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ADB Rejected an Open Discussion Regarding Phulbari Coal Project

Japan Center for a Sustainable Environment and Society (JACSES)

The Phulbari Coal Project (Bangladesh) is planned by UK based "Asia Energy Corporation", and ADB is considering to finance the project (a board approval is expected in October 2007). However, this project has many issues such as human rights violations and violation of ADB policies as follows¹;

- Strong protest from people of Phulbari who are concerned about the resettlement of 43,000 people (enormous loss of farmers' livelihood).
- Serious human rights violations such as open fire against protesters², torture³ and threat⁴ against local people of Phulbari.
- Lack of information disclosure of important documents such as Environmental Impact

 Assessment etc. (violation of ADB's Public Communication Policy⁵).
- · ADB is not aware about local situation in Phulbari (situation of the Information Center⁶, etc.)

JACSES has urged ADB and Japanese Government (the largest donor of ADB) not to finance the project, and we requested ADB to have an open discussion with international NGOs in the Kyoto International Conference Center during the Annual General Meeting (AGM). <u>However, ADB refused the proposal, and stated that "The ADB Annual Meeting remains an inappropriate venue for a public debate on the intricacies of the project." ADB also responded that they could only have a closed meeting with NGOs on the project.</u>

In this AGM, ADB will have open discussions regarding the Energy Policy and Safeguard Policies. If ADB reject the open discussion on project issues, JACSES believes that the rejection is a fundamental problem on accountability and legitimacy as a public institution⁷.

JACSES will request an open discussion, and will urge ADB not to finance the Phulbari Coal Project which is causing serious human rights violations.

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¹ For more details, please refer "Position Paper: ADB should not finance to the Phulbari Coal Project (http://www.jacses.org/en/sdap/phulbari/index.htm)"

² In August 2006, when more than 20,000 people demonstrated against the project, the Bangladesh Rifles, a paramilitary force, opened fire to protestors. 5 people were dead and more than 100 people were injured.

³ In February 2007, one of the leaders of anti-Phulbari campaign was openly beaten up and jailed after. The local CSO pointed out that he was arrested based on a false charge.

⁴ DFID (one of the donors of Actionaid Bangladesh, a development NGO) threatened them that if they continue to conduct their anti-Phulbari campaign, it will be an impact on their future financing.

⁵ When an involuntary resettlement occurs due to a development project, ADB requires the project owner to make a resettlement plan. This is one of the essential requirements for project approval by ADB.

⁶ ADB claimed that there was enough information disclosure in the local Information Center. However, the Information Center had been closed since August 2006.

⁷ Japan is the largest donor of ADB. Each year, Japan pays several tens of billions from tax money to ADB.