

# Improving the Stakeholder Consultation Processes: an NGO Perspective





Anja Kollmuss, CDM Watch

CDM Roundtable 10 August 2012, Bonn

Anja.kollmuss@cdm-watch.org







We provide an **independent perspective on the CDM** and wider carbon market
developments and advocates for fair and
effective climate protection.

We work to **empower civil society** around the world to have a strong voice in the CDM by exposing weak governance rules and practices and organising capacity building workshops and providing tools.

**New CDM Discussion Forum** to foster dialogue between civil society and other CDM stakeholders, such as project developers, auditors, national governments and other policy makers. <a href="http://forum.cdm-watch.org">http://forum.cdm-watch.org</a>



**International Context** Local Stakeholder Context Global Stakeholder Context Concerns after Project Registration Conclusions



#### **International Context**

The right to public participation in decision-making is recognised in the context of environmental issues, including climate change:

- The Rio Declaration, Agenda 21, and the Aarhus Convention affirm that the best environmental decisions are made when civil society participates.
- The <u>UNFCCC</u> provides that Parties must promote and facilitate »public participation in addressing climate change and its effects and developing adequate responses«.
- The right to consultation with indigenous and tribal peoples and local communities before adopting measures that may affect them is well-established under international law (UNDRIP, ILO Convention 169).

→ Robust stakeholder consultation standards are required under existing

international obligations





## Benefits of enhanced consultation process

Potential negative impacts: Concept note states repeatedly that process could result in additional costs and more work for the project developer.

More detailed guidance may actually have the opposite effect.

→It will help standardize/streamline and improve and thus create greater efficiencies in conducting the consultation process. → may reduce costs on the project developer.





## Local stakeholders consultation process

- (a) Define the scope of the local consultation process, vis a vis national or local regulatory requirements;
- (b) Provide rules for how local stakeholders are to be informed of consultation process;
- (c) Provide rules for how and when to conduct the local stakeholder consultation.



Existing international obligations require a robust and participatory consultation process.

→In the definition of scope the concept note should state that developers must comply with both international and national regulations/requirements



#### **Local Stakeholder Consultation**

Define the minimum group of stakeholders who shall be involved in the consultations.

The following group of stakeholders shall be at a minimum involved in the consultation process: Local people affected, local authorities, a DNA representative, a local NGO representative. PPs/CME shall substantiate their choice of local people affected.

→ We strongly support making this a requirement but need more specifics, e.g. how do PPs have to substantiate the choice of

stakeholders?





## **Local Stakeholder Consultation Solicitation of comments:**

- (i) Define means for inviting stakeholders participation
- (ii) Define what information has to be made available to stakeholders and its format
- (iv) Define how the consultation shall be conducted;

Provide information about the project activity and a non-technical summary explaining the project in simple, non-technical term and in the appropriate local language(s). The provided information should enable the stakeholders to understand the project and its impact positive or negative.

- iii. Among other means, hold an in person meeting with stakeholders:
- a. Sufficient time should be given to stakeholders to enable their participation in the meeting

[...]

→ We strongly support these requirements and clarifications



#### Global stakeholder consultations

(a) Extend the commenting period for submission of global stakeholder comments change of an existing requirement;

Option 2: The commenting period to be extended to 45 (60 for LSAR)

Option 3: The commenting period to be extended to 60 days for all type of CDM projects (the most commonly requested period from stakeholders)

The commenting period is currently too short. We recommend option 2 or 3.







#### Global stakeholder consultations

- (c) Define the scope of GSC of comments to be submitted;
- (d) Improve the GSC web pages;

Better definition of the time zone where the commenting period ends

Add sign up option to notify people when GSC starts for projects of a certain type or region.

Enhance registration requirements for comment submitters, which shall include mandatory fields for full name and contact details.

Although we support more transparency and comments that are relevant to the projects, requiring that comment submitters reveal their identity is problematic. Especially in countries were people have to fear repercussions for speaking up.

(e) Allow comments to be submitted in local language used in the location of the project;

This is an important requirement and goes hand in hand with providing local stakeholders with project information in their language.



# Concerns with regard to the length of time between the conduct of consultations and registration of the CDM project

- (a) Option 1: Repeating the local stakeholder consultation if the project is not submitted for registration within 2 years from the conduct of the initial consultations. PPs/CME shall undertake a third round of stakeholder consultation if the project is not submitted for registration within 2 years from the conduct of the initial consultations. The third round of consultations shall follow the same process for conducting and reporting as the second round of LSC.
- (b) Option 2: Repeating the global stakeholder consultation if the project is not submitted for request for registration within 2 years from the conduct of the initial global stakeholders consultation. The DOE shall upload in the CDM website the latest version of the documents required for the GSC and shall follow the same process for conducting it.

→Both LSC and GSC should be repeated if project has not submitted request for registration within 2 years.



# Stakeholder concerns raised after the GSC or registration of the CDM project

**Option 1:** At the issuance stage when a monitoring report is uploaded, comments shall be invited from stakeholders on any negative impacts that may have been triggered by the implementation of the CDM project activity (for example, human right abuses etc). The DOE shall verify those allegations if any and include an opinion in its verification report. If allegations are proven, then the Board may decide to withhold the issuance of CERs until such issues are resolved.

**Option 2:** At the issuance stage when a monitoring report is uploaded, stakeholders may raise concerns directly with the DOE. These concerns or comments shall be limited to any negative impacts that the project may have triggered (human right issues). The DOE shall verify those allegations if any and include an opinion in its verification report. If allegations are proven, then the Board may decide to withhold the issuance of CERs until such issues are resolved.

**Option 3:** if a concern is raised by stakeholders on any negative impacts that may have been triggered by the implementation of the CDM project activity (for example, human right abuses etc.), the Board may depending on the gravity of the issues raised: (i) Issue the CERs and communicate the concerns to the host country DNA with a request to investigate the issue. (ii) Withhold issuance of CERs and communicate the concerns to the host country DNA with a request to investigate the issue. Based on the response from the DNA the Board shall decide the next course of action.

A well designed and implemented accountability process would decrease risks for all stakeholders including PPs.

Introducing such means of accountability is critical to the success of stakeholder consultations and should absolutely be included in the final concept note.



## **Conclusions**

Excellent document that summarises well many of the reforms needed.

Clear rules on how to conduct and assess LSC and GSC are needed and will make the CDM fairer and more efficient.

Much of this can be accomplished within the existing mandate, as an elaboration/interpretation of the existing rules.

