

I. ENGLISH VERSION

Indigenous knowledge systems, a just & decolonial transition and the regulation/transformation of the financial system

The links between the regulation of the financial system, a green, just and decolonial transition and indigenous knowledge systems are determining factors in a time of global ecological collapse, as it is traditional and indigenous knowledge and practices which can best guide the necessary transformation of our economies.

They are more essential than ever in the context of the worldwide advances of the extreme right. This offensive is not only climate denialist, rejecting all binding regulation concerning fossil fuels. It also seeks to destroy regulation and democratic control of all kinds, from environmental, labor and anti-trust legislation to multilateral agreements, in particular the safeguards for human rights. It is a program of extreme libertarianism, provoking ever more scandalous inequalities, and leaving society at the mercy of a totally unbridled oligarchy. Progressive forces must not only resist, but counter-attack, proposing a positive program for society inspired by the vision of Buen Vivir, and imposing regulations that at last put finance at the service of the peoples of the planet. Financial regulation discouraging investments in fossil fuels, and favoring a just transition controlled by local communities, can be a first step in that direction, and an essential response to the growing climate chaos.

In its latest report, the Stockholm Resilience Centre shows that six of the nine "planetary limits" have been crossed, increasing the risk of generating large-scale, abrupt and irreversible environmental changes likely to affect our living conditions and cause major disruption to our economies and financial systems [[SRC, Planetary Boundaries, 2024](#)]. Among others, the World Commission on Environment and Development was already insisting almost 30 years ago on the idea that "*larger society could learn a great deal from traditional skills of indigenous cultures in sustainably managing very complex ecological systems.*" [Our Common Future, 1987]

The **Kunming-Montreal Framework** adopted during the COP15 in Montreal specifically states that its implementation must "*ensure their rights, knowledge, including traditional knowledge associated with biodiversity, innovations, worldviews, values and practices of Indigenous peoples and local communities are respected, documented, preserved with their free, prior and informed consent, including through their full and effective participation in decision making, in accordance with relevant national legislation, international*

instruments, including the United Nations Declaration on the Rights of Indigenous Peoples, and human rights law." <https://www.cbd.int/gbf>

The vital rôle of indigenous knowledge systems in preserving biodiversity was officially recognised at the COP 16 on biodiversity in Cali, by "the establishment of the new subsidiary body for indigenous peoples and local communities that strengthens actions and projects associated with their traditional knowledge, innovations and practices." <https://www.cop16colombia.com/es/>

1. A comprehensive approach to the indigenous knowledge systems protecting biodiversity and climate

Indigenous knowledge systems fuel ecosystem preservation and commons-based living practices in almost 90 countries around the world, from 476 millions of people. The importance of these knowledge systems is a key factor explaining that 80% of land biodiversity is actually preserved by the indigenous peoples. Indigenous knowledge systems take various form of worldviews, knowledge and principles expressing the diversity of the peoples concerned, but which often share similar principles such as:

- the **Seven Generations planning principle** from the Haudenosaunee Law of Peace and the Objibwe nation ([here](#) and [here](#)),
- the **Buen Vivir/Buena Vida Sumak Kawsay** from the Amaichas in Argentina ([here](#)) or with some differences of meaning and context the **Suma Qamana** from the Aymara people in Bolivia ([here](#))
- the **Ayllu system** preserving and sharing seeds based on the ancestral values of **reciprocity, solidarity and balance** (in society and with nature) in the Quechua culture in the Andes ([here](#) & [here](#))
- the **Chagra system**, rotation culture practices of the **Amazonian indigenous peoples** commonly involving 60 plant species per hectare ([here](#) & [here](#) & [here](#))
- the **K'ax K'ol** of the Mayan K'iche' People as a mutualistic relationship between human beings and Mother Nature ([here](#) and [here](#))
- the **territorial health diagnostic** practice and the **interconnection principles** in the Law of the origins by the Kogi in Colombia ([here](#) and [here](#)),
- the **spiritual Well Being of the Forest** in the Ashaninka culture in Peruvian Amazon ([here](#)),
- the **Kawsak Sacha** (Living Forest) as a living, conscious, subject of rights concept from the Kichwa people of Sarayaku, connected to the 3 axis Sumak Allpa / Sacha Ruana Yachay / Runakuna Kawsak ([here](#))
- the Living Forest management practices and **Kanuni ya porì** regulation rules for biodiversity & land protection of the Bambuti-Babuluko Pygmies in Congo ([here](#))
- the **Ubuntu** thinking from the Bantu culture ([here](#))

