





Press Release: Environmental organisations call on French government and EDF Trading to stop involvement in CDM coal power project

Brussels/Paris/Ahmedabad, 16 October 2013. Today, thirty environmental NGOs from Europe and India have sent Open Letters to the French government and EDF Trading to clarify their involvement in a CDM coal power project in India. The project is in violation with domestic laws over negative environmental impacts that pose a threat to the livelihood of the local population. They also demand to exclude coal power projects from the CDM at the upcoming COP-19 climate change conference in Poland.

In September 2013, 25 Indian NGOs urged the Indian government to withdraw approval for Adani Power's offsetting project which was registered by the UN's offsetting mechanism Clean Development Mechanism (CDM) in December 2009. The project is a new super-critical coal fired power plant at Mundra, India with an installed capacity of 1320 MW. It claims that it was built more efficiently because of the offset revenue. The Mundra project is the first out of six registered coal power projects that has already received carbon credits.

The organisations' demand is a reaction to a report by an inspection committee set up by the Indian government that found that the project is in violation with various national regulations. The report reveals that the project registration is based on an erroneous social and environmental impact assessment and points out that excessive air pollution, depletion of groundwater and destruction of mangroves constitute a threat to the livelihoods of the local population.

"Adani's Mundra project not only harms the climate, it also threatens the health of local communities and fails to deliver sustainable development, as mandated by the CDM" says Falguni Joshi, convenor of the Gujarat Forum on the CDM, India. "We call on our government to take the findings of their report seriously and withdraw the letter of approval" she added.

The official UNFCCC website as well as an authorization letter issued by the French environment ministry in June 2011 lists EDF Trading as the beneficiary of the carbon credits from Adani's Mundra project. Yet, in an unofficial statement in August 2013, EDF Trading has distanced itself from the project without providing further information about the nature of the end of the contractual relationship with Adani.

"We welcome the decision by EDF Trading to stop investing in Adani's coal power project in India" said Eva Filzmoser, Director of Carbon Market Watch. "However, given the detrimental environmental impacts of the project and the fact that there are 600.000 carbon offset credits out there, there is a public interest to know who, if not EDF Trading, is involved in this project".

Because coal is inherently climate damaging and also causes numerous other environmental and human health impacts, NGOs have long been calling for the exclusion of coal power projects from the CDM.

"Following the announcement from the British government to stop endorsing investments in coal power, we call on the French government to withdraw the approval letters for the project and to support the exclusion of coal power projects from the CDM at the upcoming COP-19 climate change conference in Poland." stated Celia Gautier, EU Policy Advisor at Climate Action Network France.

ENDS.

Information for journalists:

- <u>Open letter</u> regarding authorization and approval letter for CDM project 2716 to Director General for Climate and Energy
- Open letter regarding the involvement in the CDM project 2716 to EDF Trading
- <u>Open Letter by Indian NGOs</u> to Indian DNA demanding to withdraw approval for Adani Power's offsetting project
- Information at the UNFCCC CDM website about the Mundra project
- <u>Authorization letter</u> entitling EDF Trading as beneficiary for carbon credits from the Mundra project
- <u>Approval letter</u> of the Indian Ministry of Environment and Forests, confirming that the Mundra project contributes to sustainable development
- Report of the committee for inspection of m/s adani port & sez ltd. mundra, Gujarat

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