and investor-driven approach. Retrieved from: https://www.credit-suisse.com/media/ cc/docs/responsibility/conservation-finance-en.pdf Quote from p. 6
- 23 Igoe & Brockington 2007, p. 442
- 24 Goldman, M. 2001. Constructing an environmental state: Eco-governmentality and other transnational practices of a 'green' World Bank. *Social Problems* 48 (4), 499-523
- 25 http://www.conservation.org/projects/Pages/mitigating-climate-change-on-coasts-blue-carbon.aspx
- 26 http://worldfishers.org/2015/12/11/no-to-blue-carbon-yes-to-food-sovereignty-and-climate-justice/
- 27 http://www.theguardian.com/environment/blog/2015/jun/17/hope-for-indonesias-valuable-but-threa tened-mangroves
- 28 http://www.thejakartapost.com/news/2012/08/28/blue-carbon-a-new-hope-indonesia.html
- 29 http://blog.conservation.org/2011/08/blue-carbon-strategy-takes-root-in-indonesia/
- 30 This section is based on a speech given by Riza Damanik supplemented by a later interview. The original speech given at the side-event can be read here:

https://www.tni.org/en/article/fisherfolks-are-pushing-the-solution-not-the-illusion-of-blue-carbon 31 http://www.fao.org/3/a-i4356e.pdf

32 http://worldfishers.org/2015/11/25/join-the-frontline-communities-at-our-public-meeting-on-8december-3-6pm-in-paris/









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Kesatuan Nelayan Tradisional Indonesia (KNTI): Indonesia Traditional Fisherfolks Union – established in 25 regions in Indonesia with around 300,000 members, including a youth group. KNTI is also a member of the World Forum of Fisher Peoples.

www.knti.or.id