Civil Society Workshop On CDM and Carbon Market 18th to 20th April 2012



Organized by



Centre for Education and

Documentation

Paryavaran Mitra

CONTENTS

Executive Summary	P2
Introduction	P3
Welcome and Brief Opening Remarks	P5
Keynote address	P6
Understanding CDM	P8
CDM - how it works	P8
CDM-Why it does not work	P10
The political Context	P15
State of play and political development of CDM	P15
Role of Civil Society in CDM	P24
Opportunities for engagement in CDM Project Cycle	P24
National and local Requirements for stakeholder Consultation and EIA	P29
Critical Sectors and Case Studies	P35
Experience with Stakeholder Consultation: Living Farms	P35
Experience with Stakeholder Consultation: J.K. Paper Mills Forestry Project	P36
Experience with Stakeholder Consultation: Nallakonda Wind Mills	P38
Why Governance Matters?	P40
Case Study of CDM Forestry Project	P42
CDM and Waste: A Trade or a Fraud?	P46
Case Study Overview on Hydro Projects in India - Jiten Yamnam	P52
Case Study Overview on Hydro Projects in India – Bharat Patel	P59
Voices of Civil Society	P60
Discussion with Chairman of GPCB	P60
Discussion with Chairman of MOEF (GOI)	P64
Experience with CDM Project Campaigns	P68
Screening of Carbon Con	P66
Working Group on Project Campaigns	P71
Finalisation of Workshop Statement	P73
Annexure 1 – State wise CDM Projects in India	P79
Annexure 2 - Selected CDM Dam Projects in India's North East	P80
Annexure 3 – Programme Schedule	P84
Annexure 4 – List of Participants	P86

EXECUTIVE SUMMARY

The report presents summaries of deliberations and presentations made by members of CSOs in three day Workshop with Civil Society on CDM and Carbon Credits, organized jointly by CDM Watch and Paryavaran Mitra. The workshop was held from 18th to 20th April 2012 at Ahmedabad.

The first section of the report contains presentations providing overview of the Political context of CDM, CDM projects in India, Nepal and Bangladesh and Future mechanisms and the post 2012 environment. The second section of the report focuses on presentations and discussions on critical sectors like Hydro power projects, Coal power projects, Agriculture and Waste. Following this, Role of Civil Society in CDM has been discussed in the sessions on CDM project cycle, Tools of engagement and influencing CDM actors, Development of community level low carbon CDM projects. It also includes the outcomes of the working groups made during the workshop. The last section of the report presents the stakeholder dialogue of CSO members held during the workshop with chairperson of GPCB and former chairperson of MOEF and current member of TERI. The workshop statement that was finalised at the end of the workshop is also annexed.

However, the report does not include all the presentations and text of documents presented in the workshop. It is to be noted that all the presentations and documents of the report can be accessed at http://www.cdm-watch.org/

1. INTRODUCTION

Paryavaran Mitra and CDM Watch jointly organised a three day Civil Society Workshop on CDM and Carbon Markets in Ahmedabad (India), from 18-20 April 2012. As many as 80 participants from civil Society organisations across country participated in the workshop, while a team of representatives from Winrock International, an NGO in Nepal also participated in the workshop. The workshop was organised in Gujarat Vidyapeeth University, founded by Mahatma Gandhi.

BACKGROUND

The Kyoto protocol was the first agreement between nations to mandate country-by-country reductions in greenhouse-gas emissions. Kyoto emerged from the UN Framework Convention on Climate Change (UNFCCC), which was signed by nearly all nations at the 1992 mega-meeting popularly known as the Earth Summit. The framework pledges to stabilize greenhouse-gas concentrations "at a level that would prevent dangerous anthropogenic interference with the climate system". To put teeth into that pledge, a new treaty was needed, one with binding targets for greenhouse-gas reductions. That treaty was finalized in Kyoto, Japan, in 1997, after years of negotiations, it went into force in 2005. Nearly all nations have now ratified the treaty, with the notable exception of the United States.

The protocol provides for three mechanisms to enable countries to acquire greenhouse gas reduction credits - Joint Implementation (JI), Clean Development Mechanism (CDM), International Emissions Trading (IET)¹

CLEAN DEVELOPMENT MECHANISM (CDM)

The Clean Development Mechanism (CDM), defined in Article 12 of Kyoto Protocol, allows a country with an emission-reduction or emission-limitation commitment under the Kyoto Protocol (Annex B Party) to implement an emission-reduction project in developing countries. Such projects can earn saleable certified emission reduction (CER) credits.

²The Clean Development Mechanism (CDM) was designed with two objectives - To contribute to local sustainable development in the host country and assist Annex-I countries to achieve their emission reduction targets in a cost-efficient manner (UNFCCC1997).

RATIONALE OF THE WORKSHOP

Although the CDM promises emission reduction and environmental and socio economic development of the host country, the experience with CDM projects in India has not seen the

¹ Case studyon Gujarat Fluro Chemicals limited

² Does the current Clean Development Mechanism (CDM) deliver its sustainable development claim? An analysis of officially registered CDM projects, Christoph Sutter & Juan Carlos Parreño

CDM projecta contributing to the same. While the reasons are varied, there is enough knowledge that the mechanism is not only failing to meet with its own assurances, but is also contradicting its own laid down objectives. In other words, it can be said that India has had "bad CDM projects". With 1,865 projects currently in the CDM pipeline, which translates to over 30% of all CDM projects in Asia, India is an important country in the CDM market. New decisions on the origin of carbon credits entering European markets post 2012 have signaled a surge in project registrations in emerging CDM host countries throughout 2012³. It calls for more awareness, more vigil and more action on the part of community and Civil Society Organisations.

OBJECTIVES OF THE WORKSHOP

- Exchange experience with CDM projects in India including presentation of case studies
- Discuss a model CDM project right from Project concept and development, PDD preparation, registration, validation and verification process and role of different actors along with opportunity for NGO to get involved at many stages
- Discuss the role of civil society in the CDM and opportunities for engagement, including exercises on how to write comments, how to contact validator/verifier and how to write to Executive Board directly, facilitated by working groups
- Explain national government's environment and development responsibilities along with National CDM authority's mission and objective and working plan (including Bangladesh, Nepal)
- Debate the necessity for safeguards in the CDM and other carbon market mechanisms including how to address human rights issues
- Identify future climate change policy tools, and the requirements for market architecture in the post 2012 environment.
- Discuss major hindrance in involvement during project cycle and potential recommendation on

All the speakers in the workshop were presented with "Charkha" as a momento, because Charkha symbolizes Gandhian ideology of self reliance, simplicity and judicious use of resources. It was an apt metaphor to send across the message of the workshop. Hence "Charkha" was chosen to remind ourselves that Gandhian thought has lot of relevance today, even in the context of CDM, and it is the Gandhian Way of life that has answers to some of the most difficult issues today, of environment, sustainable development and equity.



³ Workshop Concept note - Civil Society Workshop on CDM and Carbon Credits

2. WELCOME AND BRIEF OPENING REMARKS

Ms. Eva Filzmoser (CDM Watch) Mr. Mahesh Pandya (Paryavaran Mitra)

The workshop began with welcome by Mr. Mahesh Pandya and opening remarks from Ms. Eva Flizmoser. She welcomed the participants to the workshop and appreciated that the workshop was being held in a university founded by Mahatma Gandhi.

Introducing CDM Watch she said that CDM Watch is an international network that plays the role of a watchdog organization. It is based in Belgium and works in different countries having CDM projects, with all those involved. The objective of doing such



workshops is not only making the work of CDM watch more effective but also ensuring action against 'bad' projects, awareness about our rights and opportunities, and facilitating sharing of experiences. India that has a large number of CDM approved projects is one of the important countries where CDM watch works. CDM watch also works at very technical and political level to communicate the voices of villagers where these projects take place to the people who take decisions. It also works at the level of UN and European Union to influence policies.

Briefing participants about the workshop she said that first day would be devoted to understanding CDM better and the next two days would focus on sharing of experiences. On the first day the focus will be on what CDM is all about and the clean development mechanism process in India. In addition to that there will be presentations from Nepal.



3. KEYNOTE ADDRESS Dr. Sudarshan Iyengar

Dr. Sudarshan Iyengar is the Vice Chancellor of Gujarat Vidyapeeth University, founded by Mahatma Gandhi. He is also a renowned human rights activist, associated with various movements and NGOs.

Dr Sudarshan Iyengar provided a different framework to the participants to look at the issue of CDM and carbon markets. In his keynote address Dr. Sudarshan Iyengar gave insights to look at the whole issue of CDM and carbon markets from different standpoints. These were Production based Development model, understanding the larger scheme of things, understanding issues to get true picture and Relevance of Mahatma Gandhi's view of development in context of CDM. He thus provided a new framework to look at the issue.

Production based Development the Main Culprit: Dr. Sudarshan Iyengar, with a number of facts and figures, maintained that the bigger problem was production oriented sustainable development discourse. Citing example of rise in emissions, he said emissions were calculated by experts beginning 1750. In 1950, per capita emissions were 0.64 million metric ton. In 2008 it has gone up to 1.308 metric ton per capita. Hence there has been an increase in population putting pressure on natural resources as well as increase in emissions of harmful gases. He emphasized that Gandhiji discouraged the production based development discourse.

Understanding Issues to Get True Picture: The damage due to industrialization that usually gets noticed is just a glimpse of the actual damage. For e.g. In case of tunneling in hydro projects, only the villages at the start and end point, but the surrounding the area are also are affected, which is never counted.

Similarly, hydro projects are portrayed as having no repercussions on nature compared to the coal projects. But hydro projects actually have a big role in creating wastelands.

Need to Understand Larger scheme of things: Dr. Sudarshan Iyengar stressed that CDM alone cannot solve the issue of climate change and pollution. There is a larger scheme of things that need to be understood. Development that does not go against nature is desirable and therefore CDM is desirable to the extent that it



does not do any irreversible damage to nature. But CAP and trade and other market processes are in play alongside CDM which have to be taken into consideration if problem of emissions damaging the environment has to be really dealt with.

Relevance of Gandhi's View of development in context of CDM: Dr Sudarshan Iyengar said that the problem we are facing today is the problem that Gandhiji warned us of years ago in 1909, when he wrote "Hind Swaraj". It was his vision that made him do so, as the problem of carbon emissions was not there at that time and nor was the Kyoto protocol in existence.

What Gandhiji warned us of was the production based development road that we had begun to take following the footsteps of West. He admonished that India should not progress the way the West was doing. Stressing the need for making optimum use of resources, Gandhiji said that the earth will have to be robbed off three times its resources to provide lifestyle of UK to every Indian then. Thus he ardently promoted the principle of reducing per capita consumption of resource and energy and keeping human beings and not production at the center of development.

Seeing CDM in this context, Dr. Sudarshan Iyengar said that we still have to get to the root of the problem. We yet only think we are not smart enough to develop "good CDM". Secondly we believe stopping corruption or malpractices will make it possible for us to develop good clean development mechanism. Both of these assumptions are incomplete truths, because both are production centered. CDM entails more production, using a different way. Moreover the solution that CDM provides is market based and market only understands the language of profit and loss. Reduction in consumption and change in life style has to be brought on agenda and then CDM will make better sense.



4.1. THE CDM- HOW IT WORKS? Ms. Falguni Joshi (Paryavaran Mitra)

Ms. Falguni Joshi represented the Gujarat Forum on CDM. She explained the genesis, the entire process of getting a CDM project, what does it mean to be a CDM project, and the stages involved in the entire cycle of a CDM project, from project feasibility assessment to issuance of CER. She also explained a number of important terms.

PROCESS AND TIME LINE OF A CDM PROJECT

Feasibility study of the project is the first step of the process which is carried by the project developer. Then a CDM project is developed, which entails preparing a **project design document** by the project developer. The project design document is first sent to host country for approval,



Figure 1 Typical CDM project: Timeline

where **Designated National Authority (DNA) disapproves it.** Projects approved by DNA enter the stage of Validation, at which DOE gives validation to the project. Projects that are given validation go ahead for **Registration with UNFCCC**. However, projects again go to DOE for **verification**. Verified projects go back to UNFCCC for **CER issuance**.

She further elaborated on how to prepare a PDD and most important steps that must not be overruled, namely:

- Local stakeholder consultation
- Environmental impact Assessment (EIA)
- Methodologies to estimate the baseline
- Demonstrating additionality

MAJOR PLAYERS IN CDM



Elaborating further on who are the major players in CDM, Ms.Falguni said that Project developers, PDD consultant (sometimes in-house), Validators (Designated Operational Entity - DOE), Designated National Authorities (DNA), CDM Executive Board (EB), CDM Methodology Panel, Other consultants, NGOs and interested public (local, international), CDM credit buyers, Annex I and Non-Annex I Countries are the major players.



4.2. THE CDM – WHY IT DOES NOT WORK Ms. Mamta Das

Ms. Mamata Das comes from forum called All India Citizen's Voice. The forum is a part of the national processes and tries to mobilize people on the issues of natural and resource rights. In the workshop she was representing All India Forum of Voice Movements, previously known as Forest people and forest waters. In her presentation titled "How Clean is the Clean Development Mechansim?" Ms. Mamta Das, through the findings of the study the organization conducted, challenged the basic tenets of CDM, i.e. it is a Clean Mechanism, it ensures Sustainability, and it reduces Emissions. She focused on experiences in ground and tried to corroborate with those why she thought that

CDM cannot work, did not work and therefore CDM projects should be dismantled. She discussed cases of Satlej River in Himachal Pradesh, sponginal plant in Kanpur and, hydropower plant in Himalayas.

STUDY OF CDM PROJECTS

They studied 34 CDM projects cutting across 6 Sectors, namely, Industrial, Coal Fired, Waste to Energy, Biomas, Hydroelectric and Forestry. The study was conducted in Odisha, Chhattisgarh, Andhra Pradesh, West Bengal, Maharashtra, Himachal Pradesh, Karnataka, Madhya Pradesh and Delhi between 2006 and 2011.

THE CASE OF SATLEJ RIVER IN HIMACHAL PRADESH

A number of industries have come up in the area and the industrial waste is being dumped in the river, which now is on the

verge of drowning from industrial waste. Entire tunneling of the river is happening across Himachal in the name of hydro electric projects, most of whom have CDM certification. Moreover, people are completely unaware of the situation.

WHY CDM FAILS TO LIVE UP TO ITS CLAIMS?

- There is no mechanism in place to verify the sustainability and even Kyoto Protocol is vague about this.
- Trading is at the core and this contradicts the two features of 'clean' and 'development'.
- The concept of 'Carbon trading' is contradictory to the notions of sustainable development, progress or clean mechanism or clean energy.

ANALYSING THE CDM PROCESS

Raising a pertinent question, "How clean is the process?" Ms. Mamta Das brought to light some of the facts to show that the process is highly ambiguous, non transparent and violating. Some of her arguments were:



- All the PDDs read the same: In their experience of reading more than 34 PDDs they found that all the PDDs read the same, which points to the superficial nature of the process of PDDs.
- Mix ups of locations and projects: Location and projects are also mentioned in ambiguous way. For e.g. in one of the PDDs, the state name was Orrissa but the project location was mentioned in Assam. Ms. Mamta Das added that as per her analysis, there was a design behind it to keep people confused and thereby avoid public consultation from taking place.
- Absolute lack of Transparency: There is no transparency in any of the processes.
- Promises of jobs disregarded: CDM makes promises of employment generation but the promises are disregarded. Community for which such assurances are made does not even know that there is a CDM project in their area.

THE CDM PROJECTS IN INDIA

As of November 2011, there were 258286 registered CDM projects in India, whilst 363444 projects were at the stage of request for registration. 182562 projects were at the stage of validation and 93834 projects were issued KCER.

CDM Status in Different States

Tamil Nadu tops the list of states with maximum number of registered CDM projects with 262 registered CDM projects. Maharashtra had second highest number of registered CDM projects, i.e.231, followed by Karnataka having 190 and Gujarat 185 registered CDM projects. Detailed information was provided for total and state wise projects in India⁴.

CDM IN INDIA: EMISSION REDUCTION OR BUSINESS EXPANSION

The second argument of Ms. Mamata Das was related to the nature of CDM projects and their development in India. Presenting details on state wise status of CDM projects in India. She emphasized that the kind of projects getting approvals and KCERs in India make it evident that emission reduction is not the objective of CDM projects. The projects are aimed at generating maximum CERs. She later supported this argument by analysis of top four sectors of CDM projects in India, which are Wind projects (539), Energy Efficiency projects (346), Biomass (345) and Hydro projects (178). Hence it is a business model and expansion of business, i.e. increasing number of CDM projects is the primary objective.

⁴ Refer Annexure 1 – State wise CDM Projects in India

HANDS OF THE CORPORATE...

She emphasized that Clean Development Mechanism has turned out to be a boon for Indian Companies. All the corporate giants have jumped into the Fray: Reliance, Tata, Birla, Ambuja, ITC. More than 98% of CERs issued went to the corporate.

The enter gate has been channelled, meant for and controlled by the huge corporates like Tata, Birla, Reliance, Ambuja, ITC. It has been a boom for industries, as if earlier corporatisation of resources was not enough. These companies have free hand in using resources.

THE FOUR PROMISES THAT A CDM PROJECT MAKE...

In the last part of her presentation Ms. Mamata Das brought together all the arguments she made and concluded how CDM is not working because:

- CDM in India breaks all sustainability promises of Social well being, Economic well being, Environmental well being, Technological well being.
- CDM promotes land grabbing and subsidises pollution on a huge scale
- The projects are uniformly controlled by large business houses
- CDM projects are set up violating the norms of the land
- Community that is supposed to be benefitted is unaware about CDM itself
- Indian CDM projects display a surprising uniformity in adverse community level impacts instead of promoting sustainable development
- Complete disregard for any regulatory mechanism...

Substantiating the aforementioned claims she gave following examples:

• COMMUNITIES NOT AWARE ENOUGH TO RESIST "CDM PROJECTS"

There are CDM standalone projects and there are huge infrastructure corporate doing mining and steel plants. These are given CDM certification. People are able to identify the big enemies, but they are not able to figure out the manner in which these components work. In 2006, in chattisgargh, communities resisted CDM project. However, they were not resisting them because they were CDM projects but because sponginal factories were devastating their land and lives.

