

SETTING THE AGENDA FOR THE 6TH CDM MEETING – 4 & 5 JULY 2009

Ram Esteves

Welcome to this 6th Meeting of the Fair Climate Network! We have a rather heavy agenda for this 2 day working meet of ours:

1. We need to share CDM Preparation experiences in an open and transparent manner so that each and every one of us gets a real appreciation of investments – risks, efforts, time, energy and money.
2. We need to thoroughly discuss, modify, accept and operationalise Gert's 2-pronged plan to:
 - Support our Network establish the Bangalore Setup & Tech Team.
 - Link our efforts to institutional and grassroots efforts at the Netherlands in a mutually productive manner through the sharing of information, knowledge, experience and resources.

4 months back, I had announced that it was all through. It wasn't. This Project Plan has had a 21 month long gestation and I owe you an explanation.

- In September 2007, in our very first meeting of the Fair Climate Network, we recognised the need to create a Resource that would assist grassroots NGOs develop CDM Projects.
 - For the past 4 months, discussions centred on whether such a Resource should be owned by Icco, with our Network Members free to use (or not) if they wished, or whether it should be managed and administered by our Fair Climate Network.
 - Personally, I was comfortable with either construct. But I steadfastly opposed any hybridisation of the 2 positions. I knew that pretended, assumed and imagined responsibilities would only lead to tension and misunderstanding.
 - All issues have now been resolved and we are now ready to kick off the Bangalore Setup.
3. We need to report on huge strides made to realise our self adopted target to develop 20 pro-poor grassroots CDM Projects and mobilise € 100 million within 2 years. I am already proud to announce that this has not waited for any *manna* to fall from the heavens...
 - The Bagepalli Coolie Sangha financed the setting up of a scaled down Tech Team, mentored by Sudha and guided by me, for the next 6 months. There was a sincere outpour of untapped offers from so many of you to continue beyond December 2009.
 - We have broken barriers to bring fuel efficient woodstoves into the CDM ambit, provided new impetus to technology development, and developed a business model to support its proliferation without any dependence on ERPA's and forward funding. Preparations to reach out to 300,000 extremely poor families are under way; many hundreds of thousands more are in the queue!

- We have interested at least 2 social entrepreneurs on the win-win potential in setting up large Carbon Investment companies that deal with our type of pro-poor CDM Projects.
 - CoP 15 is fast approaching with its overrated expectations and largely misunderstood mandate.
4. Tomorrow, we will spend a full day to systematically explore Methane Avoidance & Sustainable Agriculture with 3 convictions:
- Any operationalisation we make will reach out to hundreds of thousands of subsistence cultivators/poor and excluded communities in our spheres of influence.
 - My firm conviction, presently understood by very few, that Methane Avoidance is going to be the CDM of the future, palling Energy projects.
 - Our need to be the first to jump onto the bandwagon stems from the knowledge that if anyone has the political will to pull it off, it is our Network. Together we can challenge current givens with relentless and groundbreaking efforts.
- Words cannot express my gratitude to Richie Ahuja for joining ranks and offering to try reshape US markets to mobilise resources even while we undertake arduous efforts to develop methodologies and bring our efforts under a CDM interpretation.
5. And finally, we need to dispassionately examine the current global economic crisis and its implications on the carbon market, in order to foresee/foretell its end.

Four months back, I spoke of the terrific potential within this Network to forge new-age business relations. I said that each one of us has something to offer, that we as a whole need. I spoke of a transcending from the inane to a certain level of the sublime.

The Fair Climate Network will grow from strength to strength if we never forget that it makes perfect business sense to share dreams, together set goals, do things collectively, show off, share gnawing doubts, try, fall, rise again and succeed – all at the same time! This is a value in itself. It need not have any calculated motive. Its Output is a special kind of elation. The Outcome is Sustained Results.

Our strength will take us forward. It will attract hard nosed businessmen and women to join us. Our resource base will be staggering. It will tempt environmentalists, scientists and climate change activists to be with us. Our knowledge base will be boundless. It will be an impetus for technical innovators to move out of workshops and demonstrate their creativity in unchartered markets. Our array of pro-poor emission reduction choices will be increased.

