

Peoples' summit Event: The Sasan Coal Power CDM Project Lessons Learnt for Climate Finance

8 December 2014, Lima, Peru

With a number of Clean Development Projects (CDM) in the forefront of climate discussions for failing to deliver clean and sustainable development to poor countries, representatives of civil society gathered to discuss the many implications of coal power projects. The event named 'The Sasan Coal Power CDM Project Lessons Learnt for Climate Finance' was held in the People's summit in Peru to illustrate the repercussions of dirty energy and what happens in the absence of social safeguard systems and disregard for sustainable development benefits within the CDM projects.

The debate, opened by Payal Prekh, laid out how coal power projects do not only disregard development but are strongly linked to violations of human rights. The speakers presented upsetting aftermath of coal power projects – in India and Colombia – and the struggles of the affected communities, only to accentuate the critical need for CDM to shape up and deliver what was set out to do. Soumya Dutta, an activist in India fighting coal power projects and a member of Beyond Copenhagen Collective, depicted how the Sasan coal power project violated contractual obligations to contribute to community and instead affected the most vulnerable in the region by forcing them to leave their homes. Similarly, Susanne Breuer from Misereor raised the case of the coal power mining in Colombia, where coercive displacement and killings took place to make way for coal mining. Cases like this, as Alyssa Johl from CIEL pointed out, only underline the fundamental need for a profound safeguard system within the CDM, which has been in a much too slow process to advance. Juliane Voigt from Carbon Market Watch took this opportunity to announce the launch of CDM Benefit Tracker, an online tool which shows discrepancies between sustainable development objectives of CDM projects and actual eye witnessed local realities.

Below is a more detailed summary of the respective presentations:

Soumya Dutta, an activist and a member of Beyond Copenhagen Collective, presented the troubling situation in region of Singrauli, heavy impacted by mining and coal plants and violations discharged by the CDM project Reliance Sasan Ultra Mega Power Plant. The project was attributed CDM credits due to using super critical boilers. Soumya pointed out that the project violated the conditions of additionality with no credible baseline set, as well as regulations on local stakeholder consultations. Furthermore, indigenous communities and local population – who were indicated as beneficiaries of the project - have been forced out of houses with minimum compensation. Despite contractual obligations to provide schooling and a job for a member of each family, affected communities faced nothing but struggles arising from the project.

Susanne Breuer from Misereor put forward cases of similarly alarming coal power projects in Colombia. She contended that "coal shouldn't be used for development" as it is one of the most disrupting energy sources, which in many instances fires up human rights violations. For this reason, no funds should be used for such projects. In the case of coal mining projects in the regions of La

Guajira and Cesar in Colombia, the coal dust falling on the fields affected the yield production and income of the farmers in the region. The militarization of the region to protect the coal infrastructure” led to violation of the indigenous rights with no free, prior and informed consultation. The voices of communities were silenced and treated with violence which resulted in killings of members of trade unions.

Alyssa Johl from CIEL underpinned the lack of safeguards in the CDM – and pointed out that, as many cases depict, they are strongly needed. She raised concerns over the slow process of negotiation on grievance mechanism, which have been taking place for 5 years, only to be now again postponed to June 2015. Alyssa underlined that in the absence of safeguards in the CDM, one needs to look beyond at other legal frameworks. She also argued that there are a number of financiers and banks, investing in harmful projects, which should be held accountable for their investments.

Juliane Voigt from Carbon Market Watch took an opportunity to announce the launch of the CDM benefit tracker. She stressed that the current sustainable indicators in India leave a lot of space for interpretation and thus CDM projects fail to deliver co-benefits. She underlined the opportunities and shortcomings of the CDM SD tool but highlighted that there are no incentives for project proponents to follow sustainable development – illustrated also by the benefit tracker. The tracker is a publicly accessible interactive map which provides information on 27 projects in India, and shows the (in)consistency between co-benefits that have been promised and what was actually delivered on the ground.