

September 25, 2015

Mr. Shinzo ABE, Prime Minister
Mr. Taro ASO, Minister of Finance
Mr. Hiroshi WATANABE, Governor, CEO, Japan Bank for International Cooperation

Urgent Request to Reject Japanese Public Financing for the Proposed Batang Coal-fired Power Plant, Central Java, Indonesia

At the proposed project site of the Batang Coal-Fired Power Plant in Central Java, Indonesia, which the Japan Bank for International Cooperation (JBIC) is currently considering its finance for, the military engineer of the Indonesian army has resumed land clearing with heavy equipment since September 11, 2015, and has put the soil in some irrigation canals. It means the destruction of almost all the irrigation systems, as the necessary water flow to the farmland has been cut off. As a result, no water comes to the majority of farmlands which the landowners have not yet agreed to sell or to be acquired, and the farmers who haven't yet sold the land cannot continue their farming. We, the undersigned 63 organizations from 20 countries, express our strong objection against and deep regret at the forcible way with which the project has been pushed through, neglecting the local people's opinion and rights and committing human rights violations in a highly oppressive manner, and call on JBIC not to finance for the project.

Ongoing and strong concerns regarding loss of livelihoods, such as farming and fishing, and health impacts from pollution, have been raised persistently by local communities, and the project has been unable to proceed for nearly four years. During this period, community leaders opposing the project and landowners refusing to sell their land in the proposed project site have been subject to repeated human rights violations, such as intimidation, violence, and arbitrary arrest and detention at the hands of the army, the police, and other actors. Despite these human rights violations, 67 landowners who own some of the proposed project site are still refusing to sell their land. Also, an administrative court case has been filed at Semarang City, Central Java, questioning the legality of the acquisition process based on Law No. 2 of 2012 on Land Acquisition in this project, and the public hearing is still continuing.

On July 29, 2015, 23 members of the local community submitted an official objection to JBIC. In the submission, the local community pointed out how the project has failed and will fail to comply with many provisions of the JBIC Guidelines for Confirmation of Environmental and Social Considerations (the Guidelines), as it has made/will make their life worse and has caused/will cause violations of human rights. JBIC have already conveyed the local community's objections to the project proponent, according to "Summary of Procedures to Submit Objections concerning JBIC Guidelines." And the project proponent under the Guidelines is expected to take steps to bring the project into compliance by making appropriate environmental and social considerations.

For one and a half month, however, there have been no improvements on the ground. Instead, further cases of human rights violations have been reported from the local area. The intimidation to force the landowners to sell their land has been continuing by local thugs, who are supposedly hired by the pro group for the project and visited the landowners' houses in the midnight. When President Joko Widodo came to Batang for the "kick-off construction" ceremony on August 28, 2015, the local community who are opposing the project tried to convey their opposition to the President. But high-pressure water cannons belonging to the army and police prevented them from even coming close to the ceremony venue. Further, despite not having any "consent" of the landowners and farmers, the land clearing work has commenced again by heavy equipment of the Indonesian army since September 11, 2015, who just very easily destroyed the irrigation facility which used to support for the very fertile farmland where the farmers can harvest the rice three times a year.

This situation raises two important questions for us: first is whether the project proponent and the Indonesian government, who have important roles to play in terms of environmental and social considerations in this project, currently have intention to implement the project with appropriate environmental and social considerations according to the Guidelines, and the second is whether they actually have capacity to implement the project with appropriate environmental and social considerations in the future.

JBIC Guidelines states that "If, as a result of its environmental review, JBIC judges that appropriate environmental and social considerations are not ensured, it will encourage the project proponent, through the borrower, to undertake appropriate environmental and social considerations. If appropriate environmental and social considerations are not undertaken, there may be cases where funding is not extended."

