Dossier on the Adani Group's environmental and social record

ADANI OVATCH BOB BROWN FOUNDATION ACTION FOR EARTH



Construction of Adani's Godda power station proceeds on lands acquired from indigenous (Adivasi) farmers near Godda. Two Adivasi look on. Photo by Geoff Law, February 2020

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Preamble

AdaniWatch is a non-profit project established by the Bob Brown Foundation to shine a light on the Adani Group's misdeeds across the planet.

In Australia, Adani is best known as the company behind the proposed Carmichael coal mine in Queensland. However, the Adani Group is a conglomeration of companies engaged in a vast array of businesses, including coal-fired power stations, ports, palm oil, airports, defence industries, solar power, real estate and gas. The group's founder and chairman, Gautam Adani, has been described as India's second-richest man and is a close associate of Indian Prime Minister Narendra Modi.

The Adani Group is active in several countries but particularly in India, where accusations of corruption and environmental destruction have dogged its rise to power. In central India, Adani intends to strip mine ancestral lands belonging to the indigenous Gond people. Large tracts of biodiverse forest, including elephant habitat, are in the firing line. Around the coastline of India, Adani's plans to massively expand its ports are generating outcry from fishing villages and conservationists. In the country's east, Adani is building a thermal power station designed to burn coal from Queensland and sell expensive power to neighbouring Bangladesh. Investigations, court actions and allegations of impropriety have accompanied Adani's progress in many of these business schemes.

Through its joint venture with Wilmar, Adani is a major refiner and trader in palm oil, an industry responsible for devastating huge areas of rainforest in South-East Asia. The Adani Group is also developing a major port in Myanmar, leasing land from a corporation owned by that country's infamously brutal military.

The Adani Group has benefited from human-rights violations and environmental degradation associated with many of the Group's commercial operations. Some of the abuses have been carried out by governments acting for the benefit of the Adani Group. AdaniWatch has published articles about these issues since February 2020. Such stories have also appeared in many other media outlets. Many of the incidents described in these articles have led to court challenges against the Adani Group's projects. A summary of these incidents makes for sobering reading.

1. <u>Assaults on community leaders and other forms of intimidation</u> associated with projects of the Adani Group

1.1.The proposed Godda power station (India)Locatedin the Indian state of Jharkhand.Relevant Adani corporate entities: Adani Power (Jharkhand) Limited.AdaniWatch stories: March 2020, April 2020 and July 2020.

A coal-fired power station is being constructed by Adani Power (Jharkhand) Limited (APJL) near the town of Godda in the eastern Indian state of Jharkhand. This is the power station for which coal from Adani's Carmichael mine is intended. According to court documents, APJL acquired approximately 550 ha of land for construction of power station.

Many local villagers were forcibly prevented from attending an official meeting that was part of the formal process of acquiring their land. Outside the Social Impact Assessment (SIA) meeting of 16 December 2016, police Adani assaulted the villagers. One villager, Suryanarayan Hembrom, later said 'We were charged by the police with their batons. Most of us were beaten on that day.' A

newslaundry <u>report</u> has vivid descriptions of the assaults, with one elderly woman saying 'they attacked my back with bricks' and another woman saying 'they hit my child; they beat him badly and started hitting me as well'. These allegations of beatings associated with the forced takeover of land for the Godda power station have acquired great notoriety, having also been covered by the <u>ABC</u>, <u>IndiaSpend</u> and the <u>Business Standard</u>. In response, an Adani spokesperson <u>said</u> the Adani Group 'neither supports nor has been involved in any act of aggression against any of these stakeholders'. It is true that the SIA meeting was not organised by Adani and that the assaults were carried out by police, not by Adani. However, it can be argued that APJL, the Adani company concerned, was the beneficiary of this violence because its bid to acquire the land in question was ultimately successful at the expense of the villagers who were attacked.