- the **agro-forestry system thinking** from the Maya culture in Mexico ([here](#)) or from the Cherangani People's culture in Kenya ([here](#)),
- the **sacredness of seeds**, the **Muriira** ritual and the centrality of sharing systems for the Tharaka tribe in Kenya ([here](#) and [here](#)),
- the **sacred groves** culture from the **Sarna** religion of 5 million indigenous people in Jharkhand, Chhattisgarh, Bengal, Odisha, and Bihar states in India, maintaining a strong connection with natural elements such as forests, rivers, and hills, which are regarded as sacred entities and connected to social & spiritual life through various rituals ([here](#) and [here](#)),
- the **Puja** honey bees harvesting rituals from the Kurumbas in Tamil Nadu India ([here](#)),
- the **Dadirri** from the Aboriginal peoples of the Daly River region in Australia ([here](#) & [here](#)),
- the **Taonga** status (special treasure) of the Whanganui River, that possess Mauri the life force or essence that binds the physical and spiritual elements of all things together, rooted in Te Ao Māori (Māori cosmovision) and the **Whakapapa** concept which is the genealogical lines that underpin the relationships between all living things, of the seen and unseen world, and since the beginnings of the universe, in Aotearoa New Zealand ([here](#), [here](#) and [here](#))
- the Sami governance system **Siida** based on honesty, respect and a reciprocity relationship to nature, and the **Meahcci** concept designating the inhabited lands and cultural terrain to herd, fish, hunt, gather, move and practice ceremonies connecting land, practice, responsibility and temporal rhythms in Sápmi (Norway/Finland/Sweeden/Russia). In the Sami cosmology the role of human being is to maintain a balance within the ecosystem and to safeguard the healthy environment as a foundation of all life ([here](#) & [here](#))
- **TZK'AT**, The Network of Ancestral Healers of Community Feminism of Guatemala, where defending the territory of the body entails assuming the body as a historical territory in dispute with ancestral and colonial patriarchal power, but also seeing it as a vital space for the recovery of life. In this sense, the struggles against the multiple forms of violence against indigenous women, particularly sexual violence, territorial violence and femicide, are historical struggles, but still in force. Recovering the body to dignify oneself and the joy in relation to nature is an emancipating political bet ([here](#) and [here](#)).***

Each and every one echo in it's own way to what should be a decolonial just and green economy fueled by a transformed finance system.

2. A decolonial and just transition respecting the rights of nature, a cooperative economy and the inadequacy of the unregulated finance system

Cooperative economy can connect with the complex thinking perspective embodied and defended by many indigenous organisations and communities all over the world. Cooperative economies have the huge advantage of being guided by - and in the interests of - their members, rather than being instruments to extract profits and accumulate capital. According to the World Cooperative Monitor around 12% of people on earth are a cooperator of any of the 3 million cooperatives. Cooperatives provide jobs or work opportunities to 10% of the employed population, and the three hundred largest cooperatives or mutuals generate 2,409.41 billion USD in turnover while providing the services and infrastructure society needs to thrive. The UN declared 2025 International Year of the Cooperatives [[International Cooperative Alliance 2024](#)]. However, as such and even if they usually share a "concern for community", they do not also have the objective of respecting the larger interests of society and the natural world. That is where indigenous world views and knowledge have an essential role to play. Indigenous organisations and communities all over the world maintain cooperative ventures embodying this knowledge. For example:

The Union of Indigenous Communities of the Isthmus Region (UCIRI)¹⁸ in Mexico

"reunites coffee producers from 53 different communities from Zapotec, Mixe and Chontal ethnic groups across five different municipalities, reaching over 5,000 families. The cooperative has a wide range of national clients and sells at a more competitive price internationally through the Fair Trade market. This cooperative's success has culminated in the construction of infrastructures like warehouses, transport, food supply systems and health services. It has also established a cooperative "Solidarity Fund" for the acquisition of consumer goods and equipment, as well as provision of credit support. The cooperative is influenced by indigenous governance systems and has played a key role in strengthening of their indigenous culture."

<https://www.un.org/esa/socdev/egms/docs/2016/Coops-2030Agenda/Mendoza.pdf>.

The local economies of the Communes of Venezuela

For the last 20 years, Venezuela has conducted a massive and original process of local self-government, stimulating social and economic activities. Citizens of 4,500 Communes (themselves made up of 49,000 Communal Councils [CC]) regularly vote to choose the project that is their priority. The State provides the finance necessary for its realization, generally combined with collective local efforts, paid or unpaid. In many communes the process has allowed the development of local cooperative economic activities : agricultural, artisanal or of services. A striking example of how a form of financial support by a progressive government can allow the apparition of an economy, whose goal , as one comunero puts it, is not to accumulate wealth, but to solve the community's problems.

<https://lecourrier.ch/2025/02/10/au-venezuela-la-commune-ou-rien/> (english translation below)

Insurance cooperative

<https://stories.coop/amidst-the-storm/> <https://www.climbs.coop/>

Solar electricity cooperative in a favela

The results achieved so far include a reduction of about 50% in the electricity bills of the member families. Of the money saved, half remains with the beneficiaries and can be used for food, leisure, and other needs, improving the quality of life for the families. The other half goes to the cooperative for its maintenance, ensuring the project's economic sustainability, which is 100% managed by the members themselves. <https://stories.coop/making-history-improving-life/> <https://revolusolar.org.br/>

The Banco Las Palmas (a bank in a favela using a local money)

The powerful idea behind Banco Palmas, its actions and achievements, is that an inherently poor territories (be it neighborhood, region, or municipality) do not exist. Territories become poor by losing their savings. Poor communities are poor because most of their money is spent outside the community, and thus escapes from it.

The local money created in Las Palmas can only be used in the community, it has thus transformed living standards, dynamising local economic exchanges, expanding local commerce, enabling the creation of new activities and generating both employment and income. This initiative has inspired the creation of a network of more than a hundred Community Development Banks in Brazil, which define themselves as "a network of associative, community-based financial services, designed to generate work and income with the objective of reorganizing local economies according to the principles of a solidarity-oriented economy." https://en.wikipedia.org/wiki/Banco_Palmas and Finance et Communs, p. 156, Editions Ritmo.

ACOPAGRO cacao cooperative in Ecuador

Initially funded by the United Nation's program to promote cacao cultivation as an alternative to growing coca leaves, ACOPAGRO is now an established exporter of quality cacao. The co-op, based in the San Martin region, has grown from 27 members in 1997 to nearly 2,000 members today, and is now the largest organic cacao exporter in Peru. In 2012, ACOPAGRO won first place in the national quality competition, Concurso Nacional de Cacao, in Lima. The co-op has diversified into other products and services like a reforestation and carbon capture program and credit service for members. With Fair Trade premiums, ACOPAGRO has invested in a new office and warehouse facility, equipment and quality training for members, vehicles for staff, and social programs such as basic food production and access to medical services like dental and eye care. <https://alcacao.org/acopagro-ltda/>

Nevertheless cooperatives all over the planet are facing huge challenges. One of them is the lack of financial support, especially when it comes to the need for the cooperative to scale up, organize new connections or to invest into new missions, reach out to new territories and achieve new objectives. It's suffering from a clear disadvantage compared to the fast profit at any cost of the neoliberal system and its players. As the **International**

Labor Organization (ILO) advised it in its "Guidelines for a just transition towards environmentally sustainable economies and societies for all" governments should use "appropriate regulations [...] to encourage a transition towards economically sustainable activities" mentioning "market-based instruments, public procurement and investment policies" [[ILO 2015](#)].

