

# UN Clean Development Mechanism money sought for dam that threatens World Heritage Site in Panama

by ACD Panama/CTW  
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Bocas del Toro, Panama --- A new hydroelectric dam in Panama could receive funding from the UN's Clean Development Mechanism, environmental justice and conservation groups have warned.

The Chan-75 dam is being built by a subsidiary of the Virginia-based Allied Energy Systems Corporation (AES), which has now requested carbon credit certification for the project. Yet the environmental impact could be devastating.

The construction threatens the environment and violates the human rights of the Ngäbe indigenous tribe living in the region, says Osvaldo Jordan of the Alliance for Conservation and Development (ACD), a Panamanian environmental organisation.

The dam's construction is currently taking place in the Palo Seco Protected Forest within the La Amistad Biosphere Reserve, in the Bocas Del Toro region of Panama. Yet the Chan 75 project does not comply with the guidelines of the World Commission on Dams. The construction threatens the La Amistad International Park, a UNESCO World Heritage Site shared by Panama and Costa Rica, and part of the Mesoamerican Biological Corridor. Earlier this year, BBC News reported the discovery of three new species of amphibians on the Costa Rican side of the Park, very close to the border with Panama. The dam will most likely cause the extirpation of all of the major migratory aquatic fish and shrimp species from the La Amistad, and will negatively affect populations of jaguars, tapirs, and harpy eagles.

The dam also violates the human rights of Panama's indigenous Ngäbe population. The Panamanian environmental agency, La Autoridad Nacional del Ambiente (ANAM), approved the construction without the free, prior and informed consent of the affected Ngäbe. The dam will result in the complete relocation of more than 1,000 Ngäbe subsistence farmers, and the destruction of their unique lifestyle. AES has met Ngäbe protests in response to the construction with the use of bribery, blackmail and outright police repression, all with the intention of pressuring the Ngäbe farmers to leave their land.

The Chan-75 case is further evidence that the CDM is being treated as a subsidy stream for environmentally destructive projects, says Oscar Reyes of Carbon Trade Watch, a project of the Amsterdam-based Transnational Institute. It risks a lose-lose scenario, where the people and environment of Panama are threatened by a project that would allow industries elsewhere to continue polluting.

A factsheet on the Chan-75 project can be found here:

FACT SHEET ABOUT THE CHAN-75 HYDROELECTRIC PROJECT [Word 46.50 Kb]

Further details

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## Notes

1. In March 2008, two non-governmental organizations, La Alianza para la Conservacion y el Desarrollo (ACD) and Cultural Survival, filed a petition to the Inter-American Human Rights Commission to protect the human rights of the Ngãbe. The NGOs argue that the CDM should not be utilized to propagate human rights violations and the destruction of the world's biological diversity in the name of clean energy.

2. In line with the Clean Development Mechanism (CDM) of the Kyoto Protocol carbon market, the CDM Executive Board is now accepting public comment on the legitimacy of the project. ACD and Cultural Survival are now requesting that comments on the project be sent to the CDM Executive Board, by emailing [manja.welzel@tuev-sued.de](mailto:manja.welzel@tuev-sued.de) with the heading (Changuinola, Panama " COMMENTS) before 8 Friday 8 August.

3. Hydropower is the most common form of technology in the CDM pipeline, with 828 such projects awaiting approval as of April 2008. See International Rivers, Bad Deal for the Planet <http://www.internationalrivers.org/node/2826> for further details

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