Suryanarayan Hembrom, one of several villagers beaten by police for trying to gain access to a Social Impact Assessment meeting regarding the acquisition of his land near Godda for Adani's power station. Photo Geoff Law. February 2020

1.2. The proposed Pench power station (India)

<u>Located</u> in the Indian state of Madhya Pradesh. Relevant Adani corporate entities: Pench Thermal Energy (MP) Limited (formerly Adani Pench Power Limited)

AdaniWatch stories: August 2020,

Adani took over this languishing project from a state power board in 2010. The proposed power station and associated proposed dam on the Pench River were opposed by local people concerned about the loss of 300 ha of land acquired by the state government of Madhya Pradesh, as well as the environmental impacts and displacement of people. On 22 May 2010, after protesting against Adani's proposal, Dr Sunilam, a former MLA, and local community campaigner, Advocate Aradhana Bhargav, were viciously assaulted by unknown assailants described in some media <u>reports</u> as 'company goons'. Sunilam suffered extensive injuries and both his arms were broken. In 2015, the secretary of the community group KSS, Sajje Chandravanshi, and four others were assaulted by unknown assailants. Although these assaults were formally reported to police, no perpetrators were apprehended. When AdaniWatch published a story about the Pench proposal in August 2020, comment from Adani was sought and published, but no comment by Adani was made regarding the allegations of assault by 'company goons'.

1.3. <u>Mundra (India)</u>

<u>Located</u> in the Indian state of Gujarat. Relevant Adani corporate entities: Adani Ports and Special Economic Zone (APSEZ); Adani Power Limited (APL). AdaniWatch stories – <u>February 2020</u>, <u>September 2020</u>

At least one leader of protests against APSEZ's environmental impacts associated with the port, industrial land and power station at Mundra has been bullied by state authorities. In 2015, a leader of the elected village government of Navinal, Mr Gajendrasinh Bhimaji Jadeja, was detained on flimsy charges and later freed by order of the Gujarat High Court. The actions of state authorities in detaining the village leader, who had filed petitions against Adani's operations, were <u>said</u> to be at the behest of the Adani Group. In preparing a story about impacts at Mundra, AdaniWatch sought comment from Adani about the incident involving Mr Jajeda, but no comment was made.

2. Takeover of indigenous, tribal or ancestral lands

2.1. Godda (India)

<u>Located</u> in the Indian state of Jharkhand. Relevant Adani corporate entities: Adani Power (Jharkhand) Limited (APJL). AdaniWatch stories – <u>March 2020</u>, <u>April 2020</u> and <u>July 2020</u>.



Construction of Adani's Godda power station proceeds on lands acquired from indigenous farmers near Godda. Photo by Geoff Law, February 2020

A coal-fired power station is being constructed by Adani near the town of Godda in the eastern Indian state of Jharkhand. This is the power station for which coal from Adani's Carmichael mine is intended. Land (approximately 550 ha) for the power station was acquired on behalf of APJL by the Jharkhand Government between 2016 and 2018. This was done without the consent of many of the people who own or work on the land. On 6 December 2016, community members opposed to the acquisition of their lands were barred from attending a meeting carried out as part of the Social Impact Assessment of the acquisition. On 31 August 2018, a visceral <u>confrontation</u> occurred between villagers and Adani officials arriving to occupy the lands.

Landowners interviewed by AdaniWatch and a local member of Parliament say that the Jharkhand Government significantly understated the value of the land, thereby reducing the compensation available to landowners. In February 2020, sixteen landowners mounted a legal challenge to the acquisition of their lands in the Jharkhand High Court. The challenge has been reported by the <u>ABC</u> and <u>Scroll.in</u>.

Many of the affected villagers are Adivasi – indigenous people whose land rights are supposed to be protected by law. The subversion of the relevant laws has been described in stories by <u>IndiaSpend</u> and <u>Scroll.in</u>. Dispossessed landowners told AdaniWatch that the loss of land reduces their access to health care, education and a reliable income. Without the land, they said, they will be forced to leave their homeland and seek 'daily wage labour' in the cities. In other words, Adani's Godda power plant will destroy the way of life of a large group of indigenous people.

One of the affected villagers, Suryanarayan Hembrom, told AdaniWatch 'We will keep fighting. From the district court to the supreme court to the after-life. We cannot stop fighting.'

3. Impacts on endangered wildlife

3.1. <u>Orangutans, tigers and elephants in South-East Asia</u> Located in Indonesia and Malaysia. Relevant Adani corporate entities: Adani Wilmar Ltd. AdaniWatch story: <u>February 2020</u>

Adani Wilmar, a joint venture between Adani and the Singapore-based palm-oil company Wilmar, imports large quantities of palm oil for processing and distribution in the form of numerous products, including cooking oil marketed by Adani under the brand name 'Fortune'. Adani Wilmar imports much of its palm oil from Wilmar itself, a leading company in the global palm-oil business.

