Open letter to implement UN obligations to respect human rights

9 October 2015

Dear CDM Board members,

We, the undersigned, comprised of 98 networks, organizations and concerned citizens including Members of the European Parliament, from 36 countries, urge you to adopt the recommendations presented to you in the UNFCCC Secretariat's "Concept Note: Improving stakeholder consultation processes"¹ as a critical step towards operationalizing human rights in climate action.

The need for human rights protections when developing and implementing mitigation activities (such as CDM projects) has been recognized by the Parties to the UNFCCC, when they adopted the **Cancun Agreements, Decision 1/CP.16**, that emphasize that *"Parties should, in all climate change related actions, fully respect human rights"* (para 8).

The Clean Development Mechanism (CDM) is often praised for having mobilized billions of dollars of investment and for continuing to leverage private sector investment ten times greater than the public funds allocated². However, hardly any countries have pledged demand for offset credits under the future Paris agreement making the future of the CDM uncertain.

In the post-2020 regime, a potential demand for CDM offset credits might come from the global market-based mechanism for aviation emissions, which is expected to be adopted in September 2016. Given the reputational risks to which airlines are exposed, such demand is expected to require carbon offsets to show how they have complied with international human rights obligations as well as relevant safeguards to identify, assess and manage environmental and social risks.

The latest attempt to counteract the reduced demand for CDM offset credits is the UNFCCC's Go Climate Neutral Now³ initiative launched on 22 September 2015 that aims to offer CDM carbon offsets to governments, companies and individuals. The UN Office for Project Services (UNOPS) has also stepped in to stimulate demand and has launched a tender to purchase 350,000 CDM carbon offsets. Both initiatives put the sustainability co-benefits of the projects in the forefront but the CDM's rules and procedures do not have the necessary monitoring rules and accountability mechanisms in place to guarantee the validity of such claims.

There may be potential for future CDM projects to receive funding through other climate finance channels in the form of "results-based finance". Many multilateral development banks and institutions, as well as the Green Climate Fund (GCF), apply safeguards and performance standards to help ensure that climate finance does not cause environmental and social harms, including human rights impacts. Yet, the CDM has not adopted safeguards or other mechanisms to prevent human rights violations.

¹ UNFCCC Concept Note <u>CDM-EB86-AA-A15</u>

² Keynote address by John Kilani, Director, Sustainable Development Mechanisms programme UNFCCC

Secretariat, Bonn, Germany, May 2015

³ Go Climate Neutral Now Initiative

In its current form, the CDM does not comply with international human rights obligations that apply in the context of climate change (these obligations have been explicitly recognized in the Cancun Agreements and in numerous reports and resolutions of the UN Human Rights Council). Moreover, the CDM does not live up to the standards applied at the global level by other institutions that finance similar projects and programmes or that are required and expected from potential buyers of offset credits.

Therefore, we urge you to carefully consider the Secretariat's Concept Note. It is important to highlight that the Concept Note's recommendations are not based on individual cases, but are rather based on input received from numerous submissions, consultations, and round tables since 2010. Furthermore, they are based on solid analysis including a random selection of 46 CDM projects from a wide range of host countries and project types.

To operationalize the human rights obligations recognized in the 2010 Cancun Agreements, the undersigned organisations call on you to:

- Develop a work programme to establish an independent accountability mechanism for the CDM, which is a well-established practice within multilateral (and some bilateral) financial institutions. In parallel and as the basis for this mechanism, the CDM should adopt international sustainable development criteria or safeguards, which are consistent with international obligations, including human rights standards. This work programme should provide an inclusive and transparent stakeholder consultation process.
- Provide a mandate for the UNFCCC secretariat to engage with the UN Office of the High Commissioner on Human Rights or special rapporteurs to ensure that any concerns regarding the human rights impacts of particular CDM activities are considered and addressed by the independent accountability mechanism or the appropriate human rights body.
- Support the recommendations included in the concept note CDM-EB85-A15 'Improving stakeholder consultation processes'⁴ in their entirety with special attention on:
 - Defining the scope of the local stakeholder consultation process to include the potential impact the project may have – both positive and negative – on the environment and local communities;
 - Requiring CDM projects to provide a summary that consultations were carried out in accordance with host country rules as well as CDM rules and that management plans to address adverse impacts are available;
 - Defining the minimum group of stakeholders to be invited, means for inviting stakeholder's participation, information to be made available (including nontechnical project summaries in the appropriate language), information on the consultation process, as well as how the consultations shall be conducted.

