

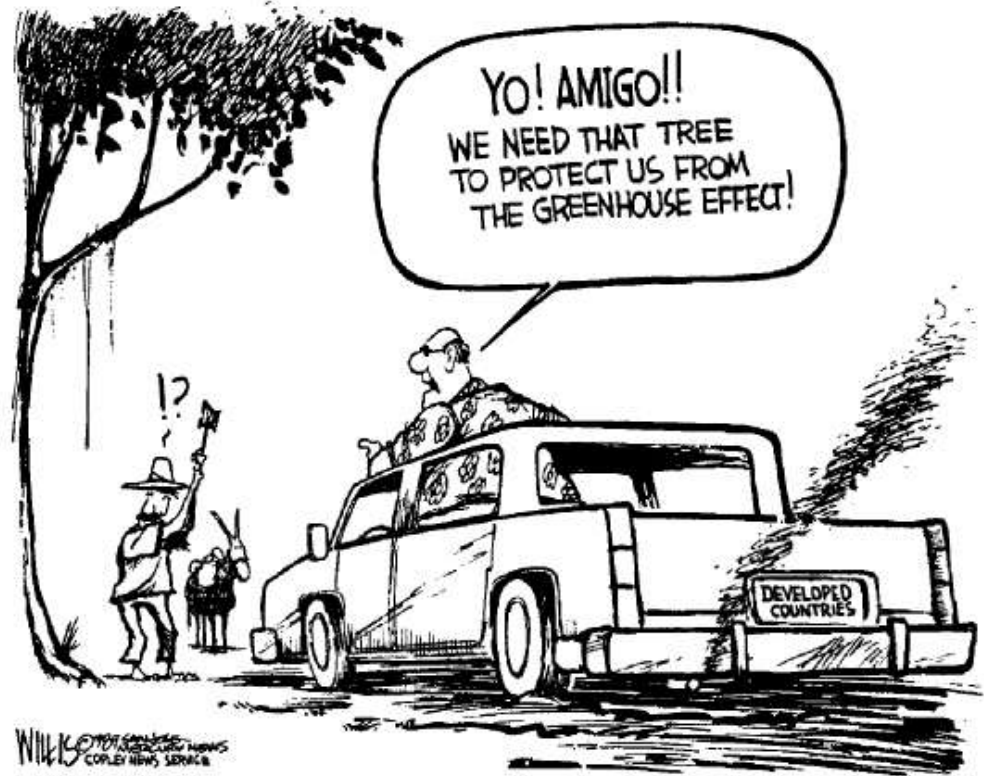
Experience with CDM Project Campaigns

Eva Filzmoser, CDM Watch

Civil Society Workshop

19 April 2012, Ahmedabad

Eva.filzmoser@cdm-watch.org



Purpose & Types of Campaigns

How to make your own luck

Examples (campaign tools used & achievements)

Purpose of CDM Project Campaigns



3 Types of Campaigns, targeting:



Project types

e.g. HFC-23, Coal, Large-Hydro



Specific projects

e.g. Human Rights Violations



Policies

e.g. no sufficient rules in place

Main Bodies Targeted



National Governments

decide UN rules and national sustainable development criteria



United Nations (CDM EB & co)

decide project registrations + rules



Carbon Credit buyers & investors

decide which projects they buy from

How to make your own luck:

- Know the process
- Know your rights
- Support claims with facts and figures
- Know who to target and when



Know the process - 1. Instance:

Target your national government with issues related to

- Sustainable Development
- Environmental Impact Assessment (EIA)
- Local Stakeholder Consultation (as part of the EIA)



Know the process - 2. Instance:

Target the UN process for all issues related to

- Specific concerns/violations of UN rules, specifically:
- Local Stakeholder Consultation
(as part of the UN Rule Book)
- Additionality



Know Your Rights:

- Inform yourself about national rules on EIA and local stakeholder consultation
- Ask the DNA to inform you about upcoming projects in your region
- Check out the
CDM Watch Toolkit



Support claims with facts and figures

Make a thorough water-proof analysis - **weak arguments will be used against you!**

Beware:

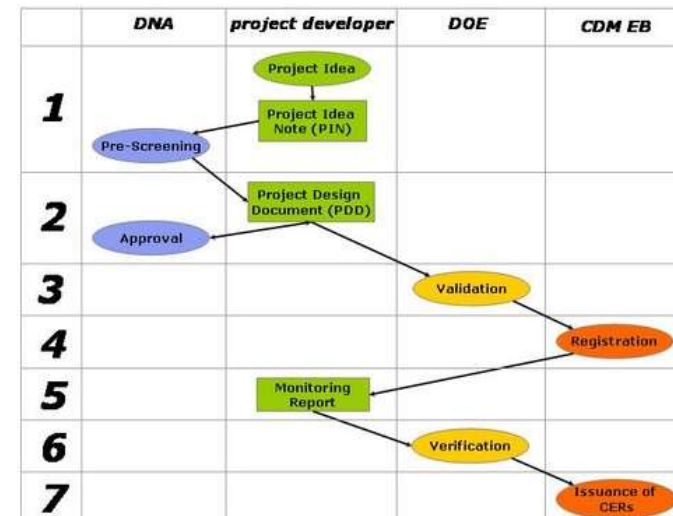
- Project usually only get rejected because of proven non-additionality
- No project has yet been rejected on the grounds of sustainability or breach of local stakeholder consultation rules