LEGISLATIONS NOT FOLLOWED

Legislations are not followed and companies are given free hand in using or misusing land. Moreover, only corporate are not to be blamed for violations of legislations and misuse of resources, the nature and character of state and how it looks at climate change solutions is also equally responsible factor. Indian CDM projects display a surprising uniformity in adverse community level impacts instead of promoting sustainable development. Windmill project in Satara in Maharashtra has turned a green patch, where people existed here before the windmill project was started there, into an arid deserted area. The villagers have disappeared from the area, moving to towns and cities in search of work.

COMMUNITY UNAWARE OF CDM PROJECTS, UNABLE TO TAKE BENEFITS

Community cannot benefit from CDM projects because it does not know that there is a CDM project in their vicinity. For e.g. In Jhasuguda (Orrissa), Bhushan steel Plant, a CDM certified project is located; villagers were asked in the third visit over a span of 5 years, if

they saw any change (development) in the area. They replied that they did not know anything about that (development/change) but earlier the company was emitting black fuel in the day time, now it is emitting fuel in the night also. Principally, Bhushan Steel Plant should be emitting clean air as it is a CDM certified project.

 COMPLETE DISREGARD FOR ANY REGULATORY MECHANISM

In Kanpur (near Raipur), a Sponginal factory has been given CDM credit although it is on the periphery of the paddy fields that people still own and cultivate. Whilst this is just one example, there are a number of such cases. The country is now at a cross roads where there has been an attack on resource rich areas in the name of progress and development. Many communities are fighting against this meaning of development that is robbing them of their resources, livelihood, identity and culture.

—Ms. Mamta Das

People have been robbed off their land and resources and rendered homeless, workless, cultureless and aimless.

CDM claims to ensure economic well being, all over the country people are sitting on indefinite strikes because they think there is no other way to get jobs in these companies, but still they are not given jobs. In fact, locals are never given jobs.

IMPACT ON ENVIRONMENT AND LIVES OF PEOPLE

Lives uprooted: displacement and migration due to CDM Projects

In Jhasuguda, a community that lived in forests and depended on it totally and also practised cultivation has been forced to move to a resettlement colony because of setting up of the Bhushan Steel plant, a CDM approved project. They get water provided by a water tank once in a while whereas the school for children, an open space, is also used by people as toilet!

Creation of Wastelands...

In Himalayas, a hydroelectric power company got CDM approval in 2010. The whole area has been converted into wasteland. Tunnels are dug to channelize water. The village that is on the mountains surrounding the wasteland shakes when there are blasts. More ironically, the village does not even fall into affected population, and thus is legally mot entitled to any benefits and cannot claim compensation

The CDM Fraud...

- There is no credible and definite way to verify the claims of reduction of GHG emissions.
- The validating agency is an organisation paid by the project, and it gets paid to prove that the project is doing what it is claiming to do, and not otherwise. All vested interests are given one way or the other to verify each other's claims.

"They come and chop off our head and then talk about some miserable monetary compensation, saying that this is enough to keep the rest of the body alive for a lifetime!" – a resident living near Bhushan steel plant in Jhasuguda, Orrissa.



5.1. STATE OF PLAY AND POLITICAL DEVELOPMENT OF CDM

Mr. Chelladurai Sam

Mr. chelladurai Sam began with an experience of forestry project in Tamil Nadu that pointed out the lax implementation of the project by Government. He further made a point that reducing emissions and making environment clean is still a distant goal for India, given the current awareness level and attitude of people towards keeping the environment clean, of which the piles of plastic bags and waste in every nook and corner speak volume.

They work at the local level to make the gram sabha aware and activate it.

Narrating the case of Bellari district in Karnataka, he said that Karnataka from where he comes has a very high number of illegal mining. In Bellari district, due to the intervention of activists and CSOs the mining was halted and the equipments were removed from the mining cite. But the dust of the mines has caused a number of health and social problems. Lung problems, blindness and poor vision among children has gone very high. The roads are all are covered by the dust and children play there, increasing their risk to diseases. On the other hand, role of CSOs is not very vibrant.

There are a number of contradictions in Karnataka, for e.g. in some rural parts there are smokeless chulhas, solar lamps and torches where as in some areas people have mobile, though they do not have electricity in their houses.

There is a need to evaluate whether there is a need for new mechanisms rather than continuing with old, i.e. Kyoto Protocol.

OPEN DISCUSSION

Mr. Tushar Pancholi said that projects with minimum CERs do not ever claim for such credits. Such projects should also be given an opportunity to claim for carbon credits.

Mr. Ranjan Panda seeked further clarification from Ms. Eva Flizmoser on a point she mentioned in her presentation, that India will be withdrawing from CDM.

Mr. Ranjan Panda asked how a comparative assessment of overall EIA of projects and within that CDM could be seen and compared, as EIA and CDM work on the same principles as they are mainly public consultations. He further asked how can an interaction between the two be put in to expose the farce of these principles that have been very brutally been used in environmental regulation mechanisms?

Ms. Eva Flizmoser, responding to question of Mr. Ranjan Panda, said that CDM in India is closing is a conclusive statement but looking at what I have said before, in EU, CDM has supported more large projects. 8% of the projects are large projects. EU made a restriction that projects that are not registered till 2012 end are not eligible if they are not placed in East Europe countries. CDM does not have a future in India after 2013. It is phasing out but there still are some projects in place.

Mr. Bimod Shreshtha seeked information from the group about the level of awareness of the local communities about the CDM projects in India.

Mr. Chelladuurai Sam responding to the question of Mr. Binod Shreshtha, said that Awareness is quite limited. Wherever he went for consultation to the stakeholders, it was mainly a presentation/orientation only, telling about markets. NGOs/civil society need to bring awareness so that they can raise their issues.

Ms. Eva Flizmoser added to the response of Mr. Chelladurai Sam and said that she also thought that for awareness at grassroots level, of course it will be ideal if someone knows about CDM market, but the local consultation should be about how the project is going to impact the environment and contribute to sustainable development. CDM knows it should contribute to the sustainable development. Any project should have such consultation and environmental assessment



anyways. So make sure those are implemented properly and use CDM to have international pressure. It also links to the question should we compare CDM projects with development processes.

Responding to a query on how small scale projects can get CDM accreditation, Mr. Binod Shreshtha said that for small scale projects, we can bundle and make big

projects under UNFCCC they have a separate window where we can introduce such projects. So we need to bundle these projects.

Separate mechanism for such projects is there by UNFCCC, where they have tried to simplify methods. They call it micro scale projects. There is no need to prove

additionality for such projects. They have tried to bring small scale projects to UNFCCC.

Mr. Chelladurai Sam added that Small community based projects can be certified but they should be a number of projects, and not one Without or two. expecting from anything anyone, like funding organization, if we start doing it ourselves, we can prove we can do it in our own way. That's what our achievement is.



Ms. Mamta Das commented that we have to be clear about the politics involved if we say CDM is not working, we don't need it. If at all we have them (CDM projects), they have to be delinked form market. If they are not de-linked from market, sustainable growth is not possible. It is a market led mechanism, what is our take on

that. In the course of oversimplification of how CDM and market is functioning, there is a danger of de-politicsing/over-simplifying CDM.

Ms. Eva Flizmoser commented that Hydro power and wind projects are not accounted for the emissions. It has not been answered for whom has the development been. There is no clarity and transparency. Infrastructure



development and material used are exempted from calculations for carbon emission. Hydro/wind projects are exempted saying they are sustainable projects but hydro projects are not sustainable projects.

A good concern to raise will be regarding all the emissions caused by the need for concrete to make the base/structure. These are not accounted for in the emission calculations of the project. On technical level, it is calculated based on what it is replacing.

From CDM point of view, it is sustainable development. Sustainable for whom is not clearly answered but it should be answered by India for CDM projects in India. India has allocated 2% revenue from CDM projects to go to sustainable development, but there is no clarity on who paid the 2%, what were the funds, etc. India needs to answer these questions. But she did agree with the points raised by Dr. Leena Gupta

regarding exemption of infrastructure material from carbon emission calculations and who gets the sustainable development.

Mr. Sidhartha Pathak commented that in case of hydro power projects, they should consider how much of material has been used etc. Hydro projects and windmill projects are not sustainable projects.



Mr. Mahesh Pandya commented that the development being talked about under CDM is not for the affected but for the project proponent. Implementation of CDM objective is not happening. Minister Jayram Ramesh told me that Government has more interest in GDP. It's a big international game to maintain the luxuries of developed world.

5.2. STATE OF PLAY AND POLITICAL DEVELOPMENTS Binod Prasad Shrestha, Director, Winrock International - Nepal Office

Mr. Binod Shreshtha was one of the participants from Nepal, representing Winrock International (Nepal). His presentation revealed that the CSO he represented actually promotes CDM projects. However, later in his presentation participants learned that the projects in Nepal are renewable energy based projects and in fact there are no hydro projects in Nepal. He briefed the participants about the ongoing, projects in pipeline and finished projects in Nepal. He also gave introduction of Winrock international's work in Nepal. He also discussed the barriers and challenges that they are facing in promoting CDM projects and Challenges.

Winrock International is a nonprofit organization established in 1998 and working in the areas of Renewable Energy Promotion, Climate Change: CDM, Energy Financing, Micro Finance, Energy Efficiency, Supporting and facilitating private sector. Winrock initiated CDM in Nepal in 2003 with PREGA Project with support from ADB, in which Winrock was a National Technical Expert. It undertakes Awareness and capacity building activities for public sector, private sector and other stakeholder and also works to Strengthen DNA. 10 PINs and 3 PDDs have been prepared by Winrock.

REGISTERED PROJECTS AND POTENTIAL SECTORS

Mr. Debajeet talked about 21 projects at different stages. Potential sectors for CDM projects are:

- Renewable Energy Sector
- Industries
- Energy Saving & Energy Efficiency Projects
- Fuel Switch Projects: Biomass
- Waste Water Treatment
- Waste Heat Recovery
- Combined Heat and Power
- Landfill (waste to energy
- flaring and composting)
- EV Industry: BRT, EST, EVs etc
- Forestry Projects: REDD+ are sepal.

ISSUES & CHALLENGES

- Only Public Sector Projects with support from donors
- Level of Awareness is limited: Private
 PP & Stakeholders



- Process and Procedure of DNA
 - No clear process and documentation
 - Time consuming
- Lack of database and reference documents
- Limited Technical Manpower
- Project Implementation and Monitoring

BARRIERS

- Small Scale Projects
- High upfront cost:
 - PIN, PDD, Validation & Verification
- Lengthy, Stringent & Dynamic Process
- Data, Information, Reference Documents
- Understanding of DOE regarding local issue
- Lack of Information about Carbon Market

CASE STUDY

- AEPC:
- Stakeholders are aware about the technology
- Stakeholder consultation, involvement of beneficiaries
- Subsidy to beneficiaries
- Revenue sharing
 - (2 % to DNA, 80% for promotion of sectyor, 18% for management of project)
- New Revenue Sharing Mechanism
 - (Technology wise and more benefit to beneficiaries)
- CRT/N
- CER revenue is utilized for project implementation & monitoring
- Dissemination of more improved cook stoves
- WWF Nepal
 - 7,500 Biogas plants registered with Gold Standard
 - Additional subsidy from WWF Nepal
 - VER: 13,000 tCO2/year @ 13.5 Euro/VER

Conclusion

- Awareness needs to be raised among entrepreneurs and stakeholders and Beneficiaries
- Capacity building activities

- Involvement of NGOs and Civil Society
- Contribution to Sustainable Development
- Post 2012 (Kyoto Protocol) issue
- Opportunities as a Least Developed Country

5.3. STATE OF PLAY AND POLITICAL DEVELOPMENTS OF CDM Ms. Eva Flizmoser

Ms. Eva Flizmoser gave an overview of the advocacy efforts of CDM Watch at international level to bring a number of reforms needed in the CDM. She also explained bottlenecks to arriving at conclusions of some of the important issues.

THE BIG PICTURE

A new body called the *Ad Hoc Working Group on the Durban Platform for Enhanced Action* was established to negotiate a global agreement by 2015 that will take effect in 2020 and include mitigation commitments for all countries.

RULES FOR CARBON CAPTURE AND STORAGE (CCS) PROJECTS UNDER THE CDM WERE APPROVED.

In spite of efforts of CDM Watch and other NGOs to prevent it, rules for carbon capture and storage (CCS) were approved. The decision for allowing such projects under CDM was taken last year in Cancun. Although CDM watch and other NGOs tried to ensure that if the rules are to be made, they must be very stringent, most of the rules are weak.

DECISIONS (NOT) TAKEN IN DURBAN

• NO AGREEMENT WAS REACHED ON THE APPEALS PROCEDURE.

Various civil society organizations and NGOs have repeatedly demanded that there should be provision for addressing grievances under the CDM projects. CDM Watch has been fighting for a meaningful procedure that would address such grievances of stakeholders, especially the affected community. But no decision was taken in Durban and the discussion was postponed.

• STRENGTHENING STAKEHOLDER RULES WAS ONCE AGAIN DROPPED IN THE FINAL TEXT

Establishing clearer guidelines requires CDM board to use certain kind of language. Developing countries were ambiguous about the language and no decision was taken on this front. The language was completely dropped. CDM Watch has been working for years to get improved rules passed and we will continue working on this important issue. Such improvements could also be initiated by the CDM Executive Board (CDM EB) itself but so far they have not taken any steps in this direction.

TWO IMPORTANT DECISIONS TAKEN

COMMON FRAMEWORK OF RULES

Having an international framework of rules was agreed upon. It will help set up and maintain a minimum level of environmental integrity by reducing the risks of double counting however, countries could not agree to what extent the UNFCCC should set common standards and rules. Framework will be decided at COP18.

A NEW INTERNATIONAL MARKET MECHANISM

New international market mechanism was also discussed and although European countries opposed it while America pushed for it, eventually a new mechanism was defined. The countries opposing establishment of new market mechanism wanted existing mechanism to be evaluated first.

NEW MARKET MECHANISMS: HOT ISSUES IN 2012

Decision on Common Framework and Standards for Rules to avoid:

Double counting

Co existence of CDM and new market mechanisms pose a risk of double counting of carbon credits. The problem is critical and how it could be dealt with will remain one of the focus areas in 2012. Need for stronger additionality tests have been reinstated several times. Whilst it could not be addressed properly, it is going to be prime concerns this year.

"OUR ANALYSIS OF POTENTIAL OFFSET DEMAND AND SUPPLY SUGGESTS THAT DOUBLE-COUNTING OF INTERNATIONAL OFFSETS, IF NOT ADDRESSED, COULD EFFECTIVELY REDUCE THE AMBITION OF CURRENT PLEDGES BY UP TO 1.6 BILLION TONS CO2E IN 2020, EQUIVALENT TO ROUGHLY 10 PERCENT OF THE TOTAL ABATEMENT REQUIRED IN 2020 TO STAY ON A 2°C PATHWAY. TO THE EXTENT THAT OFFSETS DO NOT REPRESENT REAL, ADDITIONAL REDUCTIONS, THEN THE **EFFECTIVE DILUTION OF PLEDGES COULD** BE EVEN GREATER." ERICKSON, P.; LAZARUS, M. (2011) THE IMPLICATIONS OF INTERNATIONAL **GREENHOUSE GAS OFFSETS ON GLOBAL** CLIMATE MITIGATION SEI WORKING PAPER WP-US-1106 OR READ THEIR **POLICY BRIEF** Race to the bottom (weak additionality / baseline rules)

- CDM High Level Policy Dialogue
- Public participation (Local Stakeholder Consultation, Withdrawal of Letters of Approval)
- Last year for CDM project registration for eligibility in the EU from non LDCs
- Coal & Large Hydro Power in the CDM
- Additionality reassessment
- Sustainability guidelines

DEMAND AND SUPPLY ISSUE

Data shows that there is surplus supply and little demand for projects in carbon markets. Considering this fact, the current targets are not justified.

TO SUM UP

- CDM: Many reforms are urgently needed
- NMM: modalities and procedures possibly decided in Doha.
- Markets: current targets do not justify need for carbon markets. There is surplus supply.



6.1. OPPORTUNITIES FOR ENGAGEMENT IN CDM PROJECT CYCLE Mr. Andrew Coiley (CDM Watch)

Mr. Andrew Coiley from CDM Watch lucidly explained where the opportunities for engagement of stakeholders, especially the community and CSOs are in the project cycle of CDM project. The session was highly educating for the participants because many of them were not aware of all the opportunities at various stages where engagement of community and civil society was possible, although most of them were aware of public consultation as one of the opportunities. Moreover, alongside he brought to the notice of participants the systemic weaknesses or loopholes that also affected the effectiveness of the opportunities provided for engagement, the shortcomings about local stakeholder consultation and recommendations to improve the opportunities of engagement. He also introduced CDM Watch to the participants.

OPPORTUNITIES TO ENGAGE IN THE CDM CYCLE Opportunities to engage in the CDM cycle exist at Pre-Validation, Validation, Registration, Verification and Issuance stages.

 Pre Validation Stage: At pre validation stage, Project Design Document is prepared and submitted to the DNA. The project is then approved or disapproved by DNA and sent for validation. At this stage, before the project is submitted to the UN and validated, the developer must consult the local community and stakeholders on the design of the project, and this becomes an opportunity for community or CSOs to engage.



CDM Rules on Local Stakeholder Consultation

Although local stakeholder consultation at Pre validation stage offers a good opportunity for engagement, there exist some loopholes in the rules on local stakeholder consultation:

- Rules are vague as they do not specify *how* local stakeholder consultations should be undertaken.
- The lack of specificity creates the **risk** that CDM project developers undertake **superficial** local SC
- Lack of validation guidelines for DOEs risk that projects with **inadequate** stakeholder consultation get registered

Host Country Approval to PDD

The PDD then goes to host country DNA for approval. At this stage it is important that the project is approved by the DNA. Civil society members and community must not miss providing inputs to the PDD at this stage.

