

**Intervention to the Chair of the Contact Group on Mechanisms, Mr.
Chow Kok Kee, by the Forum of Indigenous Peoples and Local
Communities present at the UNFCCC SB13 Climate Negotiations
September 4, 2000**

Indigenous Peoples have been recognized for our role in the conservation of valuable ecosystems which mitigate the impacts of climate change. In fact we want to remind that, according to the indigenous philosophy and practice, Mother Earth and everything she owns, is sacred: that's why we feel the obligation to venerate and protect it, because we have to transmit it to next generations.

While the CDM framework and CDM projects allow for collaboration between Parties from industrialized (Annex-I) and developing countries, indigenous peoples who live in areas which will be directly affected by CDM projects, have been excluded from the dialogue. International agreements such as the Rio Convention, particularly Chapter 26; the Convention on Biological Diversity, in particular Articles 8(j), 10(c) and 18(4); the Ramsar Convention, the Convention to Combat Desertification; the International Labor Organization Convention 169, in particular its philosophy of participation; the Convention to Prevent Racial Discrimination, in particular Article 5; the United Nations Declaration on Development, the Declaration on the Ordering, Conservation and the Sustainable Development of the Forests in particular Paragraph 2.d, 5.a, 8.f, 12.d; Declaration and Program of Vienna, in particular paragraphs 20 and 31, the Program of Action on Population and Development, in particular paragraph 6.27 and Program of Action of Copenhagen, in particular paragraph 26.m and the sixth commitment g, have all recognized that indigenous peoples and local communities have rights over the ecosystems they inhabit and should share benefits derived from the use and management of its resources. The Clean Development Mechanism and Joint Implementation projects must be consistent with such international principles and norms which protect the rights of indigenous peoples. To ensure the success of CDM projects, it is imperative to include indigenous peoples and local communities in the CDM dialogue.

The CDM and JI frameworks should incorporate principles which address transparency, prior informed consent, informed public participation and consultation, capacity-building, and benefit-sharing and risk distribution with indigenous people and local communities in order to accomplish the objectives of lowering greenhouse gas emissions and achieving sustainable development in developed and developing countries.

Recalling Article 12 of the Kyoto Protocol on the Clean Development Mechanism (CDM), and Article 12.9 which outlines participation under the CDM, underlying the fact that we are currently in the process of determining our position on whether or not to include sinks in the CDM, we recommend the following specific principles that the Parties to the Kyoto Protocol should adopt to ensure sustainable development while considering the special needs of least developed countries, and in particular, indigenous peoples and local communities which will be affected by CDM projects:

Transparency

The objectives of the CDM should be clear, and should promote information sharing and understanding between Parties and indigenous peoples and other affected communities. Local and indigenous communities should have a right to receive detailed and unbiased information about proposed and actual CDM projects, and their potential impacts and benefits. In order to facilitate discussion and transparency, an ongoing, two-way communication process is essential.

Informed Public Participation and Consultation

Local communities, including indigenous peoples, should receive prior notification of any proposed CDM or JI project to be located in areas they inhabit or are directly dependent on. Notice of any pending decision must come early enough in the process for the potentially affected communities and the general public to review relevant materials, inform themselves on the issues and prepare their inputs. Consultation processes should be developed to promote understanding of the CDM, to resolve questions regarding the implementation of CDM or JI projects, to create opportunities for local inputs, and to mitigate potential disputes.

While the CDM framework provides opportunities for collaboration between Annex I and developing countries, it does not provide a formal participation process for directly impacted communities. Southern NGOs and local communities, including indigenous peoples, should be invited to participate in the formulation of the CDM framework, and to be involved in CDM project design and implementation as early as possible. Indeed, many local communities, and especially indigenous communities, possess valuable knowledge that could directly benefit CDM project design while minimizing overhead costs and increasing local support and likely project success.

Parties to the Kyoto Protocol should also work towards adopting a set of international criteria that would govern all CDM and JI projects while guaranteeing high performance standards. An isolated national approach to CDM and JI will not necessarily promote sustainable development practices, nor would it facilitate open discussion on critical issues.

Prior Informed Consent

The consent of indigenous peoples and local communities that will be directly impacted by CDM and JI projects must be obtained before a binding commitment to host a specific CDM or JI project can be made. Communities should be encouraged to suggest recommendations to improve projects, and should be involved in all stages of the CDM and JI project design and approval process. CDM and JI projects should not involve any involuntary resettlement of indigenous and other local occupants.

Skills Sharing and Capacity Building

To achieve the objectives of reducing GHG emissions and promoting sustainable development, it is critical that not only do Annex I countries have to transfer locally

appropriate technologies and expertise to local communities; they should also adjust their current mode and level of technology and industrial infrastructure for reduced emission. The technology must be suited to the specific local needs and conditions where it will be deployed. The CDM should promote the development and transfer of technologies that provide significant climate change benefits while complementing the social, economic and technical settings of host countries and indigenous peoples and local communities. Governments, NGOs and local communities, including indigenous peoples, must have the technical expertise, information and financial resources to participate fully in and benefit from the CDM process. On the other hand, the indigenous and other local communities should be protected and be allowed to apply, reproduce and develop their indigenous knowledge system and carbon management and to defend their lifespaces and livelihoods. Programs that focus on developing technological capacities through training, skills sharing and education should be encouraged. Skills sharing and capacity building at national, regional and local levels ought to be enhanced to ensure the long-term success of CDM projects at both the global and local levels.

Benefit Sharing and Risk Distribution

Article 12 of the Kyoto Protocol states that certified emission reduction (CERs) units will be generated from voluntary project activities in non-Annex I countries, and that the host country and investors will share CERs resulting from CDM projects. Although a portion of the proceeds from CDM projects will be assigned to finance adaptation activities in developing countries that are particularly threatened by climate change, there is no mechanism to share proceeds and benefits with local communities that would be directly affected by CDM projects.

The CDM should benefit all groups -- investors, host countries, and local communities, including indigenous peoples -- by promoting sound project planning, sustainable ecosystem management and equitable resource allocation. The risk that involves for the indigenous and other local people should be acknowledged in advance so as to enable the local communities to use their veto power to protect themselves. Projects that ensure substantial socio-economic benefits, particularly at the local levels, will be more likely to generate the public support required for the successful attainment of long-term climate benefits. Parties should collaborate with NGOs and particularly the indigenous and other local people to determine how CDM proceeds can best be equitably allocated and costs justly distributed. Minimum CDM benefit-sharing standards for directly affected local communities also merits consideration.