Finance regulation inspired by indigenous thinking systems must change this state of things, by reducing the cost of credit for social missions pursued by the organization which need to raise money. Credit is the authorisation given to use part of a society's collective resources and energies for a given project. Rather than being authorized in the expectation of realising a profit, credit should in priority mobilise forces for projects of common interest. In so doing, it would rejoin the spirit and practice of the collective efforts made quite universally by indigenous communities, known for instance as "minga" in parts of Latinoamerica/Abya Yala.

3. The impact of finance regulation on biodiversity protection and a decolonial & just transition

Regulating finance is a decisive battle. The forces of the extreme right, which are maneuvering in a large number of OECD countries, supported by the fortunes of fossil fuels but also a handful of oligarchs presenting themselves as "anti-system", are pushing to challenge all protections and collective rights: whether they are environmental, financial or respect for international law (including the right to self-determination).

The hundreds of billions of dollars that flow to fossil fuel extractivism, agribusiness, plastics and deforestation from banks, insurance companies and investors are the driving force behind climate change acceleration and the massive loss of ocean biodiversity in the Amazon, Southeast Asia and Africa. They are also key to the pollution of rivers from Patagonia and Peru to Nigeria and Australia. Finally, they are fuelling the ravages of air quality in India, China and South Africa. Since eight years, the 60 biggest banks in the world channeled around 7000 billions to the fossil fuel industry [[Banking on Climate Chaos 2024](#)]. Their economic model wrings gigantic profits from the territories and peoples who live there, by monopolizing our "common goods". It doesn't pay for its own externalities (pollution, climate destabilization, inequality gaps, destruction of social fabrics) and often even benefits from considerable public subsidies. It is based on the privatization of gains and the socialization of losses. As Benoit Lallemand Finance Watch Secretary General and financial expert puts it, "Because we do not question the economic system and the financial system, basically we do not take action on climate change. All the money that is flooding around [focusing on short-term profits is not interested in the transition]" [GCPE Webinar October 3 2024]. This system is supported by the central banks of the major economies, the main ones of which meet every year in Basel, Switzerland, through the Bank of International Settlement (BIS) to decide on international financial regulation, according to a mandate given to them by the G20. In Benoit Lallemand's words "money is a pure social construct with social reality but which is not based on physical law" but in the

same time "most of the financial system has been privatized [and] financial regulation today has become a very narrowed topic" [GCPE Webinar October 3 2024]. Indeed, the only role remaining to the finance regulators nowadays is financial stability.

Armando Alaya from the Center for Environmental Rights insist: "There are financial regulatory standards that sometimes concern the rights of indigenous peoples, or improved rates for more climate-friendly practices. However, in the face of the climate emergency, we need to regulate the financial system much more strictly. We need tougher action, and for that we need popular mobilization." [GCPE Webinar January 23 2024]

Nevertheless, according to the IPCC scientists backed by a growing number of specialized finance experts "If climate change continues happening and worsening the economy will be of course completely disrupted and it will threaten financial stability" [Benoit Lallemand, GCPE Webinar October 3 2024]. To put it differently, the dependence on activities that massively destroy ecosystems and climate balance is a major cause of instability. Remedying it can be part of this framework.

As the 2023 Just Transition Finance report from the International Labor Organization and the UN-PNUE explains "A failure to promote a just transition represents a threat to effective climate action, and can contribute to increased inequality and fuel social unrest. This, in turn, can lead to major financial implications for banks and insurance companies as social instability, transition risks and physical climate change impacts may disrupt clients' business operations due to interruptions in their supply chains, impacts on human health, or loss of livelihoods" [[ILO & PNUE, 2023](#)]. Unfortunately the dominant trend in the finance world backed by some of the governments from the finance place countries (such as Switzerland or Luxembourg) is to focus on **disclosure measures** ("transparency" with respect to investments) and self-regulatory practices, avoiding any major impact on private investment.