Validation Stage

PDD is then submitted to UN for validation *by certified CDM auditing company, called a Designated Operational Entity (DOE)*. It is important to note that at this stage the project can be withdrawn. There is a huge opportunity given at this stage for participation in the form of Global Stakeholder

Opportunities for Engagement at Pre Validation Stage

- Participate in the public consultation on PDD held by the developer before the project is submitted to the UN and validated.
- Provide inputs to the PDD when it goes for approval by host country DNA.

Opportunities for Engagement at Validation Stage

• Participate online in the Global Stakeholder Consultation that lasts for 30 days.

Validation is an important opportunity because:

- 1. It is the last opportunity to raise problems e.g. about local stakeholder
- 2. consultation to the auditor and project developer
- 3. Submitted comments are public and MUST be adequately addressed by auditor and project developer
- 4. <u>Termination of CDM projects is significantly higher when project comments were submitted</u>

Validation rules for Auditing Stakeholder Consultation

There are CDM Validation Rules for AUDITING local stakeholder consultation. The rules say that the DOE shall, on the basis of PDD, review and determine whether the project participants have taken due account of any comments received and have described this process in the PDD. In the validation report the DOE shall "Describe the steps taken to assess the adequacy of the local stakeholder consultation". However in practice auditing is superficially done and mostly gives only positive picture.

ENCOUNTERED PROBLEMS WITH GLOBAL SC PROCESS

Although Global SC provides easy and ample opportunity of engagement, there have been some problems with the process:

- Often, stakeholders are not aware of the public commenting period because of lack of notice
- Often carefully prepared comments are not being submitted because of non transparency of UN website; lack of clarity about closing time etc.
- Comments not accepted in any other language (not even UN languages) than English
- Difficult to submit concerns after the 30 day period

<u>Note:</u> Direct communication with CDM Executive Board is possible <u>http://cdm.unfccc.int/Reference/PDDs Forms/EB/eb form01.pdf</u>

Registration Stage

Request for registration is made. The PDD and validation report are submitted to the CDM Secretariat. The CDM Secretariat & Registration and Issuance Team (RIT) reviews the PDD, on the

Opportunity for Engagement at Registration Stage

Review may be requested at this stage. If review is requested Governments are involved and three members of the CDM Executive Board are also involved in the review.

basis of which Project is rejected or approved.

Monitoring/Verification Stage

The project developer must monitor all the data required by the PDD monitoring plan to calculate the number of credits that were generated by the project

Monitoring Report is written by the developer or a hired consultant. Verification of monitoring report is done by the DOE.

Opportunities of Engagement at Verification stage

When verifying that the project is reducing emissions, the DOE doing the verification may interview you. Tell the DOE if the project is not performing well.

Issuance Stage

Request for Issuance of Credits is made. This entails submission of *Monitoring and Verification* & *Certification reports to the CDM Secretariat. CDM Secretariat with* Registration and Issuance Team (RIT) conducts a review. Based on the review, Executive Board approves or rejects issuance request

Opportunity of Engagement at Issuance stage

Request a review of issuance:

- Governments involved
- Three members of the CDM Executive Board

SHORTCOMINGS

- Only local authorities are being invited.
- The information provided at the local consultation does not reflect the realities of the project.
- Critical stakeholders are being threatened and forced to sign blank approval documents.

RECOMMENDATIONS

- Translation into local languages: Communications with local stakeholders should be translated into the local language(s) and written in non-technical terms
- Effective Notice: Communications and notice should be clear, detailed, and distributed by appropriate and effective means (*e.g.*, in community centers, churches, libraries, schools and media)
- Oral communication if needed: If a significant part of the population is illiterate, then the information must be provided orally (*e.g.*, through in-person meetings and radio)
- Timely notice: Project participants must give timely notice of opportunities for local stakeholders to participate in the consultation process
- Two rounds of stakeholder consultations: Rules should require a minimum of two rounds of stakeholder consultations, including at least one physical meeting and notice, organization, and timing thereof
- Who to Invite:
 - Local people impacted by the project or their official representatives
 - Local policy makers and representatives of local authorities
 - An official representative of the DNA of the host country of the project
 - Local NGOs working on topics relevant to the project
 - The DOE selected to validate the project

NEED FOR CLEAR AUDIT RULES

- Who the stakeholders are: e.g. rules on the minimum number and types of stakeholders that need to be consulted
- How stakeholders need to be contacted and involved: e.g. at least two rounds of consultations, at least one physical meeting, how and when the two consultation rounds should be announced and organized, criteria for local contexts (local languages spoken and understood etc)
- What information needs to be provided: e.g. non-technical description of the project; translated versions of EIA into local language(s)
- How feedback is to be documented: e.g. publicly available lists of participants invited and actual participation
- How feedback is to be analyzed: e.g. guidelines on how DOEs can assess the validity of the stakeholder consultations and if comments have been taken into account

A. NEED FOR CHANGE FOR GLOBAL STAKEHOLDER CONSULTATION:

- Set up email notification systems for all public participation procedures that are time sensitive
- Translate the UNFCCC CDM website into all official UN working languages
- Ensure that all supporting documents (PDD & EIA and calculation spread sheets) are uploaded prior to the start of the public commenting period
- Allow submissions of comments through locally feasible means and in the language(s) of the host country and in real time
- Increase the duration of the public commenting period on new projects to at least 60 days for all projects

B. NEED FOR GRIEVANCE MECHANISM FOR AFFECTED PEOPLE:

- At present, the CDM does not provide an appeals process for stakeholders who are not afforded adequate, timely and effective notice and/or meaningful opportunities to participate in the local stakeholder consultation process.
- As such, a grievance mechanism must be established to provide accountability and recourse in the event that the consultation requirements are not met.
- This would enhance the accountability and, ultimately, the integrity of the validation standards and processes.
 - Current CDM rules for public participation are insufficient
 - Fundamental change for local and global stakeholder consultation is needed

Note: Participants were informed that they could report their experiences at the CDM Watch Discussion Forum <u>http://forum.cdm-watch.org</u>

6.2. NATIONAL AND LOCAL REQUIREMENTS FOR STAKEHOLDER CONSULTATION AND EIA

Mr. Mahesh Pandya (Paryavaran Mitra)

Mr. Mahesh Pandya is Co-Founder and Director of Paryavaran Mitra. In his presentation he detailed the mandatory provisions for EIA under National Environment Protection Act and Stakeholder consultation as made mandatory under the CDM projects. For both the aforementioned subjects, he also lucidly gave a picture of the de jure and de facto implementation of EIA and stake holder consultation (in CDM projects), citing examples from ground experiences. Some of the key issues he raised were lack of action from DNA to make public consultation or get information on concept note. Complete absence of transparency in the country about notice for public consultation on CDM projects, limited information about the CDM projects and public consultation in India and lack of awareness and access to information were the other concerns he raised.

PROCESS OF CONDUCTING EIA

Constitution of Site Appraisal Committee

Before carbon credit, there is a very stringent Environment Protection Act in India that has to be adhered to. Under the National Act it is mandatory for the government to constitute a site appraisal committee, whose responsibility is to select location and prevent adverse impact of coming industries. In Gujarat, the site appraisal committee has not been constituted. As a result, the processes of site approval in Gujarat have no legal basis and site approval has been left to the will of project proponent, local bureaucrats and politicians, for who it is rather a matter of selecting their desired site.

Conducting Environment Impact Assessment

After site approval, Environment Impact Assessment has to be carried out and report of EIA has to be prepared, considering socio economic and environmental aspects like impact on flora and fauna, local livelihoods etc.



Approval by Expert Appraisal Committee and Public Hearing

The report is submitted to expert appraisal committee for review and approval. For the approved projects, public hearing is organized. It is mandatory to give notice 30 days prior to the Public Hearing to ensure maximum participation from all the stakeholders. Moreover, the public notice has to be publicized properly and sufficiently in newspapers. It is also mandatory to write down proceedings of the public hearing and publicize the same within 24 hours of the hearing on website. After the public hearing the project again goes to Expert appraisal Committee for recommendations. The committee does not have the right to reject the project, but to recommend it to EIA committee. Finally, the appropriate authority in Environment and Forest department gives clearance to the project.

GROSS VIOLATIONS OF LEGAL PROVISIONS

There is gross violation of environmental laws across country and the projects violating these laws are still getting CDM certification. Moreover, most of the CDM projects are 'habitual defaulters' of environmental laws. An important aspect to take note of here is that there is no connection between national environmental laws and CDM, which in itself provides a rift for violations of environmental principles and provisions in implementation of both.

In India not a single project was rejected by environmental authorities. Some of the projects have been lately rejected because of Supreme Court's intervention. But the

scientific authority in the State, i.e. Environment and Forest Department, never rejected any of the projects. Not a single case of rejection has been registered in Gujarat although of gross violations are taking place.

EIA requirements Unmet: Experiences from Ground

In case of OPG Power Plant in Kutch is a classic example of apathy of appropriate authorities to the voice of local community. People were completely against the Mahatma Mandir project (of Gujarat Infrastructure Development Board) required environmental clearance before setting up. But they started the construction before environmental clearance was given. Paryavaran Mitra wrote to governor of Gujarat and Ministry of Environment and Forest regarding the violation, but no action was taken. The matter can be challenged in green tribunal even today. Moreover, 5th Gujarat summit in 2011 was held by the chief minister in Mahatma Mandir building, wherein a number of MOUs with business houses all over the world were signed. Whilst government should be filing a case against it in judiciary about illegal construction, which the Act has provision for, it was given post effect clearance without any penalty or punishment, which is again against the Environment Protection Act.

setting up of the plant because of which authorities also had to respond and they laid down 25 conditions before giving clearance. Not a single condition was fulfilled, the matter was taken to court by a civil society organization and Supreme Court ordered stay on the project, but the construction is still going on.

In most of the infrastructure projects public hearing is not conducted.

In a number of projects, Projects start functioning before the environment clearance and the violation is, astonishingly and ironically, protected by Government.

Post Project Monitoring

An effort to find out the compliance status of different projects was made by Mr. Mahesh Pandya, wherein he found that not even a single mall had submitted the report. In fact the shocking revelation was that as many as 99% of the projects did not submit the half yearly compliance report. Subsequently, Mr. Mahesh Pandya filed an application using Right to Information Act to get the needed information. He received formal written reply from government that said that not a single mall or shopping complex had submitted the half yearly report. In spite of this, government has not stopped these companies from functioning, which is extremely discouraging to the efforts of improving the entire process.

Although it is mandatory to put compliance reports on website, till today no compliance report has been put up on website. In a public dialogue with ministry, the Minister of Environment and Forest, replying to Mr. Mahesh Pandya's questions on lack of monitoring and compliances, GPCB said that they are understaffed to monitor compliance.

SUSTAINABLE DEVELOPMENT AND CDM

Gujarat Floro Chemical became the first company in Asia to get carbon credit. Later there was massive gas leakage from the company. The Gujarat Pollution board had given closure notices thrice to the company but in spite of that the company got carbon credit. It could happen because the Gujarat Pollution Board itself engages in corrupt practices. Mr. Pandya wrote to UNFCCC, which in turn said that their role was to sanction the certification, whilst monitoring came much later and was the responsibility of the host government. Following this Mr. Mahesh Pandya wrote to the Ministry of Environment and forest. The reply he got from there was that our role is to approve a project and monitoring phase will come later. UNFCCC said that they are totally dependent upon DNA. We said that role of DNA is suspicious in our case, therefore please do not restrict to DOE but involve central and state government stakeholders in approval and disapproval of project. In a recent visit to the company it was found that the three neighboring villages were opposing the company and desperately want its removal.

Economic well being is also a farce in these CDM affected villages.

Talking about the objective of social well being Mr. Mahesh Pandya said that one of India's planning commission member said in the UN that we will achieve MDG through CDM, a statement that is too premature as so far there have been no instances of CDM projects contributing to poverty reduction.

Public consultations are just not taking place in Gujarat. Narrating one of their experiences Mr. Mahesh Pandya shared that in one of the public consultations, where a representative from Paryavaran Mitra made an unexpected visit, she found that petty shop owners and vendors were present in the consultation.

The participants learned that in Gujarat, EIA is not required for renewable energy projects like wind mill and solar energy. It is wrongly assumed that they cannot have any repercussions on environment. But there are ample experiences from other states that disprove the assumption.

It is desirable and important, looking at the status of Public consultations in Gujarat that the state government itself participates in the public consultations and take serious affirmative steps to make public consultations a reality.

COMMENTS OF MODERATOR

Dr. Rushikesh Mehta said that the Justice delivery system is too lengthy that leaves a lot of scope for industrialists to violate laws. There is no reduction in the emission of green house gases.

Interest of people, over and above awareness, is also an important determinant factor for successful public consultation. This is an issue of changing mindset and owning responsibility in tackling the issue of global climate change, rather than escaping it in the name of global issue about it we cannot do much. Nevertheless, it is well accepted that awareness building needs a lot more efforts.

Public Interest Litigation, with sound ground work with an ability to produce undisputed facts can be an effective way of dealing with the issues of lacunae of host country mechanisms and implementation.

It is becoming clearer that this is a bypass mechanism not a mechanism to address our concerns of

OPEN DISCUSSION

Mr. Viren Logo commented that it is becoming clearer that this (CDM) is a bypass mechanism, rather than one in which green development and sustainability is the major concern. As earlier said, sustainability of industries is ensured, not of local area or community. If EIA or assessment of conditions in local area is not carried out, what are we mitigating? Then from where does the sustainability come. Secondly, the project (a CDM project) is not addressing the real issue of pollution. All the cases that have been presented here show that the projects are actually increasing pollution instead of decreasing it, by creating by pass mechanism. If additionality is considered, which actually controls pollution, some positive results can be expected. But technologies (like wind mill and other renewable technologies) have been suggested that are believed to be causing less pollution. There is no cap on pollution at all in the CDM projects.

If we take this position that there will be no alternative, there will never be alternatives. But there are alternatives. However, potential for alternatives is destroyed as we only talk about finance capital market but not about potential of local communities to generate alternatives.

Mr. Mahesh Pandya commented that in case of Reliance in Jamnagar district of Gujarat, grazing land on which government has powers and control was given to Reliance company. Although grazing land is under control of government, it cannot be legally allotted to industries because of a certain ratio of grazing land to be maintained mandatorily. Therefore, the land was first converted into wasteland and then was given to Reliance by government.

Mr. Tushar Pancholi raised two points - (a) As NGOs we are struggling to read the read and understand the EIA reports. I myself cannot properly understand it even after reading it thrice. Hence, how can we expect people to understand it and participate in the public consultation? (b) Only NGOs cannot deal with issue alone as workload of NGOs is also too high. Therefore we need to build a cadre of professionals in 2-3 years.

Mr. Samir Mehta asked the panel, "How can we find out at what stage project is? Who the NGO is? Who the DOE is? Who are the director, advisor, secretary and joint Secretary in the ministry who look after CDM?"

Mr. Andrew Coiley, responding to the question on finding project details said that details of project can be obtained from the website of UNFCCC under the CDM

section. There is a search engine to it using which different projects with information about PDD and DOE involved can be found out.

He further clarified that with regards to what steps can be taken, there is an opportunity to engage by registering at the CDM Watch website. In case of any grievance you can petition to the CDM Watch Forum and the petition will go directly to the CDM executive board which will pressure your governments to implement the changes.

With regards to particular emission reduction, we do not focus on emission reduction in just a particular project. We are limited by our scope of work and therefore seek assistance from partners to collect case studies and take them to policy makers and say what is working what is not. He also added that The language that UN expects is different from the passionate speeches that you and I are used to listening. It is very important to channelize the information in a very particular and correct way.

Ms. Eva Flizmoser added that the problem is that it has to be proved that a rule has been violated. There has to be evidence supporting that. The problem arises from the fact that the local consultation rules at national and international level at present are very vague. This makes it more difficult to prove that rules are violated. Hence this is what we are aiming at present to make the rules more binding. Unless the criteria/guideline is binding nothing can happen.

Mr. Sameer Mehta shared that National Tribunal Act is in existence, whose bench will sit in Delhi. The bench for Gujarat will sit in Poona. It is an interesting tribunal and is coming up some very interesting judgments. If a CDM project is being challenged, it may be worth going to NJT against DNA saying this project should not have been given green signal. It's a new area but worth exploring.



6.3.1. EXPERIENCE WITH STAKEHOLDER CONSULTATION

6.3.1. A. J.K. PAPER MILLS FORESTRY PROJECT Mr. Debajeet Sarangi

Mr. Debajeet Sarangi represented Living Farms. He presented the case Agro Forestry project of J.K Paper Mills by sharing findings of a study the organization conducted. In his presentation he brought to light the manipulation of facts done in the PDD to justify the CDM project in the areas and the degradation of agriculture and economic and environmental conditions caused due to the project, contrary to the project objectives laid down in PDD.

GEOGRAPHICAL AREA OF THE STUDY

Living Farms conducted a study to assess the impact of J.K Paper Mills, a CDM project implemented in 3 districts of Orissa and 3 districts of Andhra Pradesh. In Orissa it includes small land holders in the districts Rayagada, Koraput and Kalahandi districts. In Andhra Pradesh it covers Visakhapatnam, Srikakulam, Vizianagaram districts.

The six districts are pre-dominantly populated by tribal communities. The villages were selected from the project document. Visits were made to 27 villages (out of 56 villages in Rayagada as per the project document).

METHODOLOGY

To understand the impact of the project at the outset, PDDs were studied, following which visits were made to 50% of the villages mentioned in the PDDs. Interactions with all the farmers were held through various structured and unstructured meetings. Detailed discussion was carried out with all 40 farmers. 98% of them were small and marginal farmers.

Objectives of the project as laid down in the PDD were:

- To provide additional income and to promote livelihoods of resource poor farmers through carbon revenues.
- To reforest degraded lands to control soil and water erosion and reclaim lands.
- To reduce the dependence of industry on natural forests thereby conserving biodiversity.
• To build capacity of various stakeholders to benefit from global mechanisms

FINDINGS

• FACTS MANIPULATED IN PDD

The PDD says that if the project was not started in the area the situation of local community would have worsened. It calls the land 'degraded land' that could not be cultivated. However, the fact is that the farmers of the area have immense knowledge of agriculture and were growing 32-36 different varieties of crops on the land that PDD mentions as 'degraded land'. The farmers were using a number of different good agricultural practices like mixed cropping to maintain the fertility of the land and get optimum produce. Over the 200 villages in the project area, 84 different types of crops were grown.

