

How Clean is the Clean Development Mechanism?





We studied

- 34 CDM projects cutting across 6 Sectors: Industrial, Coal Fired, Waste to Energy, Biomass, Hydroelectric and Forestry
- In 9 states: Odisha, Chhattisgarh, Andhra Pradesh, West Bengal, Maharashtra, Himachal Pradesh, Karnataka, Madhya Pradesh and Delhi
- Between 2006 and 2011

- The UNFCCC, adopted in 1992 , came into force in 1994, established an International framework to address global climate change, mainly through stabilization of GHG concentration
- 1997 a protocol adopted at Kyoto binds industrialized nations to reduce their emissions an average of 5.2% from 1990 levels by implementing any 3 mechanisms
 - 1) **Joint Implementation (JI)**
 - 2) **Clean Development Mechanism (CDM)**
 - 3) **Emission Trading**




So CDM is supposed to

- Be a Clean Mechanism
- Ensure Sustainability
- Reduce Emission*




But...

- No mechanism in place to verify the sustainability
 - Vagueness even in the Kyoto Protocol about this
 - Few indicators developed based on the PDDs of the projects in an independent study
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And what is true about CDM?

- That it is not a clean mechanism
 - That is it is not sustainable, and
 - That trading is at the core and this contradicts the earlier two features.
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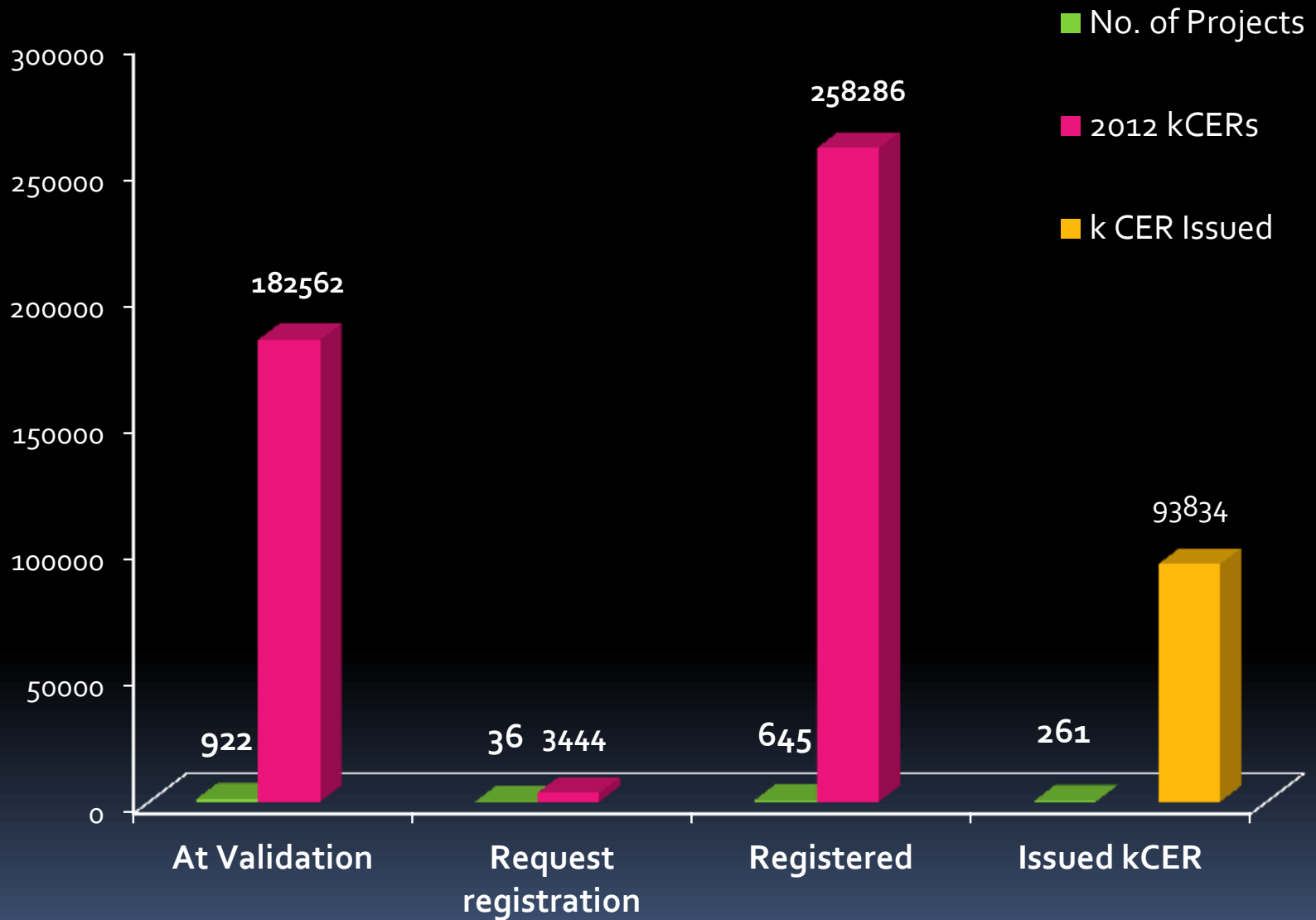
How clean is the process?