Know who to target and when

- Find out the status of the project at the UNFCCC website:

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

- If it is not yet posted, ask your DNA to keep you informed about upcoming projects



A few examples:

1. Project Type Campaign: HFC-23

2. Project Type Campaign: Coal

3. Project Campaign Barro Blanco (Hydro)

4. Project Campaign Aguan (Human Rights)

HFC-23 – Some facts

- HFC-23 is an unwanted by-product in the production of HCFC-22
- HFC-23 has a Global Warming Potential 11,700 times higher than CO₂.
- The 19 abatement projects registered under the CDM are expected to generate ~500 million CERs by 2012
- Costs for destroying HFC-23 emissions outside the carbon market are ~US\$ 0.20 per ton of CO₂ equivalent
- Revenues from selling credits exceed the actual cost of destruction by up to 70 times
- This has created perverse incentives for plant operators to artificially increase HCFC-22 production



The Economist Log in | Register | My account

Home World Business & Finance Science & Technology

All Business & Finance Business education Which MBA?

EuropeanVoice.com

Home News & analysis Comment Special reports People Policies Jobs & E

Economics Business Trade Information society Energy Transport Climate change Env

Home > Policies > Climate change > Politics

ENVIRONMENT Pollution

Emissions impossible?

By Jennifer Rankin

02.09.2010 / 05:15 CET

UN scheme under fire for lack of effectiveness, while Commission seeks to protect emissions scheme.

Pollution trading was not invented in Europe, but it has become as much a part of EU political life as farm subsidies and summits.

The emissions trading system (ETS) is the EU's flagship policy to cut industrial greenhouse gases, the nucleus – in the European Commission's dreams – of a global cap-and-trade system. European political capital in that Connie Hedegaard, the EU for climate action, speak out, rentrée, when the ETS risked criticism of United Nations-led



Fact file

The New York Times

Energy

WORLD U.S. N.Y. / REGION BUSINESS TECHNOLOGY

Search

“If the UN cannot create order in its own house, the EU will have no choice but to act itself”

THE DNA ANCESTRY PROJECT

Travel back in time 150,000 years...

Trace your ancestry

GREEN COLUMN

Cap-and-Trade Is Beginning to Raise Some Concerns

By JAMES KANTER
Published: August 29, 2010

BRUSSELS — Manufacturing a gas common air-conditioning turns out to produce another contribute inordinately to the warming of the

Green

A blog about energy and the environment.
Go to Blog



This byproduct refrigerants has times the power the most common to trap heat in

As climate regt destroying the

has become a lucrative business, and over the companies have begun turning those streams

Climat : la tension monte au sujet de millions de crédits carbone "bidons"

Le Monde | 31.08.10 | 12h42 • 11e à jour le 30.08.10 | 12h23

PROPOSER UNE RÉACTION RÉAGISSEZ (0) CLASSÉES IMPRIMER ENVOYER PARTAGER

Les Nations unies sont-elles en train de reconnaître l'existence d'une énorme faille dans le mécanisme de développement propre (MDP) ? En moins d'un mois, six usines asiatiques ont vu leurs allocations de crédits carbone gelées par l'ONU, le temps de vérifier si ces industries ont abusé ou non du MDP, le principal dispositif du protocole de Kyoto permettant à des pays du Nord de financer des réductions d'émissions de gaz à effet de serre dans les pays du Sud, en échange de quotas de CO2.

Carbon markets

The smoking greenhouse gun

An alluring trade in "supergreenhouse" gas emissions is coming under scrutiny

Sep 2nd 2010

ONE of the curiosities of carbon markets is that they do not just trade in carbon. Of greenhouse gases can be given a value, too—sometimes a very high one. Claims that these prices promote scammy are now prompting some searching questions.

The gas at the centre of the controversy is HFC-23, a greenhouse gas which, on a weight-for-weight basis, is 14,800 times better at trapping heat than carbon dioxide. HFC-23 is produced as a by-product of the manufacture of HCFC-22, an ozone-destroying refrigerant. HCFC-22 is banned in developed countries, but developing countries can keep making it until 2030.

