

European Parliament lunch debate 'A Human Rights based approach to climate actionwhat accountability for EU's climate finance contributions?'

- Meeting Report -

24 March 2015

Carbon Market Watch together with Human Rights Watch, CIDSE and Council of Peoples of Tezulutlán (CPT) organized a lunch debate in the European Parliament on 24 March 2015, kindly hosted by Heidi Hautala MEP (Greens/EFA/FI), Jo Leinen MEP (S&D/DE), Eleonora Evi MEP (EFDD/IT) and Ignazio Corrao MEP (EFDD/IT).

The event was motivated by a visit of Maximo Ba Tiul, a representative of the indigenous Maya Poqomchi-Q'eqchi community that are affected by a hydroelectric dam in Guatemala. Despite a violent conflict between the communities and the power company, the project was registered under the UN's Clean Development Mechanism (CDM) in June 2014.

Building on the experiences made with the CDM and on the momentum created by the launch of the Geneva Pledge in February 2015, an initiative to better understand the connection between human rights and climate change, this event highlighted the need for a human rights based approach in climate mitigation actions. Furthermore, the accountability of climate finance was for the first time discussed from a European perspective.

The debate outlined the responsibility of the EU to respect, protect, promote and fulfil human rights and underlined the need for a strong EU position on human rights language in the new climate agreement to be adopted in Paris in December 2015.

The interconnectivity of climate change and the enjoyment of human rights was accentuated in the course of the discussion as well as the need for strong safeguards and transparency in private and public climate finance.

Key highlights can be summarized as follows:

- Severe shortcomings in the current regulations of UN climate mitigation mechanisms, such as the CDM, have to be addressed to ensure that human rights are not violated in the cause of climate mitigation projects.
- The interconnectivity of human rights and climate change needs to be strengthened.
- Existing language on human rights and political frameworks need to be operationalized.

- Strong human rights language is needed in the Paris agreement, reflecting a human rights based approach to climate action.
- Climate finance needs to be transparent and traceable and show a high level of environmental and social integrity.
- The EU plays a key role in bringing forward a robust language for human rights and needs to apply a rights based approach to its internal and external actions including climate change.
- EU Member States need to be urged to support the Geneva Pledge.

The full event can viewed via web stream. To enter the video, please click here.

For background reading, please see the following links:

- Fact Sheet Santa Rita: CDM Hydro Dam in Guatemala The need for safeguards in climate finance flows, available in <u>English</u> and <u>Spanish</u>
- Local Realities of CDM Projects- A Compilation of <u>Case Studies</u>
- Geneva Pledge
- <u>Open letter</u> to Mr Stavros Lambrinidis- EU Special Representative for Human Rights

Below is a short summary of the presentations and discussions:

Heidi Hautala, **MEP** (Greens/EFA/FI), gave the *opening remarks* for this event. She underlined that it is evident from the Santa Rita hydro dam CDM project, that the UN mechanisms that aim at combatting climate change can cause severe violations of basic human rights. She thereby emphasized that human rights impacts occur when stakeholders and foremost indigenous people affected are not rightly consulted. She highlighted the responsibility of the international financial institutions in addressing these issues and stressed out that 2015 is a very important year to shape the future landscape of interrelation of climate change and human rights. All high level debates, such as the sustainable development goals, the action plan on finance for development and international climate conference can and should thereby be used to emphasize the urgent need to fully introduce the human rights dimension climate change. She further underlined that the EU should base its climate mitigation actions on a human rights based approach as the Santa Rita project, which is also financed by the German development bank (DEG) and the Dutch development bank (FMO), has shown a severe policy gap in protecting human rights. In a closing remark she outlined that the Santa Rita project should not stay registered under the CDM.

Maximo Ba Tiul, representing the **Council of Peoples of Tezulutlán**, shared *experiences with the UN's approved Santa Rita hydroelectric dam in Guatemala*. He thereby provided insights from the situation on the ground and outlined the severe impacts on the indigenous communities affected by this project. In this presentation he highlighted the following aspects:

- Severe shortcomings in the consultation process undermined the rights of indigenous peoples recognized in the Guatemalan Agreement on Identity and Rights of Indigenous Peoples.
- Constitutional rights concerning indigenous and tribal people obliges the government to respect their traditional values and to consult with them on decisions affecting their economic or social development. In case of Santa Rita, these obligations have not been complied with as the project has been adapted without consulting the communities.
- Community concerns have not been addressed by the company implementing the project.
- Constant criminalization and threats by the police and the military create an unbearable situation for the local communities.
- Some of the impacts of the project include: arrests of project opponents, eviction, repression, unlawful occupation of private property, humiliation and extra-judicial killings.

- The Santa Rita project violated basic human rights that are essential to a democratic country.
- The Environmental Impact Assessment (EIA) conducted by the company does not reflect the situation on the ground including future problems and impacts on the environment and the local communities.
- There is an urgent need to create international awareness for the Santa Rita CDM project and to develop strong control mechanisms to make sure that political, social, civil, indigenous peoples rights and human rights are respected in climate mitigation actions.
- Existing human rights language and agreements need to be operationalized.