The palm-oil industry has been criticised by environment groups for its impacts on tropical rainforests, particularly in Indonesia and Malaysia, where large tracts of rainforest have been cleared and replaced with oil-palm plantations. The industry has been blamed for contributing to the large-scale forest fires in South-East Asia, for reducing the habitat of orangutans, elephants and tigers, and for human-rights abuses, including dispossession of indigenous people and forced labour. The industry has attempted to address these problems using self-regulation through the Roundtable on Sustainable Palm Oil (RSPO). Both Wilmar International and Adani Wilmar have been members of the RSPO for many years, and Adani Wilmar has documented an intention to increase the percentage of certified palm oil that it receives to 100%. As of late 2019, four of Adani Wilmar's mills in India had their supply chains certified under the RSPO.

However, the RSPO itself has frequently been criticised by environment and human-rights groups for failing to ensure that its standards are adhered to by its members. The RSPO has even been <u>described</u> as a means of laundering 'dirty palm oil' into the global trade. Since 2012, specific criticisms levelled at Wilmar have included:

- purchase of raw product from plantations illegally established inside a Sumatran national park and from suppliers associated with clearing of habitat for tigers and orangutans.
- reliance on obtaining raw product from uncertified suppliers whose operations were still destroying rainforests and peatlands and which have been associated with large forest fires, including the huge fires of 2015 and 2019.

As the biggest importer of palm oil into India, Adani Wilmar came under scrutiny by Greenpeace India in 2012. The Greenpeace <u>report</u>, *Frying the Forest*, cited statistics to show that India was already the world's biggest consumer of palm oil, outstripping China and the EU. Adani Wilmar was receiving 90% of its supplies from Wilmar, but according to Greenpeace India, Adani Wilmar had not 'made any commitments to ensure that the palm oil it purchases is not linked to deforestation and peatland destruction'. Serious violations of RSPO policy by one of Wilmar's suppliers were documented. The notoriously Adani-friendly government of Nahendra Modi has since cracked down on Greenpeace India, effectively stymieing its Indian operations.

The palm oil used by Adani Wilmar in its certified facilities falls into two categories: the first is 'segregated', meaning that it comes from multiple certified sources and has been segregated from non-certified palm oil. The second <u>category</u> is described as 'mass balance', meaning that mixing with uncertified palm oil has occurred between the certified source and the end-user. Greenpeace has been severely critical of the 'mass balance' chain, describing it as a way of 'laundering' palm oil from dirty sources into the certified system. A promotional video by Adani Wilmar boasts of Wilmar's 'major operations' in Indonesia. As Indonesia has been the region with the most severe and widespread destruction of forests for palm oil, Greenpeace's suspicion of the supply chain is understandable.

Such criticisms mean that Adani Wilmar, despite its certification and policies, cannot claim to have bought 100% of its palm oil from sustainable sources. The Adani Wilmar joint venture – and through it, the Adani Group – is therefore implicated in the destruction wrought by the palm-oil industry over the past 20 years, including the loss of habitat for orangutans, tigers and elephants in Sumatra and Borneo.

3.2. <u>Elephants in India</u> <u>Located</u> in the state of Chhattisgarh, India. Relevant Adani corporate entities: Adani Enterprises Ltd. AdaniWatch story: <u>June 2020</u>

According to government sources, central India holds 10% of India's total population of about 27,000 wild elephants. Part of their habitat is the Hasdeo Aranya forest, where the Chhattisgarh state government is in the process of establishing a major elephant reserve.

Unfortunately, thirty coal 'blocks' have been identified in the Hasdeo Aranya forest by the Indian government. Five billion tonnes of coal lie beneath the forests and the Adani Group has demonstrated its interest in exploiting this resource. Mining has become a huge business for Adani. Its website lists seven coal mines and two iron-ore mines in Chhattisgarh at which Adani is the 'mine developer and operator' (MDO). (Some of these mines are described as 'under development'.) An active coal mine in the Hasdeo Aranya forest is the Parsa East & Kanta Basan (PEKB) mine, where Adani is MDO for a power company owned by the government of the western Indian state of Rajasthan. Over 100,000 trees were cut down for this mine. Two blocks adjacent to this mine are leased to the same company, and Adani has secured the contract to mine those as well.