- All the PDDs read the same
- Mix ups of locations and projects
- Absolute lack of Transparency
- Undemocratic
- Promises of jobs disregarded

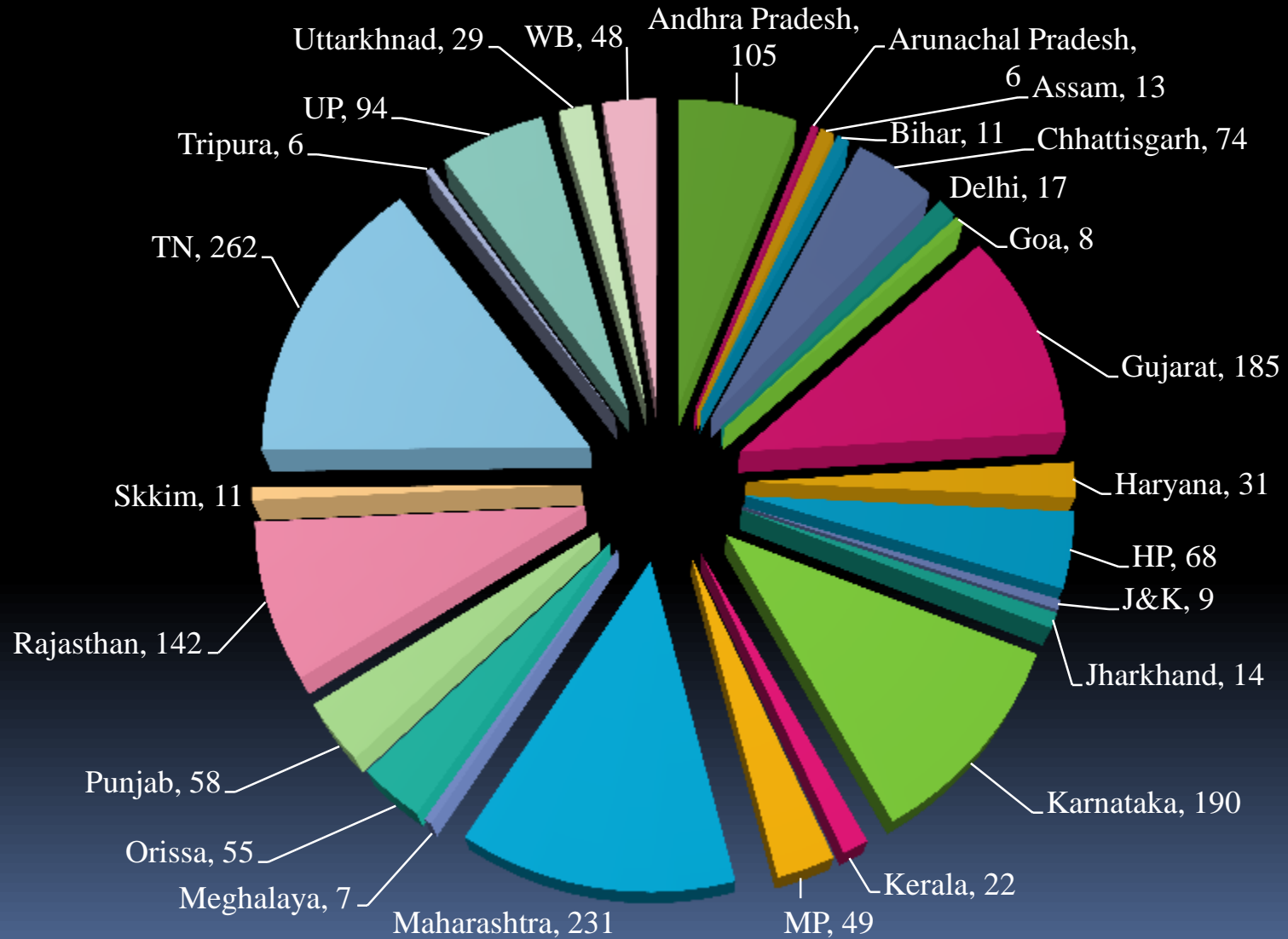
The CDM Projects in India



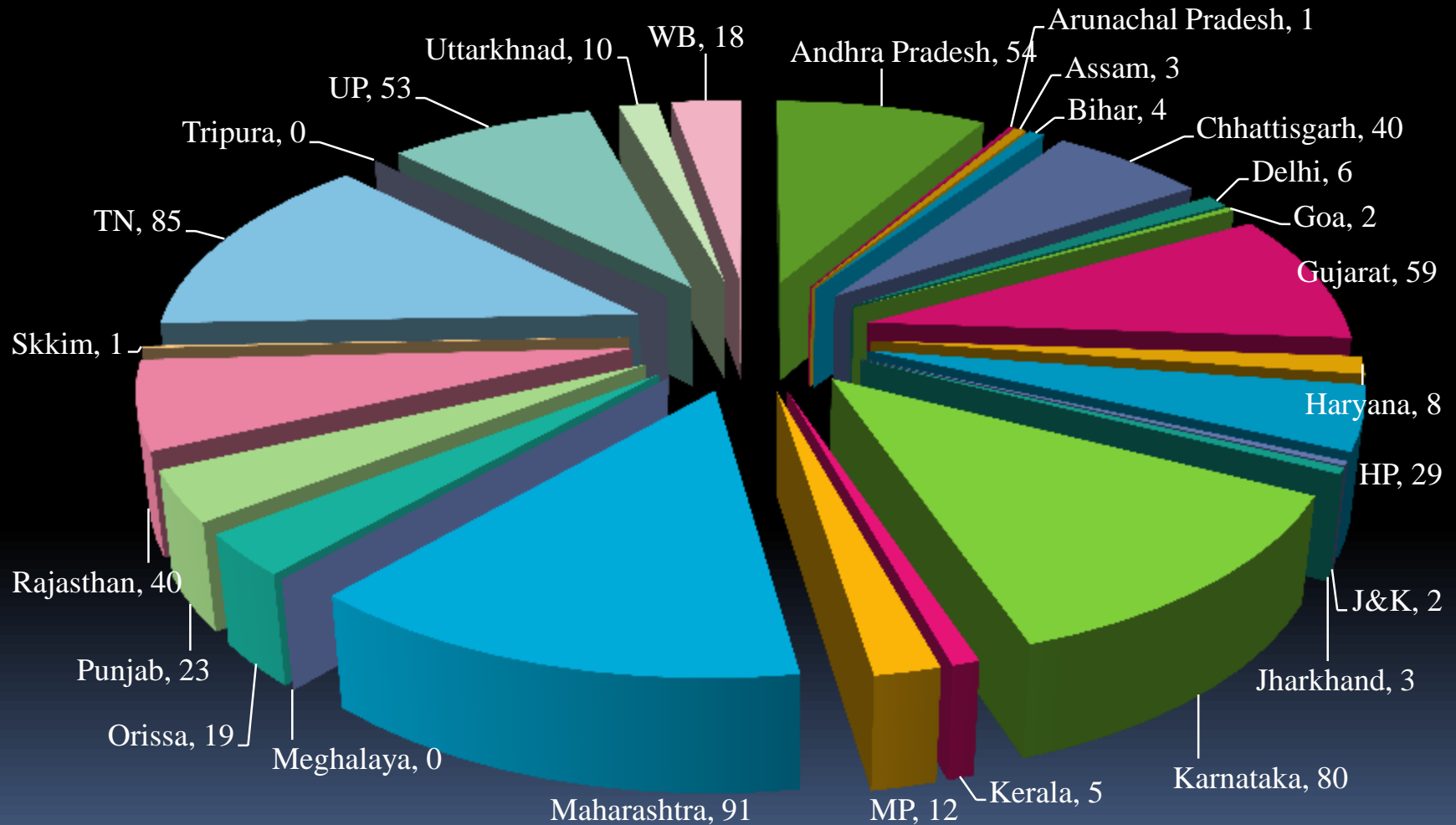
CDM Projects in INDIA as of November 2011




CDM status in different States



Registered projects in different states of 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)
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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 .