Eva Filzmoser, director of **Carbon Market Watch**, focused her presentation on the *opportunities for integrating a human rights based approach in a global climate treaty*. She underlined the need for a joint up approach for human rights and climate change by highlighting that in current climate change negotiations, the human rights aspect is not sufficiently integrated. She further outlined that lessons learnt from the CDM are important to frame future climate finance. Moreover, she stressed out the need to operationalize existing human rights language and political frameworks and emphasized the urgency for a strong EU position on a human rights based approach for all internal and external actions including climate change. In her presentation she highlighted the following aspects:

- The human rights dimension needs to be an important aspect in the climate change debate.
- Climate change is causing great harms in the EU and beyond, impacting the enjoyment of human rights.
- Also, climate change mitigation actions can have adverse impacts on human rights. This is
 most evident looking at experiences made with the CDM that underline that the Santa Rita
 project is not a single case, but that numerous CDM projects are causing severe harms to
 local communities.
- In 2010, parties to the UNFCCC for the first time recognized that human rights obligations apply in the context of human rights by stating that "parties should, in all climate related actions, fully respect human rights". However, so far there is not further guidance.
- The CDM provides important lessons learnt for future climate finance. Most notably, experiences with the CDM from a social integrity perspective can provide a sneak preview on how climate finance can look in the future. Currently, the accountability of governments involved in climate finance is not clearly defined.
- Missing safeguards and weak local stakeholder consultation requirements implemented under the CDM highlight the urgent need for a stronger social integrity perspective for climate finance and climate mitigation projects.
- An important momentum was created in February 2015 with the Geneva Pledge, an initiative to better understand the connection between human rights and climate change that is so far supported by 18 countries. More EU countries need to be mobilized to support the Geneva Pledge.
- It is essential that the EU does its outmost to support a strong human rights language in the Paris agreement and develops a robust position on a human rights based approach for all external actions including climate change.
- Existing language on human rights and political frameworks need to be operationalized and institutional safeguards systems that are applicable to all climate actions need to be developed.

Meera Ghani, policy and advocacy officer at **CIDSE**, highlighted in her presentation *the role of UN Guiding Principles on Business and Human Rights and climate change*. She underlined the historic responsibility of developed countries and the need to enable developing countries to stay on a low carbon pathway for their own development. She thereby emphasized the need for active investment in renewable energy and the necessity for transparency and accountability of climate finance. In her presentation she highlighted the following aspects:

- Access to resources, including carbon space, is not equally provided, which places human rights threats mostly to those living in developing countries.
- The right to development, as well as the rights to better standard of living and housing, right to food and access to energy are all influenced by climate change. All these aspects need to be embedded in the new climate treaty as well as in the sustainable development goals and the agreement on finance for development.
- Climate finance is crucial for the new climate treaty to be adopted in Paris.
- Climate finance needs to ensure that developing countries have the resources and ability to develop on low carbon path ways.
- Private finance needs have the same level of transparency and scrutiny as well as accountability and reporting requirements to the UNFCCC as public finance.
- It is crucial to include precautionary measures in climate finance, also enshrining a no harm principle.
- It is essential that finance flows are traceable and it needs to be transparent where resources are coming from and which projects are financed.

Antonis Alexandridis, from the Division of Human Rights, European External Action Service (EEAS), provided an overview of the EU Strategic Framework on Human Rights and Democracy and Action Plan, introducing an EU perspective to the discussion. He outlined the importance to integrate human rights concerns into the development agenda and stressed out the actions taken by the EU to promote human rights in its internal and external policies. In this presentation he highlighted the following aspects:

- The respect and internal as well as external engagement to promote human rights is an important objective for the EU.
- The EU underlined the importance of human rights in its internal and external actions with the adoption of the EU Strategic Framework on Human Rights and Democracy as well as the Action Plan on human rights and democracy. Moreover, the EU Special Representative for Human Rights further increases the visibility of the EU on human rights.
- For the EU, the integration of human rights into the development agenda and global issues that also cover climate change is of outmost significance.
- For the development of the new action plan on human rights that will cover 5 years up to 2019, the best elements of the first action plan are taken and lessons learnt adjusted.
- Key areas identified for the development of the new action plan:
 - Horizontal capacity building
 - Cover of business and human rights including economic, social and cultural rights, indigenous peoples and land rights as well as corporate social responsibility
 - Coherence of external and internal rights based approach
 - Connection of rights based approach with the global agenda

- The scope to global issues can be achieved either expanding the rights based approach to all external actions including migration, trade, climate finance and climate change or giving explicit reference to a rights based approach and climate mitigation.
- The EU promotes and protects human rights, not European rights.
- The rule on a rights based approach and climate change needs to be tailor made.

Ignazio Corrao, **MEP** (EFDD/IT), *moderated* the subsequent discussion. He highlighted the urgency for a human rights based approach to be included in the EU's actions and agreements as well as the necessity to enforce existing human rights law. He underlined that especially the Santa Rita case shows that more action is needed, as climate mitigation actions can have severe impacts on indigenous peoples and local communities. He furthermore provided insights from a field visit to the Panama channel and emphasized that climate change needs to be a central point in the debate on finance for development.

The subsequent *discussion* raised the need for consistency within the EU policies, especially regarding climate change and the aspect of human rights. Moreover, enforceability of and coherence with existing human rights and political frameworks were highlighted as key elements to be brought in climate finance mechanisms. Respect for human rights and clear conditionality to be put on public finance was outlined also addressing current policy gaps and lessons learnt from UN mechanisms, such as the CDM. It was furthermore accentuated that EU delegates need to be urged to support strong human rights language in the new climate agreement as well as to introduce an institutional grievance mechanism. Building on the momentum of the discussion and making use of the opportunity to influence the drafting of the report on finance for development, MEP Heidi Hautala called on the panel and the participants of the event to draft concrete proposals that reflect the fruitful dialogue of this event and ensure that climate finance is based on a human rights based approach.

Eleonora Evi, **MEP** (EFDD/IT), *concluded* this event by pointing out that the Geneva Pledge is a crucial element to strengthen the link between human rights and climate change. With the existing obligations within the EU and its responsibility to reduce emission reductions, it is thereby of outmost importance to further highlight the interrelation of human rights and climate change. The Geneva Pledge needs to be supported by more EU member states and a human rights based approach brought on the agenda.

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