According to a Scroll.in <u>article</u>, many elephants have been forced out of the neighbouring state of Jharkhand as a result of mining. The coal-mining operations in Chhattisgarh disrupt the habitat and migration corridors of these elephants. Various reports based on government data say that 325 people and 70 elephants have lost their lives during encounters over the last five years in the Indian state of Chhattisgarh.

The PEKB mine and the eight other mines proposed by Adani in Chhattisgarh will exacerbate this conflict, forcing more elephants into cropland, resulting in more deaths of elephants and people alike.

3.3. Ganges River dolphin (India)

<u>Located</u> near the town of Sahibganj in the Indian state of Jharkhand. Relevant Adani corporate entities: Adani Power (Jharkhand) Limited (APJL). AdaniWatch stories – <u>June 2020</u>

Adani plans to draw 36 million cubic metres of water per annum from the lower Ganges for its large power plant at Godda (under construction). This is the power plant for which coal from the company's Carmichael mine is destined.

A recent government report on the Ganges identified 'industrialisation', 'over-use of natural resources' and 'piecemeal engineering operations' as significant contributors to the river's continuing degradation. The document said that a new objective of management of the Ganges was to maintain environmental flows. Prime Minister Modi expressed this in the language of the populace when he promised to restore the 'avralta' – the free flow – of Mother Ganges. Yet Adani plans to deplete the sluggish river's waters still further.

The particular stretch of river from which Adani will draw water for its Godda power plant has been identified as important habitat for the endangered Gangetic dolphin, with seven encountered here during a recent survey. According to the species' entry in IUCN's 'red list', its populations have become 'severely fragmented' with a total number somewhere between 2000 and 4000. These remaining dolphins are threatened by pollution, hunting, increasing boat traffic, water diversion and entanglement in fishing nets. The animal is effectively blind; it navigates and forages using echolocation, emitting squeaks and clicks that bounce off nearby surfaces. The dolphins therefore find noise from river vessels and pumping stations disorienting. Adani's water-pumping infrastructure at Sahibganj could impact the Gangetic dolphin in two ways – through reducing the river's flow, and through the noise of another major pump.

The Gangetic dolphin is not the only threatened species inhabiting the river near Adani's proposed pumping station. A species of otter, 89 species of fish, 182 phytoplankton species, and 40 zooplankton species, as well as the seven dolphins, were recorded here in the above survey.

Experts say that the potential impacts of Adani's development on the Ganges River dolphin and other aquatic species should be properly evaluated. 'Vision Ganga' proposes remedies for the stricken river that include maintaining environmental flows, regulating diversions of water, and ensuring transparent scrutiny of planned developments. The need for a comprehensive assessment of the impacts of Adani's proposed removal of water from the Ganges is therefore clear. Yet, on 3 September 2019, the Ministry of Environment, Forest and Climate Change issued an approval for the Godda power station, including the use of Ganges River water.

There had been no open or comprehensive scientific assessment of Adani's plans, let alone any public participation in the process. The potential impacts on the Ganges River dolphin, on other threatened aquatic wildlife, and on the health of the river appeared to have been ignored. The decision undermined the promise of Prime Minister Modi to restore free flow and health to the Ganges and potentially exacerbates the endangered status of the Ganges River dolphin.

4. Environmental degradation and associated impacts on people

4.1. Mundra (India)

Located in the Indian state of Gujarat.

Relevant Adani corporate entities: Adani Ports and Special Economic Zone (APSEZ); Adani Power Limited (APL).

AdaniWatch stories – February 2020 September 2020

According to its <u>website</u>, APSEZ controls 15,000 ha of industrial land at Mundra on the Gulf of Kutch in the state of Gujarat. Much of this infrastructure has been constructed on what used to be intertidal mud flats. In this industrial estate, <u>APL</u> runs coal-fired power stations with a combined capacity of 4620 MW. Allegations of destruction of the area's ecological resources and fisheries have been levelled against APSEZ since at least as far back as 2010, with associated denials by APSEZ, media coverage and court cases. The issue was generating controversy as recently as February 2020, with media <u>reports</u> that APSEZ had been exempted from a previous requirement to hold public hearings into proposed expansions.

