

UN Body decision marks end for dirty carbon credits from coal power in the EU emissions trading scheme

Washington D.C., Brussels, 23 July 2012. The United Nations Clean Development Mechanism (CDM) Executive Board has taken a significant step towards a major victory against propping up the dirty, carbon intensive coal industry. In a meeting last week, the CDM Executive Board requested yet another round of scrutiny of the set of rules that would allow coal power plants in India and China to receive carbon credits.

This decision clearly underscores the controversial nature of awarding carbon credits to the most carbon intensive fuel on the planet. The Sierra Club and CDM Watch strongly support the Board's decision.

"Coal power projects not only pose severe harm to the climate, they also threaten the health of local communities ultimately failing to deliver sustainable development." says Eva Filzmoser, "We applaud the Board's decision which essentially marks the end of dirty carbon credits from coal power in the EU emissions trading scheme." says Eva Filzmoser, Director of CDM Watch.

This decision means that any future approval of the coal methodology will come too late for projects to get registered by the end of this year. Beginning next year projects will only be eligible for the EU emissions trading scheme (EU ETS) if they are from the world's poorest countries. This rules out the pipeline of coal projects which are all located in India and China. It also effectively bars coal projects from the world's largest carbon market, the EU ETS.

"The Board made the right decision. We simply can't allow billions in scarce international climate finance to continue to fund the world's most carbon intensive fuel – coal. CDM finance can now go where it should have been going all along – to low carbon development for the world's poorest countries," says John Coequyt, Director of International Climate Program.

Last year, the CDM Executive Board suspended the crediting rules of coal power projects. Because of concerns over environmental integrity, the rules continue to be suspended. A new set of revised rules will be discussed at the next meeting of the Board in September in Bangkok.

Additional Information

- Download CDM Watch and Sierra Club [letter](#) to the CDM EB of 8 July 2012
- Download [CDM Watch comments on ACM0013 revision](#)
- Download [CDM Watch Policy Brief on Coal](#)
- [More information about CDM coal projects](#)

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