



CLEAN DEVELOPMENT MECHANISM (CDM) WORKSHOP FOR NGOs, ACTIVISTS AND CITIZENS

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Note: This document is an account of what happened during the event. Not everything contained in this document does necessarily reflect the position of all participating organisations.

Part One: The Clean Development Mechanism (CDM): Introduction

1. Welcome: Robert Stefani, Centro ProDH

2. The CDM, why it is so popular and how it works: Eva Filzmoser, CDM Watch

- Introduction to the legal framework and history of the CDM under the Kyoto Protocol (KP) and the United Nations Framework Convention on Climate Change (UNFCCC): priority for domestic actions, 3 flexible mechanisms;
- Additionality and sustainability criteria that projects should have;
- Understanding the CDM project cycle;
- General overview of the CDM: sectoral and geographical distribution of projects, especially in Latin America.

3. The CDM in Mexico, Myths and Realities: Sandra Guzman, CEMDA

- Mexico's participation in the KP and CDM;
- Institutions for the operation of the CDM: the Mexican Designated National Authority (DNA);
- Diagnosis of the CDM in Mexico and overview of projects;
- Critical evaluation and main defects of the CDM in Mexico: socio-environmental impacts, lack of participation, etc.;
- Projections and possibilities to improve the CDM.

Discussion

- Participant's rejected the concept of the CDM and market mechanisms in general as appropriate solution for combating climate change, all while some ideas regarding opportunities for effective reform were expressed.
- Necessity for vigilance, public participation and lobbying in order to avoid projects with negative impacts for communities and the environment underlined.

Part Two: Impacts of the CDM

1. Discussion about negative impacts and problems: Eduardo Giesen, GAIA

- Background and international context: emphasis on economic interests, new markets, loopholes resulting in cases of speculation and fraud, weakened responsibility for domestic emissions-reductions of Annex 1 countries, majority of industrial-scale projects, predominantly adverse effects on local communities and people affected by climate change;
- Lack of public participation throughout the entire project cycle;
- Widespread failure regarding additionality of projects: methodological complexity, handling information, difficulty of monitoring and verification, etc.;
- Perverse operational and political incentives (validation of polluting industries);
- Social and environmental unsustainability, as well as ineffectiveness of projects;
- Position of GAIA: rejection of the CDM as mechanism financing false solutions and a false solution in itself; support for global fund under UN administration based on the concept of climate debt.

2. Case Study: Gustavo Castro, Otros Mundos Chiapas

- Critical evaluation of the CDM and critical review of some cases, in particular the hydroelectric dam La Yesca in Jalisco, Mexico;
- Widespread lack of additionality: decision for execution prior and independent to submission as CDM project, poor methodologies, etc.;
- Social and environmental impact of dams: displacement of communities, destruction of livelihoods and ecosystems, etc.

Part Three: The role of civil society in the CDM

The importance of participation - Opportunities for involvement in the CDM: success stories and failures: Eva Filzmoser, CDM Watch

- Overview of options for citizens' advocacy at different stages of the CDM project cycle;
- The major failures that prevent adequate public participation;
- Examples: HFC-23 (China-India), coal-fired power Tata Mundra (India), hydroelectric Xiaoxi (China), Aguán Biogas Project (Honduras), Barro Blanco (Panama);
- Proposal of an international monitoring network.

Working Groups

Group 1: Campaign Strategies at national level

- Activities to raise awareness at different levels:
- paradigmatic: identification of carbon based growth economy as main cause of climate change, necessity for reevaluation of relationship: men - nature;
- on the CDM: its nature, functions, failures, local impacts, perverse incentives;
- Coordination of informational networks and socialization;
- Demand transparency and accountability from national authorities.

Group 2: Strategies at the international level

- Establishment of a monitoring system between organizations working at the UN level (CDM-Watch) and those working at national and local level, defining national focal points for each country;
- Campaign coordination through network against harmful CDM projects in the region;
- Implementation of communication channels for the discussion and exchange of information on CDM and carbon market mechanisms.

Group 3: The role of civil society in the Environmental Impact Assessment

- Demand to extend public participation beyond the EIA process (legislative reform needed);
- Establishment of other public consultation mechanisms to facilitate free prior and informed consultations on societal concerns, that are being carried out in good faith and in accordance with international human rights standards (legislative reform needed);
- The role of international organizations and mechanisms is essential to prevent future environmental damage and ensure the fundamental rights of every person, so it is important to create a closer connection;
- It is essential to ensure effective dissemination of information in order to have effective participation in these evaluation processes,
- Need for the expansion of civil society forums and other means of popularisation in order to ensure accessibility of information to all levels of society.

Conclusions, demands and next steps

In summary:

- Inadequacy of the CDM as mechanism to finance mitigation and facilitate the transition to low carbon societies in non-Annex 1 countries;
- Strengthening of commitment to increase and improve the action and impact of public participation at all levels of the CDM: international (UN, European Union), national (Latin America) and local (communities), with a focus on projects that have potential major negative social and environmental impacts and human rights violations;
- Coordination will continue in order to implement the initiatives proposed in the working groups.

Demands:

A profound reform of the CDM (and thus the system of financing GHG mitigation projects in developing countries as such) has to take into account that it:

- Ensures effective and binding participation of civil society in all stages of project development, prioritizing projects proposed by and benefitting local populations;
- Prevents the implementation of projects that violate human rights, cause harmful impacts on local communities or generate perverse incentives (no validation of polluting industries);
- Ensure compliance with universal environmental and social project standards applicable to all countries;
- Prohibits project implementation through companies with an environmental crime record.

Participants pledged to closely monitor CDM project implementation in their region and the carbon markets in general:

- Establishing a link between civil society organizations and communities potentially affected by projects in order to prevent and deal with harmful projects;
- Demanding national governments to safeguard the rights of local communities, equity in the harnessing of social, environmental and economic benefits stemming from projects implemented, all while complying with international conventions;
- Carrying out a public campaign to inform and warn people about the context, failures, hazards and potentially negative impacts of the CDM and carbon markets in general.



Participants during the Workshop and working group discussions.

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