The PDD reads as follows:

- The small land holding size and high demographic pressure on available land resources require ways to diversify the sources of farm incomes to address poverty and enhance the livelihood opportunities.
- The revenue from the sale of carbon credits is expected to partially alleviate the investment cost incurred by the farmers, transaction costs of participation in the project as well as delays anticipated in the income from sale of timber.
- The lands to be afforested /reforested are highly degraded and are subjected to further degradation or will remain low in a carbon steady state in absence of the present project activity which proposes to undertake agro-forestry plantation in these degraded lands.
- The area proposed for the project is degraded farmland.
- The lands are either not put to any use at present or being intermittently used for rainfed agriculture for cultivation of minor millets, cereals and pulses because of many barriers such as technological and financial.
- The land is separated from the ecosystem.

However, the study by Living Farm revealed that a number of facts in the PDD were not true, for e.g. calling the land 'degraded' and saying that the lands are either not put to any use at present or are being intermittently used for rainfed agriculture for cultivation of minor millets, cereals and pulses because of many barriers such as technological and financial. On the contrary the land was very rich and farmers were able to get a variety of produce from it. In 2011 farmers had grown 84 varieties of crops (oil seeds, pulses, beans, millets sorghum and short duration rice)

Hence the PDD gave incorrect information and facts about the area and made that the premise for the project.

REVIEW OF THE STUDY AREAS LAST YEAR

A review of the area conducted last year revealed the following socio-environ-eco impacts in the area:

- Some of the varieties that the region was known for have vanished.
- Many of the farmers are in huge debt of bank and have become defaulters although they have not borrowed money from bank. None of the farmers have any document showing any agreement or contract between them and the bank or the company, yet they are under debt of bank
- Eucalyptus plantation has given rise to water problems in the area. Some of the manifestations are:
 - It has disturbed the growth of vegetation around and has lead to growth of sterile fruit trees.
 - Two natural springs which gave water even after 4-5 months of monsoon have dried.
 - "There is a mango tree here which used to give good yield but since the past few years not a single mango has grown" - Wendy Jakesika.

EFFECT ON OTHER CROPS

Loda's field is next to Nari Praska's eucalyptus plantation. He complained that crops do not germinate in about half of his field where he used to grow millets, oilseeds, pulses.

It can be concluded that the project was not needed from the point of view of any socio-economic development at all, which falsifies all the objectives laid down in the PDD. The reliability of the PDD is highly questionable as the facts are grossly manipulated to frame grounds for the project. All the claims made by the project in the name of improving bio diversity, economic condition of farmers, providing more livelihood opportunities have turned out to be wrong. Instead the farmers have lost their fertile lands and become debt ridden. There has been irreversible damage to biodiversity, flora and fauna. Hence the entire process of approval of such a CDM process becomes questionable in this case.

6.3.1. B. NALLAKONDA WINDMILL PROJECT Society for Promotion of Wasteland Development (SPWD) Dr Leena Gupta

Dr. Leena Gupta from SPWD Delhi presented the case of Nallakonda windmill project in Kalpavalli village of Andhra Pradesh. In the wake of a number of windmill projects getting CDM certification, the case was an excellent eye-opener and broke the myth about renewable energy projects not having any environmental repercussions and therefore being 'good' CDM projects. It presented how a green and resource rich area of Kalpavalli village, that supported the lives of farmers who had revived an arid land into an agriculture rich area having one of the best biodiversity, was reduced to an arid barren land because of a windmill project.

SPWD works to arrest and reverse degradation of life support systems, particularly land and water, so as to expand livelihood opportunities in a sustainable and equitable manner through people's participation. It has been working for 30 years across country.

Anantpur was the study area of SPWD. It was a highly arid region, being second most drought affected District in India.

Timbaktu Collective. an NGO working in the area, supported the make farmers to a farmer's collective that later got registered as registered Timbaktu Farmer's collective. It works in 100 villages of CK Palli, Roddam, Ramagiri district; Mandals of Anantpur Serving 30,000 marginalized people, including landless, small & marginal farmers, with special emphasis on women, youth, children, dalits and disabled.



Main activities of Timbak tu Farmer's Collective are as below:

- 1. Eco-restoration, NRM, CPR
- 2. Women Empowerment
- 3. Alternative Education
- 4. Awareness building & Leadership development

- 5. Capacity building for Local Self Governance
- 6. Networks: Ananta Pariyavarana Parirakshakana Samiti (APPS),
- 7. Voluntary Action Network Anantpur (VANA)

Timbaktu Collective, with participation of local farmers, started the work of converting the wasteland in Mustikovilla into green area. The legal status of the land was wasteland. Starting with regenerating 32 acres of land, their work extended, regenerating more than 7000 acres of land. One of these areas was Kalpavalli forest area.

The area is rich in wind resource with a wind speed of speed of 20.16 Km per hour in summers. The region was a wasteland 25 years ago. Main livelihoods in the region were agriculture (Tanks, Kuntas) and animal husbandry. It had the largest small ruminant's population in the State of Andhra Pradesh. The Timbaktu Farmer's collective began with 109 acres of land in 1992. Through gradual and sustained efforts and scientific way of eco restoration over 25 years the cooperative regenerated the Mustikovilla forest area into area having extremely rich biodiversity. A number of activities like shepherd counseling, training of watchers (guards of fields), Dharti Utsav (a huge celebration where different farm produces, seeds and cattle are displayed), training of youth etc were carried out by the cooperative. All the hills that were barren became green and dried rivers were revived.

A windmill project by Wind Farm Madhya Pradesh Limited is developing wind farm in Mustikovilla village in Anantpur. After the windmill project began, the highly productive and biodiversity rich area has been again transformed into wasteland, much worse that what it was 25 years ago. All the green vegetation has been removed. The area now looks like a dump yard, with plastic covers of windmill equipments are seen everywhere.

In context of benefits accruing from the windmill project, the energy produced is not used for the village, instead it goes somewhere else. Local livelihood has been completely destroyed, as pasture lands have completely been destroyed. Along with pastureland, milk production, wool and meat production also have been completely destroyed.

The environmental, economic and social cost as well as investment has been too high, whilst no socio-eco-environmental benefits cannot be seen.

6.4. WHY GOVERNANCE MATTERS

Mr. Gagan Sethi

Mr. Gagan Sethi is a human right activist, founder of Janvikas and a number of other NGOs including Center for social Justice, Drishti, Kutch Mahila Vikas Sangathan, Sahjeevan, kutch Nav Nirman Abhiyan and Paryavaran Mitra. At present he is trustee of Center for Social Justice, Ahmadabad and Founder Director, Leadership Academy, Ahmadabad.

Mr. Gagan Sethi made three propositions in his lecture, the first proposition was that there has to be protection of land and resource rights of people and any CDM debate should have room if this is ensured. Second was that technology unless demystified, can be more divisive and harmful. The third proposition he made was the necessity of following principle of subsidiarity, in which he stressed the need to make local bodies, i.e. the Panchayats an important stakeholder to the entire process, including being receiver of the money generated by carbon credits.

A. THE MARKET AND STATE DEBATE

IN 70s and 80s there was tension between market and state. For last 10 years, market and state became one. Market has been setting the Good development standards. means opening up of markets, which has been done at "any cost". On the other hand, while earlier industries did not think beyond business, at least social now responsibility has started coming in the lexicon.



But is socially responsible business a myth or is it grounded into some sort of a political reality needs to be examined. It becomes difficult to understand that violators are given space to come out clean. Moreover in Gujarat large amount of fraud takes place in the name of social responsibility in CDM markets. The overall situation has not changed much from the 70s except that there is one more loop in the business and that is market.

B. THE THREE IMPORTANT PROPOSITIONS

If there is a stake we have to at least decide how much that would be. A percentage of land for agriculture must be decided to which it will not be used for industries. No one, not even the government should be allowed to change the set standard under any circumstances. The first proposition therefore is that there should be minimum standard set for agriculture land and forest land use and only then the CDM markets as a subject can be discussed.

The second proposition is that technology has been worse than bureaucracy in terms of making hierarchies as the former brings with it *brahmnism* of knowledge. Therefore it is important to demystify technological knowhow and create institutional mechanisms to monitor and understand the processes at local level. The environment paralegals, an initiative taken by Paryavaran Mitra, set a good example of how it can be done. Citing an example of Paryavaran Mitra with Public interest litigation, he said that the judicial system in India also lacks understanding of environmental issues and is incapable of addressing the same in right manner.

The third proposition he made was that of principle of subsidiarity, which says that those affected must be consulted and have a right to decide what goes to whom. Therefore he emphasized that local bodies must be made a party to the decisions made under CDM projects and the money of carbon credits must go to local institutions of governance.



6.4. CASE STUDY OF CDM FORESTRY PROJECT

Mr.Ranjan Panda Water Initiatives, Orrissa

Water Initiatives, Orrissa undertook monitoring of a CDM project J.K. Paper Mills, from the standpoint of reviewing the claims of CDM project and deeper socio economic implications of the project. They found that in the PDD the fertile and agricultural area was being mentioned as "degraded farmlands or lands used for rain fed subsistence agriculture". A number of other statements and justifications in the PDD were wrong and were used to justify a project which was never needed in the area and community. The presentation, by comparison of what was stated in the PDD and to what the reality was, brought those contradictions out, also proving how the project was the need of the company and not the community. It also clearly brought out the destruction done to the livelihood and natural resource, damaging the socio economic self reliance, against the stated objectives in the PDD.

ABOUT THE PROJECT

The Project as per Project Information Document

- Improving Rural Livelihoods through Carbon Sequestration
- Sector (Agro-) Forestry (100%)
- Implementing Agency VEDA Climate Solutions Ltd with J.K. Paper Mills and Vanitha (Women) Empowerment, Development and Advancement
- Date PID Prepared: May 1st, 2007
- Appraisal Authorization: April 4th, 2007
- Date of Registration: 28th February 2011
- Project Ref No. : 4531
- Monitoring period: 24.06.2004 to 31.08.2011

CHANGES IN PROJECT NAME

The project name initially was – "Improving Rural Livelihoods Through Carbon Sequestration By Adopting Environment Friendly Technology based Agro forestry Practices". It was changed to –"Estimated Annual Reductions: 324,269 metric tonnes of CO2".



FINDINGS OF THE MONITORING AND STUDY BY WATER INITIATIVES

Water Initiatives conducted a study in sampled villages, to assess the impact of J.K. Mill project, taking CDM principals as the basic parameters of study.

Calling it an unnecessary evil, Mr. J.K. Panda explained the process that farmers go through with an example. A small farmer becomes a beneficiary by entering into a non written contract, and gets enslaved to the company. The farmer who was cultivating a fertile land, mentioned as degraded and subsistence farming land in the PDD, and the land is able to provide food security to the farmers, has to

Now leave the land fallow for 12 years. A eucalyptus plant cycle is 12 years and hence the farmer by effect of the contract/agreement becomes bonded labor, unable to cultivate the land for 12 years only for the benefit of the company. This particular aspect of the whole project itself makes it a huge threat to the food security of the farmers, forget about any economic betterment of the community through it.

SN	The objectives as in PDD	Facts Falsifying the Objectives	
1.	The project activity is implemented on the	Highly productive piece of land, being	
	degraded farmlands or lands used for rain	cultivated for different food crops	
	fed subsistence agriculture.	ensuring food security to farmers	
2.	Project activity will mobilize resource-poor farmers to raise tree plantations on	No farmer in Orrissa is 'resource poor'	
	farmlands		
3.	To link resource poor farmers and end users of wood products in order to optimize the land use and to facilitate the co-ordination of wood producers, agronomists, financial institutions and non-governmental organizations to improve the livelihood opportunities of rural households.	There is no end user except the company	
4.	Some of the poorest districts of India i.e.	District may be poor but the farmers	
	Rayagada, Koraput, Kalahandi (in KBK of	with who the project has been	
	Orrissa) and Vishakhapatnam, Srikakulam	implemented are rich farmers.	

SCRUTINIZING SPECIFIC OBJECTIVES OF THE PROJECT⁵

⁵ Refer Annexure -1

	and Vizianagaram in Andhra Pradesh.	
5.	To pilot reforestation activities for generating high-quality greenhouse gas removals by sinks that can be measured, monitored and verified.	Eucalyptus is can never be supporting high-quality greenhouse gas removals as it is low on absorption of such gases.
6.	To develop plantation and agro forestry models which can provide multiple benefits to farmers in terms of timber, firewood and non-wood forest products.	It is not agro forestry at all, as the land has been completely used for growing eucalyptus.
7.	To pilot reforestation activities for generating high-quality greenhouse gas removals by sinks that can be measured, monitored and verified.	It is not a pilot as India is one of the countries having highest number of forestry projects in world. Moreover the benefits are single and not multiple, as eucalyptus is not timber and it cannot be used for firewood.
8.	Project activity will mobilize resource-poor farmers to raise tree plantations on farmlands.	Only eucalyptus is grown on the otherwise productive agricultural land. There is no other plantation being done.
9.	To provide additional income and to promote livelihoods of resource poor farmers through carbon revenues.	There is simply no concept of additional inputs being provided and the industry is destroying the available local resources.

It can be concluded that the forestry project being studied did not fulfill the objectives laid down in the PDD, as the PDD itself was deliberately designed on false information about the area, falsely projecting the need for the project, the socio-eco-environ cost for which turned out to be huge.

6.6. CDM AND WASTE: A TRADE OR A FRAUD? Mr. Dharmesh Shah

Mr. Dharmesh Shah from GAIA (Global Anti Incinerator Alliance) explained various waste management processes used in CDM in the country. He referred to what Mr. Gagan Sethi called Brahmanism of technology and said that Technocrats have a huge stake in waste management. His presentation revealed that all these processes are not giving any incentive to reduce waste, recycling or re use and are therefore not generating clean energy. In fact most of the methods used for waste management increase emissions of most hazardous gases. He presented the cases of Tirampur Okhlawte and Gorai waste management plants in this context. As per his presentation, the very nature of processes used today which are based on the standards set by west, disqualify to be CDM projects in principle.

WASTE MANAGEMENT: THE INDIAN SCENARIO

- Approximately 100,000 TPD of total MSW is generated in India.
- MSW 2000 is poorly implemented, with little focus on source segregation. This
 means wet and dry waste is not segregated at the source and sold, which
 implies use of supplemental fuel to burn solid waste. The process itself causes
 emissions.
- Globalized waste handling methods is becoming the norm with municipalities.
- Local free-market unfriendly community initiatives are being marginalized.
- Small labor intensive methods are being replaced with skill intensive private entrepreneurship to large capital investments in waste handling.
- There has been major shift towards outsourcing and privatization of waste collection and disposal services at huge cost to exchequer.
- There is lack of transparency in waste policies.

PRIVATISATION OF WASTE

Waste collection traditionally was the responsibility of the Urban Local Bodies & Waste management in urban areas remainss responsibility of urban local bodies. But now that private companies have entered the sector for business interests, increasing waste is synonymous to increase in money.



There is no incentive to reduce waste and CDM is promoting this. Increase in privatisation in the sector has given rise to outsourcing and mechanization of waste management processes. Mechanisation and Privatisation is promoted on the pretext of efficiency and social justice. The **whole process treats citizens as consumers of the "service".**

CDM AND WASTE

- The kind of CDM projects in waste management are *alternative waste treatment processes to avoid emissions from organic waste*
- Treatment of municipal solid waste (MSW) Started in 2005. *It presumes that waste would have otherwise been dumped*

Project types under the AM0025 Treatment of municipal solid waste (MSW) • Aerobic composting • Landfill gas systems • Incineration of fresh Waste for energy generation There are 72 projects in CDM pipeline for using Waste for energy generation. 30 million CERs will be given by 2012.

INCINERATOR EMISSIONS

Incineration is a highly environment unfriendly method for its emissions are extremely harmful. These include heavy metals including lead, arsenic, cadmium, chromium, beryllium, Mercury, Dioxins, furans and PCBs, New pollutants (brominated flame retardants) and Nanoparticles. Moreover, Incinerator Ash is worst in terms of its impact on land in the long term.

SOME CONTROVERSIAL WASTE MANAGEMENT PLANTS IN INDIA

TIMRAPUR OKHLA WTE

Timrapur Okhla WTE was set up amidst staunch opposition from the residents and ragpickers, while the Union minister had also requested the government to reconsider the location of the plant. The plant is a biomethanation unit for treatment segregated vegetable market waste and solid waste and the technology used is highly questionable on environmental grounds. Moreover, only 2 people attended the public hearing, one from municipal corporation, Delhi and the other was DPCC. GIGA filed a complaint

to MOEF for EIA, which was not considered. The company still has the environment clearance. The Timrapur Okhla WTE paved way for two more incinerators in Delhi.

KEY ISSUES OF LFG SYSTEM

- Consume vast quantities of resources and therefore is a waste-of-energy
- Undermine sustainable alternatives like recycling and composting
- Exaggerated methane recovery, no energy efficiency
- Perverse incentives to methane production
- Landfills gas capture systems do not work as expected. Water pumped in is increased for higher methane production. Most of the methane goes into air through leaks and holes etc. There is constant loss of the gas into the atmosphere. The best system also retains only up to 75% of the gas, whilst the typical average units retain only up to 25% of the gas.

GORAI CAPPING PROJECT

The 19.6 hectare Gorai dump stopped accepting garbage on Jan 1, 2008, that's 30 years after it was designated a landfill site. By then, it had accumulated an estimated 2.7 million tonnes of trash.

When the Gorai Capping Project was capped, it displaced 300 waste pickers and is leaving behind what can be called a Toxic legacy! Most of the waste pickers are migrants due to displacement and are poorest of the poor. The project was expedited because of CDM benefit. CDM played a big role in Gorai project. 300 waste pickers were displaced from Mumbai Gorai dumping ground. In Poona, 200 waste pickers were closed when the dumping ground was closed. Same happened when a biotech project was put up. Displacement of pickers is bound to happen when the dumping ground is closed. There are 1.5 million waste pickers in India.