The acronyms do not end there. Under the Clean Development Mechanism (CDM) of United Nations HCFC-22 producers in developing countries that destroy, rather than release, their HFC-23 can be eligible for Certified Emission Reduction (CER) credits, which can then be traded in the European Union's emissions-trading scheme. This allows companies to buy extra emissions reductions to meet their cap-and-trade obligation and in so doing to transfer money to schemes reducing emissions in developing countries.

Wind farms, solar programmes and other clean-energy projects are all eligible for CER. But because destroying a tonne of HFC-23 is a lot cheaper than avoiding the emissions

THE HUFFINGTON POST

SEPTEMBER 4, 2010



Connect FRONT PAGE POLITICS MEDIA ENTERTAINMENT SPORTS COM

TECH WORLD TRAVEL COLLEGE IMPACT BOOKS ARTS RELIGION N



Greenest State Falls Behind in Waste-to-Energy Race



WATCH: Couple's Tap Water Lit On Fire After Drilling A Natural Well



Patrick McCully
International Rivers, Executive Director
Posted: August 25, 2010 03:42 PM

BIO

Get Email Alert

Become a Fan

Bloggers' Ind

Kyoto's Carbon Offsetting Moves from Tragedy to Farce



March 2010

CDM Watch submits revision request (AM0001) to UNFCCC



June 2010

Media attention (CDM Watch press release, media briefings, policy events)



July 2010

Written EP question to Commission

Executive Board asks Methodology Panel to further investigate allegations contained in revision request



November 2010

European Commission proposes to ban carbon credits from industrial gas projects to be eligible in the EU (from 2013)

Reference: IP/11/56 Date: 21/01/2011

HTML: EN FR DE DA

PDF: EN FR DE DA

DOC: EN FR DE DA

IP/11/56

Brussels, 21 January 2011

Emissions trading: Commission welcomes vote to ban certain industrial gas credits

The European Commission welcomes today's vote by Member States to ban from use in the EU Emissions Trading System (EU ETS) emission offset credits from certain projects which destroy industrial gases. Essentially, the ban means that companies will be able to use these credits for 2012 compliance under the EU ETS until 30 April 2013, but not thereafter.

Connie Hedegaard, Commissioner for Climate Action, said: "I very much welcome the Committee's decision to back this Regulation, less than 5 months after I first proposed the idea. These projects raise concerns relating to their environmental integrity, value-for-money and geographical distribution. Not only are some of these credits of doubtful value, continuing to use them is also not in the EU's interest as doing so could discourage host countries from supporting cheaper and more direct action to cut these emissions. Our aim is not to reduce the number of credits available but to ensure the international carbon market is based on a better quality and distribution of credits."

The EU Climate Change Committee, which brings together representatives of the 27 Member States, voted for the ban today on the basis of a proposal tabled by the Commission last November (see [MEMO/10/614](#)).

The ban will apply to projects which destroy two industrial gases: trifluoromethane (HFC-23) produced as a by-product of chlorodifluoromethane (HCFC-22) production, and nitrous oxide (N₂O) from adipic acid production. HFC-23 and N₂O are both powerful greenhouse gases which contribute to climate change.

Just 23 such industrial gas projects account for two-thirds of all the credits generated through the Kyoto Protocol's Clean Development Mechanism (CDM). Most such projects are undertaken in China and other advanced developing countries. The ban on the use of such credits in the EU ETS will apply to all such projects undertaken under the CDM as well as any undertaken in developed countries through Kyoto's Joint Implementation mechanism (JI).

What is the problem?

The acceptance of credits from industrial gas projects has been controversial for some time. The main concerns are:

- Allowing credits from the destruction of HFC-23 can create a perverse incentive to continue to produce or even increase production of it and of HCFC-22, a gas which both depletes the ozone layer and is also a powerful greenhouse gas.
- This contradicts the Kyoto Protocol rule that credits may come only from projects which lead to emission reductions that are additional to what would have happened anyway. The environmental integrity of the credits is therefore questionable.

New Coal Power Plants in the CDM (40 projects in the pipeline – India & China)

