



# World Bank: Climate Profiteer



# World Bank Carbon Finance

**“Buyers”**  
In global North

- 10 funds + FCPF
- 16 governments; 66 private participants
- Fossil fuels & energy
- Cement
- Chemical & metals
- Agro-industry
- Carbon traders

**World Bank  
Carbon Funds**  
‘Honest Broker’

- \$2 billion in capital in Carbon finance portfolio
- 83 active
- 1/3 voluntary market
- Provides ‘leadership’

**“Sellers”**  
In global South

- \$1.5 bil approved
- Forest agencies
- Oil & coal
- Cement
- Iron & Steel
- Agro-industry
- Carbon Traders
- Private landfills

# Conflict of Interest

- 2005-2007 World Bank financed \$1.5 billion of oil, gas and coal projects
- Avg 13% “overhead” on carbon offset projects = \$260 million
- Profits from emissions trading provide little motivation to reduce baseline carbon emissions from its own energy projects

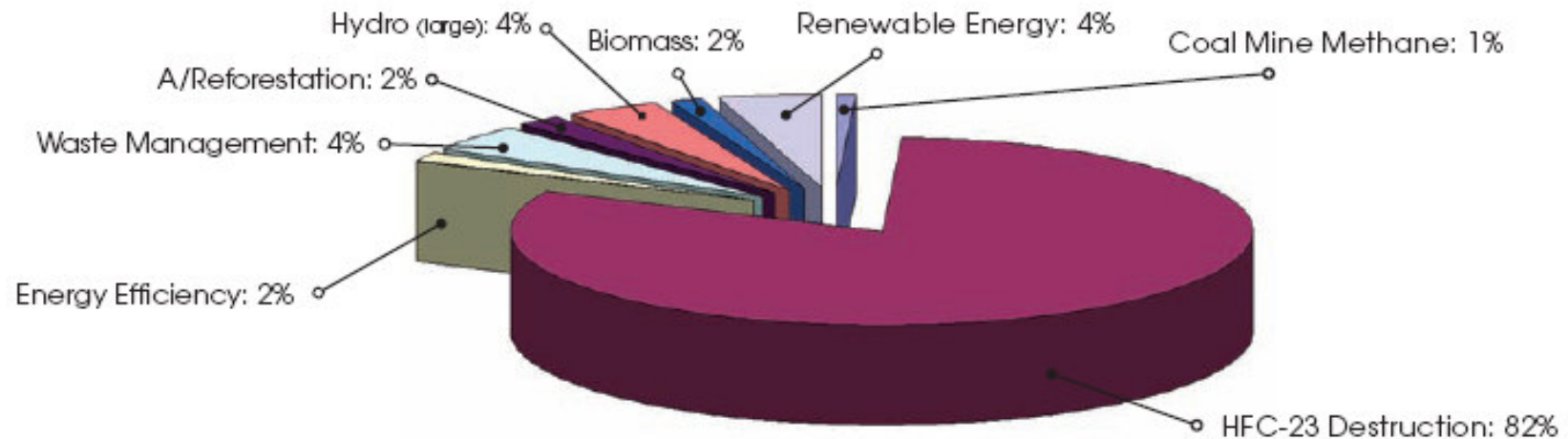
# Lack of Transparency

- Publicly available data is “unreliable” and incomplete
- “Commercial Secrets”
- No public assessment of community benefits/ impacts

# Clean Energy Short-Changed

- < 5% for clean, renewable energy
- Large hydropower favored
- Questionable biomass projects and fuel-switching

