

No Coal, Go Green!

Fact sheet 4 : The Meja coal-fired power plant project in India

Yuki Tanabe, Japan Center for a Sustainable and Environment and Society (JACSES) (March 24th, 2014)

1. Project Overview

Currently, the Japanese Bank for International Cooperation (JBIC) is considering to fund the Meja coal-fired power plant in Uttar Pradesh, India. However, residents have received notice that they will be presented with inadequate compensation, that there are problems with the livelihood rehabilitation plan and that social consent from the affected people has yet to be obtained. In addition, there is great concern that the large amount of water needed from a nearby river will lead to water shortages for locals and will effect wildlife.

- Power plant specifications : 1,320 MW (660MWX2 power plant) using Ultra Super Critical (USC) technology (in a joint venture between Hitachi and BGR Energy Systems Limited, the 2 companies plan to supply a boiler¹, while Toshiba plans to supply a steam turbine²).
- Project proponents : Meja Urja Nigam Private Limited (India's public power company, National Thermal Power Corporation (NTPC) and Uttar Pradesh Rajya Vidyut Utpadan Nigam (UPRVUN) both have equal shares).³
- Lending agency : On June 6th, 2012, 16 banks including the State Bank of India signed for a syndicated loan for 75.7 billion rupees (approximately 130 billion yen)⁴. JBIC considers funding this project.
- Project site location : Allahabad region, Uttar Pradesh province



¹ Hitachi, News Release, April 9, 2012
<http://www.hitachi.com/New/cnews/120409.html>

² Toshiba, Press Release, May 9, 2012
http://www.toshiba.co.jp/about/press/2012_05/pr0901.htm

³ NTPC, Business Development
http://www.ntpc.co.in/index.php?option=com_content&view=article&id=67&Itemid=114&lang=en

⁴ NTPC, Announcements: Corporate Disclosure: 7th June, 2012
http://www.ntpc.co.in/index.php?option=com_content&view=article&id=661&Itemid=197

2. Main sequence of events:

2008	April	Survey of site for the environmental assessment starts.
2009	February 4 th	Public hearing on the project's environmental assessment starts
2010	March 26 th	Environmental assessment report is completed
2011	January 10 th	Environmental permit is issued from India's Ministry of Forestry
2012	June 6 th	16 banks including the State Bank of India signed for a syndicated loan for 75.7 billion rupees (approximately 130 billion yen)
2013	March 19 th	JBIC considers funding the Meja project, starts to release environmental assessment report etc.
	March	JBIC undertakes a survey of the site (interviews project proponents and confirms site conditions).

3. The current situation

- Inadequate compensation, poor livelihood rehabilitation strategies and no social agreement: Residents have received notices that they will be presented with inadequate compensation, that there are problems with the livelihood recovery plan and that the project's social agreement has yet to be guaranteed.⁵ According to JBIC, of the approximately 900 residents negatively affected by the problem, about 10% are unsatisfied with their compensation. In JBIC's Guidelines for Confirmation of Environmental and Social Considerations, it is a requirement for the borrower to obtain social consents from the affected people
- Undisclosed resettlement plan: JBIC claims that since the resettlement plan has not been disclosed yet at the site, JBIC has yet to formally release the plan which includes information regarding compensation and livelihood rehabilitation plan. However, JBIC's guidelines require the borrower to disclose the resettlement plan.
- Concern over cumulative impacts: In the vicinity, plans to operate power stations such as Bara thermal power plant (3,300MW) and Karchana thermal power plant (3,300MW) are in the works. However, there is concern that these facilities will require a high volume of water which will lead to water shortages for the water needs of locals in addition to negative effects on wildlife. In Meja, it has already been confirmed that a couple of blackbucks, a semi-endangered species, have been found dead due to water shortages. In JBIC's guidelines, it is also a requirement of the borrower that cumulative impacts be considered.

⁵ The Hindu "Discontent along Yamuna"
<http://www.thehindu.com/opinion/op-ed/discontent-along-the-yamuna/article5380380.ece>