Studies of areas affected by Adani's operations at its port and special economic zone at Mundra were carried out by an independent fact-finding committee chaired by a retired judge in 2012-13. The investigation and subsequent <u>report</u> were primarily focussed on the impact of the Tata Mundra Ultra Mega Power Project (UMPP), a massive power plant immediately adjacent to Adani's infrastructure, but findings heavily implicated the Adani Group as well because the impacts of the two power stations and associated port infrastructure and coal imports in this area are inextricably intertwined. A huge array of impacts was identified, including:

- An increase in alcoholism due to the influx of workers from outside the area. This caused an increase in family violence, adversely affecting large numbers of women and children.
- A 20 to 22% rise in upper respiratory-tract diseases of children, particularly amongst children up to the age of seven. Similar impacts were observed amongst the elderly.
- Pastoralists' land became covered with coal dust (emanating from the huge coal storages of both power plants) and fly ash (a product of burning pulverised coal). There was a sharp increase in abdominal diseases and miscarriages in cattle. Cattle were dying, not in ones and twos but by the dozen. Adani was forced to provide fodder for the cattle at fixed areas to which the pastoralists had to bring their animals.
- Sapota trees in local plantations were killed; others were degraded.
- Salt pans were contaminated by fly ash and coal dust, adversely affecting approximately 3000 salt panners in an area that is critical for salt production in India.
- The local ecosystem, on which fishing livelihoods depend, was devastated by reclamation of intertidal mud flats, destruction of mangroves, dredging of reefs and waterways, and the blocking of creeks. These were highly productive parts of the marine ecosystem. This seriously impacted fisheries the high-value prawn, pomfret and bombil fisheries. The fishing season was drastically reduced and the incomes of 6-7000 fish farmers in the area declined by 40-45%.

Local victims of these impacts have described their plight in <u>interviews</u> and documentaries.

Subsequent investigations have paid particular attention to Adani's destruction of mangroves and intertidal mud flats, with some <u>reports</u> saying that Adani's developments have pushed the high-tide level over 10 km seaward. This is a massive loss of ecologically productive ecosystems with a corresponding loss of fish resources. The associated legal cases and media were based on GIS analysis and leaked maps.

In 2013, the report of the Sunita Narain committee, established by the central government's ministry of environment and forests ('the ministry') to inspect the project, <u>found</u> that APSEZ had breached conditions of its environmental clearance in its treatment of the coastal ecology. The Committee Report observed:

- There had been widespread destruction of mangroves, including 75 hectares on Bocha Island, a conservation zone under the environmental-clearance conditions.
- The company had not taken precautions to guard against blocking of creeks by construction activities, with satellite imagery showing signs of deterioration and loss of creeks.
- The company had not taken stipulated measures to ensure that groundwater is protected from contamination by the huge volumes of seawater transported for use in the thermal power plants.
- The company's inventory of utilisation and disposal of fly ash was inadequate.
- The company had been less than serious in fulfilling its reporting obligations.

A 'show cause notice' for the alleged violations was issued by the ministry dated 30 September 2013, with the ministry <u>reported</u> to have directed APSEZ to restore creeks, mangroves and 'reclaimed' land, and to consider returning common land to the control of local communities. This directive was controversially overturned in 2015 (under the newly elected Modi government).

In 2017, the Australian organisation Environmental Justice Australia compiled the <u>Adani Brief</u>, with thorough referencing of original sources pertaining to Adani's environmental impacts at Mundra and subsequent litigation. Its summary of the tortuous process by which environmental approval of developments at Mundra was conferred in 2015 had the following conclusion:

'Although not entirely clear, it appears that this environmental clearance retroactively legalises the previous actions that APSEZ had taken without the proper environmental clearance. However, this does not diminish the concern that APSEZ had caused serious environmental harm, and had undertaken significant development for many years, without the required approvals.'

In response, Adani points to the economic benefits of its development and says that it has afforested over 2800 ha of the Kutch coast with mangroves, that the area of mangroves in the vicinity of its Mundra development has increased by over 200 ha since 2011, and that it has provided clean-water facilities and resources to communities in the Mundra area.

The impacts on the ecology of the Gulf of Kutch and associated protests by local communities have also been covered by:

- The <u>Sydney Morning Herald</u>;
- <u>The Economic Times;</u>
- <u>Down to Earth</u>.

4.2. Godda (India)

<u>Located</u> in the Indian state of Jharkhand. Relevant Adani corporate entities: Adani Power (Jharkhand) Limited (APJL). AdaniWatch stories – <u>March 2020</u>, <u>April 2020</u> and <u>July 2020</u>.