## WORLD BANK CARBON FINANCE APPROVED FUNDING





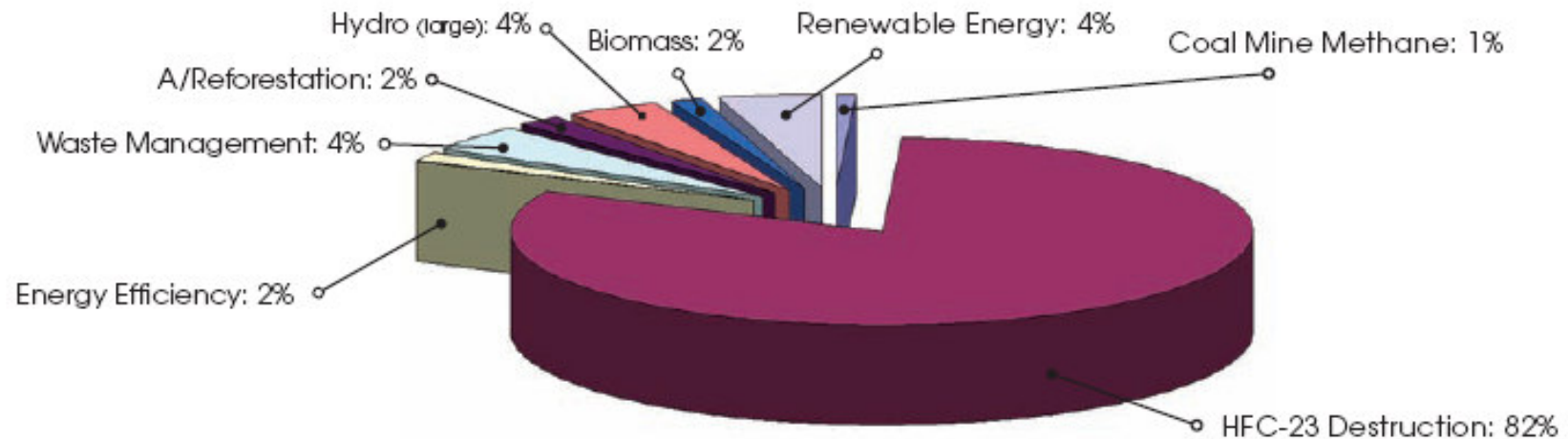
# Plantar - Minas Gerais, Brazil



# Dirty Industries Dominate

- \$1 billion into chemical, coal, landfill, iron and steel industry projects
- “Low hanging fruit”
- Renewable energy less competitive
- Perverse incentives for dirty industry

## WORLD BANK CARBON FINANCE APPROVED FUNDING



# Little Benefit to Local Communities

- Community Development Carbon Fund & BioCarbon Fund (10%)
- Local, sustainable development benefits as “co-benefits” or “add on”
- Lack of participation by communities in design
- Opaque monitoring and grievance systems
- High “transaction costs” = shift to large projects





# BioCarbon Fund

- Trading carbon credits from A/Reforestation
- Top buyer of credits from biological sequestration
- At least  $\frac{1}{2}$  acreage in plantations,  $\frac{1}{2}$  agroforestry & conservation
- $\frac{3}{4}$  credits sold on self-regulated voluntary market
- Contractual agreements to ensure “permanence”

# BioCarbon Fund

- Who benefits?
  - JK Paper Ltd.
- Who is responsible for emissions reductions?
  - FACE PROFAFOR
- Bank encouraging individual land rights over collective land rights
- Export food crops more valued than local food systems

# Forest Carbon Partnership Facility

- Reduced Emissions from Deforestation (and Degradation)
- \$300 million for “readiness” and carbon credits
- National level
- Bank is inventing the market in REDD



# Forest Carbon Partnership Facility

- No consultation with IPs during design phase
- Little participation in governance
- No explicit compliance with national or international law, UN Declaration on the Rights of Indigenous Peoples
- Who benefits – forest communities or timber companies?
- No definition of “forest” or what is being traded
- Setting precedent for Forest Investment Fund

# Questions

- Carbon rights vs. human rights & land rights
- State sovereignty or Indigenous sovereignty
- What counts as “participation”
- “Carbon sink” or forest
- Traditional knowledge or private intellectual property
- Non-market mechanisms