Yours sincerely,

⁴ CDM-EB85-A15

List of organizations supporting, by continent:

<u>Africa</u>

Benin:

- Eco-Benin

Burundi :

- Action Volontaire pour la Lutte contre les changements et effets négatifs du soufre du diesel -AVOCHACLISD-

Cameroun:

- Alternatives Durables pour le Développement ADD-
- Association Camerounaise pour le Développement, l'Entraide Sociale et la Protection de l'Environnement -ACDESPE-
- Association Camerounaise pour la Defense des Droits de l'Homme des Libertes et du Bien Etre –ACADEHLIB-
- Cercle des chrétiens pour la promotion des louanges, l'adoration, le réveil, l'intercession, le témoignage, l'évangélisation et les actions humanitaires -Mission CLARITE
- Education for all Cameroon -EFACM-
- Green Horizon
- Réseau Médias et OSC Eau, Hygiène et Assainissement CAMERWASH-
- Réseau National des Associations de Jeunes Camerounais Amis de la Nature RENAJCAN-
- Un Monde Avenir

Democratic Republic of Congo:

- Collectif des Associations pour le Développement CAD-
- Association Congolaise pour le Développement Agricole ACDA-

Ghana:

- Abibiman Foundation

Nigeria:

- Centre for Health Rights Advocacy

Senegal:

- ENDA Tiers Monde

Togo :

- Jeunes Volontaires pour l'Environnement

Uganda:

- Friends with Environment in Development

<u>Americas</u>

Canada:

- Planetary Association for Clean Energy

Chile:

Acción por la Tierra

Colombia:

- Asociación Ambiente y Sociedad
- Asociación de Productores para el Desarrollo Comunitario de la Ciénaga Grande del Bajo Sinú –ASPROCIG-
- Comité Chucureño por la defensa del Territorio "Tierra Digna"
- Movimiento Social en Defensa del Río Sogamoso

Guatemala:

- Colectivo Madre Selva
- Consejo de Pueblos Wuxhtaj, Movimiento indígena
- Consejo de Pueblos de Tezulutlàn Manuel Tot
- Instituto para la Superación de la Miseria Urbana de Guatemala –ISMUGUA-
- Red Nacional por la Defensa de la Soberanía Alimentaria en Guatemala REDSAG-

Honduras:

- Alianza Hondureña de Cambio Climático AHCC-
- Asociación Nacional para el Fomento de la Agricultura Ecológica -ANAFAE-
- Organización Fraternal Negra Hondureña OFRANEH-
- Plataforma Nacional de Organizaciones de la Sociedad Civil Organizada Región Centro -MNIGR-

Mexico:

- Entornos Educativos A.C.
- Equidad de Género: Ciudadanía, Trabajo y Familia

Nicaragua:

- Centro Alexander von Humboldt

Panama:

- Asociación Ambientalista de Chiriquí
- Alianza para la Conservación y el Desarrollo ACD-
- Movimiento 10 de Abril M10-

Peru:

- Movimiento ciudadano contra el cambio climático – MOCICC-

Uruguay:

- Amigos del Viento

USA:

- Center for International Environmental Law
- Moravian College
- Sierra Club
- SustainUS

Australia and Oceania

Australia:

- Climate Justice Programme

New Zealand:

- Engineers for Social Responsibility Inc
- Human Rights Foundation of Aotearoa New Zealand
- The Sustainable Energy Forum Inc

<u>Asia</u>

India:

- All India Kabadi Mazdoor Mahasangh –AIKMM-
- Anekal Rehabilitation Education And Development Centre
- Bank Information Center -BIC-
- Centre for Environment, Social and Policy Research CESPR-
- Gujarat Forum on CDM
- Habitat
- The Indian Network for Ethics and Climate Change –INECC-
- Indira Gandhi Institute of Devt. Research
- Institute for Ecology and Livelihood Action
- lokshakti Abhiyan
- Naga Women's Union
- ParyavaranMitra
- Paryavaraniya Vikas Kendra
- PRAG JOTHI
- Sagar Rabari

Iran:

- Benfam Institute of natural living

Philippines:

- Ateneo School of Government

<u>Europe</u>

Austria:

- Finance & Trade Watch
- Nature Code

Belgium:

- European Association of Geographers
- Coopération Internationale pour le Développement et la Solidarité –CIDSE-
- Carbon Market Watch

France:

- ENERGIES 2050
- HELIO International
- International Movement ATD Fourth World

Germany:

- Brot für die Welt Evangelischer Entwicklungsdienst International policies department
- FIAN Deutschland e.V.
- Forum for environment
- WECF Women in Europe for a Common Future (WICF) Forum for Environment

Norway:

- Rainforest Foundation Norway

Portugal:

- Climaximo

Spain:

- Almáciga
- Alternativa Intercambio con Pueblos Indígenas

Switzerland:

- Mothers Legacy Project
- The Netherlands:
- Both ENDS
- Stand up for your Rights

UK:

- Foundation for GAIA

Individuals

Members of the European Parliament

- MEP Heidi Hautala The Greens | European Free Alliance, Finland
- MEP Jo Leinen Progressive Alliance of Socialists and Democrats, Germany

Belgium:

- Adeline De Lamar

Chile:

- Viviane Castro Salinas

Costa Rica:

- Elisabeth Romano

Ecuador:

- Jorge Celi

France:

- Simon Quemin, Université Paris-Dauphine
- Sylvie Thoron, Université Paris Est

India:

- Mitchell Almeida

The Netherlands:

- Jan Van de Venis

Spain:

- Antonino Campesino

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