

SPEECH DELIVERED AT THE CDM WATCH WORKSHOP

Delhi, 16 November 20089

Friends:

I work with a people who I metaphorically say have a “negative footprint”. Poor women in a semi arid drought prone region who lop a few twigs to cook their only meal of the day, a lumpy millet porridge which they eat with a few crushed chillies, onions, tomatoes and greens. Or else they go for 2 whole days every week to far away brush lands to gather a headload of firewood, facing all kinds of unimaginable problems... I have shared in the pain, indignities, suffering and humiliation that comprises their everyday life for 32 long years.

Today, at long last, they believe they have achieved substantial results to change all that. The people I work with are now a proud lot and feel they have their lives in their control.

But listening to all of you today, and to climate change experts and activists for the past 14 years, long before the protocol and accords were signed, I realise that they have only gained control over local forces at the village level. The power balance between the rural poor and middle/rich peasants may have altered in their favour. But they are powerless in the face of larger changes they neither have control over, nor have substantially contributed to the making of.

CDM Appropriated by the Corporate Sector

With the setting up of CDM, the stage was set for the flow of huge amounts of revenue from excessively emitting Annex I countries to less developed non-Annex I countries. However, in the past 4-5 years after its initiation, such resources have been wholly hogged by the more organised and capable corporate sector. Only a miniscule has been invested for the sustainable development of the poor in less developed and developing countries.

The “blame” for this situation where the true spirit of Kyoto and the CDM have been totally bypassed can partly be us. We failed to quickly respond and “put our foot into the door”.

Some of us confused totally incompatible and irreconcilable issues of Climate Justice with the tapping of Carbon Resources, which are theoretically and morally anathema to each other, and generally failed to make a headway in either field.

ADATS has always held the view that “Climate Change”, “Climate Justice” and “Fair Climate” issues should NOT be mixed with the tapping of carbon resources for development. There is an inherent immorality and deep fallacy in what has to be done to develop CDM Projects – the non-polluting poor have to be criminalised and projected as sources of great danger to the environment. Those poor people with what I metaphorically call a “negative footprint” have to be portrayed as emitters.

(I am not joking when I say that I will go to Hell for this. I am not being flippant when I say I run with the hare and hunt with the hounds in this regard.)

ADATS

ADATS made the compromise simply because of the resources that were available. For many years, the only pro-poor CDM Projects in the world were found in Chickballapur district of South India. Impressive resources have been tapped for pro-poor rural CDM Projects.

- A 5,500 domestic biogas units CDM has already been implemented at a project cost = € 1.1 million; the first 5,000 CERs have been verified and issued into the ETS; the second monitoring is under way to issue another 29,000 CERs into the registry.
- Another 18,000 biogas units CDM has just got registered and an ERPA signed to receive € 4.9 million, in advance, through the forward sale of 384,144 CERs that will be generated in the first 9 years.
- An A/R CDM to plant trees on 18,000 hectares of rain fed dry lands is in an advanced stage of validation. We intend mobilising € 27 million, once again through the forward sale of tCERs.
- A 5 Megawatt Solar Farm CDM is under preparation (€ 14 million). If it works, as it should, we will add 6 more.

The FCN Network

We believe that grassroots groups, NGOs, people's organizations, Gram Panchayats, etc. are best situated to identify CDM activities that can be undertaken for the sustainable development of the poor.

42 grassroots NGOs from all over India, scientists, environmentalists and feminists have got together to form the Fair Climate Network. Our purpose is to facilitate and capacitate grassroots bodies to develop pro-poor CDM Projects and tap carbon resources for the sustainable development of the poorest of the poor. We are an open and welcoming Network who have met at Bagepalli 6 times in the past 25 months, and the numbers are growing with each meeting.

In a span of just 2 years, 14 CDM Projects are in the pipeline, some at a very advanced stage of development:

- A Photovoltaic CDM to provide 300,000 lamps to 60,000 Dalit families has already been registered (Dalit REDS, Tumkur)
- A 5,000 Biogas CDM is under validation (SEDS, Penukonda)
- Another 10,000 Biogas CDM is being prepared in Andhra Pradesh (AF, Anantapur), and yet another in Tamil Nadu (Trust Help)
- 2 more Photovoltaic CDM Projects are under preparation (Gram Vikas and THREAD, both Orissa)
- An A/R CDM to plant trees on 50,000 acres of Tribal lands is under preparation (THREAD, Orissa)
- 7 PDDs are being prepared to install 450,000 Fuel Efficient Woodstoves in Karnataka, Andhra Pradesh, Tamil Nadu and Rajasthan (Dalit REDS, Samuha, JSMBT, Gram and LMACS, Trust Help and Seva Mandir)

(These numbers do not include 3 of ADATS' own Projects – 2 Biogas CDM and an A/R CDM – since these are not the result of the Fair Climate Network.)

