

March 26, 2019

To:

Mr. Masumi Kakinoki  
Senior Executive Vice President, Member of the Board  
Chief Executive Officer, Power Business & Plant Group  
Marubeni Corporation

**Re: Ongoing Serious Impact on the Community and Our Continuous Demand to Stop the Cirebon Coal-fired Power Plant Project – Unit 1 and Unit 2 in West Java, Indonesia**

We, Rapel (Rakyat Penyelamat Lingkungan: People Environment Safer) Cirebon and WALHI West Java, are writing to you to provide with your company, Marubeni Corporation, some information, which we believe you must take into consideration, about Cirebon Coal-fired Power Plant Project, and to call on your company not to continue the construction of Cirebon Unit 2 (Cirebon 2).

Firstly, we simply recommend that your company kindly watch a recent feature video of Korean Broadcasting System (KBS), which has been available online since February 16, 2019<sup>1</sup>. It shows that significant negative impact on livelihood and health by Cirebon Unit 1 (Cirebon 1) has been ongoing in the local community. The fishermen are describing less fish catch nearby the project site after Cirebon 1. Both local children and adults are suffering from health problems after Cirebon 1.

It is worthwhile for your company to know that Rapel and WALHI West Java didn't get involved in making this KBS's video, but the local people surrounding Cirebon 1, even non-member or member of Rapel, are still testifying about serious impacts on the community's life. It would be difficult for the local people to explain the exact reason for why such problems have been happening. However, the fact or the real situation, that the livelihood and health of the local community have been greatly disturbed after Cirebon 1, must not be neglected by your company.

Because of our simple fear that this ongoing negative impact on livelihood and health in the local community would get deteriorated with Cirebon 2 (1000 MW), which has even a bigger capacity than Cirebon 1 (660 MW), we have been raising our concerns about and strong opposition against Cirebon 2. And because such fear has been already becoming a reality, especially for small-scale fishermen who have been disturbed by the jetty construction of Cirebon 2, we will never give up our struggle to stop Cirebon 2 by any peaceful means for the current and next generation's local community.

One of our efforts to stop the project still includes litigations. While the Supreme Court has rejected our demand to cancel the new environmental permit for Cirebon 2 in our second administrative court case, we, together with our lawyers' team, are under preparation for the verdict review as well as relevant judicial reviews. Thus, the litigation process related to Cirebon 2 hasn't been concluded

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<sup>1</sup> Available at <http://mn.kbs.co.kr/mobile/news/view.do?ncd=4140203> (confirmed it on March 20, 2019 at the last time)

yet. We would highly recommend that your company carefully consider the feasibility of Cirebon 2, as the project still entails legal risk.

We are aware that currently, the sponsor companies of Cirebon 2 have admitted the necessity to divest from coal-fired power plants: Your company announced its new policy related to “coal-fired power generation business” on September 18, 2018, and JERA mentioned “Reduced coal dependence/ shift to gas” as energy transition in the world in its presentation titled as “New Management and Organizational Structure along with Integration of Existing Thermal Power Generation Businesses” dated February 4, 2019. Given that coal-fired power plants become “Stranded Assets” amid the global efforts to respond to climate change or disaster, we understand that the global movement of such divestment from coal industry will not stop but be rather strengthening. This is not only an Indonesian and Japanese matter, but also a global urgent issue. Thus, we urge your company and the other sponsor companies to discuss more sincerely about the divestment from ongoing coal projects, such as Cirebon 2, not being bound by any existing agreement or contract.

Upon the occasion that your new management will start very soon on April 1<sup>st</sup>, we strongly request your company not to continue the construction of Cirebon 2, considering the local situation described in the above, including legal risk, and the global request towards de-carbonization.

Thank you very much for your kind attention and sensible consideration on this matter in advance.

(Signified by the leaders of Rapel Cirebon and the director of WALHI West Java)