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Press Release

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## **Big Polluters use “net zero” and carbon markets to hide their climate inaction, says new report from climate justice groups**

Several international climate justice organisations<sup>1</sup> including Malaysian based Third World Network and Friends of the Earth International, today released a new report: *Chasing Carbon Unicorns: The deception of carbon markets and “net zero”*.

In the lead up to the delayed UN Climate Change Conference (called COP26) scheduled to held in Glasgow, in the United Kingdom later this year, big polluters including major big fossil fuel corporations and their governments continue to expand fossil fuel exploitation.

This new report unpacks the science behind “net zero” claims and how they are used to obscure climate inaction. It explores the new strategies to expand carbon offset markets, linked with new “net zero” demand for offsets.

It also explains the roles played by various actors involved in the effort to “make carbon- offsetting great again”. These include less obvious players such as a few large mainstream conservation organisations, as well as the more obvious ones: the banks, the finance industry, and corporate interests behind maintaining the status quo of fossil fuel production and consumption.

“Net zero” means that fossil fuel companies can continue to explore, drill, extract, and burn fossil fuels, while someone somewhere else sucks carbon dioxide out of the atmosphere, magically balancing out emissions. But whose land, whose forests will be used to suck that carbon out? Fossil futures require carbon unicorns.

The area of land required to sequester just 2 Gt CO<sub>2</sub> through ecosystem restoration is estimated at 678 million hectares – about twice the land area of the country of India. Communities in the developing world are already facing huge land and resource grabs, loss of livelihoods, and violations of their territorial rights.

“Net zero” targets need to be transformed into [Real Zero](#) targets, including a complete phase-out of fossil fuels and industrial agriculture, keeping equity in mind, and support for rights for communities whose livelihoods are dependent on those ecosystems.

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<sup>1</sup> The Report published by Friends of the Earth International, La Via Campesina, Indigenous Environmental Network, Corporate Accountability, Asian Peoples’ Movement on Debt and Development, Third World Network, Grassroots Global Justice Alliance, Climate Justice Alliance and Justiça Ambiental.

In the release of the report today, Meenakshi Raman, the President of Sahabat Alam Malaysia and the Head of Programmes of Penang-based Third World Network, said that:

*“Net zero pledges by rich countries and their continued reliance on carbon offsets in poor countries to achieve them, are escape routes from taking the real fairshares in emission cuts needed to remain within a 1.5°C global carbon budget. Such approaches are dangerously unambitious and are inequitable, as we cannot afford further emissions by the rich North in a carbon constrained world that requires zero emissions now without offsets. We must end carbon-colonialism, which is what carbon offsets represent, where the poor have to sequester the emissions of the rich, on top of doing their own emissions cuts. This is climate injustice.”*

Dipti Bhatnagar, Climate Justice and Energy programme coordinator for Friends of the Earth International, said:

*“Global action to stem the climate crisis has reached a pivotal point, as extreme weather events continue to wreak havoc on peoples’ lives and livelihoods. Transnational corporations, governments and even some high-profile conservation NGOs are parading carbon offset schemes and “net zero” pledges as solutions, while the science shows that this is pure fantasy. Dangerous offsetting schemes will do more harm than good, especially for communities in the global south who face land grabbing and rights violations. Our report highlights the urgent need to phase out fossil fuels and achieve real zero emissions, rather than chasing mythical carbon unicorns.”*

Rachel Rose Jackson of Corporate Accountability said:

*“Big Polluters and Global North governments are using net zero schemes as an escape hatch from their responsibility for fueling the climate crisis. Not only do these faulty pledges shift the burden to the people on the frontlines and in the Global South, they will continue to drive environmental destruction, food insecurity and other human rights abuses all while failing to actually cut real emissions. For Big Polluters, net zero schemes are simply a means to greenwash their images and mask their plans to continue to emit. It’s time to listen to the people and let science, not unicorn technologies and dangerous fringe theories guide climate policy.”*

The report is available at <https://foe-malaysia.org/wp-content/uploads/2021/02/210224-FoEI-carbon-unicorn-report-ENG-lr.pdf>

**Meenakshi Raman**  
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