The Brihanmumbai Municipal Corporation became the country's first civic body to earn carbon credit. The BMC earned these carbon credits by capping its Gorai dumping ground, that had reached its capacity, and then putting in place a mechanism to continually collect methane being released inside the dump and burn it before it escaped into the environment. The Gorai dump is currently 'flaring' 300 to 400 cubic metre of methane gas, one of the most dangerous of the green-house gases, every hour.

Landfill Capping is the most common form of remediation because it is normally. Considered least cost options compared to other technologies. But in case of the Gorai plant the emphasis is not on remediation, it also has business as the prime concern like other waste management projects today. Gorai is promoted as a success story. These are flagship projects that are taken as benchmark to promote them in other areas as "green technology".

OTHER CDM-BACKED WASTE PROJECTS

- Mixed waste processing for compost and RDF
- Mixed waste stream (plastics, paper, glass, metals, cardboard, organics) are processed to extract compost and RDF.
- Burning agriculture waste for fuel
 - Coconut shells, rice husks,
 - sugarcane leftovers, palm oil remains
- Produce of unsustainable large-scale, intensive, monoculture plantations
- Burning biomass for fuel
- Waste" from forestry operations (sawdust, sawmill chips, etc)

WASTE CATEGORIES FOR WHICH CO-INCINERATION IS PERMITTED

- Hazardous
 - Paint Sludge from automobile sector
 - Refinery Sludge
 - TDI Tar Waste
 - ETP Sludge from pesticide and pharma
- Other waste Plastic waste
 - Tyres
 - **RDF** from Municipal waste

CDM AND CEMENT

Methodologies supporting Cement Kilns

- AMC 0003: Partial Substitution of fossil fuels.
- AMC0005: Feedstock replacement, use of fly ash/slag to replace clinker
- AMC0015: Feedstock replacement with low carbonates
- AM0024: Waste heat recovery

ISSUES AND CONCERNS

- No regular monitoring mechanism in place by regulatory authorities.
- No heavy metal monitoring.
- Clearance granted based on trial runs.
- GIZ is playing a major role in facilitating co-incineration without considering ground realities in countries like India.

- The cement industry is insisting on outlining the emission parameters and monitoring protocols with little state intervention.
- Indian Railways to be roped in for transportation of Hazardous Waste to cement plants. This is proposed considering cost effectiveness of this method.

ISSUES

- No scrutiny mechanism for DNA.
- CDM violates other UN treaties
- Green tagging toxic technologies
- No set standards for incinerator emissions in India and rampant deviations in implementation from the approved proposal.

CHALLENGES

- Market based limitations
- Complex process designed to keep communities out.
- Limitations of local monitoring authorities
- Communities engagement limitations

WIKI-LEAKS

The cable notes that these companies "conceded that no Indian project could meet the 'additionality in investment criteria' to be eligible for carbon credits."

- National CDM Authority "takes the 'project developer at his word' for clearing the 'additionality' barriers." --- R K Sethi, Member Secretary of the National CDM Authority.
- "project developers prepare two balance sheets to secure funding: one showing the viability
 of the project without the CDM benefit (which is what the bank looks at) and another
 demonstrating the non-viability of the project without the CDM benefit. No bank would
 finance a project which is viable only with carbon revenues because of the uncertainty of
 the registration process, unclear guidelines on qualifying CDM projects and because carbon
 revenue is only a by-product revenue stream of the main operations of the company." --Somak Ghosh, Yes Bank

COMMENTS OF MODERATOR: Mr. Bikash Rath, moderator of the session, began with his comments on importance of long term impact over immediate output of any CDM project. He said, the companies are saying that they will capture this much of methane or this much of carbon dioxide and that this will be the immediate output. But when it comes to the process, it is very much

questionable because at what cost (ecological/socio-economic) ultimately is the immediate output achieved, and what is going to be the long term impact of this? Mr. Rath was referring to, as an example, the CDM project that treats urban waste by burning the same in the incinerator, but dumps the end product thereof, i.e. the toxic ash, through subsurface disposals which can become potential sources of contaminating the soil and water. In this connection he shared that he had a research and development work on non timber forest products as well as agricultural products few years ago, during his tenure with Vasundhara; and the research study revealed that several non timber and agricultural products which hardly have any market value and are produced in huge amounts, like the coconut coir, can be very useful in removing several toxic elements in water at a low cost. He wanted to convey that the process has to be very eco-friendly, community-friendly, and cost effective; and in the terms of long term impact it needs to be safe. Otherwise if we approve a CDM project simply based on immediate output and claim that we are making the environment safe, it will be very dangerous.

Regarding the presentations of Mr. Ranjan Panda and Mr. Debjeet Sarangi on J.K. Paper Mills, he said that bamboo has been used in India for paper for over hundred years. Till 1980's they maintained the ratio of 80% bamboo and 20% timber. But the whole technology has been reversed and the reasons are attributed to difficulty in procurement of bamboo and bamboo not being cost effective. It is important to understand that bamboo has to be used in 3-4 years of its production because after that it becomes useless (except as a fuel), unlike a tree. There is massive production of bamboo in the forest and it continues to regenerate. The massive production has to be used in some good way. Using in paper mills is a good option but the way the companies are blackmailing government and using the whole facility is highly controversial and guestionable. But the companies argue that the government is charging very high rates for bamboo and that they do not want so many legal complexities as well. One more thing that the companies say is that the policy of the Government of India does not allow captive plantation for Paper Mills and it is for this reason that they have to depend on farmers and local people to produce pulpwood for paper industry in the private lands. Mr. Rath said that recently RCDC was offered a 'very good project' in terms of money and it was from an international agency that wanted to support the so called farm forestry and agro-forestry as per the requirement of a particular paper mill. But when they (RCDC) studied the details (agreement papers) they understood that it was a kind of veiled project purely in the interest of the paper mill hardly having anything to do with the local needs and the ecosystem. RCDC therefore rejected the offer. But the corporate sector hardly bothers about such concerns, has strong lobbies with the government, and hence continues to do more or less whatever they want.

Mr. Bikash Rath further added that the afforestation and forestry projects (A/R CDM) are supposed to account for only 0.56% of the total Indian forestry projects, as per a 2011 statistics. In the name of forestry only monoculture plantations (chiefly of Eucalyptus) are promoted under such A/R CDM projects. Another paper mill has promoted Eucalyptus plantation under its own CSR project

through a local NGO. It is ironical that the NGO helps them in developing Eucalyptus plantation on farmer's land for their (paper mill's) own use (that too under a CSR project). The farmer's land in the concerned case is a kind of upland lacking facilities like irrigation, and the paper mills take advantage of this; instead of developing good irrigation facilities or instead of providing other viable alternatives for food security (like growing millets) they just use it for growing Eucalyptus for their own use.

There are four immediate actors involved in the CDM project dynamics- the claimant company, the funding agency, the CDM Company or technical facilitator and the farmer. In the case where a paper mill promoted Eucalyptus under its CSR project, the farmers seemed only to have the passbooks showing of the amount of loan, and were unaware of the ultimate agenda of the company. It shows how non-transparent is the process.

He shared an important portion of the agreement made between the farmer, the CDM Company and another paper mill (JK Paper Mills), which reads as under:

"The Farmer hereby authorizes the CDM Company and the Industry to facilitate Carbon Revenue for the Carbon Sequestered on his plantation by alienating irrevocably his rights on Carbon to CDM Company".

These are some of the very objectionable facts (like the term 'alienating irrevocably') and the farmer does not know its implications. This shows in what way the whole thing is carried out, which is very dangerous. Mr. Bikash Rath then invited questions from the audience.

OPEN DISCUSSION

Mr. Pathak: I agree to your complaints about industry, but what the NGOs are doing? Why they are not activating themselves? Yesterday also there were questions from the participants regarding this.

Tusharbhai: I am actively involved in the movement in Rajkot and I want to add to the observations you (Mr. Dharmesh) have made about the issues. You could add more observations on the selection of dumping sites. In Rojkot we found that the dumping site was on a kind of hill, which makes percolation of water very fast. So you should mention the issues related to selection of dumping site. You have raised the issue of rag pickers but from social angle you need to add issues of people who are living around such dumping sites. In Rajkot there is a movement of 6 affected villages that live around a dumping site. The site has been rejected because of the movement of the villagers and not rag pickers.

Mamata Das: Industries are the manifestations but we need to be very clear and aware that the state has paved the way for industries. State has an agenda of commodifying the resources. The other thing mentioned about rag pickers, around the Gorai Project area. One of the things that the CDM project's PDD says is about the economic well being. If you look at incineration sites across the country, across the globe it is rendering them completely workless and thus aimless. They have no other alternatives because the society is already looking at them in a very different way and it is difficult for them to get other kinds of work. The third thing that Mr. Bikash mentioned and I was looking forward to some discussion on it is the role of NGOs. In the environment sector, especially in Odisha, they are facilitating the process of commodification of resources. If we criticize paper mills industry for mobilizing people to do unethical and unrealistic stuff, we also have NGOs who pave the way for REDD+ projects. So we need to be very specific about the role of NGOs in the name of reaching out to people and reaching out to justice and question the growth and development, I have nothing against them and have spent a large part of my life working with grass root NGOs but there is a need to look at the kind of role in the current time, especially in the natural resource rich areas in the country.

Mr. Debjeet Sarangi: Situation is that even if farmers want to get out of this debt they need to put extra amount of money and effort to get them uplifted. Who will be accountable for that? Should we at all and in the first place watch CDM or should we watch something else. It is yet another game plan, already land is up for grab, water is up for grab, forest is up for grab, the whole agriculture is up for grab and as Mr. Dharmesh's presentation said livelihood of rag pickers is under threat. Are we not deflecting our energy from much more life threatening issues? To me it is more convincing to think if we should invest our time and energy to watch CDM or to something else.

Mr. Ranjan Panda: NGO divide is very interesting and we should have had a session on that. I go back with Mamata. Mr. Bikash said that they came to know at the last moment. NGOs should do a minimum web search with funding agencies with who they are going for any work. Now-a-days we can use technology to know what their (Company's) corporate interests are. In Odisha, there are NGOs working against CDM but within the same NGO they are promoting REDD+ on the same principle. So there is a reality check required. There were questions from senior delegates that why people are not strengthened, why NGOs are not hearing. We have enough examples - POSCO, Vedanta, Kalinganagar. We know how much people can stand against the investment crazy government. People are killed. 13 people have been killed by the government and corporate, but they are still fighting with all their might against these mighty corporate that our prime minister, home minister have become agents of. I think we should still have good hopes.

Mr. Bikash Rath : Most of the NGOs are not working on CDM issues, which is partly because there is hardly any proper awareness among them. In India awareness on CDM projects is still lacking and

we need to develop a lot of awareness on CDM related issues. Secondly, regarding the REDD+ project, RCDC itself is taking up one REDD+ project on an experimental basis. I have clarified on that in my editorial in the latest issue of our journal Community Forestry, but we have a clear stand on that and we can elaborate further on that issue..



6.8 CASE STUDY OVERVIEW ON HYDRO PROJECTS IN INDIA

Jiten Yamnam

Mr. Jiten Yamnam gave an overview of the different CDM certified dam projects across the country and the socio economic repercussions of those projects. In his analysis of those projects he challenged the projection of hydropower projects in India by public and private corporate bodies as generating clean energy and established that the aim was only to seek carbon credits and not emission reduction, clean energy or sustainable development. It was revealed in his presentation that there was in fact a huge environ-socio-eco cost being incurred because of such projects.

PROJECTS DISCUSSED⁶

National HYDROELECTRIC Power Corporation (NHPC), Satluj Jal Vidyut Nigam Limited, Athena Power Private Limited, Lanco Energy Private Limited, Teesta Urja Limited Delhi etc.

Some Facts and Figures

- 188 dam projects in various parts of India have applied for CDM status as on June 29, 2011.
- More than half of these are in the Himalayas
- The tiny state of Himachal Pradesh to the North of India alone hosts 57 projects.
- Dams in India's North East are also aggressively projected as clean source of energy



AN OVERVIEW OF IMPACTS OF DIFFERENT DAMS

- IMPACTS OF TEESTA III HEP
- Violation of Free Prior and Informed Consent: The project proponents and the government aggressively pursued the dam construction despite strong resistance and without the consent of all affected communities.

⁶ Refer Annexure 2 - Selected CDM Dam projects in India's North East

- Violation of MoEF's own norms: The environmental clearance granted to the project in August 2006 for Teesta III is in violation of the MoEF's own stipulation while clearing the Teesta Stage V HEP in May 1999, which stated that: "No other project in Sikkim will be considered for environmental clearance till the carrying capacity (CC) study is completed."
- Impact of Blasting and tunnelling: The massive blasting of hills for tunnelling work involved in the construction of project at Chungtang village has already led to drying up of water sources and subsequent impacts on Theng and other Villages.
- Seismic Impacts undermined: As per the Seismic Zonation map of India, Sikkim, alongside with other states of India's North East is located in Seismic Zone IV, one of the most seismically vulnerable regions BIS, 2002.

FALSE CLAIMS OF TEESTA VI HEP FOR CARBON CREDITS

- The TEESTA VI is a HEP project with clear evidence of not being 'additional'.
- The Detailed Project Report submitted by the Project Proponent to the Central Electricity Authority in March 2006 has no mention of CDM credits while establishing economic viability of the project.
- Similarly the Clearance accorded by the Central Electricity Authority of Govt of India has no mention of CDM credits
- The Power Purchase Agreement (PPA) signed by the Project Proponent with the Maharashtra State Electricity Distribution Company in August 2006 has no mention of CDM credits etc
- The PPA was approved by the Maharashtra Electricity Regulatory Commission on June 26, 2007. The Project Implementation Agreement was signed on Dec 7, 2005.
- All the claims for CDM forwarded by the project proponent are thus prepared at a much later stage to claim profits.
- Questions also arose to the veracity and accountability of the DNA at national level and the role of DOEs

RANGIT IV HEP: CLEAR CUT CASE OF ENVIRONMENTAL IMPACTS

- The Rangit Stage IV HEP wrought environmental havoc and contributes with other mega dams in Sikkim to kill the life of Rangit River
- In violation of sustainable development criteria of CDM, on 25 February 2011, the Coastal Project Private Limited, contracted by Jal Power Development Corporation and engaged in boring tunnels has been show-caused by the

Department of Forests and the West District Administration of Sikkim for "illegally dumping untreated waste" from the tunnels into the Rangit river.

- The West District Collector ordering that the work be shut down for three days after the visit on 25 February 2011.
- Villagers complained that the marine life at Rothak has seen a drastic decline over recent years

Impacts of Loktak Project

- The construction of the Ithai Dam has brought a reverse picture in economic status of Manipur from a self sufficient to borrowers position with a large number of agricultural land submerged under water.
- It is estimated that about 83,450 hectares of agricultural lands of both sides of Ithai Dam have been affected. Out of this total area, about 20,000 hectares were used for double cropping purposes.
- Loss of indigenous Flora and Fauna: Several indigenous fishes have disappeared from Loktak Lake such as the Ngaton, Khabak, Pengba, Tharaak, Ngaaraa, Ngaatin, etc due to Ithai Dam. It has been observed that these fishes migrated from the Chindwin-Irrawady river system of Burma to the course of Imphal/Manipur River for breeding in the adjoining lakes and streams of Manipur valley.
- Increasing Floods: The Ithai Barrage has been responsible for series of floods in Manipur as the NHPC in several occasions; refuse to open the sluice gates of Ithai Barrage, leading to widespread submergence of agricultural areas.
- The Government of Manipur, passed the Manipur Loktak Lake Protection Act, 2006 and burnt down floating huts of fishermen displaced by Loktak HEP based on the eviction notification of Loktak Development Authority on 11 November 2011
- The arsoning process carried out by personnel of the Loktak Development Authority (LDA) and the Manipur Police forces based on the LDA eviction notification issued on 11 November 2011
- Nearly one thousand floating huts have already been burnt displacing nearly 2000 family members living in these floating huts.
- The Manipur Loktak Lake (Protection) Act, 2006, in particular Article 19 and 20 of the Act, which divides the 236.21 sq km Loktak Lake into two zones - a core zone comprising 70.30 sq km, which is a 'no development zone', or 'totally protected zone', and a buffer zone of other areas of the lake excluding the core zone

• 1750 MW Lower DEMWE HEP IMPACTS

- Loss of Land and Forest: More than 43,000 trees will be felled for the Lower Demwe project; the submergence area would be no less than 1,131.09 hectares, including 969.44 hectares of forestland. The project proposed diversion of 1,415.92 hectares of forestland for the construction of the project and planned to fell over 1.24 Lakh trees.
- Blasting impacts: The dam building process would involve heavy excavation, tunnelling and blasting over 100 Lakh cubic meters of rock and debris very close to Parasuram Kund.
- Displacement: The project will also involve eviction of people from the Riverine islands of Lohit River and also from the settlements along the Dibru Saikhowa National Park.
- Impact on Wildlife Sanctuaries: Three National Parks, Dibru-Saikhowa national park, Kamlang National Park and Kaziranga National Park in Assam will be affected directly

MYNTDU LESHKA HEP FALSE CLAIM FOR CARBON CREDITS

- The construction of the project was started during May 2004 and granted environmental clearance by the MoEF on September 26, 2001 after a public hearing held by the Meghalaya Pollution Control Board in March 1999.
- Necessary site clearance from MoEF to take up the pre construction works of the Project granted in August 1999.
- It is clear that all these processes were finalized much before February 2005 when the UNFCCC got legal status and CDM came into existence, indicating the project violated the additional criteria to become a CDM project.