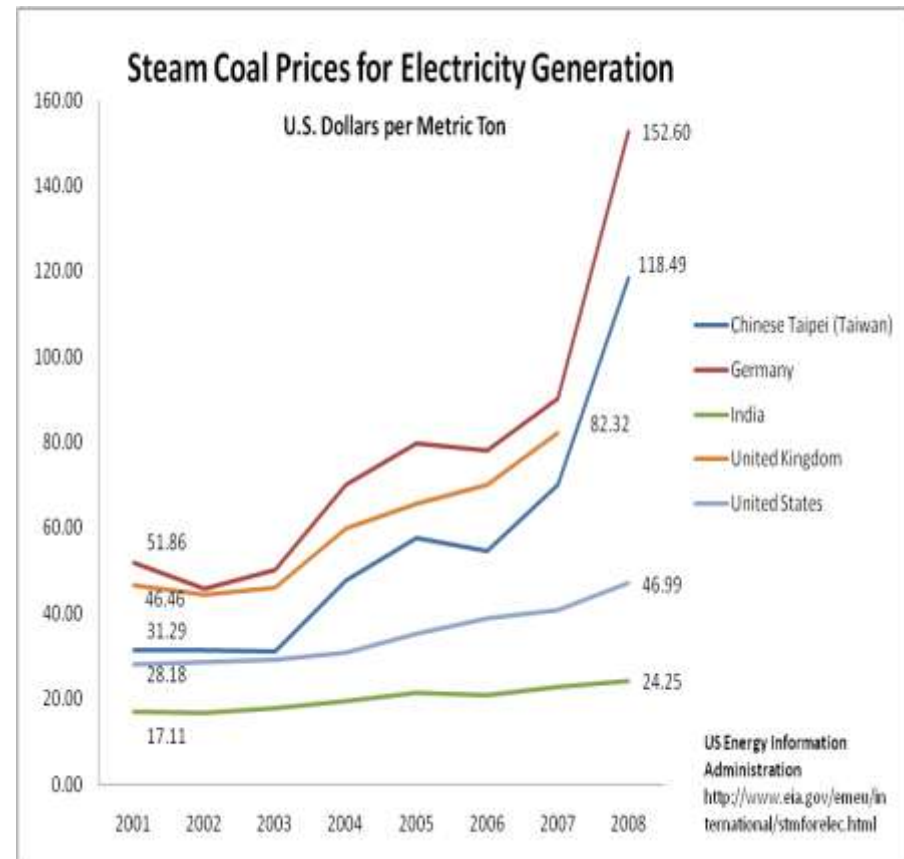




Coal Projects are **Not Additional**

Because:

- Financing is already secured
- Costs estimates are skewed
- Government mandates are ignored



→ **global emissions increase!**



Cable sent by the American Consulate in Mumbai to the US Secretary of State in July 2008. The cable summarised a meeting with Indian industrialists

[A CDM validator], is concerned that [Ultra Mega Power Plant] (UMPP) Project will be rejected by the CDM Executive Board, as the use of supercritical technology in all UMPPs is a mandatory requirement stipulated by the Indian government. As this technology is the norm for all UMPPs, it has to be put in place by the project developer with or without the CDM benefit. Proving additionality is therefore difficult, she continued. (Comment: Ironically, DNV acted as the validator for the Mundra UMPP and, as per Patkar, has already validated the project. End Comment.)

Indian CDM Coal Projects - Registered

Title	Province / State	1st period ktCO ₂ e/yr	PDD Consultant	MWel
Grid connected energy efficient power generation	Gujarat	1840	Adani Power	1320,0
Greenhouse Gas Emission Reductions Through Super-Critical Technology - Sasan Power Ltd.	Madhya Pradesh	2246	Reliance Power	3960,0
Energy efficient power generation in Tirora, India	Maharashtra	1193	Adani Power	1320,0
Greenhouse Gas Emission Reductions through Super-critical Technology - Coastal Andhra Power Ltd.	Andhra Pradesh	1235	Reliance Power	3960,0
Greenhouse Gas Emission Reductions Through Super Critical Technology - Jharkhand Integrated Power Ltd.	Jharkhand	2140	Reliance Power	3960,0

Indian CDM Coal Projects - Rejected

Title	Province / State	1st period ktCO ₂ e/yr	PDD Consultant	MWel
GHG Emission Reductions through grid connected high efficiency power generation	Gujarat	2652	Coastal Gujarat Power	4000,0
Energy Efficient Power Generation by Nabha Power Limited	Punjab	936	Nabha Power	1400,0
Energy Efficient Power Generation by Talwandi Sabo Power Limited	Punjab	1640	Talwandi Sabo Power	1980,0
Energy Efficient Power Generation by Talwandi Sabo Power Limited	Punjab	1455	Talwandi Sabo Power	1980,0
Grid Connected Power Generation through Supercritical technology	Maharashtra	1606	Sophia Power Company	1320,0