A power station is being constructed by Adani near the town of Godda in the eastern Indian state of Jharkhand. This is the power station for which coal from Adani's Carmichael mine is intended. The environmental approval granted to the project has been the subject of controversy and legal challenge.

Objectors say that the approval was subject to procedural irregularities, including barring a large group of local people from attending public-consultation meetings. In March 2017, a public meeting was organised as a formal part of the government's consideration of environmental approval for the project. The public meeting was held at a local high school. The company was required to hear claims relating to the environmental damage that its project might cause and present this information in its Environmental Impact Assessment. According to indigenous villagers (Adivasi) interviewed by AdaniWatch in February 2020, officials and a large contingent of police prevented dissenters from attending the meeting. They were admitted only as proceedings were being officially adjourned.

The environmental approval subsequently obtained by Adani from the Ministry of Environment, Forest and Climate Change, dated 31 August 2017, refers to the 'public hearing' of 5 March 2017. It says that the issues raised by attendees consisted of employment, CSR activities, compliance with environmental standards, and 'greenbelt development in one third (sic) area'. No mention was made of the exclusion of landowners, the premature adjournment of the meeting, or local opposition to the project.

One of the villagers' main concerns is the degradation of domestic water supplies. Adani plans to draw water from the Ganges River, some 90 km away, and pump it to the project site. But, in 2019 and early 2020, as the pipeline has yet to be laid, the company had been relying on groundwater. According to local sources, Adani bored wells within the land it had acquired and also induced surrounding farmers to dig a further 400 bores and sell Adani the water. This is depleting the groundwater of the entire region to a damaging degree, an action that a local member of Parliament has described as illegal. In February 2020, AdaniWatch was shown water pumped from a well that ran red; it left a dirty residue in cooking pots. AdaniWatch was told this is because Adani's consumption of water for its construction works has lowered groundwater to the level of iron-rich bedrock. Affected villagers told AdaniWatch that the impacts on their water could be a decisive factor in their decision whether to remain at their villages or to leave the area, abandon their Adivasi way of life, and seek daily wage labour in the cities.

4.3. <u>Bunyu coal mine (Indonesia)</u> <u>Located</u> on the small island of Bunyu, North Kalimantan Relevant Adani corporate entities: PT Lamindo Intra Multikon AdaniWatch story: <u>February 2020</u>

This information is based on a 2019 <u>report</u> by the Indonesian non-government organisation JATAM. An English-language version of the report is available on request.

Bunyu is a small island rich in coal deposits just off the coast of the Indonesian province of North Kalimantan. Between them, Adani's subsidiaries have concessions on Bunyu totalling about 2600 ha

(about 14% of the island). According to a company promotional video, Adani's coal mine was established on Bunyu in 2006 and the first exports to India occurred in 2008. Adani's website says that its subsidiary, Lamindo Intra Multikon, exported four million tonnes of coal from Bunyu to India in 2017-18, with a target of 5.5 million tonnes for the following year. The promotional video says that Adani has averaged 5 million tonnes per annum of export since 2009. This makes Adani's the biggest coal operation on Bunyu. The JATAM report describes numerous environmental impacts of this operation.

The Indonesian environmental group, WALHI, says that access to formally protected forest has been wrongfully granted to coal-mining companies in what has amounted to the acquisition of these lands by the companies concerned. Large tracts of these lands – comprising up to 50% of the island's forests, according to one source – have subsequently been cleared for operations associated with coal mining. WALHI has warned in various media statements since 2007 of encroachment into the forests by the mining companies, including those run by Adani, and the inevitable ecological damage that would follow.

Over 1200 tonnes of rice were produced annually on Bunyu in the early 2000s but by 2015 that had dropped to less than 90 tonnes. Production of salak fruit and secondary products has suffered a similar reduction. Prior to the advent of coal mining, the Bunyu village of Gunung Daeng produced salak in quantities of up to three tonnes in a year, sufficient to export dried salak chips to other islands. Today, the average yield is only 30-40 kg per harvest. According to the JATAM report, expansion of the Lamindo (Adani) mine into agricultural areas has been at least partially responsible for this decline.

The island's once productive fishing industry has been adversely affected by operations associated with coal exports. Adani's website says that barges move coal from the jetty to 'mother vessels'. According to local fisherfolk interviewed by JATAM, coral reefs have been damaged by ship anchors and by impacts from coal barges during docking operations. Coal that has spilled into the sea during loading has polluted some of the waters. Fish catches have declined; one fisherman says that his daily catch has plummeted from 30-40 kg to just 7 kg. Locals also say that their seaweed-harvesting and processing operations have been severely impacted since major coal-export operations commenced.