• RAMPUR HEP IMPACTS

- Local communities have expressed environmental and social concerns about the project for years and have reported increased dust problems, higher prevalence of asthma, lower harvests and weakened farm animals.
- The tunnel which SJVN is building diverts underground water away from village sources and there is no Catchment Area Treatment Plan

ACTIONS FROM CIVIL SOCIETY

Although all the dams have been constructed in spite of opposition from the local community and the community in most cases has demonstrated the opposition in

some way or the other, following are some of the examples of community action wherein it lead to certain results:

ALLAIN DUHANGAN HYDROPOWER PROJECT

- The 192 megawatt Allain Duhangan hydropower project is being built across two tributaries of the Beas River in the mountain state of Himachal Pradesh.
- On October 12, 2004, the World Bank's executive board approved a \$45 million loan from their private sector arm, the International Finance Corporation (IFC) to finance Allan Duhangan HEP despite the launching of an investigation into the project by the IFC's ombudsman.
- The affected villagers complaint to IFC's Compliance Advisory Ombudsman (CAO) charged that the project's environmental assessment was flawed and people consent has not been taken.
- Affected people have long called for scrapping of the project as the project will affect their livelihood and serious shortage of water.

• 22 MW BHILANGANA DAM, UTTARAKHAND

- The SPEL (Swasti Power Engineering Ltd) got the the CDM approval in early 2007 to develop a 22.5-MW Bhilangana HEP on the Bhilangana River in Uttarakhand, which is also a major tributary of the sacred River Bhagirathi.
- The company stands to make enormous profits as the project is registered to generate a large sum of carbon credits—624 ooo CERs within 2012 and 1 093 000 CERs within 2020, meaning, in monetary terms, anything between 8 to 15 million euros!
- ACRES International, a US company, is part-owner of the SPEL and was convicted for corruption charges in 2002 and black-listed by the World Bank.
- In March 2005, 120 villagers of Sarona Village were arrested and put in jail for four days; 79 more, including women, were arrested in July 2005. In November 2006, at least 29 people were arrested and forced to sign a document that they would stop their resistance
- THE 600 MW LOHARINAG PALA HEP, UTTARAKHAND
- The 600 MW Loharinag Pala HEP Project is undertaken by the National Thermal Power Corporation (NTPC) Ltd over Bhagirathi River, about 100 Km upstream of Tehri Dam.

- The main project construction contracts were awarded and construction started in 2006
- However, work was stopped in 2009 after Professor GD Aggrawal, came close to dying on 38th day of his fast in protest of the blocking of the headwaters of the Bhagirathi River, considered as sacred to Hindus.
- The project was officially scrapped in 2010.

6.9. CASE STUDY ON CDM COMMUNITY PROJECT Bharat Patel

Bharat Patel is an activist and represented Machimar Adhikar Sangharsh Samiti. He has been working for the citizenry and livelihood rights of the fisher-folk community along the 8 coasts of Mundra in Kutch district where Adani has developed SEZ. The CDM power projects here have caused immense damage to the biodiversity directly affecting the livelihood of the fisher folk community. He talked about issues of the community and their struggle in establishing their right over the land where they have been fishing for 200 years. Environmental laws and CRZ Acts were blatantly violated and the projects were developed on the fishing zones in spite of strong opposition from the local community and CBOs promoted by civil society organisation.

Adani Power project in Mundra block of kutch district in Gujarat is one of the most well known projects in the country. The project was started in spite of a lot of opposition from local community and CSOs. The environmental clearance for the project came in 2009, but the project began much earlier than that.

SOME FACTS

- Almost entire stretch of coast is used for Port/SEZ
- Industries are along the National Highway
- It has nearly 25,000 MW coal based power plants. Almost the entire stretch of the coast has been used for port/SEZ where



following top 3 type of Industries have been developed:

- Multipurpose Port / SEZ
- Power Plants (5)
- Metallurgical Industries (9)
- Total Investment : 1,41,909 Cr
- No. of Industries : 44
- Employment Generated : 50915

DESTRUCTION OF BIODIVERSITY

The project is built on reserve forest area. The project has caused immense loss to biodiversity and ecology, most of it irreversible. Following are some of the ways in which biodiversity has been destroyed:

- The rich cover of mangroves has been completely destroyed, which has again affected the production of fish and disturbed the ecological balance for the years to come.
- Adani Port has pushed high tide line by 10 Km and Creek has changed as a result. In 2010 the SEZ covered 5 km area towards the sea.
- Salinity of water has increased that has lead to destruction of *Chikoo* (Sapodilla) farms. These farms were selling 8 trucks of *Chikoos* (Sapodillas) per day.
- Last year 600 mega watt power plant has been set up on the sea shore, the area where fishes reproduce.
- Lobster production has gone down because of the power plant. Fish production in that area has almost finished
- Fishing on foot without using boat or streamer, has been destroyed.

LARGE SCALE MIGRATION CAUSED DUE TO THE PROJECT

- A large number of fisher folk populations from 8 villages along the coastline have migrated as they have lost their livelihood. The catch was reduced substantially and sustenance of their livelihood there was not possible.
- Power plant at the cost of 1crore 90 lacs was installed, which Moreover cost of transport for the fishermen increased.

MASSIVE VIOLATIONS BY THE ADANI POWER CDM ACREDITED PROJECT

- The project was commenced without taking CRZ clearance, which was taken much later, when it was granted on the basis of conditions fulfilled "on papers".
- Last year 600 mega watt power plant has been set up on sea shore, the area where fishes reproduce.
- While the PDD says that mangroves will not be harmed, entire rich cover of mangroves has been wiped out.

COMMENT OF MODERATOR

Ministry of Environment and Forest, the DNA, integrated the Coastal Zone Management plan through SICOM. After this, master plan will be prepared. Mangroves are natural barriers and land formers, which are being destroyed by tampering with natural cycle. Reduction in Lobster production could be because of changes in water temperatures.



7. VOICES OF CIVIL SOCIETY

7.1. DISCUSSION WITH CHAIRMAN OF GPCB

Chairman of the Gujarat Pollution Board, Dr. K.U. Mistry joined the participants on the third day of the workshop. Participants from different CSOs shared their experiences and concerns regarding the CDM projects, role of GPCB in Gujarat, and also asked a number of questions to Mr. K.U. Mistry. He responded to the queries raised by the CSO representatives and also invited them to meetings at Pollution Control Board for a better

coordination in future.

Following are some of the excerpts of the discussion:

Participant: Public has not been benefitted by CDM projects in India. What mechanism do we have in India to address this issue?

Dr. K.U.Mistry: Write about the CDM projects that have not benefitted the local community and submit the list to Ministry



of Environment and Forest. Also state why do you think the project has not benefitted local community and if you can cite some evidence and give your suggestions.

Participant: Has government/Ministry/DNA not felt that the benefits of CDM projects are not going to the community? What mechanism is in place to address grievances from community? Mr. Bikas Rath: Should the DNA be one of the agencies to give permissions to projects because it is also the agency that gives all kinds of clearances? Is there not an inherent conflict of interest if the DNA (MOEF) also gives clearances and at the same time recommends a project as sustainable?

Ms. Mamata Das: As you have said that industries will bring employment, do you have any data to corroborate livelihood of how many people is put at stake to give employment to one person by the industry? In Orrissa and Andhra we have learned from our studies that a thousand people's livelihood is destroyed to produce livelihood for one person, which also is not of his/her region. Is there any mechanism in Gujarat to ensure a balance between those who lose and those who gain employment?

Ms. Mamta Das (Comment): Corruption is rampant and violations are done openly, when people raise their voice against the violations and corruption and NGOs support them, why is it not acceptable to government? It is the common citizens who are raising voice not NGOs. NGOs only support them. Then why is government hostile to NGOs?

Dr. K.U.Mistry: We are not against NGOs. Just as there are elected representatives in parliament NGOs are representatives of people. Opposition is always there. Gujarat Government is functioning well. Governments who do not do their work well face a number of cases. But I can speak for the government of Gujarat that it is doing very good work. Government does what it can within the legal framework. If we discuss particular projects we can say something. It is difficult to say something on general statements.

Ms. Falguni Joshi: Does Gujarat Pollution Control Board have a role in the monitoring of CDM projects and the data being provided to UNFCCC?

Dr. K.U.Mistry: We do not work keeping their (UNFCCC's) objective in mind, but to reduce total air and water pollution in the state we are enhancing and streamlining the online monitoring system. Earlier in our CEPTS 1700 to 1800 COT extracts were reported that has reduced by 20 to 30%. Air pollution extracts have reduced by 50% and in other industry based emissions, pollution has reduced by 70% and overflowing of chemical waste has stopped. Ankleshwar had industrial overflows and therefore we got test done and the report of CHRMC said that there was no danger to marine life. However 50 questions can be raised against it. It is a problem of perspective. Some people would always see that half the glass in empty rather than seeing that half is full. People often say you brought 1700 CUG from 250 but not 50.

Participant: It is definite that marine culture has been affected. Pollution control board is allowing diesel mechanized boats that's how they are rinning.

Dr. K.U.Mistry: Government has an industrial development policy. In India industry contributes to around 20% to the GDP, while in other countries it is 30 t 50%. For development industries are needed, checks and balances should be there. CPCP, SPCP work to ensure minimum pollution. We encouraged CNG in Gujarat and those industries on coal started working on gas. But as prices of

gas are rising, we are forced to have those industries run on coal again, which is again going to increase air pollution. So Gujarat has done better than even Delhi in controlling air pollution and affluent.

Mr. Chelladurai Sam: How often the EIA is done by GPCB with the knowledge of local people. If it is not done, it would be nice that people join you (in EIA) as that will help the government function better.

Dr. K.U Mistry: Government has taken a number of steps. Deposits up to 56 lacs has been confiscated by government (of industries), an amount so high for fine that even court cannot levy such high fine. Moreover, Materials have also been retained by government as punishment. Examples of giving punishment (for violations) of three to four months can be found only in Gujarat.

We are now putting all the information on the online monitoring system.

Responding to the question on being understaffed, we had demanded 365 environmental engineers and were provided only 65 engineers. But only 27 remained present and joined the work of which 3-4 left.

Mr. Bharat Patel (Comment): Gujarat government is only projecting pollution control on paper. Nothing has happened on ground.

Mr. Babu Chauhan (Comment): I want to give an example of how active and accountable GPCP is in Gujarat. A year ago a murder happened and Times of India covered it on third day. The report said that Amit Jethva has been shot point blank, but the bullet has been shot in the heart of

pollution control board. He had filed petitions against the inaction of GPCB. After every public hearing there has been a murder. There have been nine such murders in the case of Ambuja and GFCL so far. The question has been raised because people have to lose lives because GPCB is not doing its work properly.

Mr. Mahesh Pandya: GPCB is an important stakeholder in the CDM process. But unfortunately



there is no transparency in the CDM process. Why does chairman of GPCB not ask the DNA that it should invite GPCB to the public consultations of the CDM projects so that it can give complete picture of pollution generated by the particular industry in consideration?

Mr. M.S.H Sheikh (Comment): The staff of pollution control board is limited. They make one visit of 20 minutes in three months on the ground and get an idea of the situation. We are in the field. At least 330 days a year we personally visit the sites and monitor the pollution, thereby give you the real picture. If CPTP of 50 mnd is bypassed in a day, it is not difficult to get CETPS of 1500-1700. But the fisherman whose foot burns due to acidic water, when comes and tells us, it is his pain that we want to tell you about and voice their issues. It is not that NGOs protest for the sake of it. 500 projects have come to Gujarat, we have objection to only five of them. In rest of the places there is no catch left anymore and no one goes there for fishing now, so there is no question of raising objections for those areas.





7.2. DISCUSSION WITH CHAIRMAN OF MOEF

Mr. Prodipto Ghosh, former Chairman of Ministry of Environment and Forest (Government of India) and current member of CDM Policy Dialogue, joined participants over skype. He also invited the participants to participate in the upcoming meeting of Adhoc working group of UNFCCC at United Nations Conference Centre (UNCC) of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) in August 2012.

EXCERPTS OF THE DISCUSSION WITH MR. PRODIPTO GHOSH

Following are excerpts of the discussions with him:

Mr. Mahesh Pandya: there is lack of transparency in the public notice of public consultation, which makes the whole CDM process non transparent.

Vimalbhai: Citizens do not know what CDM is, which is indicative of lack of awareness. The problem is not only of damage to environment, but it relates to violation of human rights. How can people's rights over natural resources be protected within the CDM frame work? Can you assure of good public hearing before every CDM project? In principle, CDM project assures of development of community. But even in case of projects that are based on technologies considered to be 'good', the projects have failed to fulfill the promise of development. For e.g. Windmill projects have led to enormous environment and socio-economic costs, whilst the there is no electricity in the affected villages. Given this scenario, can you ensure benefits of the CDM projects go to the affected communities?

Dr. Leena Gupta: If a community has reduced pollution and increased the no of trees, does it qualify to get carbon credit?

Mr. Prodipto Ghosh: Yes it can be done, but the process has to be followed.

Participant: If due to an industrial project forests and agriculture are destroyed, is it justified to give carbon credit to such a project?

Mr. Prodipto Ghosh: If such a case is there, document it properly and report to MOEF, stating clearly why do you think the project should not get carbon credit.



Dr. Leena Gupta: This has been documented and given to Mr. Jayram Ramesh, but no action has been taken.

Ms. Leena Gupta: Illegal activities are high in illegal projects. What can we do about it? For e.g. windmill installation needs huge land and water resources, which has given rise to a lot of illegal activities like land grabbing. What can be done about it?

Mr. Prodipto Ghosh: If you know of such cases, report to the MOEF, who is the responsible authority.

Mr. Mahesh Pandya: there is an international protocol and there is country level implementation. In India MOEF is involved from the initial stages of the project, still there are serious issues with CDM projects in India. Is there any grievance redressal mechanism in place to address the grievances?

Mr. Prodipto Ghosh: You can prepare a report and send it to MOEF. Specify in the report why do you think the project has not been able to benefit people. Justify your claims in the document.

Summing up the session Ms. Eva Filzmoser said that people do not get chance to participate in public consultation. As public consultation is a national rule, she appealed to make the rules for local and national level for stakeholder consultation more stringent.



7.3 SCREENING OF CARBON CON

Carbon con⁷, a short documentary made by CDM Watch on the socio-economic and environmental impacts of a CDM project in Madhya Pradesh was screened in the workshop.

The documentary can be accessed on You Tube at the following link:

http://www.youtube.com/watch?v=BGpiQg-K0ZA&feature=player_detailpage



7.4 EXPERIENCE WITH CDM PROJECT CAMPAIGNS Eva Flizmoser (CDM Watch)

In this session, Ms. Eva Flizmoser shared the experiences of CDM Watch in campaigning and advocating with UN for affirmative action regarding the loopholes in CDM. She discussed problems with coal and hydro projects and specifically discussed HFC-23, Project Campaign Barro Blanco (Hydro) and Project Campaign Aguan (Human Rights), wherein she discussed tools used, essentials for a project campaign and achievements in each of the project campaigns.

CAMPAIGN OBJECTIVES

The campaigns aimed at enhancing integrity in the CDM projects through twin objectives of preventing non additional projects from getting approval and ensuring that no harmful CDM projects are approved, in order to fulfill the goal of global emission reduction



⁷ Movie Synopsis: Exclusive film looks at allegations that a coal power project in central India, approved under the UN's Clean Development Mechanism, is destroying forests and livelihoods. It is meant to be supporting 'sustainable development' but the UN's flagship carbon trading scheme is failing, according to an investigation by the Ecologist Film Unit. On the eve of the Durban climate change talks, investigators travelled to Madhya Pradesh in central India to document the impact of a new coal power plant, and associated coal mines, approved by the UN's Clean Development Mechanism. Our investigation uncovered allegations the project is displacing poor communities and leading to the destruction of forest.

3 TYPES OF CAMPAIGNS, TARGETING

Three types of campaigns were conducted targeting three different arenas. Firstly specific type of projects like HFC-23, Coal, Large-Hydro projects was targeted. Secondly, specific projects that violated human rights were targeted and the third category was that of projects demonstrating clear need for policy level changes, like not having sufficient rules in place.

MAIN BODIES TARGETED

National Governments

decide UN rules and national sustainable development criteria

• Carbon Credit buyers & investors decide which projects they buy from

INITIATING ACTION FROM CIVIL SOCIETY

In order to initiate action against projects that are bad, it is important that the civil society and community is familiar with the process and aware of their rights. Whatever claims are made must be backed up by sufficient facts and figures to make a strong case. Strategy is equally important. It is important to decide who do you target for what.

Although often UN is blamed for anything going wrong, it was experienced that most of the times it was the host country's government who was guilty. Informed decision and action therefore is vital. It is important to discern who, UN or national government, should be targeted for different types of issues. This entails finding out the status of the project as well as asking the DNA to keep you informed about upcoming projects if they are not posted on the UNFCCC website⁸.

EXAMPLES OF CDM PROJECT CAMPAIGNS

CDM watch campaigned to prevent some of the coal, hydro and HFC-23 projects from getting approval. The main bone of contention for coal and hydro projects was that they were non additional and had devastating impact on natural resources, livelihood or violated human rights. Projects emitting HFC-23 were also targeted due to the high potential of the gas for global warming, which is 11,700 times higher than CO2.

Following such project campaigns were discussed

- Project Type Campaign: HFC-23
- Project Type Campaign: Coal
- Project Campaign Barro Blanco (Hydro)

⁸ <u>http://cdm.unfccc.int/Projects/Validation/DB/XO0VE62SS4GVAQ84CU03OSDX7KZR4G/view.html</u>

• Project Campaign Aguan (Human Rights)

CAMPAIGN TOOLS

Different tools were used for different campaigns

In case of power projects they wrote a number of letters to UN citing the non additionality of the projects as against the CDM rules.

Project wise Campaign Tools						
Coal Projects	Panama: Barro Blanco	Honduras: Aguan				
	Project	Biogas Project				
Additionality analysis and public comments to individual coal power projects during Global	Public comments	Case presented at internacional meetings				
Stakeholder Consultation Scientific studies on the flawed rules of coal power projects and non- additionality	Letters to CDM EB & Banks	Letters to CDM EB, UK government and buyers				
Press Releases and media campaigns	Complaints procedure	Open Letter signed by 100 CSOs to Honduran DNA				
Open Letters to EU Environment Ministers & COP President	Press work	Media work & fact finding mission				
Numerous letters and emails to CDM Executive Board Members & officials of national governments	Public pressure, public hearings & demonstrations					
	hearings & demonstrations					

ACHIEVEMENTS

A number of Coal and Hydro projects were rejected as a result of these advocacy efforts. In case of HFC-23 projects, European Commission proposed to ban carbon credits from industrial gas projects to be eligible in the EU (from 2013).