Indian CDM Coal Projects – At Validation

Title	Province / State	1st period ktCO ₂ e/yr	PDD Consultant	MW _e
Grid connected energy efficient power generation in Jhajjar, Haryana	Haryana	2075	Jhajjar Power	1320,0
Grid connected super-critical technology based power generation in Tirora, India	Maharashtra	1108	Adani Power	1980,0
Mitigation of GHG emissions through power generation at high efficiency	Gujarat	2328	Adani Power	1980,0
Energy efficient power generation by GCEPL	Chhattisgarh	1102	GMR Industries	1370,0
Grid Connected Energy Efficient Power Generation by Talwandi Sabo Power Limited	Punjab	1640	Talwandi Sabo Power	1980,0
1320 MW Coal Based Super Critical Thermal Power Plant by Jaiprakash	Madhya Pradesh	644	Jaiprakash	1320,0
Grid connected, energy efficient power plant in Junagadh, Gujarat by SPEPL	Gujarat	1036	n.a.	1320,0
Energy efficient power generation at Kawai in Rajasthan, India	Rajasthan	1097	Adani Power	1320,0
2 x 660MW Bhavanapadu Thermal Power Project	Andhra Pradesh	262	East Coast Energy Private	1320,0
Energy efficient power generation at Pench in Madhya Pradesh (MP), India	Madhya Pradesh	1178	Adani Power	1320,0
Energy efficient power generation at Dahej in Gujarat, India	Gujarat	2425	Adani Power	2640,0
Grid Connected Energy Efficient Power Generation by Nabha Power Limited	Punjab	706	Nabha Power	700,0
Gudur Thermal Power Project	Andhra Pradesh	522	Pragdisa Power	1320,0
Thoothukudi Thermal Power Project	Tamil Nadu	522	Vainateya Power	1320,0
Replacement of electricity generated by existing 4 subcritical units of 120	Maharashtra	215	n.a.	660,0
GHG Emission Reductions through grid connected high efficiency power	Gujarat	4149	Coastal	4000,0
Energy Efficient Power Generation by DB Power (Madhya Pradesh) Limited – Phase I	Madhya Pradesh	1092	Dainik Bhaskar Group	2640,0
Energy Efficient Power Generation by Welspun Energy Madhya Pradesh Limited	Madhya Pradesh	1638	n.a.	1980,0
Energy Efficient Power Generation by Welspun Energy Anuppur Private Limited	Madhya Pradesh	1092	n.a.	1320,0
GHG emission reduction through power generation at high efficiency	Chhattisgarh	688	PE	1320,0
Thermal power generation using less GHG intensive technology	Orissa	516	CESC	1320,0
Energy efficient power generation plant at Krishnapatnam	Andhra Pradesh	1234	n.a.	1980,0
Energy efficient power generation in Raigarh, Chhattisgarh, India	Chhattisgarh	478	VISA Power	660,0
Energy efficient power generation in Brahmanbasta, Cuttack, Orissa	Orissa	956	VISA Power	1320,0
Super Critical technology based thermal power generation at Andhra Pradesh, India	Andhra Pradesh	970	Krishnapatnam Power Corporation	1980,0



Campaign Tools Used

- Additionality analysis and public comments to individual coal power projects during Global Stakeholder Consultation
- Scientific studies on the flawed rules of coal power projects and non-additionality
- Press Releases and media campaigns
- Open Letters to EU Environment Ministers & COP President
- Numerous letters and emails to CDM Executive Board Members & officials of national governments

24 June 2011

Subject: Request for Review of the Additionality of CDM Project 4533: *Greenhouse Gas Emission Reductions Through Super Critical Technology – Coastal Andhra Power Ltd., India*

Dear Mr. Hession,

We are writing to express our serious concerns about the proposed Project Activity 4629: *Greenhouse Gas Emission Reductions Through Super Critical Technology - Coastal Andhra Power Ltd., India*. The project sponsor claims that the use of supercritical coal technology will generate emissions reductions against a baseline of subcritical technology. However, the project activity is not additional under CDM rules and should not be eligible for CDM support.

28 July 2011

Subject: Concerns over the failure to consider our request for review of the additionality of CDM Project 4533: *Greenhouse Gas Emission Reductions Through Super Critical Technology – Coastal Andhra Power Ltd., India*

Dear Mr. Hession,

We are writing to object to the CDM Secretariat's handling of our letter of 28 June 2011, which asked the CDM Executive Board to review the request for registration of Project Activity 4533: *Greenhouse Gas Emission Reductions Through Super Critical Technology - Coastal Andhra Power Ltd., India*. (see attached letter).

We submitted this letter to the CDM Secretariat on the 28th of June to give to the members of the CDM Executive Board well in advance of the 3 July deadline. The CDM Secretariat took no action on the letter until 7 July, four days after the deadline for the CDM Executive Board to request review of the project registration. At that time, the CDM Secretariat informed us that they had decided to “disregard this submission” (our letter) due to a minor error: the letter cited the wrong project number in one instance. This single error was inconsequential, since the subject line clearly identified the project by its correct project number and title.



CDM Executive Board
UNFCCC Secretariat
Martin Luther King Strasse 8
P.O. Box 260124
D-53153
Germany

3 August 2011

Subject: Review of the Additionality of CDM Project 4807: *Energy Efficient Power Generation by Nabha Power Limited, India*

Dear Mr. Hession,

We welcome the decision by the Executive Board to review the request for registration of Project 4807: *Energy Efficient Power Generation by Nabha Power Limited, India*, to determine whether it complies with the CDM's additionality requirements. We respectfully request the transmission of the present letter to the responsible Secretariat and RIT Team members.