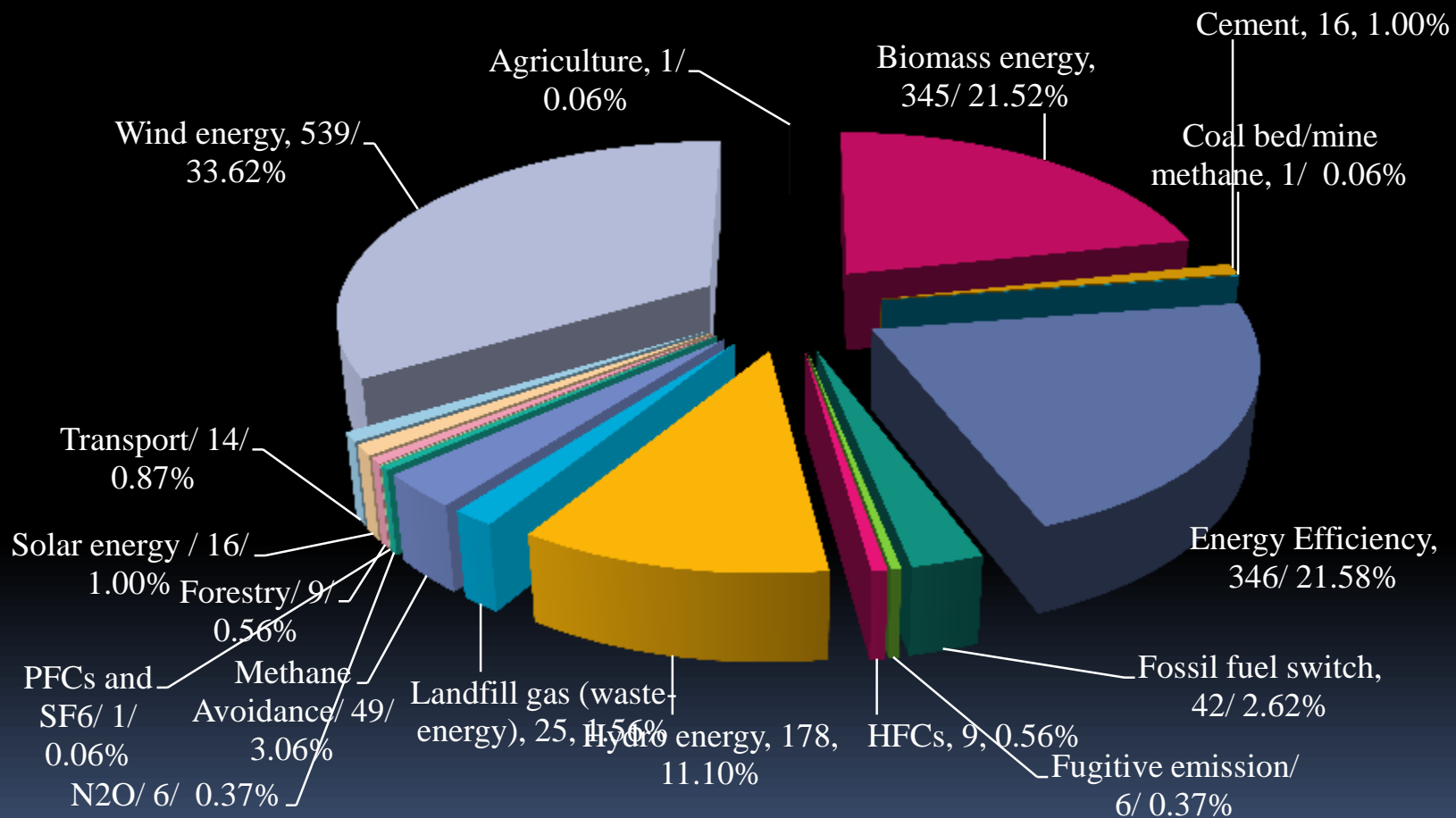
GUJRAT

- 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

Sector-wise CDM projects in INDIA





Top four sectors...

- Wind projects (539)
- Energy Efficiency projects (346)
- Biomass (345)
- Hydro projects (178)

Hands of the corporate...

Clean Development Mechanism has come as a boon for Indian Companies, who are literally 'making money from thin air'. All the big names in the corporate kingdom have jumped into the Fray: Reliance, Tata, Birla, Ambuja, ITC disproving earlier apprehensions that market uncertainty and complex procedural nature of CDM would put off big companies. More than 98% of CERs issued went to the corporate

The four promises that a CDM project make...

- **Social well being:** *alleviation of poverty by generating additional employment, removal of social disparities and contribution to provision of basic amenities to people leading to improvement in quality of life of people.*
- **Economic well being:** *bring in additional investment consistent with the needs of the people.*
- **Environmental well being:** *bio-diversity friendliness; impact on human health; reduction of levels of pollution in general;*
- **Technological well being:** *environmentally safe and sound technologies with a priority to the renewables sector or energy efficiency projects that are comparable to best practices in order to assist in upgradation of technological base.*

Glimpses of Broken Promises...

- CDM in India breaks all sustainability promises
- 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..



Perils of Pollution from CDM..



Lives uprooted..




Creation of Wastelands...





The CDM Fraud...

The main problem with these projects' tall—and immensely profitable—claims of reducing GHG Emissions is that there is no credible and definite way to verify these claims. 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.



“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!” – Says a resident living near Bhushan Steel Plant in Jharsuguda, Odisha