7.5. WORKING GROUP ON PROJECT CAMPAIGNS

Participants were divided into two working groups based on three different subject areas. These were – (a) Windmill projects (b) Waste management Each of the groups discussed issues, action points and recommendations. Outcomes of the discussions of working groups were as follows:

(a) WINDMILL PROJECTS

ISSUES

- There are huge violations of people's right on land and other resources
- Violation of human rights under these projects
- Costs involved are huge, while the affected community does not get benefit
- The nature of the projects demands a lot of land and water resources leading to irreversible damage to biodiversity

ACTIONS

- Traditional rights of people on land need to be established.
- All illegal projects and activities need to be identified and checked.
- Compensation for all the damage done so far to environment, resources and livelihood should be demanded.
- Certain areas should be declared as eco sensitive zones.

It was discussed that for many of the above actions, following documents will have to be obtained through application under right to Information Act:

- Pre feasibility report
- Prediction statement


- How and why was the land sold instead of giving it on lease
- Environment plan
- Constant campaigning at village, regional and national levels.

RECOMMENDATIONS

- It should be made mandatory to carry out socio economic assessment and EIA before land acquisition.
- Complete assessment of resources and their valuation must be done in all villages. This will enable the community to demand appropriate compensation in case of violations by a CDM project or if a project is likely to cause some socio-economic damages to communities.
- Resource mapping should be done to have complete knowledge and valuation of resources.

Members of the other group suggested that it will be worth approaching National Human Rights Commission for putting pressure on states for stringent rules from the stand point of violation of human rights a under various CDM projects.

(b) Waste Management

ISSUES

CDM is not working on ground. Reduction in emissions and sustainable development, both the prime promises are not met with. Actions and Recommendations:

- A memorandum/charter of demands should be submitted to DNA and UNFCCC
- A signature campaign to garner public support should be carried out. It will strengthen advocacy with national and international agencies.
- There should be more space for Public consultation in the entire CDM cycle. Provision for it should be increased in the CDM cycle making it mandatory to hold more public consultations for a single project rather than one at the stage of PDD.



7.6 FINALISATION OF WORKSHOP STATEMENT

After deliberations of over two and half days, participants finalized the workshop statement. The draft statement was circulated on the first day of the workshop for comments and suggestions of the participants. On third day the draft statement was finalized together with the participants in a transparent manner wherein they read and made changes to the statement together.

- The key areas identified for the workshop statement were as follows: Additionality
- Eligibility of project types
- Human rights
- Sustainable development
- Public participation in the CDM process
- Grievance mechanism

WORKSHOP STATEMENT

Civil Society Workshop on CDM and Carbon Markets, Ahmedabad India, 18-20 April 2012

Statement by Participants

From 18-20 April 2012, more than 80 representatives from Peoples' Movements, NGOs, academia, local authorities and concerned citizens gathered at a workshop in Ahmedabad to discuss the CDM which was agreed under the UNFCCC Kyoto Protocol. The participants submit this statement to draw attention to the several urgent and so far unaddressed concerns about the CDM.

We believe that CDM has to be put in the bigger context of the climate crisis. The economic and political issues of inequality, both within and between nations, grievously impact distribution and consumption and are at the core of the crisis of global warming. The crisis is also about a few usurping the rights and access of the vast majority of the disempowered over the commons – air, water, land, minerals and forests. Unsustainable economic development and inequitable growth based on an economy dependent on the use of fossil-fuels and extractive industries — which intensified in the last 60 years — have led to the sharp rise in carbon emissions, way beyond what the Earth can absorb. Yet, the necessary legally binding own action to cut emissions by the industrialized (Annex 1) countries of at least 50% by 2020 over 1990 levels has not yet been agreed. On the contrary, insufficient targets have been further weakened by offsetting these urgent ambitious emission cuts through the CDM.

On top of this, experience shared by workshop participants showed that the CDM in its current form has not achieved its dual objective of reducing emissions and contributing to sustainable development. Weak additionality rules have resulted in many business-as-usual projects being registered, adding to global emissions. When it comes to sustainable development, many participants

reported adverse social and environmental impacts of CDM projects in their neighbourhoods, such as loss of livelihoods, displacement of people, destruction of indigenous cultures, degradation of ecosystems and human rights violations. According to reports from participants, many projects are implemented in violation of existing national and international laws. In some cases, even renewable energy projects do not benefit the communities living around them, who still live without electricity. Often, the provisions for public participation rules under the CDM and thorough environmental impact assessments have been violated.

Participants concluded that any post-2012 mechanism must assess the broader context in which the CDM functions. The purpose of the CDM in keeping temperature rises below 2°C needs to be examined and alternatives to market based mechanisms agreed. It is important to reassess which CDM project types are fit to contribute to a low carbon economy and necessarily ensure that these does not become mere market tools to ensure profit for the rich at the cost of the poor. With more than 5,000 CDM projects in the pipeline that will be operational for many years to come, participants agreed that it was essential to reassess and improve public participation in the CDM, including during the operational phase of CDM projects, and to establish grievance mechanisms that can also result in deregistration of CDM projects.

In honor to Mahatma Gandhi, founder of the workshop venue Vidjapith, participants pointed out the need for life-style change in the developed world and to adhere to the Gandhian way of life to achieve reduction of greenhouse gas emissions and sustainable development.

Without prejudice to the participants call for non-market based alternatives, they called particularly on members of the CDM Policy Dialogue Panel to hold the CDM to account and address the identified issues at their upcoming report in September 2012 and at the subsequent COP-18 in Doha.

Following key issues were identified:

- Additionality
- Eligibility of project types
- Human rights
- Sustainable development
- Public participation in the CDM process
- Grievance mechanism

Additionality

Additionality is the proof that projects are only viable because they receive CDM support. The CDM's additionality rules have long been criticised as ineffective and merely a formality of the CDM process. The number of non-additional projects in the CDM has been estimated to be between 40-70%. Projects that are non-additional (would have been built anyway) undermine mitigation goals and the credibility of the CDM. It is vital that additionality rules successfully exclude free-riders. Despite experts and policy makers acknowledging that current CDM additionality testing is insufficient, the final CMP.7 decision text from Durban does not include a specific mandate to the

CDM Executive Board to prepare a new way to test additionality. Effective ways to revise current CDM rules on additionality are needed to strengthen the environmental integrity of the CDM and to help ensure that non-additional credits generated by CDM projects are eliminated.

Eligibility of project types

With the exception of excluding a few of project types (e.g. nuclear projects), the CDM has been designed to be a technology-neutral mechanism. This means that any type of technology is eligible under the CDM, including project types that use or promote the use of fossil fuels. Given the climate imperative and the mitigation gap we are facing, it makes little sense to support inherently 'climate dangerous' technologies and practices, even if those practices are deemed to be slightly more efficient than business-as-usual. We are no longer in a situation where we can afford to support small changes at the margin. One of the main challenges of the CDM is how it can contribute to a rapid shift to a low carbon economy.

Project types that lead to technological lock-in of very large amounts of emissions are inherently not additional and those that lead to loss of biodiversity need to be excluded, such as fossil fuel power plants, in particular coal power plants, large hydro projects and monoculture plantations. Specifically, procedures should be made simple and attainable for small community based GHG reduction projects.

Human Rights

In 2011 the CDM Executive Board registered two projects, despite evidence of human rights abuses in both cases. The CDM Executive Board says that it has no mandate to address the issue of human rights and that the responsibility for ensuring sustainable development lies with the host country. However, the United Nations Charter, which is applicable to the UN and includes all its bodies (and therefore also the CDM Executive Board explicitly states that the purpose of the United Nations is "To achieve international co-operation in solving international problems of an economic, social, cultural, or humanitarian character and in promoting and encouraging respect for human rights and for fundamental freedoms...". Article 55c states that "the United Nations shall promote universal respect for, and observance of, human rights and fundamental freedoms for all without distinction". Also the Cancun Agreements (Decision 1/CP.16 paragraph 8) specifically state that "Parties should in all climate change related actions fully respect human rights". The CDM Executive Board and implementing countries must ensure that CDM projects uphold human rights, including those prescribed under several International Declarations such as the UN Declaration on the Rights of Indigenous Peoples, and recommendations of other human rights bodies.

Sustainable development

The CDM has two principal objectives – achieving cost-effective emission reductions without leakage and achieving sustainable development in the host countries. Nonetheless, some CDM projects have caused social and environmental harm. Unlike other provisions under the CDM, the assessment of whether a CDM project contributes to sustainable development is the prerogative of the host country government and is not supervised by the CDM Executive Board.

There is substantial concern over the benefits of CDM projects as laid out in Article 12 of the Kyoto Protocol (to assist Parties not included in Annex I in achieving sustainable development). Therefore guidance is needed on indicators for the assessment of sustainable development benefits. An in-depth review of sustainable development indicators of Designated National Authorities needs to be conducted.

The letter of approval (LoA) must be accompanied by a publicly available final environmental impact assessment (EIA) report that complies with national EIA rules and a complete report of a public hearings under CDM and EIA processes documenting the stakeholder consultation and the minutes of the Board decision agreeing on the projects.

Designated National Authorities that define sustainable development co-benefit indicators as well as social and environmental safeguards for CDM projects

sustainable development co-benefit indicators and social and environmental safeguards in the PDD

Assess the feasibility of reporting and verification standards to monitor and verify claims made in the PDD or indicators to ensure realisation of the stated sustainability benefits of CDM projects.

Decomposition of CDM projects impact natural resources, such as water and minerals, local communities must be adequately compensated. Sustainable development criteria included in the PDD must be monitored using latest technology including high resolution satellite data.

country agencies that grant environmental clearance to the project.

Companied by a detailed note on how the project is contributing to the welfare of the local communities and ensuring that the project is in no adverse way affecting such communities.

The host country will put in place a participatory and transparent mechanism that will pre-verify whether the claims made in the PIN are true. Based on the pre-verification, the PIN will be either approved or rejected. In case, the project is approved, the developer will be asked to prepare a sustainable development activity list. The approval letter given by the host country and the CDM EB must stipulate that the project's non-compliance in this regard will lead to cancellation of the project.

Public participation in the CDM process

Although it is a key requirement in the CDM process cycle, the stakeholder consultation process has so far been only a mere formality. It is hardly ever properly implemented by project developers and validated by Designated Operational Entities (DOEs). It is common practice that communities impacted by CDM projects are not informed about CDM projects or given an accurate account of expected impacts. Moreover, civil society is not informed about the short 30-day public commenting period that is only announced online and is not translated into the local language.

Good governance is essential. This also includes the participation of civil society at CDM stakeholder meetings, including at meetings of the DNA forum. As more than 5,000 projects are currently in the pipeline and will be operational for many years to come, stakeholder involvement in the CDM must be improved by inter alia:

Modalities and procedures to establish means for stakeholder involvement during the implementation of a CDM project activity by introducing multiple possibilities for local stakeholder to raise concerns from design, construction throughout the life of the CDM project.

Documents for project developers to dismantle and decommission CDM projects after their lifetime is needed, such as in the case of wind mills.

and global levels incorporating, inter alia, provisions for:

o Guidelines for project developers on how to announce and conduct local stakeholder consultations

o Guidelines for Designated Operational Entities on how to validate local stakeholder consultations

o Improved automated notification systems for all public participation procedures that are time sensitive

Description of civil society representatives at all stakeholder meetings including at meetings of the DNA Forum.

isible.

allocation of CERs.

as India that ask project developers to use a percentage of the CER revenue for sustainable development contribution at the community level.

Grievance Mechanism

Finally, there is no opportunity for civil society to raise concerns while a project is operational. At the international level, CDM has been criticised for its inability to address the concerns of affected stakeholders when required procedures have not been properly followed or when applicable sustainable development criteria are not met. It is therefore essential that project-affected peoples and communities and civil society groups have the right to appeal decisions by the CDM Executive Board and more broadly the right to seek recourse when CDM project activities cause harm to communities and the environment at any point during the project cycle.

Robust grievance mechanisms both, at international as well as national and local level will ensure that those who may be negatively impacted by CDM project activities can raise their concerns and have them addressed in a timely manner. Such grievance mechanisms are proven tools in helping institutions minimize harm to communities and ecosystems by protecting existing rights, obligations and standards. By facilitating transparency and stakeholder participation, grievance mechanisms also help ensure that CDM policies and projects are legitimate and effective, and promote sustainable development. Further, any grievance mechanism, including the appeals procedure currently under negotiation, should address and remedy situations before disputes escalate or create conflict between stakeholders and project participants. If national laws are violated, the Designated National Authority (DNA) must be responsible to revoke letter of approval. Members of civil society must be entitled to report abuses of national law to the responsible local authorities. These local authorities must be responsible to report to the DNA. If there is reasonable doubt, such as a court order, that a CDM project violates laws, the CDM project must be suspended. Further, there must be a mechanism to deregister a CDM project and its CERs if it is found that the project is not meeting its objectives.

**** *** ****

STATE WISE CDM PROJECTS IN INDIA

CDM in India: Emission Reduction or Business Expansion!

TAMIL NADU

- Highest number of CDM projects (262)
- 85 registered projects, 29 issued 8567 kCERs.
- Highest number of wind projects (177), of which 49 are registered--with 5113k issued CERs

MAHARASTRA

- Around 45 % are wind projects (104 out of 231)
- Max. registered projects in the country (91 across sectors)
- 2246 kCERs (980kCERs wind, 360 kCERS hydro, 308 kCERs cement and 213 kCERs from biomass)

KARNATAKA

- 190 CDM projects, expects to generate 120748 kCERs by 2020.
- 80 registered projects , issued 11376 kCERs.
- 22 registered hydro projects, with 1120 issued kCERs.

GUJRAT

- Gujarat (185)–EE projects 51 and fossil-fuel switch projects 19.
- maximum CERs issued (41532 kCERs) expects to generate max. quantity of CERs by 2020 (270941kCERs).

• 2 HFC projects issued 38146 kCERs and are expected to yield 61952 kCERs by 2012. RAJASTHAN

- 142 CDM projects, issued 18792 kCERs from its 18 registered projects
- Total registered projects 40
- Single HFC project accounts for 17380 kCERs
- 60% of the CDM projects are wind energy projects; 8 projects issued a total of 466 kCERs









Annexure 2

SELECTED CDM DAM PROJECTS IN INDIA'S NORTH EAST

The 1200 MW Teesta III

- The Teesta III Run of the River Hydroelectric Project in North Sikkim district, Sikkim, India implemented by M/s Teesta Urja Limited (TUL), has been submitted for CDM clearance on 20 May 2008.
- The Teesta III HEP project will be 60 m height across Teesta River near Chungtang village.
- The PDD also outlined that the project will reduce total 4,333, 658 tonnes of CO2 per year over the crediting period of 10 years from 2011 till 2021.

Teesta VI HEP, Sikkim

- The Teesta VI HEP intends to generate 500 MW electric powers in Teesta River near Subin Khor village, Sikkim
- The Lanco Energy Private Limited is the project authority.
- The PDD of the project estimated that the project would generate 202, 60,270 Certified Emission Reductions during the crediting period of 10 years.

Rangit IV HEP Sikkim

- The 120 MW Rangit I Hydro Power Project is being developed under joint venture scheme between Jal Power Corporation Limited and Sikkim Power Development Corporation in Rangit River at Reshi in West Sikkim
- An agreement for setting up of Rangit IV HEP was signed with the Sikkim Government on 9th December, 2005 on Build, Own, Operate and Transfer basis with SPDC.
- Project proponent projects the project will reduce the Green House Gas emissions in the Northern Eastern Western and North Eastern grid mix.

105 MW Loktak HEP in Manipur

- The National Hydroelectric Power Corporation (NHPC) had called a Global Invitation for Identification of Prospective Consultant / Firms for Securing and Sale of VER for Renovation and Modernization (R&M) of Loktak Power Station on 3 September 2010.
- The Loktak HEP was commissioned in 1984 and the project affected communities are still not rehabilitated or resettled till date.

99 MW Chuzachen HEP, Sikkim

- Chuzachen Hydroelectric Project (99 MW) is a Run-of-river type project with a reservoirs formed on the Rangpo and Rongli streams, tributaries of Teesta river. The Gati Infrastructure Limited is the project proponent for the Chuzachen HEP project.
- At least 12 labourers lost their lives after a coffer dam of Chuzachen HEP project collapsed in Rongli subdivision of East Sikkim on April 16, 2009.

1750 MW Lower Demwe HEP Impacts

The Myntdu Leshka HEP, meghalaya

- The Myntdu Leshka HEP is a 84 MW HEP in Jaintia Hills district in Meghalaya and will be located at 100 m. downstream of Leshka, the tri-junction of Umshaking, Myntdu and Lamu rivers and close to Pdengshakap village.
- The Jaintia people are indigenous in project area.

97 MW Tashiding HEP, Sikkim

- The 92 MW Tashiding HEP Project will be implemented by Shiga Energy Pvt. Ltd. on Rathang Chu River, a tributary of Rangit River.
- The residents of Tashiding, Yangthang and the adjoining areas under the banner of "Save Sikkim Organization" (SSO) have been opposing the Shiga Tashiding Hydel project after a wide crack has appeared on the land surface above the under-construction tunnel of Tashiding project in Amblok village after the strong Earthquake that hit Sikkim on September 18, 2011.
- The SSO maintained there is illegal land acquisition as Government had acquired their land claiming the acquisition to be for the construction of road which actually is for tunnel.
- The Sikkim government has kept the Tashiding HEP under further investigation in a Cabinet Meeting on 25 January 2012 while scrapping the Ting Ting HEP and Lethang HEP.

412 MW Rampur HEP Project

- The 412 MW Rampur Hydroelectric Project located near Rampur in Himachal Pradesh has been approved for CDM EB to claim Carbon Credits and to trade for profits.
- The project is estimated to receive 15 million carbon credits from 2012 to 2022.