D-5315
Germany



30 September 2011

Subject: Review of the Additionality of the CDM Project 4785: *Guangdong Pinghai Power Plant, China*

Dear Mr. Hession,

We welcome the decision by the Executive Board to review the request for registration of Project 4785: *Guangdong Pinghai Power Plant, China*, to determine whether it complies with the CDM's requirements regarding additionality and the establishment of an appropriate baseline. We respectfully request the transmission of the present letter to the members of the Secretariat and Registration and Issuance Team (RIT) members who will be conducting the review.

ACHIEVEMENTS

1. Project 4785 : Guangdong Pinghai Power Plant

Host Party: China

Annual reductions 600,000 tonnes CO₂

Rejected

2. Energy Efficient Power Generation by Nabha

Host Party: India

Annual reductions 900,000 tonnes CO₂

Rejected

3. Coastal Gujarat Power Limited (Mundra)

Host Party: India

Annual reductions 2,800,000 tonnes CO₂

Rejected

ACHIEVEMENTS

Crediting methodology currently **SUSPENDED** until further notice

- Further registration requests on ice!
- If not registered before end 2012, not eligible in the EU...
- Potentially cleared out further coal projects in the CDM



Hydro Power Projects in the CDM



Hydro Power Projects are **Not Additional**

- Hydropower is a cost competitive technology
- The countries with the most CDM projects have aggressive targets for hydropower
- Decisions to build individual projects are made by governments not the private sector

→ **CDM unlikely to influence amount of new hydropower projects**



Hydro Power Projects are Not Sustainable

- Loss of water quality → impact on fisheries
- Reduced fresh water availability and quality
- Loss of biodiversity
- Loss of livelihood, infrastructure, agricultural land
- Loss of culture/indigenous peoples
- Human rights abuses



Panama: Barro Blanco Project

- Not additional
- Enormous environmental impacts
- Faulty EIA
- No adequate public consultation
- Affecting indigenous people



Registered in June 2011

Campaign Tools Used:

- Public comments
- Letters to CDM EB & Banks
- Complaints procedure
- Press work
- Public pressure, public hearings & demonstrations





B&B Campaign

Knowledge

Activities & Network

Case Studies

Service

Latest News

Hunt for Raw Materials
Endangering Last Intact
Ecosystems - The European
Biodiversity Summit Shows
the Way Towards a Resource
Efficient Economy [more...]

SusCon 2012 Receives
Widespread Support [more...]

UN's Offsetting Project Barro Blanco Hampers Panama Peace-Talks

The heavily contested hydro power project Barro Blanco, approved under the UN offsetting scheme, continues to impede ongoing peace talks between the Panamanian government and the indigenous Ngöbe-Buglé people over a law banning mining and hydroelectric projects in indigenous territories. Environmental groups around the world call for a withdrawal of the concession for Barro Blanco and a suspension from the carbon offsetting scheme. They also call on banks and companies to immediately freeze their support to the project.

Login

Name Password

Forgot your password?

Get involved - create your profile

Subscribe

d

x+1 4

Events

Ecological
st European
mmmit in
s Solutions to

NP NewsPost.eu
Your Press Releases for the Brussels Bubble

HOME PRESS RELEASES EVENTS ABOUT HOW TO PUBLISH CONTACT US RSS

"Lack of scrutiny of EIB investments allows companies to free ride in Panama" says new Counter Balance report.

Posted by CounterBalance on May 27th, 2011

"Lack of scrutiny of EIB investments allows companies to free ride in Panama" says new Counter Balance report.

<http://www.counterbalance-eib.org/?p=1281>

A new Counter Balance report, 'Dire Straits: EIB investments in Panama and their impacts on indigenous communities, workers and the environment', investigates three recent projects in Panama: the expansion of the Canal, and two hydro-electrical projects - Dos Mares and Barro Blanco. The international companies[1] running the projects get away with workers right's violations and breaking environmental standards while they leave indigenous peoples depending on the land and the river completely out of the process.

"With some decent due diligence and monitoring of the projects a lot of this could have been avoided. This report shows again that the European Investment Bank (EIB) has not the capacity, the know-how or the will to properly scrutinise the projects it finances", says Caterina Amicucci, co-author of the report.

The projects were basically imposed on the people living in the area without proper public consultation. Despite the ongoing protests by local communities and CSOs since the idea for the projects was launched, the EIB signed loans worth 396.5 million for the expansion of the Panama Canal and EUR 140.9 million for the hydro-electrical dam of Dos Mares.

