



Mr. Lambert Schneider

20 May 2015

Chair of the Clean Development Mechanism Board

Mr. Eduardo Buendia

Vice Chair of the Clean Development Mechanism Board

Dear Mr Schneider and Mr Buendia,

As a Member of the European Parliament committed to the respect of Human Rights, we are writing to you to express our serious concern about the Santa Rita Hydroelectric Plant in the Dolores River in Guatemala, which was registered under the Clean Development Mechanism (CDM) in June 2014 (project number 9713).

In a meeting in March 2015 with a representative of the local indigenous communities we learnt that many of the communities that will be impacted by the project were never consulted in accordance with the CDM local stakeholder consultation requirements. As a result, the project has been, and still is, in the center of a violent conflict between the communities and the power company implementing this project.

We are shocked about the deplorable events since 2010 that allegedly resulted in 7 people killed - including two children -, 70 civilians injured, 30 illegally arrested, 30 houses burned to the ground and more than 40 people with warrant restricting their rights. We are even more dismayed that the situation keeps on deteriorating without appropriate action or response by CDM Board.

While the European Union has made a commitment not to use offset credits to meet our future 2030 climate target, CDM offset credits are still being used for EU's 2020 climate targets. Moreover, as future climate mitigation policies are currently being designed, the lessons from the CDM need to be taken into account. We therefore see an urgent need for accountability of the UN's Clean Development Mechanism to ensure that CDM projects adhere to existing national and international obligations. However, we understand that to date the CDM does not offer any compliance or grievance mechanism in cases where national or international obligations are violated.

The need to establish a safeguards system is not only apparent by cases such as the Santa Rita hydro dam. It is also an obligation to operationalize the decision taken in Cancun in 2010 that “Parties should, in all climate change-related actions, fully respect Human Rights”.

We, Members of the European Parliament, therefore call on the CDM Board to take the deplorable events surrounding the Santa Rita case seriously, start a dialogue with bodies that are currently investigating non-compliance with applicable rules, such as the International Finance Corporation’s (IFC) Compliance Advisory Ombudsman (CAO), other banks involved – such as the German development finance institution (DEG), the Netherlands Development Finance Company (FMO), the Spanish Agency for International Cooperation (AECID) - and initiate an own investigation of the claims.

We also urge you to explore all means within your mandate to accelerate the establishment for a CDM grievance mechanism, for example a recommendation to the Conference of the Parties to the Kyoto Protocol (COP) to establish a safeguards and compliance system for the CDM.

We look forward to your response.

Yours sincerely,

Ignazio Corrao,

Member of the European Parliament, Member of the Committee on Development

Eleonora Evi,

Member of the European Parliament, Member of the Committee on Environment, Public Health and Food Safety

Heidi Hautala,

Member of the European Parliament, Member of the Committee on Development

Jo Leinen,

Member of the European Parliament, Member of the Committee on Environment, Public Health and Food Safety