3 particular Outcomes excite me the most:

- It will permit us to actually reward a vast constituency of hundreds of thousands of families, spread across the nation, for their “negative carbon footprint”. Our socio-political clout will be unchallenged.

- We will discover new and innovative roles that solve not just identified, expressed and articulated problems of the poor, but those they did not even know existed or hitherto considered unsolvable. Our technology will be Inductive.
- We will together use our strength to redefine the Clean Development Mechanism and reshape the carbon market in a way that I don't dare fathom.

Though we are assembled here as individuals, I recognise that each one carries their respective organisations in their backpacks. We are a multilateral gathering that fosters bilateral gain. But if that tempts any one of us to individually overreach, we will fail. This is the fate reserved for all who do not understand that individual identities are shaped and maintained by the community.

CDM Projects are situated in the harsh and unsparing milieu of the carbon market. Carbon resources are commercial moneys with no empathy for chalking failure to learning. The choice to undertake CDM Projects has serious organisational implications that need to be well thought through.

We grassroots NGOs can use the synergy here present to increase our competencies. I am certain, that with adequate capacitating support and handholding, we will somehow muddle through to produce a credible PDD. I also know that we will implement the physical outputs in a cost and time efficient manner. But we may not fare quite as well when it comes to systematic monitoring of CER generation, year after year, over a 21 to 60 year long project lifespan.

We need to shift our organisational orientation to a Results Oriented Management Culture. This should be done with extreme caution, in a balanced manner. If an NGO merely succumbs to mainstream business practices, forgoing its core values and principles, it automatically ceases to be an NGO in all but nomenclature. Mature organisational choices are needed to not throw the baby out with the bathwater. I find it difficult to visualise the exercise of such caution without answerability to this Network.

I have steadfastly held that Northern NGOs are not *ipso facto* suited to give a lead to this innovative venture. The tapping of commercial moneys and working within the market paradigm is not naturally imbibed into their core competence.

This does not belittle the antecedent role they have played in getting us where we are. Programmes and activities that funding NGOs steadfastly supported for so many years have established efficient grassroots NGOs with a strong local presence. These NGOs, along the CBOs they have fostered, need a little extra capacity building and handholding to now be in a position to implement and monitor pro-poor CDM projects with a high degree of reliability.

This is a vital precursor role that needs to be recognised and expanded. More and more Northern NGO resources should go into the building of strong NGOs and people's organisations in the South. Carbon will take care of an increasing array of physical developmental activities managed by NGO staff and CBO functionaries.

A final word on overcoming recession. I don't believe that the current financial crisis is going to slow down or effect the carbon market in any substantial manner; temporary drop in CER price from € 22 to € 13.10 notwithstanding. Recession, after all, is a cyclical cleansing mechanism within capitalism when excess flab is cut and efficiencies increased. It is followed by recovery and boom before the shit hits the fan once again.

Market economies cannot come out of recession without new technology and fresh infusion of capital into more (energy) efficient and (economically) viable ventures. Genuine CDM Projects undertaken for the sustainable development of the poor are just that. Especially when compared to the pumping of carbon resources into established utilities and industries set up in non-Annex I countries, making a mockery of Additionality.

Carbon Investors quoting the meltdown to strike fear in CDM Project proponents is nothing but a case of the astute businessman posturing for vantage, combined with the conservative bookkeeper's overt caution. If they really do believe in half the arguments they propound, they should shift their capital into petty trade and punitive lending.

Within the parameters of the market economy, Recession has little place in bold and imaginative planning for the future.

I cannot end this keynote address without individually welcoming each and every one of you back to Bagepalli. For our family, these CDM Meetings have come to be a family get together second only to Christmas! Of the 48 here present, 18 of you are coming for the first time – a very special welcome!

I dedicate this meeting to a Man who made it his Profession to be a Man. Someone who believed that a Man is a Man only if he is a Brother. Someone who, his whole life, learnt the true meaning of Giving. Personally, I owe everything to him. He made me grow to my potential, without ever once trying to mould me. Vicente Moncho Ferrer will live forever in hundreds of thousands he has touched.