

Engagement Process: Tom Heinemann Climate Documentary

This document provides a summary of the interactions we had with Tom Heinemann, whilst he was conducting research for his documentary on carbon markets in a post-Kyoto world.

16 October 2012

Tom called The Gold Standard office and had a conversation about the carbon market in general and outlined the synopsis of his documentary – i.e. an overall investigation into carbon trading after the end of the Kyoto Protocol. We offered to be of whatever assistance we could. Tom said he would do some web research and get back to us if he required.

28 March 2013

Tom emailed The Gold Standard asking for our response to several questions following a visit of his to Kenya to Vesteraard Frandsen's Carbon for Water project. He claimed that during his visit the majority of people he spoke to did not use the Lifestraw filter to cleanse their water, which seemed to contradict the publicity around the project and the number of carbon credits The Gold Standard had issued to Vestergaard in the first issuance period. He asked for specific information on the validation/verification process, the number of VERs issued to date and our impression of his interviews that people do not use the Lifestraw.

2 April 2013

The Gold Standard responded to Tom providing answers to his validation/verification questions, including our process of NGO and other stakeholder feedback that is a part of every review. We explained to him that no 2013 verification report was, as yet, available online as this process was underway. We were open that we had received questions from within our NGO supporter network with regards to the Lifestraw project and we were in the process of investigating them. We also encouraged Tom to provide us with further information and more specific feedback from his visit to Kenya as, if there are concerns about any Gold Standard projects, it is our duty as the regulator, to address them.

7 April 2013

Tom responded to The Gold Standard's previous email asking for specific information about the NGOs concerns and asking when the investigation would be made public. He also declined to provide The Gold Standard with any further information with regards to his media interviews in Kenya, citing that as a journalist he could not reveal any sources or details aside from those interviews that would be publicly aired in his documentary.

8 April 2013

The Gold Standard had a long conversation with Tom, talking him through all of his points and answering all of his questions about Gold Standard processes, and Vestergaard in particular, including the review process that was underway with both The Gold Standard Technical Team and TAC involved, the NGO questions around usage rates that had been raised and the concept of suppressed demand. The Gold Standard, once again, invited Tom to provide his information to our TAC to be taken into consideration however he declined. Upon being pressed, Tom did admit

that he didn't do 'that many' interviews '10, 20, 100?' 'oh, no way near 100, more than 10', also admitting that his interviews were 'investigative journalism', not empirical, random sample, scientifically relevant surveys of which any results would be taken seriously. He also outlined that he had spoken to an economist at the University of Copenhagen who had told him suppressed demand was guesswork and like looking into a crystal ball. When The Gold Standard responded by explaining the concept, and the high-level government work that had been done around suppressed demand, he ended the call.

16 April 2013

The Gold Standard proactively emailed Tom an update following a TAC meeting during which the Carbon for Water project was discussed. Reiterating the conversation held the previous week, The Gold Standard outlined our issuance process and the ability of NGOs and all stakeholders to input and query projects. The Gold Standard again outlined in detail that 3 separate surveys all recorded around a 92% usage rate for the Lifestraw in the project area and the methodologies behind these surveys. It also outlined the process of review underway and highlighted that the delay of the second issuance of credits illustrated how seriously we took the review process. For a third time, The Gold Standard invited Tom to provide further information of his alleged non-usage of Lifestraw filters – outlining that whilst his interviews were unlikely to be statistically relevant they may provide important comparisons with other survey results and therefore be useful in a review of the project.

Tom responded on the same day questioning that three surveys found an identical 92% usage rate, again reiterating that he believed his interviews showed differently and asking for the survey results.

The Gold Standard responded that the survey results were the property of Vestergaard Frandsen and he would need to contact them to secure them and clarified that the three surveys found similar usage rates, not identical usage rates and that crediting was based upon 92% as that was the lowest usage number.

9 May 2013

Tom wrote to The Gold Standard thanking us for providing details of our pipeline and asked how many GS projects use the suppressed demand methodology to calculate emission reductions/credit issuance.

