

Press Release

CDM Watch monitors again poor quality CDM projects and scrutinizes the work of the CDM Executive Board

Although the CDM has mobilised thousands of projects over the past years, the CDM has so far triggered serious concerns about the environmental integrity of its projects and its genuine contribution to sustainable development. As an initiative of international NGOs from both Annex I and non-Annex I countries, CDM Watch was re-established in April 2009 to provide an independent perspective on CDM projects, methodologies and the work of the CDM Executive Board which is supervising the CDM. The ultimate goal is helping to assure that the current CDM as well as a reformed mechanism post-2012, effectively results in emission reductions that are real, measurable, permanent, independently verified, and that contribute to sustainable development in CDM host countries.

Despite evidence that numerous project activities and methodologies do not fulfill basic environmental integrity and sustainable development criteria the CDM Executive Board has so far neglected to act. In early May 2009, the Board issued another 6 million credits to Clean Development Mechanism projects. The majority was awarded to two projects that destroy the gas HFC-23, a problematic sector that accounts for a large share of credits issued under the CDM because the GHG abatement costs are very low and the projects are relatively straight-forward to implement. However, the current methodology for HFC-23 destruction creates perverse incentives for the continued generation of high HFC-23 waste rates although it is technically and economically feasible to generate lower HFC-23 waste rates without the CDM. Also other methodologies face similar concerns and need to be tackled as a matter of priority.

The CDM is a complex instrument with limited opportunities for stakeholder input. One key task for improving project quality and preventing negative impacts is therefore to include local communities concerned by CDM projects. On this basis, CDM Watch collaborates with NGOs and local communities in CDM host countries that are directly affected by CDM projects.

To address shortcomings and to strengthen transparency of the CDM, CDM Watch issues regular newsletters focusing on the environmental integrity of CDM projects, contribution to sustainable development, governance structures of the CDM Executive Board, transparency in decision-making and the performance of Designated Operational Entities. Supported by a growing network of NGOs, CDM Watch's activities include:

- Drawing attention to clearly non-additional or harmful projects
- Providing information and guiding local stakeholders to influence CDM projects
- Advising potential buyers not to purchase CERs from harmful or non-additional projects
- Engaging in the CDM policy framework

For more information go to www.cdm-watch.org or contact eva.filzmoser@cdm-watch.org

CDM Watch is sponsored by the International Climate Protection Initiative of the Federal Environment Ministry of Germany