It is the villagers' water supplies that have suffered the biggest impacts from coal-mining operations. Coal has been extracted and processed in important water catchments, polluting creeks, rivers and groundwater. Three major streams, one of which used to provide a reliable back-up supply during dry times, has become polluted. Rainwater collected from people's roofs has been contaminated by coal dust blowing from adjacent pits and coal piles. People have complained that small reservoirs constructed by the local water authority and by the oil-and-gas company are also periodically polluted by coal dust. Many locals now buy bottled water, while those who can't afford the expense have to make do with degraded or unreliable supplies.

Adani, on the other hand, <u>claims</u> to have taken steps 'to ensure the availability of potable water for all', including provision of water tanks and delivery of water to households. A water-treatment plant established by Adani provides reliable water to 1250 to 1500 households in the vicinity of its Lamindo mine. However, most of the islanders do not have access to this water supply. Adani also says that it is committed to maintaining the 'flora and fauna of the project-affected areas' and says it planted 5300 saplings in 2017.

Nevertheless, WALHI has gone so far as to warn that Bunyu could become a 'dead island' if coal mining continues its relentless expansion.

5. Questionable human-rights record

5.1. Yangon River port development (Myanmar)

Located at Ahlone, Yangon

Relevant Adani corporate entities: Adani Yangon International Terminal Co Ltd; Adani Ports and Special Economic Zone Ltd (APSEZ) AdaniWatch stories: February 2020

The Adani Group's move to establish a major port on the Yangon River in Myanmar has drawn vehement criticism from human-rights groups and experts.

In 2019, it was reported that a subsidiary of the Adani Group was to develop, operate and maintain the Ahlone International Port Terminal on the Yangon River about six km from the centre of Yangon. The <u>Hellenic Shipping News</u> described the Adani Yangon International Terminal Co Ltd (Adani) as a unit of Adani Ports and Special Economic Zone Ltd (APSEZ). The deal was said to be worth \$US290 million. About 20 hectares of land were to be leased from the Myanmar Economic Corporation (MEC), a large company owned by the Myanmar military ('the Tatmadaw').

In August 2017, the Myanmar military was found by United Nations investigators to have committed atrocities against the Rohingya people in brutal operations that caused an exodus of 700,000 people to bordering Bangladesh. Crimes committed included murder, rape, torture, sexual slavery, persecution and enslavement, according to the Independent International Fact-Finding Mission on Myanmar. The head of the mission <u>called for</u> for financial and political disengagement from Myanmar's military to help deter human-rights violations.

The treatment of the Rohingya was described by the UN High Commissioner on Human Rights as 'a textbook example of ethnic cleansing'. UN special investigators said that top military commanders in Myanmar should be investigated and prosecuted for the 'gravest' crimes against civilians under international law, including genocide.

In May 2019, the Adani Group's business relationship with the Myanmar military's economic arm, the MEC, came under fire from human-rights sources. Burma Campaign UK placed the Adani Group on its 'dirty list' for 'entering into a business partnership with the Burmese military shortly after the UN said the military should be prosecuted for genocide'. Chris Sidoti, an Australian lawyer who was a member of the UN investigative team that documented the atrocities, criticised the Adani Group for its association with 'genocidal generals'. On ABC Radio, Mr Sidoti said 'so far as this port is concerned, it's putting money into the hands of the military and that's the bottom line'.

The issue was also reported by the Guardian, which quoted the deputy Asia director of Human Rights Watch saying that the Adani Group's deal with the MEC would increase the military's 'chokehold' over maritime traffic and international trade in Myanmar, increasing the wealth of senior commanders.

In response to such criticisms, Adani issued a media statement in which it asserted that its investment in Myanmar breached no Australian, UN, US or other international sanctions. It said the Adani Group had been 'guided by the Securities and Exchange Board of India and other key international guidelines and will inform the concerned authorities when we firm up the agreements'. It confirmed that the land for the port development was leased from the MEC but that this occurred following 'extensive due diligence'. Adani said that its Myanmar operations had no connection with its Carmichael mine project.

