

Press Release: Call to ban CDM projects linked to human rights abuses

Brussels, 11 July 2011. This week the United Nation's Clean Development Mechanism Executive Board will decide whether to register a controversial carbon offsetting project in Honduras linked to serious human rights abuses. The project has triggered questions on whether credits from carbon offsetting projects that violate human rights should be banned in the European carbon market.

The Aguán biogas project in Honduras is currently seeking registration under the CDM. The project is directly linked to human rights abuses including the killings of local residents over land conflicts. Due to these allegations, EDF Trading, a wholly-owned subsidiary of Electricité de France SA and one of the biggest CDM investors, pulled out of a contract to buy carbon credits from the project. Earlier this year, several organisations including CDM Watch and the Carbon Markets Investors Association publicly denounced the human rights abuses related to the project.

In addition to human rights allegations, the project has also been criticised for breaching CDM rules because it did not conduct sufficient local stakeholder consultation. At this week's meeting in Marrakesh, the CDM Executive Board is expected to decide whether to accept or reject the Aguán biogas project.

"The project has caused widespread dismay that basic human rights and public participation rules are not being protected in the carbon market. The CDM Executive Board has a clear mandate to reject the project" said Eva Filzmoser, "The fact that EDF Trading withdrew from its contract also shows that responsible investors are not interested in buying carbon credits from projects that do not comply with international standards and that there is a clear need for additional safeguards", she added.

The project was investigated by an international human rights fact-finding mission which submitted its report to the Rapporteur for Honduras of the Inter-American Commission on Human Rights. The final report documents that 32 peasants were killed in Bajo Aguan, Honduras between January 2010 and June 2011 in the context of the agrarian disputes with three major palmoil producers of the region. According to state attorneys, investigations of at least five of the killings are directed exclusively at private security forces contracted by one of these palmoil producers who owns the CDM project's developer firm. The report will be presented today to the European Parliament's Human Rights Sub-Committee.

The case also triggered questions on how human rights violations should be addressed at the European level and whether public participation rules in the CDM are stringent enough.

"Given that all EU Member States have signed the Universal Declaration of Human Rights, we cannot accept that carbon credits from a project clearly linked to human rights abuses could enter the European carbon market" says Bas Eickhout, Dutch Member of the European Parliament.

In a question submitted on 29 June 2011, Eickhout asked the European Commission how it ensures that the Aguan project will be rejected if the local stakeholder consultation was not adequately conducted. He also asked whether the European Commission sees the need for additional sustainability criteria for offset projects and if so, when and how these would be addressed.

CDM Watch calls on the CDM Executive Board to reject the project and to put safeguards in place immediately to prevent human rights abuses from occurring. CDM Watch also calls on the European Commission to respond to Mr Eickhout's questions as a matter of priority and to present a proposal on how to prevent that carbon credits from these projects enter the European carbon market.

Additional information for journalists:

- Download CDM Watch Newsletter, including article “D-day for the Aguan biogas project in Honduras linked to human rights abuses”, 8 July 2011 [here](#)
- [Download written question here](#) by MEP Bas Eickhout on “Human rights violations related to Emissions Trading Scheme”, 29 June 2011
- [Letter to the CDM Executive Board](#) related to the inadequacy of local stakeholder consultation of CDM project 3197 (Bajo Aguan),
- [Statement by civil society organisations](#) against the reigning violence and impunity in the Bajo Aguán Valley (Honduras), where killings of rural farmers and other severe human rights violations continue to occur, 17 June 2011
- [Open Letter, signed by 76 organisations to the UK Government, 4 February 2011](#)
- [Response by the UK Government, 14 April 2011](#)

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