15 May 2013

The Gold Standard responded having asked Perspectives for a comprehensive explanation of suppressed demand, given Abhishek's feedback that all projects that follow the CDM, to some extent, take suppressed demand into account. The Gold Standard provided Tom with Axel Michelowa's summary of the concept. GS also proactively updated Tom 1.31 million credits would shortly issue for Carbon for Water. GS also told Tom that this is not the full number of credits because, whilst we and our NGO supporters were comfortable that the project was delivering robust emission reductions relating to the use of Lifestraw that exceed this volume, we were also having some additional independent research undertaken in order to be certain of the usage rates. GS did reiterate that his lower than requested issuance was a normal part of our feedback process.

18 May 2013

Tom sent an email outlining some of his final passages in the film in order to ensure that he had not made mistakes.

21 May 2013

GS replied to Tom to correct/clarify many of his passages, including:

- His misunderstanding of how many people boil their water in Kenya and how many people would boil their water under a suppressed demand methodology if they were able and an explanation that the two figures are irrelevant to each other and are not comparable.
- His misunderstanding and misrepresentation of suppressed demand and how many GS projects have elements of suppressed demand included in their methodologies, including that it is used throughout carbon markets under CDM meths.
- His misrepresentation that GS estimates how many credits are issued over certain periods, correcting that GS is the regulator therefore certifies credits when an issuance is requested by project developers and perhaps project developers estimate the number of credits over the lifetime of a project. All future GS credit issuance for any project is dependent on whether our rules are met over the lifetime of a project.
- That we are not crediting a 92% usage rate – that this number is precisely the focus of the further analysis we are currently undertaking.

24 May 2013

Tom wrote to say he would correct his mistakes and requested an interview with Adrian as he said he found the 25% current boiling rate and the 79% boiling rate used in suppressed demand calculations highly relevant. He wanted an interview to a tight deadline. Several emails ensued culminating in his statement that he would say The Gold Standard was not prepared to be interviewed, which was corrected by an explanation that Adrian was travelling (in Washington DC) and Abhishek was in India. He agreed to say that it was not possible to get an interview with GS. Tom wrote to say he did not think we had provided adequate answers to the concept of suppressed demand, nor had we provided sufficient comment on the women he had filmed in Kakamega.

25 May 2013

GS responded that we had answered his questions on suppressed demand however the issues he was raising were more philosophical and questioning a concept at the heart of the CDM – established and supported by the UN and national governments. For a broader market/intellectual perspective on his questions we suggested either Axel Michelowa or, e.g. BMU. In relation to the interviews he conducted with women in the Kakamega area GS responded again that, as he had previously acknowledged his interviews were not part of a representative, random sample survey. Further we responded that he had not provided us with any further details aside from a general statement therefore without knowing more specifically how many women he spoke to and where, it was very difficult for us to comment further.

27 May 2013

Tom responded that he was not satisfied with our answers and we had failed to adequately address the suppressed demand concept in relation to Lifestraw in particular and the number of credits issued. He also responded that he did not understand why the percentage of people who currently boil their water is not comparable to those who

would under a suppressed demand methodology. In relation to his interviews with the women in Kakamega, he was also not happy with our answers, and shared that he had not received any survey documentation from Vestergaard.

From our perspective it felt like he was unwilling to understand the concept of suppressed demand. This project is not about what people would have done in the future to treat water if they had the resources. Access to safe water is a basic human right. If the world was a fairer place, people should have been boiling water a long time ago. And we are not crediting the volume of water people are treating with Lifestraw, but we credit the basic human need as per the WHO, which is a maximum of 6 litres/person/day. Without this methodology, disadvantaged communities would not be able to access or benefit from clean technologies, such as interventions that provide safe water, funded by climate finance mechanisms.

For more information about our work on suppressed demand:

http://www.goldstandard.org/sites/default/files/documents/climate_policy_brief_final_lo-res.pdf