Allan Duhangan Dam

- The 192 megawatt Allain Duhangan hydropower project is being built across two tributaries of the Beas River in the mountain state of Himachal Pradesh.
- On October 12, 2004, the World Bank's executive board approved a \$45 million loan from their private sector arm, the International Finance Corporation (IFC) to finance Allan Duhangan HEP despite the launching of an investigation into the project by the IFC's ombudsman.
- The affected villagers complaint to IFC's Compliance Advisory Ombudsman (CAO) charged that the project's environmental assessment was flawed and people consent has not been taken.
- Affected peoples has long called for scrapping of the project as the project will affect their livelihood and serious shortage of water.

22 MW Bhilangana Dam, Uttarakhand

• The SPEL (Swasti Power Engineering Ltd) got the the CDM approval in early 2007 to develop a 22.5-MW Bhilangana HEP on the Bhilangana River in Uttarakhand, which is also a major tributary of the sacred River Bhagirathi.

- The company stands to make enormous profits as the project is registered to generate a large sum of carbon credits—624 ooo CERs within 2012 and 1 093 000 CERs within 2020, meaning, in monetary terms, anything between 8 to 15 million euros!
- ACRES International, a US company, is part-owner of the SPEL and was convicted for corruption charges in 2002 and black-listed by the World Bank.
- In March 2005, 120 villagers of Sarona Village were arrested and put in jail for four days; 79 more, including women, were arrested in July 2005. In November 2006, at least 29 people were arrested and forced to sign a document that they would stop their resistance

The 600 MW Loharinag Pala HEP, Uttarakhand

- The 600 MW Loharinag Pala HEP Project is undertaken by the National Thermal Power Corporation (NTPC) Ltd over Bhagirathi River, about 100 Km upstream of Tehri Dam.
- The main project construction contracts were awarded and construction started in 2006
- However, work was stopped in 2009 after Professor GD Aggrawal, came close to dying on 38th day of his fast in protest of the blocking of the headwaters of the Bhagirathi River, considered as sacred to Hindus.
- The project was officially scrapped in 2010

The 92 MW Tashiding HEP Project

- The 92 MW Tashiding HEP Project will be implemented by Shiga Energy Pvt. Ltd. on Rathang Chu River, a tributary of Rangit River.
- The residents of Tashiding, Yangthang and the adjoining areas under the banner of "Save Sikkim Organization" (SSO) have been opposing the Shiga Tashiding Hydel project after a wide crack has appeared on the land surface above the under-construction tunnel of Tashiding project in Amblok village after the strong Earthquake that hit Sikkim on September 18, 2011.
- The SSO maintained there is illegal land acquisition as Government had acquired their land claiming the acquisition to be for the construction of road which actually is for tunnel.
- The Sikkim government has kept the Tashiding HEP under further investigation in a Cabinet Meeting on 25 January 2012 while scrapping the Ting Ting HEP and Lethang HEP.

ANNEXURE 3

PROGRAMME SCHEDULE

Time Slot	Topic	Speaker							
Day 1 (Morr	Day 1 (Morning Session 9:00-13.00): CDM state of play (Moderator: Mahesh Pandya)								
09:00-09:30	Registration								
09:30- 09:45	Welcome and brief opening remarks	Ms. Eva Filzmoser, (CDM Watch) Mr. Mahesh Pandya, (Paryavaran Mitra)							
9:45-10:00	Key note Address	Dr. Sudarshan Iyengar (VC,Gujarat Vidyapith)							
10:00-10:30	The CDM – How it works	Ms. Falguni Joshi Gujarat Forum on CDM							
10:30-11:15	The CDM – Why it doesn't work	Ms. Mamata Dash							
11.15-11:30	Tea/Coffee Break								
11:30-13:00	Panel: State of play and political developments of CDM - India - Nepal - International Perspective	Mr. Chelladurai Sam Mr. Binod Prasad Shrestha, (<i>Winrock International, Nepal</i>) Ms. Eva Filzmoser, (<i>CDM Watch</i>)							
13:00-14:00	Lunch								
Day 1 (After Involvement	noon session 14:00-18.00) : t of local stakeholder : (Moderator: Dr. Rushike:	sh Mehta)							
14:00-14:45	Opportunities for engagement in CDM project cycle	Mr. Andrew Coiley, <i>CDM</i> Watch							
14:45-15:30	National and local requirements for stakeholder consultation and EIA	Mr. Mahesh Pandya Paryavaran Mitra							
15:30-16:00	Tea/Coffee Break								
16:00-16:45	Experience with local stakeholder consultation (JK Paper Ltd Forestry Project)	Mr. Debjeet Sarangi (Living Farms)							
16:45-17:30	Experience with local stakeholder consultation, (Nallakonda Windmill Project)Dr. Leena Gupta / Mr. Viren Lobo, SPWD								
17:30-19:30	30 Visit to Tribal Museum @ Gujarat Vidyapith Tribal museum is located inside the campus of Tribal research and training institute, Ahmedabad. It was established in 1962. This museum gives a detailed picture of the tribal life of the region. Tribal museum contains different types of ethnological objects including ornaments, toys, masks, charts, photos, slides, films of tribal life and household objects agricultural implements.								
19:30									

Day 2 (Mori	ning Session 9:00-12 30)							
09:00-09:30	Why Governance matters?	Mr. Gagan Sethi						
	,	(Janvikas)						
	Case Studies (Moderator: Mr.)							
09:30-10:15	Case study on CDM forestry project	Mr. Ranjan Panda						
		(Water Initiatives, Orrisa)						
10:15-11:00	Case Studies on CDM waste project	Mr. Dharmesh Shah, GAIA						
11:00-11:30	Tea/Coffee Break							
	Case Studies Moderator – Mr. Samir Mehta							
11:30-12:15	Case Study overview on hydro projects in India	Mr. Jiten Yamnam,						
12:15-13:00	Case Study CDM community project	Mr.Bharat Patel						
13:00-14:00	Lunch							
Day 2 (After	noon Session 14.00-18.00):Experience with CDM	l projects						
(Moderator:	Vimalbhai)							
	·							
14:00-14:45	Screening of "Carbon Con" followed by discussion							
14:45-15:00	Experience with CDM project campaigns	Ms. Eva Filzmoser, <i>CDM</i> Watch						
15:00-15:30	Tea/Coffee Break							
15:30-17:30	Working Groups on CDM project campaigns	Facilitators (Dr Leena, Jiten, Dharmesh, Ranjan)						
17:30-19:00	17:30-19:00 Visit of Gujarat Vidyapith Campus – Innovation with simplicity <i>"The Gujarat Vidyapith was established for attachment of independence. The object of political</i> <i>independence was temporary but the devotion for self-liberation and knowledge are our permanent</i> <i>ideals. This devotion should continue to grow like a banyan tree and moon with a spirit of non-</i> <i>attachment of a lotus. "</i>							
19:00	Workshop Dinner							
Day 3 (Mori	ning Session 9:00-14.00):Way Forward:(Mode	erator: Andrew Coiley)						
9.00-10.00	Wrap-up of Day 1+2	1 Facilitator per half day						
10.00-11.30	Lessons learnt : Voices of civil society	Mr. Prodipto Ghosh, <i>TERI</i> Dr. K. U. Mistry Chairman,GPCB Representatives from Civil society						
11:30- 11:45	Tea/Coffee Break							
11:45-12:45	Finalisation of workshop statement	CDM Watch and PM						
2:45-13:00	Closing remarks							
13:00-14:00) Lunch							

ANNEXURE 4

LIST OF PARTICIPANTS

Sr no	Name	State	Countr y	Contact Number	E Mail Address	Institution	Category
						VC Guiarat	
1	Dr. Sudarshan Iyengar	Gujarat	India	-	-	Vidhyapith	Speaker
				700/054004	paryavarnmitra@yaho	Paryavaran	0 1
2	Mr. Mahesh Pandya	Gujarat	India	/926851801	0.COM	Mitra	Speaker
3	Ms.Eva Filzmoser	Brussels	m	32499212081	watch.org	CDM watch	Speaker
						Guruarjan Dev Institute	
4	Mr. Gursharan Singh kainth	Puniab	India	9914703461	kainthos@vahoo.com	Developmen t studies	Participant
					inanninge z fanoeneem	Paryavaran	- a. corpani
F	Mr. Tuchar Danahali	Culorat	India	0407704007	greenearth2@rediffma	Vikas	Dorticipant
5	IVIT. TUSHAR PARCHOII	Gujarat	India	9427720897	apoorvapal@vahoo.co	Kendra	Participant
6	Mr. Apoorva Pal	Delhi	India	9737860007	m		Student
		Maharas			samir@internationalri	International	
7	Mr. Samir Mehta	htra	India	9820246368	vers.org	Rivers,	Moderator
_		a " '			debjeet2002@gmail.co		
8	Mr. Debjeet Sarangi	Odisha	India	9938582616	m	Living Farms	Speaker
					gujaratforumoncdm@	Forum on	
9	Ms. Falguni Joshi	Gujarat	India	91-79-26851801	gmail.com	CDM	Speaker
		kathman			madbusudban popal@	Forum for	
10	Ms. Madhu Thapa	du	Nepal	-9841018938	gmail.com	protection	Participant
					9	College	
						Developmen	
					ranianrk50@gmail.co	Manipur	
11	Mr. Rajkumar Ranjan	Manipur	India	9436021753	m	University	Participant
						Aga Khan	
					marrosoarch@akrsni o	Rural	
12	Mr. Niraj Hoshi	Gujarat	India	9727716758	rg	Programme	Participant
	,	, ,					I
13	Mr. Dharmesh Shah	Nadu	India	9962516546	dnarmesn@no- burn org	GAIA	Speaker
-10		Nuuu	maia	7702010010	burning	Citizens	opeaner
						Concern for	
					iitnuumnam@uahoo.c	Dams and	
14	Mr. Jiten Yumnam	Manipur	India	91 9774328712	0.in	t	Speaker
<u> </u>						Matu	
15	Vimal Bhai	Delhi	India	9718479517	bhaivimal@gmail.com	Jansangthan	Moderator
16	Ms. Mamata Dash	Delhi	India	91 9868259836	mamataoo@ymaii.co m	NFFPFW	Speaker
		L				1	

					ravikiran111@gmail.c	Bright Social	
	Mr. Ravikiran Tirupati	Andhra			om,	Welfare	
17	Mahanti	Pradesh	INDIA	1.83874E+12	brightorg@gmail.com	Organization	Participant
						Vivekanand	•
						Research &	
					vrtimandvi@gmail.co	Training	
18	Mr. Malay Joshi	Gujarat	India	9925662161	m	Institute	Participant
					thakkerps@yahoo.co		
19	Mr. P. S. Thakker	Gujarat	India	9662177406	m	Researcher	Participant
						Indian	
						Geomatics	
				0005 (17107	nirzarlakhia@gmail.co	Research	.
20	Nirzar Lakhia	gujarat	india	9825647127	m	Institute	Participant
01	Ma Davada Okalaanaa	Andhra		0440040505	chakri_law@rediffmai	1	Dentisiant
21	Mr. Pragada Chakrarao	Pradesh	INDIA	9440340525	I.com	Janjagruti	Participant
						Center for	
22	Ma Daama Darikh	Culorat	India	0070077000	reema.parikn@ceeindi	Environment	Dortisinant
		Gujarat	muia	9919811923	a.org	Euucation Contor for	Participant
					darchana natal@caain	Environment	
22	Mc Darchana Datol	Guiarat	Inida	070 26811820	dia org	Environment	Darticinant
23		Oujarat	mua	077-20044020	ula.org	Cloan	i articiparit
						Energy	
24	Mr. Dinesh Chanagain	NΔ	Nenal	-9841462135	dinesh@cen ora nn	Nenal	Particinant
27		1 1 1 1	Ticpui	7041402133		SAPA	i di ticiparit
					secretariat sapa@gmail	Regional	
25	Mr. Vijav Bharativa	Guiarat	India	9427700762	.com	Secretariat	Participant
		Maharas			iammeena@gmail.co		
26	Ms. Meena Desai	htra	India	9869742904	m	Consultant	Participant
	Mr. Bikash Rath				bikash.rath@rcdcindia		
27		Odisha	India	-9437202879	.org	RCDC	Moderator
					ÿ	Gujarat	
						Forum on	
28	Mr. Snehal Satyapanthi	Gujarat	India	9909014497	snehalbs@gmail.com	CDM	Participant
				0070000/04			D
29	IVIR. Patnak Sidnartha	Gujarat	India	9879309691	p.sidd.blo@gmail.com	Institution	Participant
						Nature	
						Conservation	
					shahankumar papal@	anu	
30	Mr. Shrahan Kumar Son	Lalitour	Nonal	00/1667005	amail com	t Foundation	Darticinant
- 50	ivii. Jiiavali kullai JUP	Lantpui	тасрат	-7041007003	ginan.com		
					mshsheikh@yahoo.co	Brakish	
31	Mr. M.S.H. Sheikh	Gujarat	India	9825546017	m	Water	Participant
	Mr. Binod Prasad	Kathma			binod@winrock.org.n	Winrock	
32	Shrestha	ndu	Nepal	0977-1-4467087	р	International	Speaker
						Water	
			1		ranjanpanda@gmail.c	Initiatives	Cara I
33	IVIr. Ranjan Panda	Odisha	India	9.19E+11	OM	Udisha	Speaker
24	Mr. Dhanat Datal	Culout	- الممر ا	0404440000	pnaratp19//@gmail.c		Dontiain
34	IVIT. BHAFAT PATEI	Gujarat	india	9420469803	0M	IVIESS	Participant
25	Dr Loona Cunta	Culorat	India	0420420040	ieenapancni@gmail.co	SPWD,	Speeker
35	DI Leena Gupta	Gujarat	india	9038430968	m		speaker
2/	Mr Viron Loho	Dalle	India	045057004/	vlobo62@amail.com	SPWD,	Speaker
30	IVIT. VITEN LODO	Deini	maia	Y02U2/8740	viopooz@gmail.com	Deini	Speaker

	Dr. Vijayalaxmi	Andhra			ceadapindia@gmail.co		
37	Garikena	Pradesh	India	'919347953664	m	cead	Participant
20	Character I. Charle	Culture	La alla	0004005050	spshah987@gmail.co	December	Dentisiant
38	Shwetal Shah	Gujarat	India	9904085859	m	Researcher	Participant
					dr rushikashmahta@a	Principal Sir	
39	Rushikesh V. Mehta	Guiarat	India	9427360944	mail com	L.A. Shan	Participant
07	rtushinteshi V. Wentu	Oujulut	mana	7127000711	rohanthakker1985@g	Law conage	i di ticipulit
40	Rohan Thakker	Gujarat	India	9662177406	mail.com	Academician	Participant
						Anekal	
						rehabilitation	
						education	
		Karnata				anu development	
41	Mr. Chelladurai Sam	ka	india	9886722596	175.sam@gmail.com	centre	Speaker
		Maharas	mana	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	law.adv.econet@gmail		opountoi
42	Mr. Devaki Purohit	htra	India	9623468822	.com	Econet	Speaker
			Belgiu		andrew@cdm-		
43	Mr Andrew Coiley	Belgium	m		watch.org	CDM watch	Speaker
44	Mr. Gagan Sethi	Gujarat	India			Janvikas	Speaker
						Chairmen of	
45	Dr K.u.mistry	Gujarat	India			GPCB	Speaker
46	Mr. Himanshu Benkar	Gujarat	India	9824385725	vikalpahd@gmail.com	Vikalp	Participant
						Document	Documente
47	Ms. Shiyani Sharma	Guiarat	India			consultant	tor
- 17		Oujulut	maia		ramkrishna@ianvikas.i	consertant	101
48	Mr. Ramkrishna Mistry	Gujarat	India	9376080068	n	Janvikas	Participant
	Ms. Rajni						
49	Dave	Gujarat	India		hahaakha Qaaka aa b	Bhoomiputra	Participant
50	Mr. Dabu Chauhan	Cularat	India	0000505254	babuchnn@yahoo.co.i		Darticipant
50	IVII. DADU CHAUHAH	Gujarat	muia	7707000004	smithaandnews@amai		Farticiparit
51	Ms. Smeeta Raian	Guiarat	India	9099067011	l.com	DNA news	Participant
	y	,			persis_ginwala@yaho		· · · · ·
52	Ms. Persis Ginwala	Gujarat	India	9825045495	o.co.in	Activist	Participant
50				0000057770	prabhatkumar30@gm	A	
53	Mr. Prabahtkumar	Rajsthan	India	9828225662	ail.com	Activist	Participant
54	Mr. Harsukh Kathad	Gujarat	India	8401975852	hkathad@gmail.com	Activist	Participant
гг	Dr Manai Mankiwala	Culorat	المطانع	0000050570	mmankiwala@yahoo.c	Acadamiaian	Dorticinant
55		Gujarat	India	8000850570	O.UK	Acadamician	Participant
						Science &	
						Environment	
56	Mr. Jones Hamberg	Delhi	India	9582607466	jones@cseindia.org	New Delhi	Participant
					kamleshbhavsar.adv@		
57	Mr. Kamlesh Bhavsar	Gujarat	India	9427057302	gmail.com	Advocate	Participant
EO	Mr. Alnoch Phayear	Guiarat	India	007/000045	alpesnonavsar0/@gm	Activict	Darticipant
50		Gujarat		77/4000700	aii.cuiii		Farticipalit
59	Ms.Priyanka Patel	Gujarat	India	9909554444		Student	Participant
60	Ms. Razeen Saiyed	Gujarat	India	9016953874	reazeen90@gmail.com	Student	Participant
11	Ma Crack - Charle	Culturet	المردالية	000401/101	shahsnehap@gmail.co	Churcherst	Dentisionet
61	ivis. Sneha Shah	Gujarat	India	9904916181	m	Student	Participant
62	Mr. Vivek Sheth	Gujarat	India	9824077276	enviroklean@rediffma	Gujarat	Participant

					il.com	Forum on	
						CDM	
	Ms. Bhoomi Pandya				bhoomi_pandya31@y	Axar Env	
63	Rathod	Gujarat	India	9998371494	ahoo.in	consultancy	Participant
		Newjerc					
64	Ms. Kalpana Venkat	y	USA	-	kalpanasa@gmail.com	Researcher	Participant
65	Ms. Yogini Leuva	Gujarat	India	-	-	Student	Participant
66	Ms. Kejal Bhatt	Gujarat	India	-	-	Student	Participant