

PRESS RELEASE: Pressure on EU mounts as UNFCCC suspends flawed rules for coal offsetting projects

Durban, South Africa, 24 November. In a crucial move, the UN's Clean Development Mechanism (CDM) Executive Board yesterday suspended coal power offsetting projects because the rules used to calculate emission reductions cause artificial carbon credits. Pressure on the EU is mounting to call for a ban of these projects at the climate change conference starting next week in Durban.

In open letters to European Environment Ministers sent yesterday, major environmental organisations including WWF, Greenpeace and Friends of the Earth called to permanently exclude coal power projects from the CDM during the upcoming climate negotiations in Durban. They also called for a ban of carbon credits from coal power projects in Europe's Emissions Trading Scheme. The signatories warned that billions of Euros could be spent on projects that undermine climate targets while locking-in billions of tons of CO₂ and causing severe human health and ecosystems damage.

Joris den Blanken, Greenpeace Unit Europe commented *"With Europe facing major debt problems, the last thing ministers should be doing is paying for polluting coal plants abroad."*

In a recent study, the UN's Methodologies Panel had identified deep flaws in the rules for CDM coal power projects that could cause millions of artificial carbon credits. Yesterday, members of the CDM Executive Board decided unanimously to suspend the crediting rules for CDM coal power projects. The Board tasked the Panel to present revised rules at their next meeting in early 2012. Yet revised new rules will not apply for already registered projects. The six projects that are already registered could receive about 90 million credits under the flawed rules.

"We welcome the suspension of the methodology. However it is not feasible to revise the methodology to address the flaws and guarantee real emissions reductions" comments Anja Kollmuss from CDM Watch.

The study by the Methodologies Panel did not evaluate whether the coal power projects fulfil the CDM's essential additionality requirement. Yet an in-depth study by the Stockholm Environment Institute gives overwhelming evidence that these coal power plants are being built regardless of the CDM support. Business-as-usual projects are not allowed under the CDM because they cause an increase in emissions and therefore undermine climate protection goals.

"Even if the technical shortcomings identified by the Meth Panel could be addressed, coal projects are neither clean nor sustainable," said Justin Guay from Sierra Club. *"CDM financing only perpetuates the use of the world's most carbon intensive fossil fuel coal. An outcome that is neither clean, sustainable, or justifiable in a carbon constrained world."*

ENDS.

Additional Information

- [Open Letter to Environment Ministers](#), 23 November 2011 (scroll to the bottom of the page)
- Download the [Methodologies Panel report](#)
- Download the [SEI study and executive summary](#)
- Download [CDM Watch Policy Brief on Coal](#)
- [More information about CDM coal projects](#)

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