DoE and Carbon Investor approved digitized Monitoring Systems that meet EB Standards have been developed for all the above technologies.

FCN Tech Team

The Fair Climate Network has set up a Tech Team at Bangalore with CDM Specialists to handhold and assist in the preparation of 20 pro-poor CDM Projects to reach out to 600,000 families, and access € 100 million from Carbon Investors in the next 3 years. We also have a very limited bridging fund of Rs 1.4 crores to help meet shortfalls that the project proponents (grassroots NGOs) may face in meeting transaction costs.

ADATS has taken the lead and I am the Convenor of the Network since we are involved in this field for almost 14 years, and believe that it is our duty to transfer our experiential learning to others.

Our Network is spurred by the realisation that *"We cannot do it on our own!"*. The powerful synergy unleashed has resulted in one of the most successful NGO Networks in recent times.

Weakness & Strengths

At the same time, grassroots NGOs do have to increase their competencies. NGOs who are excellent in project implementation and creating efficient Outputs, somehow fail to engineer primary stakeholder owned processes that produce Outcomes, and monitor them to demonstrate Results.

Translated into CDM language, many grassroots NGOs, with adequate capacitating support and handholding, will somehow muddle through to produce a credible Project Design Document. They will implement the physical projects (be it the building of biogas units, planting trees, or installing lamps and woodstoves) in a cost and time efficient manner. But they may not fare as well when it comes to a systematic monitoring of CER generation, year after year, over a 21-60 year long CDM Project life.

For grassroots NGOs to play this expanded role with the communities they work with, they themselves need a shift their orientation to a Results Oriented Management Culture. But this should be done in an extremely cautious and balanced manner. If an NGO merely succumbs to mainstream business management practices, forgoing its core values and principles, it automatically ceases to be an NGO in all but nomenclature. Mature organisational choices need to be made to not throw the baby out with the bathwater. CDM Projects are situated in the harsh and unsparing milieu of the carbon market. Carbon resources are commercial moneys with no empathy for chalking failure to learning. The choice to undertake CDM Projects has serious organizational implications that should be well thought through.

Good and Bad CDM Projects

How does one determine a “Bad” CDM Project unless you define which is “Good”?

- CDM Watch checks for genuine Additionality and flawed application of Methodology in individual CDM Projects. This is a really tough job, but not enough.
- Gold Standard tries to look at Sustainability and Development. It attempts to do so mainly through grassroots stakeholder consultations. This too is not enough since Project Proponents quickly learn to reduce procedures to a mere formality.
- Climate & Community Biodiversity Alliance (CCBA) tries to do a more thorough job, but only for Afforestation/Reforestation Projects.
- Climate Action Network (CAN) tries to look at the larger picture and contextualise CDM within both, climate mitigation as well as emission reduction.

But like the CDM mechanism itself, all these genuinely excellent efforts have the limitation that they have to apply across a wide range of situations, countries, etc. They cannot take a nuanced and subaltern look at individual efforts, offer suggestions in a non-judgemental and non-patronising manner, and guide them to meet the spirit of Kyoto and Marrakesh. This is something that local Networks like ours are capable of.

The principles being evolved in our Fair Climate Network are a healthy mix between the commercial and just. Especially the one on Carbon Revenue Sharing where we have agreed that we will be Transparent and Upfront on what will go to End Users who actually generate the CERs, and how much will be retained by Project Proponents.

I realise that no specific formula should be prescribed in a multilateral forum like our Network, but those 2 keywords alone are enough to safeguard us from ourselves!

Insofar as ADATS is concerned, we are clear that not a single Rupee of carbon revenue will flow to us or our NGO under any name or pretext. We have publicly declared this, and also executed legally binding agreements with the DNA and with each participating family.

And finally, Eva, I would like to end on a personal note. I am not justifying CDM in any way. I see CDM as a cop out mechanism by which rich nations avoid real cutbacks in their emission levels. I know that the only solution they have to problems caused by unsustainable over consumption is “*More of the same!*”

I will join in efforts to (a) cleanse it to the extent possible, and (b) completely get rid of CDM. But for as long as it exists, I will use the mechanism to garner as much resources as I can for the sustainable development of the poor. This is what our Fair Climate Network is about.

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