



## Event Report, Bonn, 1 May 2018

### UNFCCC Side Event: “Protecting human rights in international carbon markets”

Carbon Market Watch organised a side event entitled “*Protecting human rights in international carbon markets*”, as part of the UNFCCC Bonn Climate Change Conference. Very well attended, this event brought together leading experts to address the question of how human rights and the rights of indigenous people can be better integrated and respected under the UNFCCC framework surrounding carbon markets.

While working on the design and implementation rules of future mechanisms under the Paris Agreement, negotiators will have to learn from the lessons of past systems, such as from the Clean Development Mechanism (CDM). Several CDM projects have had severe negative impacts on local communities, as well as on indigenous peoples, and it is therefore a key priority for future mechanisms to include robust rules on how to protect these vulnerable groups.

The event was kindly moderated by **Ben Schachter of the United Nations Office of the High Commissioner on Human Rights**.

A recording of the event is available [here](#). Below is a summary of the presentations:

**Ms Eva Filzmoser, Carbon Market Watch** emphasized the importance of [robust governance processes in international carbon markets](#):



- Even projects with high environmental and climate benefits have had negative impacts on local communities. One reason for this has been the poor quality of local stakeholder consultations. To this end, CMW has developed a [9-steps guide](#) to inform policymakers and stakeholders involved in mitigation projects on how to effectively engage local communities.
- The International Civil Aviation Organisation (ICAO) has developed a set of eligibility criteria for carbon credits under its offsetting mechanism CORSIA, and the CDM does not comply.
- CAEP [ICAO committee designing the rules of CORSIA] should be more open to the public. The lack of transparency under ICAO is a major issue.

- The current text on the Sustainable Development Mechanism (SDM) includes several references to human rights. It will be important to have a clear system on how states will report on these human rights related obligations under the mechanism.
- If credits issued under UNFCCC markets are to be eligible under CORSIA, UN mechanisms will need to step up their governance processes. This should start with the establishment of a grievance mechanism.

**Mr David Waskow, World Resources Institute** [focused](#) on land rights of indigenous communities:

- Climate action depends on the protection of indigenous communities. It should go beyond the idea of “not affecting human rights”.
- WRI report from 2016 on the economic benefits of securing indigenous land rights in the Amazon:
  - Only 21/167 Nationally Determined Contributions (NDCs) mention indigenous peoples in some way, this should be improved.
  - Using satellite data, it can be seen that a significant part of the world’s forest cover is on indigenous land. 37.7 GtCO<sub>2</sub>e is stored in forests owned by indigenous communities (1/8th of the world’s forest cover).
  - Based on research from Bolivia, Brazil and Colombia, it appears that deforestation is significantly lower (2 to 2.8 times lower) in areas with secure land tenure for indigenous communities.
  - Improving land tenure security for indigenous communities is cheap and therefore a very cost-effective strategy to mitigate climate change through reduced deforestation.

**Mr Osvaldo Jordan, Alianza para la Conservación y el Desarrollo** [described](#) the severe consequences on local communities caused by the CDM hydro dam project Barro Blanco:

- The Barro Blanco hydrodam project, registered under the CDM [deregistered in 2016], has strongly disrupted the lives of indigenous peoples.
- This was the result of the absence of meaningful mechanisms to protect the rights of indigenous peoples under the CDM.
- The construction of the hydrodam was pushed by private companies, as government slowly relinquished control and private actors stepped in to participate in the CDM carbon market.



- Discussions had been going on for many years, but in 2003 the dynamic shifted with the arrival of more powerful private actors. Despite strong protests from local communities, the dam planning went ahead.
- The market-based idea that any negative harms can be compensated to make everyone better off does not apply in the Barro Blanco case because a sacred site was flooded due to the construction of the dam. Indigenous people would not accept any compensation for this as the value of sacred territory cannot be monetised.
- Peaceful protests were met with violence, and this happened in several regions.

- The conflict around this project had been known for years before the CDM registered the project. Why was this not considered in the project design documents? Why were project documents only accessible in English and via the web? Why did CDM representatives never organise a site visit? Why does the CDM not have an internal complaint mechanism? Why did banks not have a clause to withdraw financial support in the case of human rights infringements?
- All these questions must be addressed, and future mechanisms must improve a lot to protect local communities.

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## Resources:

Watch the recording of the event [here](#)

## ***Presentations***

**Ms Eva Filzmoser**, Carbon Market Watch [Robust governance processes in international carbon markets](#)

**Mr David Waskow**, World Resources Institute [How important are indigenous and local communities to the environment?](#)

**Mr Osvaldo Jordan**, Alianza para la Conservación y el Desarrollo [Cleansing Unsustainable Development and Human Rights: The Case of the Barro Blanco Dam](#)

[Publication](#): Practitioner's guide for local stakeholder consultation – how to ensure adequate public participation in climate mitigation actions

In [French](#), [Spanish](#)

[Infographic](#): 9 steps for carrying out effective stakeholder consultations

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