Search

USERS LOG IN

- Register
- Write a press release

RECENT POSTS

- Take away Almost all Poisons through your Program using A pill Every day
- Viva Natural: The Methods to understand More about Along with Items
- Issues To Understand About Divorce Aid For Women
- Divorce And Child Custody - What Each Woman Should Know Before Filing
- Selecting Your Flat Screen Tv
- How To Invest Made Simple With These Suggestions
- Buy Heaters Online - Advantages Of Portable Gas Heater
- How You Can Buy LCD TV Online
- Buy Car Sound - Finding The Right Car Audio System
- Samsung Galaxy Ace Plus: Latest Galaxy Ace Plus Deals Available

CATEGORIES

- Events
- Press Releases
- Agriculture and Fisheries
- Economy, Financial Affairs and Development
- Education and Culture
- Enterprise and Industry
- Environment and Climate Change
- European Institutions
- External Relations
- Health and Consumers
- Information Society and Media
- Internal Market and Services
- Justice
- Other
- Trade

ACHIEVEMENTS (Campaign ongoing)

- Project reviewed thoroughly but it was found that rules for local stakeholder consultation were not violated
- For the first time it was acknowledged at international level that local stakeholder consultation rules are weak
- Raised international awareness about the project
- Further to local protests, project currently temporarily suspended to examine faulty EIA



Human Rights Violations

Honduras: Aguan Biogas Project

Project connected to
landright conflicts
(landgrabbing)

Local stakeholder
consultation flawed

Project owner suspected
to have killed 40+ farmers



Registered in July 2011



Campaign Tools Used:

- Case presented at international meetings
- Letters to CDM EB, UK government and buyers
- Open Letter signed by 100 CSOs to Honduran DNA
- Media work & fact finding mission

CDM Watch and Biofuelwatch
By email

13 April 2011

Dear Sir/Madam,

REQUEST TO WITHDRAW UK AUTHORISATION OF THE AGUAN BIOGAS RECOVERY PROJECT IN HONDURAS

Thank you for your letter sent to the UK Designated National Authority (UK DNA) on 4 February 2011, regarding allegations of human rights abuses connected with two CDM projects in Honduras. I am grateful to you for bringing this disturbing situation to my attention and apologise for the delay in responding.

Before addressing the substance of the allegations I would first like to clarify that of the two projects affected, the UK DNA has only issued a Letter of Authorisation (LoA) for the "Aguan Biogas Recovery Project". To date no application has been received for the "Lean Biogas recovery from Palm Oil Mill Effluent (POME) ponds and biogas / biomass utilisation" project.

With respect to the allegations themselves, these are clearly very serious and deserve careful consideration. You will appreciate the difficulty that the UK Government faces in verifying the specific allegations, and in particular the extent to which they are linked to the Aguan Biogas Recovery Project in this case. To that end I have written to a number of relevant organisations and responsible bodies and asked for further information.

Firstly, as you will know, the primary responsibility for ensuring projects meet the Development Mechanism (CDM) requirement of contributing to sustainable development lies with the host country authorities – in line with the internationally agreed rules of CDM. I have therefore written to the Honduran DNA and requested further information in a response to the allegations.

Secondly, as you may be aware, the CDM Executive Board is due to review the project on Thursday this week (14 April). I have written to the Board asking that they take account of the allegations described in your letter to the extent that is possible when reconsidering the project. I have also written to the project participant, EDF Trading Ltd, seeking their responses to the allegations.

Department of Energy and Climate Change, 3 Whitehall Place, London, SW1A 2AW



IA press release

IA condemns human rights abuses

In regard to the CDM Watch's feature on the Aguan biogas project in Honduras, as an association, the Carbon Markets & Investors Association (CMIA) condemns in the strongest possible terms any abuse of human rights. The Clean Development Mechanism (CDM) project approval process provides several stages during which such abuses may come to light, including the stakeholder consultation process, validation and verification by UN accredited verifiers (DOEs), and the Executive Board reviews. CMIA strongly urges all those who have a role in the tiny of Project Activities requesting registration and/or issuance to continue their efforts to discover such abuses; if proven, have the requests rejected from the UN approval processes. Should, notwithstanding these checks, a registered CDM Project Activity (the Project) subsequently be found to have engaged in human rights abuses, CMIA expects all buyers, verifiers and other providers of CDM related services to immediately terminate their commercial relationship with the Project and requests all the relevant regulators to take such steps as are within their powers to prevent further Certified Emission Reductions (CERs) being issued to the Project. CMIA also requests the CDM Executive Board to develop and implement procedures to remove such Projects from the list of registered CDM Project Activities.

As to Editors:

For further information, please contact: Miles Austin, miles.austin@cmia.net, +44 7889 344 642

At the CMIA:

Carbon Markets & Investors Association (CMIA) is an international trade association representing over 50 companies that finance, invest in, and provide enabling support to activities that reduce emissions. CMIA's membership accounts for an estimated 75 per cent of the global carbon market, valued at USD 120 billion in 2010. Solely representing organizations that provide services to and invest in the environmental sector, membership does not include any entities with compliance obligations under cap-and-trade schemes. This results in a unique credibility platform with emphasis on the environmental integrity of market mechanisms and climate change policies.

