
CDM does not reduce emissions. Leaving fossil fuels in the ground does

Last month, I was in Bangkok for a [meeting about carbon markets](#) in southeast Asia. It was ironic to be discussing a false solution to climate change when large areas of Thailand were underwater and floods were threatening the capital. (While we cannot say that this particular flood was caused by climate change, we can say that [this type of flood will become more common](#) as the planet continues to warm.)

The Bangkok meeting was organised by ([CDM-Watch](#) and [Focus on the Global South](#) with participants from Indonesia, Malaysia, Philippines, Thailand, Vietnam, Burma and Cambodia. The meeting highlighted two distinct problems with CDM projects:

1. Because CDM is a carbon trading mechanism, it does not reduce emissions; and
2. Several CDM projects are in themselves destructive and create serious impacts for local communities and their environments.

“The CDM has never been designed to reduce emissions,” said [Jacques-Chai Chomthongdi](#) of Focus on the Global South. “Even worse is that there are no measures in place that address negative environmental and social impacts.”

For several years, International Rivers has been monitoring how CDM hydropower projects are not additional, because they would have gone ahead anyway, without assistance from the CDM. At the Bangkok meeting, Carl Middleton, of Chulalongkorn University, spoke about the Kamchay Dam in Cambodia, which is currently under validation as a CDM project. Financing for the project was secured in 2006 from the China Exim Bank and construction of the dam is expected to be finished this year. “It is impossible to assume that this project is additional,” Middleton commented. The dam will flood 2,000 hectares of lands including part of the Bokor National Park. “No intention has been communicated to address the severe environmental impacts it will cause,” Middleton added.

International Rivers maintains a [database of hydropower projects](#) in the CDM project pipeline. As of 29 October 2011, 1975 hydro projects with an installed capacity of 86,439 MW had applied for CDM credits, more than two-thirds of which are in China.

Nichakan Yuenyao is a local researcher from a community affected by a biomass power project in Surin Province in Thailand. She spoke at the meeting about the impacts that the community is suffering as a result of this supposedly “clean development” project. She explained that air pollution from the project was a problem, leading to lung diseases and skin problems. One villager told her he has to keep his doors and windows closed all day in an attempt to keep the dust out of his house. Noise is also a problem and after four years of operation, the biomass plant has affected villagers' water supplies.

Another speaker was Patrick Bürgi, one of the co-founders of carbon trading company South Pole Carbon Asset Management. “Some of these environmental impacts could be easily addressed, for

example by adding dust nets or sprinkling water,” he said. “The problem is that there is no enforcement mechanism in place.” Which is quite an admission, coming from a proponent of CDM projects.

During his presentation, Bürgi explained that, “CDM is about money transferred from the developed world to the developing world to finance projects that will help climate change mitigation.” Since this is not true, I asked Bürgi to confirm that in fact CDM does not reduce emissions, because it is a carbon trading mechanism. While emissions may be reduced in one place, selling carbon credits allows pollution elsewhere to continue. CDM is “at its best a zero sum game”, as then-chair of the CDM Executive Board, [Lex de Jonge](#) put it in 2009.

In addition to Bürgi, the panel included Bo Riisgaard Pedersen of the Danish Ministry of Climate and Energy and Sudeep Kodialbail of SGS a CDM Designated Operational Entity. Although they nodded while I was asking the question, they were somewhat reluctant to acknowledge in so many words that CDM does not reduce emissions. Eventually Kodialbail acknowledged the point (sort of). “If you look at the UNFCCC website, it's very interesting when you read it because they don't use the word reduce, they use the word stabilise,” he said.

Hearing this, I jumped up. “It doesn't reduce,” I shouted. “Can we have this in big letters? CDM does not reduce emissions. It's true. CDM does not reduce emissions. Can we all agree?”

It turns out that we could agree. “You are quite right saying that CDM as such does not lead to net reduction of emissions,” Bürgi replied.

For me, the highlight of the meeting came towards the end when Jerome Whittington of the National University of Singapore talked about a proposal that he and colleagues are working on for a [strict cap on fossil energy extraction](#) – in other words a planned phase out of coal, oil and natural gas mining.

In 2007, before the UN climate meeting in Bali, journalist [George Monbiot](#) made a similar suggestion and pointed out that, “The talks in Bali will be meaningless unless they produce a programme for leaving fossil fuels in the ground.” Four years later, with [greenhouse gases rising by a record amount last year](#), it is about time that this simple solution to runaway climate change was taken seriously.

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