ECONOMY AND ECOLOGY 21.07.2023 | Simon Zadek

The geopolitics of nature

The world is in crisis mode. But instead of building bridges, many – particularly in the Global North – are exacerbating divisions

From Russia's war against Ukraine to the US' rivalry with China, tectonic geopolitical shifts have shaken multilateralism in recent years. While many of the consequences – from surging food and energy prices to the rising risks of major conflict – have been discussed at length, more attention must be devoted to the implications of these shifts for efforts to address the multifaceted climate and nature crisis.

The geopolitical change we are now experiencing threatens to split the world order in two. A key sign of this is the decision by much of the Global South to support – or at least refuse to condemn – Russia's full-scale invasion of Ukraine last year, despite the West's efforts to isolate and punish the Kremlin.

Moreover, the BRICS group of major emerging economies (Brazil, Russia, India, China and South Africa) – which has always sought to create alternatives to Western-led international institutions – may be set to grow, as 19 countries have expressed interest in joining. There is also discussion of creating a new BRICS currency to challenge the US dollar's global dominance.

In the meantime, China is working hard to expand the international use of its own currency, the renminbi, and is achieving some success. Most recently, Brazilian President Luiz Inácio Lula da Silva has taken steps to facilitate renminbi-denominated trade settlement between China and Brazil.

Exacerbating divisions

Forging the shared sense of purpose and marshalling the coordinated action needed to tackle the climate and nature crisis would be difficult in the best of times. In a world characterised by distrust, competition, fiscal constraints, and divergent political priorities, it appears almost

impossible. And yet, far from building bridges, many – particularly in the Global North – are exacerbating divisions.

The European Union's legislation banning imports of products linked to deforestation is a case in point. The law – which requires companies selling goods like coffee, beef and soy in the EU to provide verifiable proof that they were not grown on recently deforested land – has been welcomed by green activists and European politicians. But the measure has also been met with considerable criticism – and not only from agri-business interests seeking to avoid incurring costs for environmental destruction. Shortly before it was passed, the Brazilian and Indonesian governments submitted a letter, signed by 14 World Trade Organisation member states, lamenting that the EU was pursuing 'unilateral legislation', rather than 'international engagement'. By failing to consult with the relevant countries, the EU devised 'costly and impractical traceability and geo-localisation requirements' for an 'uncertain and discriminatory' list of products.

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Voluntary carbon-credit markets and emerging biodiversity-credit markets are similarly flawed. Rich-country critics complain that these markets have failed to deliver credible 'additional' reductions of atmospheric carbon. Scandals arising from widespread flaws in certified nature-based carbon credits are a case in point. Leaders from the Global South, for their part, highlight the inequalities they perpetuate, with carbon credits being bought for as little as $5-10 in the Global South and then sold for $100 or more in Europe.

Moreover, developing-economy leaders highlight wealthier countries' reluctance to fund the preservation of existing forests. At the recent One Forest Summit, co-hosted by Gabonese President Ali Bongo Ondimba and French President Emmanuel Macron, Gabon's environment minister, Lee White, noted that, as some of the world's most important carbon sinks, 'forests potentially represent 20-30 per cent of the solution to climate change'. Carbon credits can help channel financing toward forest preservation, but only if they are purchased at fair and predictable prices.

There are relatively straightforward ways to improve engagement and accelerate progress toward shared climate and nature goals. For example, the EU's deforestation law could have a far greater impact – and inspire more effective cooperation – if it included support for measures to

advance, rather than override, relevant legislation in affected countries. Moreover, building on the insights shared during the One Forest Summit, rich countries could embrace the idea of delivering ecosystem-service payments to countries that maintain their forests and establish a price floor for carbon and biodiversity credits.

Opportunities for collaboration

The G7's recently announced Alliance of Nature Positive Economies – conceived as a 'forum to share knowledge and create information networks on a voluntary basis in collaboration with the private sector and civil society' – could support the shift toward greater collaboration beyond the G7. Key would be to focus on how to address nature and climate goals without deepening existing technological advantages and erecting more trade barriers, and instead to focus on inclusivity and equity.

Brazil's G20 presidency in 2024 and its role as host of the United Nations Climate Change Conference in 2025 (COP30) also represent important opportunities. As the world's most influential representative of nature-rich developing economies, Brazil could use these platforms to mobilise greater support for the countries that are doing the most to protect the climate and preserve nature, despite having done the least to cause the crises we face. Transforming the global economic and financial architecture to advance sustainability goals will be key.

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Nature and climate will be part of the new geopolitics, for better or worse. The alternative to a more inclusive approach is not slower progress, but potentially no progress at all. Just as Russia has redirected its energy exports to countries that have not embraced Western sanctions, food exporters, facing de facto deforestation 'sanctions' from the EU, may simply find new buyers for their goods. In such situations, everyone loses, including nature.

Without a collaborative approach, nature-rich countries may even decide to create a sovereign sellers' club aimed at improving their terms of trade, like OPEC has long done for oil producers. Already, Brazil, Indonesia and the Democratic Republic of the Congo – which possess the world's largest tropical forests – have formed an alliance focused essentially on pressuring the rich world to finance forest conservation.

Measures like the EU's deforestation legislation or voluntary carbon

markets may look like steps in the right direction. And they may bring short-term benefits. But by alienating the developing world – at a time of global geopolitical realignment, no less – their long-term costs may be too high.

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