'Adani rejects insinuations that this investment is unethical or will compromise human rights,' the statement said. However, Adani's arrangement with an entity controlled by the notorious Myanmar military clearly goes against the strong call by the head of the Independent International Fact-Finding Mission on Myanmar for financial and political disengagement from the Myanmar military.

In his interview with the ABC, Mr Sidoti said that the Adani Group was 'hiding behind the corporate veil' in attempting to distance its activities in Australia from its activities in Myanmar. 'These companies are subsidiaries of Adani. It's like saying that because my left hand is doing something else, my right hand knows nothing about it. It's an absolutely ridiculous assertion that defies the logic and the practice of corporate activities. Adani is one group. It is one company and we (Australia) will be enriching Adani, which in turn is enriching the Myanmar generals.'

5.2. <u>Palm oil (South-East Asia)</u> Located in Indonesia and Malaysia. Relevant Adani corporate entities: Adani Wilmar Ltd. AdaniWatch story: <u>February 2020</u>

Adani Wilmar, a joint venture between Adani and the Singapore-based agri-business company Wilmar, imports large quantities of crude palm oil into India for processing and distribution in the form of numerous products, including cooking oil marketed by Adani under the brand name 'Fortune'. Adani Wilmar imports much of its palm oil from Wilmar itself, a leading company in the global palm-oil business.

The palm-oil industry has been blamed for human-rights abuses, including dispossession of indigenous people and forced labour. Since 2004, the industry claims to have attempted to address these problems using self-regulation through the Roundtable on Sustainable Palm Oil (RSPO). Both Wilmar International and Adani Wilmar have been members of the RSPO for many years, and Adani Wilmar has <u>documented</u> an intention to increase the percentage of certified palm oil that it receives to 100%. As of late 2019, four of Adani Wilmar's mills in India had had their supply chains <u>certified</u> under the RSPO.

In 2016, Amnesty International published its findings on the exploitation of palm oil workers on plantations owned by Wilmar subsidiaries and suppliers in Indonesia. Human-rights violations documented included:

- Women forced to work long hours under the threat of having their pay cut, paid below minimum wage earning as little as US\$2.50 a day in extreme cases and kept in insecure employment without pensions or health insurance;
- Children as young as eight doing hazardous, hard physical work, sometimes dropping out of school to help their parents on the plantation;
- Workers suffering severe injuries from paraquat, an acutely toxic chemical still used in the plantations despite being banned in the EU and by Wilmar itself;
- Workers being made to work outdoors without adequate safety equipment despite the risks of respiratory damage from hazardous levels of pollution caused by forest fires during August to October 2015;
- Workers having to work long hours to meet ridiculously high targets, some of which involve highly physically demanding tasks such as operating heavy manual equipment to cut fruit from trees 20 meters tall. Attempting to meet targets can leave workers in significant physical pain, and they also face a range of penalties for things like not picking up palm fruits on the ground and picking unripe fruit.

Wilmar acknowledged that there are ongoing labour issues in its operations. Despite these abuses, Amnesty International says that three of the five palm growers it investigated in Indonesia are certified as producing 'sustainable' palm oil under the RSPO.

As the biggest importer of palm oil into India, Adani Wilmar came under scrutiny by Greenpeace India in 2012, citing statistics to show that India was already the world's biggest consumer of palm oil, outstripping China and the EU. Adani Wilmar was one of the main importers of crude palm oil, receiving 90% of its supplies from Wilmar.

The palm oil used by Adani Wilmar in its certified facilities falls into two categories: the first is 'segregated', meaning that it comes from multiple certified sources and has been segregated from non-certified palm oil. The second <u>category</u> is described as 'mass balance', meaning that mixing with uncertified palm oil has occurred between the certified source and the end-user. Greenpeace has been severely critical of the 'mass balance' chain, describing it as a way of 'laundering' palm oil from dirty sources into the certified system.

A promotional video by Adani Wilmar boasts of Wilmar's 'major operations' in Indonesia. It was in Indonesia that Amnesty International documented the human-rights abuses referred to above.

The chain-of-supply connections between Adani Wilmar and Wilmar mean that, despite its certification and whatever its policies, Adani Wilmar cannot guarantee that it has obtained 100% of its palm oil from sources not involved in human exploitation. The Adani Wilmar joint venture – and through it, the Adani Group – is therefore participating in a system that has allowed the palm-oil industry to carry out human-rights abuses over the past 20 years.