The fact that profit is the only criterion for investment is also motivating extractivist projects of «energy transition» which in reality continue to destroy the environment, livelihoods and communities. Unbridled, they are becoming the new instruments of the unlimited growth that is destroying the planet. Unlimited amounts of «renewable» energies also serve to maintain the unsustainable privileges of the Global North. A just transition requires abandoning consumerism in favor of the rewards of a society of justice and sobriety, a revolution that can be inspired by the wisdom of «Buen Vivir». The resistance of communities to extractivist projects – including for the «transition» – is vital to hamper its unlimited growth. Communities should have the absolute Right to Say No !, or, if they accept them, to impose their conditions and control.

At the other end of the supply chain, social forces and progressive governments & parliaments must strive to regain a democratic control of credit which existed, at least to some degree before the neoliberal era. They should in particular advocate for a **differentiated credit-rate system**, a sort of bonus-malus that would make loans for ecocidal companies much more expensive, and those for cooperatives oriented towards a

socio-ecological transition respecting human rights and nature very cheap. In practice, the proposal is to act via an existing mechanism, the Targeted Longer Term Refinancing Operations (TLTRO) used during the COVID period, enabling private banks to refinance themselves. Central banks would thus *set a "brown" interest rate that is significantly higher than the market rate for funds raised by private finance for ecocidal companies, and a 0% green rate for employee-controlled economic organizations committed to the eco-social transition*. This simple, clear measure will encourage and redirect all economic players. It can be considered within the current mandate of central banks, since they have the responsibility of insuring stability. Central banks have the responsibility to insure stability of the financial sector on a **long-term perspective and to manage the major risk to it**. Increasingly, the banks recognise the importance of "climate risk" for the financial system. On another angle, the differentiated credit-rate system would generalize existing practices, such as the favorable rates granted by certain banks in the agricultural sector. The proposal converges with several measures taken to provide prudential regulation of the international financial system in the context of the global ecological crisis. It was supported in a less ambitious form by French President Emmanuel Macron at the COP 28 [Emmanuel Macron, Opinion column in Le Monde, December 29, 2023]. The Bank of Japan already offers more favorable interest rates for investments in the energy transition. The National Bank of China is promoting transition investments by various means, including subsidizing the interest rate for this kind of project [[National Bank of China](#)]. The European Central Bank, on the other hand, is pursuing an alternative course of action: differentiated equity capital requirements for loans to private banks, as a function of the climate risk incurred [[European Central Bank](#)], but has recently also indicated that differentiated interest rates could also be considered [[NOTE](#)]. French economists have advocated for a more favorable rate for projects favorable for the environment, pointing out that in the recent past the French and German central banks have used differential rates in order to encourage exports.

The introduction of differentiated interest rates on a global scale will strongly influence the economic activity of the companies responsible for the environmental crisis. By strongly discouraging investment in destructive projects, and encouraging positive ones, the measure will encourage the whole economy to **switch towards an ecological, decolonial and just transition** at a much higher rate than economic players have been able to do up to now. Eco-social conditionalities could encourage employee participation in corporate decision-making, orienting the economy towards more socially just and cooperative models in harmony with the interests of workers. More radically, it would allow local organisations and communities to have abundant access to credit for cooperative projects inspired by traditional knowledge and answering the needs of the community. It would be a decisive step towards reclaiming credit - now monopolised by companies seeking profit - for the emergence of an economy based on respect for nature and human rights.

A Green Interest Rate for Europe (2024)

<https://sustainablefinancelab.nl/wp-content/uploads/sites/334/2024/09/A-green-interest-rate-for-Europe.pdf>

The Energy Democracy Declaration <https://www.tni.org/en/publication/our-future-is-public>