



Local Impacts Of Global Markets

CARBON MARKET WATCH . ORG

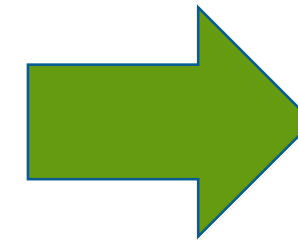
What went wrong?

1. Essential safeguards are missing
2. Sustainable development is not valued
3. Excessive focus on « least cost abatement »



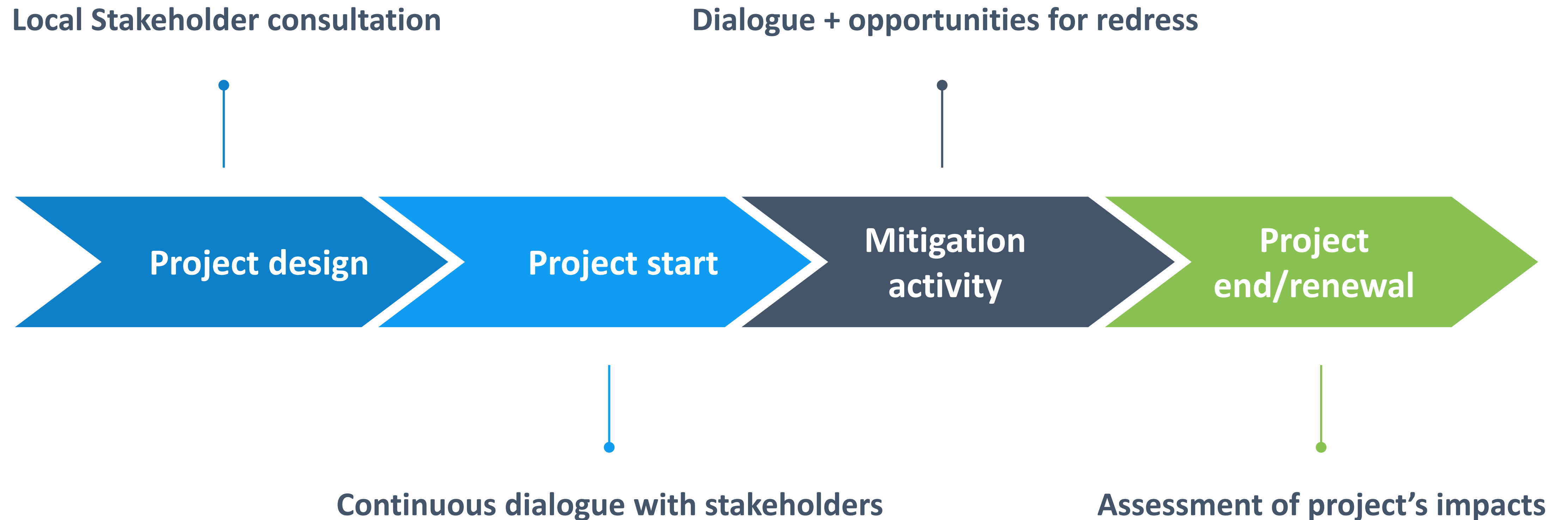
How do we make it right?

- 1. Essential safeguards are missing**
- 2. Sustainable development is not accurately measured**
- 3. Excessive focus on « least cost abatement »**



- 1. Include safeguards under article 6**
- 2. Require mandatory reporting of SD benefits**
- 3. Develop marketing strategies to emphasize co-benefits**

At which stage do we need safeguards?





Concrete safeguards for article 6



Mandatory local stakeholder consultations



**Grievance mechanism governed by an
independent body**

Where are we now?

Local stakeholder consultations:

Article 6.4 text, paragraph 32(e): “[The activity shall undergo a local and, where appropriate, sub-national stakeholder consultation;]”

→ Need further details

Grievance mechanism:

Article 6.4 text, paragraph 60: “Stakeholders [...] may appeal decisions of the Supervisory Body or request that a grievance be addressed by the Supervisory Body”

→ Need independence to address grievances

Three take-aways:

1. Climate **action** can harm people and the environment, and carbon markets have provided funds to projects with such impacts
2. Lesson from the past: mitigation is key, but not without social and environmental safeguards
3. Conclusion for the future: require mandatory local stakeholder consultations for the implementation of any project under article 6 and set up a grievance mechanism governed by an independent body

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