

Rethinking our Resources: Summary paper

By Friends of the Earth Philippines and Friends of the Earth Scotland, September 2024

Resource justice means transforming the way we use resources so that systems of material extraction, consumption and disposal are fair and sustainable. It is an essential part of addressing the climate crisis and creating a world where everyone can flourish.

Rich countries consume, emit and pollute the most. Governments in wealthier countries have the greatest responsibility and capacity to act but politicians downplay their power to evoke change.

Failure to consider resource justice is an unaccounted risk to the energy transition away from fossil fuels. If the cost of sustainability in the global north is the lives of people in the global south, higher carbon emissions and the destruction of the natural world, we will not achieve a better future.

Governments in the global north can take the first steps towards resource justice by prioritising wellbeing over economic growth, ending unfair trade policies and holding corporations to account for the harm in their supply chain practices. Fairer use of resources does not mean global north citizens must make do with less. Instead, it means replacing private ownership models with public services, and products which last for longer: changes which will improve the lives of the majority. To achieve this, all governments must put the principles of a just transition and the circular economy at the heart of their work.

This is a summary of the 'Rethinking our Resources' report which explores resource justice using examples from Scotland and the Philippines to show politicians in the global north must act first and act now. Global north nations, typically found in North America and Europe, are richer and have higher levels of socio-economic development than global south nations, which are mostly in Africa, Latin America and Asia.

Living in a world of resource injustice

We all need resources to live. Whilst overconsumption by the wealthy few has created a global climate crisis and unprecedented destruction of the natural world, many in the global south must make do without the resources they need to meet basic living standards. Resource justice means redistributing resources fairly and reducing overall resource consumption to address climate breakdown, the destruction of nature and pollution.

Careless and excessive resource consumption in the global north is costing the lives of people in the global south. From children and adults forced to mine in unsafe conditions for the minerals needed for the energy transition, to the cruel treatment of workers in factories, people are suffering across the world right now to make products mainly used in the global north. Corporations hide human rights violations and environmental harms in global supply chains from consumers. Unless systems of resource use change, even those currently shielded from ecological and climate crisis and pollution, will feel the effects of a deeply damaged system.

National governments are instrumental to making the system changes that are needed, but not all countries have equal responsibility and capacity to act. Countries in the global north carry the historical accountability for creating resource injustice, which grew out of colonialism, capitalism and unfair international trade systems. These countries are richer, consume more, waste more and pollute more. They have stronger regulatory and institutional frameworks and concerned citizens more able to call for change. Despite this, politicians in global north countries have not acted. Some have allowed companies free reign to amass as much wealth as possible, falsely hoping the growth of corporate superpowers will trickle down to their citizens.

Average resources consumed, in tonnes of materials per person per year in 2018

Amount required to
meet basic needs

6 tonnes

Sustainable limit

8 tonnes

The Philippines

5 tonnes

Scotland

19 tonnes

The risks of inaction

While policy makers in the global north have not acted on their responsibilities, they still face, alongside the rest of the world, the risks created by resource injustice. Economic and political plans in global north countries are built on an assumption that the resources they require will be available in unlimited quantities when they need to buy them. The material shortages, price rises, and trade restrictions that were experienced due to the 2020 pandemic should have been a warning that our economies are extremely vulnerable to supply chain disruptions. Such disruptions are forecast to become more frequent and severe as ecological and climate breakdown increase and yet politicians continue to ignore these risks.

Governments in the global north have failed to properly consider material requirements in their plans for the energy transition. Minerals, such as lithium, cobalt and nickel, which are vital to the success of these plans, are often not considered at all. The serious and extensive human rights and environmental impacts of the extraction and production of materials are well known but, rather than adapting their energy transition plans to minimise resource use, national governments are now competing to stockpile these resources, pushing demand up further. Energy transition plans are counterproductive if they ignore the harm created through their resource demand. An energy transition in Scotland, or any other global north country, is meaningless if it leads to net increases in global emissions and violates the human rights of people in the global south.

Working towards resource justice

Governments in the global north can reverse the harm being caused through resource injustice by putting wellbeing before economic growth, creating cooperative rather than competitive trade policies, and holding corporations to account for the environmental and human rights harms created in their supply chains. Whilst nations such as Scotland have claimed to be climate leaders, no country in the global north is making changes on the scale required of them by the science of climate change and the Paris Agreement. Payments from the global north to the global south are needed urgently to compensate for the damage caused by climate change but pledged and actual payments fall far short of what is due.

Two principles which must be embraced by every nation are those of a **just transition** and **circular economy**. A just transition for resource use would mean workers and communities were supported as their economy changed to a system which uses less materials. A just transition would empower indigenous and local peoples affected by mineral mining and protect workers affected by the move from fossil fuel to renewable based energy production.

A circular economy is where demand for resources is minimised through better design and changed incentives, as opposed to a linear economy where materials are taken from nature, used once and thrown away. In a circular economy, material demand and waste are minimised through reuse, repair and recycling. Circular economy approaches include:

- Ending planned obsolescence in consumer products such as laptops and mobile phones
- Creating strong right to repair laws and universal access to reuse systems
- Upscaling recycling for metals such as lithium, which currently has a global recycling rate of 1%

Above a certain level, long passed by many in the global north, quality of life is not affected by the amount of materials someone uses. The lives of most global north citizens could be improved if measures to reduce material consumption, from replacing private services with public ones to ensuring products were made to last longer, were implemented. Corporations should be required to pay for the cleanup of their products, rather than this being funded from the public purse, an approach known as extended producer responsibility. A future based on equality of resource use could be better for most people whether they are in the global south or global north.