Press Release
14th April 2011
For Immediate Release

EDF Trading terminates its involvement with the Aguan CDM project

EDF Trading, a wholly-owned subsidiary of EDF S.A., has terminated its involvement in the Aguan biogas CDM project in Honduras.

"We are one of the leading market participants in the global CDM market and we take a responsible approach to our CDM portfolio," said John Rittenhouse, Chief Executive of EDF Trading.

"We have taken the situation in Honduras very seriously and have spent the past few months looking at our options in respect to our withdrawal", he continued.

"We have therefore issued our notification of termination to the seller and will no longer be involved in this project", he said.

To the
CDM Executive Board
Martin Luther King Strasse 8
P.O. Box 260124
D-53153

**Re: CDM project application 3197: Aguan biogas recovery from Palm Oil Mill
Effluent (POME) ponds and biogas utilisation - Exportadora del Atlántico,
Aguan/Honduras**

4 January 2011

Dear Chair,

On behalf of Biofuel Watch, Salva la Selva/Rettet den Regenwald and CDM Watch we are writing to express our serious concerns about the proposed CDM project involving Exportadora del Atlántico in Bajo Aguan, Honduras.

Registration has been requested following a validation report by TUV Sued which recommends approval. **Deadline for requesting review is 5 January 2011.** Our concerns relate to human rights abuses involving the company, questions regarding their claim to the land on which the project is located and thus to the requirement for CDM projects to submit a validation report, furthermore, to additionality.

Re: Inadequacy of local stakeholder consultation of CDM project 3197 (Bajo Aguan)

24 June 2011

Dear Mr Hession,

I am writing to you in relation to very serious concerns about how the local stakeholder consultation was carried out in the case of PA 3197 (Aguan, Honduras). Based on the information provided below we believe that the validation report does not comply with the VVM requirement paragraphs 17, 18, 39, 129(c), and 139 (a) and that therefore the project request for registration must be rejected. Moreover, actions against the performance of the DOE, that issued a positive validation despite clear concerns about the adequacy of how the local stakeholder consultation was conducted, must be initiated.

The validation report of the Aguan Biogas project section 3.9 "Local stakeholder consultation" (page 25 validation report Aguan) states: *"The relevant local stakeholders have been invited via local and regional newspaper advertisements. The evidence of these invitations is presented in the IRL 10 and IRL 11. The local stakeholder meeting has been held at the project site on 03 January 2008. The assessment team has reviewed the documentation in order to validate the inclusion of relevant stakeholders (see IRL 37, Listado de personal para invitacion and IRL 38 Listado de asistencia) and using the local expertise it can be confirmed that the communication method used to invite the stakeholders can be considered appropriate. The summary of comments presented in the PDD has been cross checked with the documentation of the stakeholder consultation and is found to be complete. Comments presented by the local stakeholders have been taken into account by the PPs. This has also been cross checked with information obtained during interviews. Hence the local stakeholder consultation has been adequately performed according to the CDM requirements."*

ACHIEVEMENTS

- Investor EDF Trading withdrew from the project despite existing purchasing agreements
- Project reviewed thoroughly. However, rules for local stakeholder consultation found not violated - it was again acknowledged at international level that local stakeholder consultation rules are too weak
- Issue of human rights in carbon markets for the first time on the international political agenda
- Pressure on the European Commission and CDM policy dialogue panel

Essentials for a project campaign:

- What's the status of the project?
- Which rights were violated?
- What do you want to achieve with this campaign?
- What are your best arguments?
- Who is involved in the project (buyers, banks, investors)?
- Do you have allies and NGOs to support your campaign?
- Identify campaign actions, e.g.:
 - Short case study (1-2 pages max) , presenting the case (for journalists)
 - Engagement opportunities in the CDM project cycle
 - Open Letters (to who? Signed by who?)

Summary:

- Know the process
- Know your rights
- Support claims with facts and figures
- Know who to target and when

“Never believe that a few caring people can't change the world. For, indeed, that's all who ever have”.

By Margaret Mead (American cultural anthropologist)

Working Groups from 15:30 – 16:30

- 1) Kapavalli Windmill Project – Facilitator: Dr Leena & Viren Lobo**
- 2) JK Papermill Project – Facilitator: Debsheet & Ranjan**
- 3) CSO views on CDM and carbon markets – Facilitator: Mamata & Samir**

Objective for Working Groups:

- Agree on 3 actions to follow up after the Workshop**
- Identify 3 recommendations for Workshop Statement**

Report back by facilitators and discussion: 16.30-17.30