As the deadline for the financial closure of the project is October 6, 2015, it is assumed that JBIC would be urged to make a decision. Given the following situations, we call on JBIC to reject financing for the project, taking the outcomes of its environmental reviews into account for decisions on funding:

- (i) In the objection paper, the local community pointed out how the project has failed and will fail to comply with many provisions of JBIC Guidelines, which haven't been improved or solved yet.
- (ii) Even after JBIC had already conveyed the contents of the objection paper to the project proponent, no appropriate environmental and social consideration has been made since then (to rectify matters).
- (iii) In light of the factors, such as the intention and the capacity of the project proponent and host government, who have important roles to play in this project, it is very uncertain whether appropriate environmental and social considerations can be ensured after JBIC makes a decision to finance the project.

We request that the Japanese government and JBIC sincerely listen to the concerns and opinion of the local people and take a strong and resolute position to reject its finance, but being not complicit in those serious human rights violations against the local community the project has resulted in. We will wait for your response.

This letter is endorsed by the following 63 organizations.

350.org
Asian Peasant Coalition (APC)
BankTrack
ECA Watch
Friends of the Earth Asia Pacific
Greenpeace East Asia
Greenpeace International
11.11.11, Belgium
NOAH - Friends of the Earth Denmark
Center for ecology and energy, Bosnia and Herzegovina
Center for Environment - Friends of the Earth Bosnia and Herzegovina
Friends of the Earth Canada
COECOCEIBA - Friends of the Earth Costa Rica
Les Amis de la Terre - Friends of the Earth France
CounterCurrent – GegenStroemung, Germany
Urgewald, Germany
The Ecological Justice, Indonesia
Greenpeace Indonesia
Indonesia Civil Society for Foreign Policy Working Group On Infrastructure, Indonesia
KIARA (The People's Coalition for Fisheries Justice), Indonesia
Paguyuban UKPWR, Indonesia
Wahana Lingkungan Hidup Indonesia (WALHI) - Friends of the Earth Indonesia
WALHI Central Java, Indonesia
WALHI East Java, Indonesia
WALHI Jambi, Indonesia
WALHI West Java, Indonesia
Re:Common, Italy
A SEED JAPAN, Japan
Friends of the Earth Japan
greeneconomy & development and population's principle laboratory, Japan
Japan Center for a Sustainable Environment and Society (JACSES), Japan
Japan Tropical Forest Action Network, Japan
JUBILEE KYUSHU ON WORLD DEBT AND POVERTY, Japan
Kiko Network, Japan
Mekong Watch, Japan
Network for Indonesian Democracy, Japan (NINDJA), Japan
ODA Reform Network – Kansai, Japan
Pacific Asia Resource Center (PARC), Japan
Korea Federation for Environmental Movements (KFEM) - Friends of the Earth Korea
The Consumers' Association of Penang, Malaysia
Sahabat Alam Malaysia - Friends of the Earth Malaysia
Third World Network, Malaysia
Both ENDS, the Netherlands
Health of Mother Earth Foundation, Nigeria
CREED (Citizens' Alliance in Reforms for Equitable and Efficient Development), Pakistan
Pakistan Fisherfolk Forum, Pakistan
Farmers Development Center -Bohol, Philippines
Kalikasan People's Network for the Environment, Philippines
Kilusang Magbubukid ng Pilipinas (KMP), Philippines

KINABUHI Network, Philippines
Philippine Movement for Climate Justice (PM CJ), Philippines
Women's Development Center, INC., Philippines
Friends of the Earth Scotland
Ecological Alert and Recovery-Thailand (EARTH), Thailand
Energy Watch Thailand, Thailand
Greenpeace Southeast Asia, Thailand
Krabi Anti-Coal Network, Thailand
Save Andaman from Coal Network, Thailand
Thai Climate Justice Working Group, Thailand
Friends of the Earth US
Sierra Club, US
Ulu Foundation, US
GreenID, Vietnam

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Mr. Masayoshi Kitamura, President, Electric Power Development Co.,Ltd. (J-POWER)
Mr. Teisuke Kitayama, Chairman of the Board, Sumitomo Mitsui Banking Corporation
Mr. Nobuhide Hayashi, President & CEO, Mizuho Bank, Ltd.
Mr. Nobuyuki Hirano, President, The Bank of Tokyo-Mitsubishi UFJ, Ltd.