Key recommendations

We call on all politicians to recognise the urgent and shared need to implement fairer and more sustainable resource use and urge policy makers in the global north to enable a path for all nations to work together on solutions that benefits everyone. All nations must protect their citizens and natural resources from corporate exploitation. In addition, nations in the global north must:

- Direct the transition from linear to circular models of resource use by replacing private ownership models with public services, implementing extended producer responsibility schemes and protecting the right to reuse and repair for their citizens.
- Hold corporations, usually headquartered in the global north, to account for the human rights and environmental harm done in their supply chains, through the creation of mandatory due diligence standards.
- Pay reparations to the global south, at an appropriate scale and speed, to address the impacts of resource injustice and climate change. These funds should be used to enable a just transition to systems based on fair and sustainable use of resources.

It is only by working together and fostering global collaboration, solidarity, and mutual respect, that we can create a future where resource justice becomes reality, where resources are shared fairly, ecosystems are protected, and human dignity is upheld.

Case study: the Philippines

The Philippines is typical of a large global south country with low average income, low resource use and below average emissions. It has many reserves of resources and there are high levels of extraction for transition minerals including copper, gold, nickel, zinc and silver. On average, each Filipino citizen uses 5 tonnes of materials per person per year.

The resistance of indigenous and local communities has prevented much of the Philippines mineral wealth from being exploited to date. Mining rights are embedded in the national legislation and, in theory, limit mining practices. However, pressure from the international mining lobby and the need for recovery after the 2020 pandemic has led to a rise in mining activity.

Mining mainly benefits international corporations rather than the local people whose lives are disrupted by the operations. The largest mining operations in the Philippines are either fully owned by foreign entities (in some instances via Philippines-registered subsidiaries) or otherwise initiated by foreign companies. Mining only represents 0.6% of the GDP of the country. Companies use many tactics to gain consent of local people including bribes, resettlement offers and sheer force via private armed guards. The Government has colluded in this approach by creating a special army unit to protect mines. Since 2020, the *Anti-Terror Law* has been used to stifle dissent and charge those opposed to mining as terrorists.

The Philippines is one of the most dangerous places in the world to be a land and environmental defender, and yet there are still calls for a just transition and resource justice. Friends of the Earth Philippines has put forward a new mining law, known as the Alternative Mineral Management Bill (AMMB) to address inequalities in the Philippine mining system. The proposed law would ensure that, while mining is a lived reality under the current systems within which we function, it must operate within environmental limits and respect the rights of communities. The bill has been held up indefinitely by Congress for many years.

For the Philippines, even if its government wants to move towards resource justice, it is hampered by both external and internal barriers, including unfair trade and legislative systems and increasingly severe natural disasters due to climate breakdown. Mining is characterised by a weak regulatory framework, lack of enforcement and violence. Despite huge levels of resource extraction, mining does not contribute to the economy as the wealth generated from extraction is sucked out of the country by multi-national corporations.

Recommendations to the Government of the Philippines

- Protect the rights of Indigenous and local people affected by resource injustice.
- Development and implement mandatory standards for more sustainable resource extraction.
- Urgently progress the Alternative Mineral Management Bill through Congress.

Case study: Scotland

Scotland is a global north nation with high average income and a net import of materials and products. On average, each Scottish citizen uses 19 tonnes of materials a year – more than twice the sustainable limit.

Scotland benefits from its colonial past through centuries of wealth extraction and unequal systems of power. Extracting oil and gas is worth £25 billion in GVA and represents 12% of GDP. The carbon footprint of imported materials and products is rising and increasing amounts of waste are exported.

Scotland plans to implement an energy transition in a highly material-intensive way. For example, a recent government funded study estimated that the steel required for offshore wind turbines in Scotland will be 14 times greater than the amount of steel already used in Scotland's offshore wind turbines today. Despite acknowledging that unreliable supply chains are a risk to the success of the energy transition, the Scottish Government has not included material considerations in its draft energy strategy.

Scotland claims to be an international leader on environmental issues, being one of the first countries to introduce a net zero climate target into law and establishing a symbolic loss and damage fund. A recently passed circular economy law aims to improve the way materials are used. However, Scotland's progressive plans have not been matched by action. The government scrapped its 2030 climate target, loss and damage payments are far below the amount due, and the circular economy law has been criticised as weak and ineffective.

Scottish policy makers have undermined their own power, insisting they cannot reduce Scottish consumption of imported materials and products as they are not able to directly influence the economic activities or energy strategies of other countries. This overlooks its significant consumer power, its ability to improve corporate due diligence and its direct control of many policy areas which contribute to our high material footprint including the construction of new infrastructure and buildings, the wind turbines and cables of the energy transition, and our transport and heating systems. It also ignores Scotland's advantages over global south countries, inherited through its colonialism, international trade, and as host to globally powerful corporations.

The citizens of Scotland are trapped in an expensive, resource intensive system created by corporations focused on increasing profit. Public sector services cutbacks and a cost-of-living crisis have pushed many people in Scotland into extremely difficult circumstances. Policies which reduce resource demand could also improve living standards by increasing public services and making products last longer. For example, just 7% of journeys in Scotland were by bus in 2020. If bus journeys were increased to 30%, it could take over half a million cars off the road and require a third less lithium to electrify the road system than if the current mix of cars buses were electric. Only policy makers can initiate these changes.

Recommendations to the Scottish Government

- Implement, as fast as possible, policies designed to reduce resource demand and improve living standards including increases in public services and access to high quality reuse and recycling services for all.
- Within devolved powers, commit to improvements in resource justice, including due diligence requirements for the public sector and incorporating materials requirements in energy transition plans.
- Working with the UK Government, support the development of a new law to end resource injustice in UK supply chains.
- Along with all global north nations, rapidly scale up loss and damage payments to the global south.

This summary is based on a full report written by Friends of the Earth Philippines and Friends of the Earth Scotland which can be accessed at www.foe.scot.

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