

# Ecuadorian Government



## Who you are:

**Rafael Correa**

President of Ecuador

**María Fernanda Espinosa**

Minister for Cultural and Natural Heritage, Ecuador

**Carlos Lucro**

Minister for Economic Affairs, Ecuador

**Yvonne Baki**

Government Special Envoy for Yasuní, Ecuador

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You are the government of Rafael Correa, the Ecuadorian President. In light of your political convictions, you want to pursue a policy of widespread popular participation in decision-making and the distribution of wealth in the country. In addition, you want to limit foreign intervention in the country's politics and economy so as to strengthen domestic forces in these areas.

## Your position regarding Yasuni National Park:

Ecuador is one of the world's poorest countries – in 2006, 38% of the population lived below the poverty line – and at the same time the country with the highest ratio of biodiversity to surface area in the world. Around 18% of its territory is made up of protected nature reserves.

Accordingly, you want to preserve Yasuní National Park, and you support the Yasuní ITT Initiative. This goal of this initiative is to obtain funds from the international community to compensate Ecuador for leaving the oil under Yasuní National Park in the ground. Especially the wealthy industrialised nations, which have profited the most from oil so far and are the primary culprits of climate change, should make a financial contribution to this goal. Specifically, the Ishpingo, Tambococha and Tiputini (ITT) oil fields should be left untapped. Preserving the rainforest and reducing oil consumption constitute a major contribution to climate protection, and are in your view of benefit to the entire world.

As one of the world's poorest countries, you are under financial pressure, and are therefore proposing a trade. You are offering to leave the estimated 846 million barrels of oil (corresponding to 20% of Ecuador's overall reserves) in the ITT oil fields in Yasuní National Park under the ground. In return, you are asking for half of the expected returns the oil would yield if extracted, which amount to 7.2 billion US dollars.

The United Nations supports the initiative, and has set up a trust fund for the purpose. The money in the fund is to be used not just to protect the Yasuní rainforest, but also to support the expansion of renewable energies and promote economic and social development in Ecuador. Your aim is to become independent of oil exports. In cooperation with the UN, you have guaranteed that the fund will be used for the intended purpose. An international committee will strictly control what happens to the money from the fund. In the event of future governments deciding to extract the oil in the Yasuní area, a contract would ensure that the money paid into the fund would be turned into public debt.

You know that the destruction of Yasuní National Park would be out of all proportion to the benefits: the entire 846 million barrels of oil extracted over around 13 years would only be enough to meet global oil consumption for 10 days. What is more, scientists estimate that clean-up in the wake of oil production in Yasuní would cost four billion dollars – over half of the profit earned. The world would have to help pay for this clean-up work too.

Nonetheless, you have made it clear that you will go ahead with extraction of the money is not paid into the fund. The government has a responsibility to the people to do whatever it can to fight poverty, including if necessary exploitation of the country's natural resources. The country is currently dependent on profits from the oil industry: they enable state spending (e.g. on education, welfare, infrastructure such as roads, etc.) and job creation. The national budget is suffering from the effects of the global financial crisis, and you are in urgent need of income. The Ministry for Economic Affairs and the Ecuadorian Chamber of Commerce are also putting pressure on the government. Economics Minister Lucros, formerly Chairman of the state-run oil company Petroecuador, is insisting that the oil be extracted in order to profit from the rising price of oil. If the conference does not lead to a compensation agreement which is acceptable to Ecuador, Correa has already threatened to go ahead with oil extraction.

However, with the Yasuní Initiative proposal you hope to usher in a new era of Buen Vivir. Good Living (Buen Vivir) is a concept which has its origins in Latin American civil society, which challenges the Western world to question its current model of consumption and growth, and instead look for sustainable solutions for today and tomorrow's world.

### **Your demands:**

Your central demand is for the German Government to contribute financially and offer its full support to this ground-breaking initiative to preserve the world's greatest biodiversity hotspot. You know that certain European countries are waiting on Germany's response, and will only support the project if Germany decides to take part. You expect Germany and the international community to make a firm commitment to contribute to the UN trust fund.

As agreed, the money will be invested to the benefit of the population and the environment. However, you want the sole authority to decide precisely how the money is invested in Ecuador. You will not accept any form of intervention in national policy in this regard.

### **Your task for the first unofficial round of negotiations:**

Seek out potential coalition partners who you think might have interests similar to yours. Discuss in your group who will negotiate with whom. Approach the other groups and find out whether you can form an interest group to further your position.