



For Immediate Release

Press Release: CDM Executive Board rejects Bonyic Hydroelectric Project in light of alleged violations of CDM requirements and human rights standards

Warsaw, Panama City – Last week, the Clean Development Mechanism’s Executive Board rejected the request for registration of the Bonyic Hydroelectric Project in the Naso indigenous territory in Panama. This decision demonstrates that the Board has the authority to exclude projects that fail to meet CDM requirements, including rules on local stakeholder consultation.

The Bonyic Hydroelectric Project is a 31.8 MW hydroelectric power plant currently being constructed on the Bonyic River in Panama. The project’s location site has remarkable biological and cultural values. The site is within the Bosque Protector Palo Seco Protected Area and buffer zone for the Talamanca Range-La Amistad Reserves/La Amistad National Park, a World Heritage site and protected area in Panama and Costa Rica. In addition, the site is part of the traditional territories of the Naso indigenous people. Numbering around 3,500 people, the Naso face serious threats to their cultural survival due to lack of legal recognition of their territories and other factors.

Several organizations made submissions to the CDM Executive Board requesting that the Board reject the project. In addition to the fact that the project is non-additional, the validator recommending registration failed to address concerns raised by local stakeholders as required under the CDM. Significantly, the NGO submissions allege that the Bonyic project would violate international law, specifically Panama’s obligations to protect indigenous rights among others.

Joana Abrego from the Environmental Advocacy Center-Panama (CIAM) said *“The construction of the Bonyic project is affecting essential ecosystems and vulnerable communities. We commend the Executive Board for rejecting this project and upholding CDM rules for the rights of local stakeholder engagement.”*

“However, the positive recommendation by the validator raises doubts over the qualitative assessment of validators. Given that there are no liability rules for validators in place, we expect the CDM Executive Board to investigate the reasons and hold the validator to account for their inappropriate validation” commented Eva Filzmoser from Carbon Market Watch.

“This decision is a positive step in the right direction, particularly now as we await the SBI’s recommendations on reform of the CDM’s Modalities and Procedures review here in Warsaw. It is critical that the CDM establish an institutional safeguards system that effectively prevents social and environmental harm, promotes greater accountability,



and ensures the effective participation of all stakeholders.” concluded Alyssa Johl from the Center for International Environmental Law.

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Information for journalists:

- Comments to the Bonyic Hydroelectric Project by [Alianza para la Conservación y el Desarrollo \(ACD\)](#), [FERN](#), [Asociación Ambientalista de Chiriqui](#), and [International Rivers](#).
- The United Nations Special Rapporteur on the Rights of Indigenous Peoples Panama's [End of Mission Statement](#).
- [Letter to the Board: Bonyic Hydroelectric Project's request for registration should be rejected](#) by Environmental Advocacy Center-Panama (CIAM).
- [Submission on views regarding the revision of the CDM Modalities and Procedures](#) by Asociación Interamericana para la Defensa del Ambiente, Center for International Environmental Law, Earthjustice, and International Rivers.
- [Views to the review of the modalities and procedures of the Clean development mechanism](#) by Carbon Market Watch, a project by Nature Code, on behalf of the German Forum Environment & Development.
- [Open letter to Environment Ministers and delegates of UNFCCC Parties](#): Stop carbon markets from undermining mitigation commitments at COP-19.