

# BANKTRACK

TO:

- BRIAN MOYNIHAN, CEO, BANK OF AMERICA MERRILL LYNCH
- JES STALEY, CEO, BARCLAYS
- MICHAEL CORBAT, CEO, CITIGROUP
- JAMIE DIMON, CEO, JPMORGAN CHASE
- BILL WINTERS, CEO, STANDARD CHARTERED BANK

CONCERNING: FORTHCOMING BOND ISSUES BY THE EXPORT-IMPORT BANK OF INDIA

December 8, 2016

Dear Sirs,

We, 53 organisations from around the world, are writing to urge your institutions **not to take on any underwriting or lead manager role for forthcoming bond issues by the Export-Import Bank of India ('India Exim')** while the bank remains committed to providing a \$1.6 billion loan to the Rampal coal plant project in Bangladesh.<sup>1</sup>

Your institutions have performed such a role for India Exim in recent years and may therefore be approached by the bank to do so again. A further bond issue by India Exim could materialise before the end of 2016.<sup>2</sup>

However, India Exim's key role in the financing of the highly controversial Rampal project is not only a risk to its own reputation, as was acknowledged earlier this year by the bank's head,<sup>3</sup> but also poses grave reputational risks for any institution which is prepared to associate itself with the bank, particularly through a financial services role.<sup>4</sup>

This reputational risk level has increased following the publication last month of a monitoring mission report by UNESCO and the International Union for the Conservation of Nature (IUCN).<sup>5</sup> One of the report's main recommendations to the Bangladeshi state authorities was that the project, in its present form and site location, be cancelled and relocated in order to avoid irreversible damage to the Sundarbans mangrove forest, its waterways, its inhabitants, its wildlife, its rich biodiversity and its place in the hearts of millions of Bangladeshis.

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<sup>1</sup> Background information on the project is available at: <http://www.banktrack.org/show/dodgydeal/rampal>

<sup>2</sup> See, for example, the following press article (September 25, 2016): <http://www.dnaindia.com/money/report-export-import-bank-of-india-to-raise-up-to-us-15-bn-via-bonds-this-fiscal-2258504>

<sup>3</sup> See press article (June 22, 2016): [http://www.business-standard.com/article/finance/exim-bank-seeks-equity-infusion-to-be-enhanced-to-rs-1-300-cr-116062200752\\_1.html](http://www.business-standard.com/article/finance/exim-bank-seeks-equity-infusion-to-be-enhanced-to-rs-1-300-cr-116062200752_1.html)

<sup>4</sup> We also note for your attention a recent and ongoing [Avaaz petition](#) exposing the role of India Exim bondholders in aiding and abetting the Rampal project. The petition has attracted just short of one million signatories within a matter of weeks.

<sup>5</sup> See: <http://whc.unesco.org/en/news/1573>



This recommendation is based on the identification of several threats from the plant, planned for Rampal, including air and water pollution, increased shipping and dredging and the cumulative impact of industrial infrastructure on the Sundarbans ecosystem. Further damning details related to the project's very poor preparation were set out in the UNESCO-IUCN monitoring mission report:

- The Rampal plant is not applying the best available technology or the highest international standards for preventing damage to the Sundarbans.
- Any flooding, spills or leakage from the waste ash ponds at the Rampal plant are a major risk factor and could cause serious and long-term harm to the wetlands.
- Mercury contamination is of particular concern, and current technology is insufficient to prevent it.
- The Sundarbans is located in the country's 'wind risk zone', which is prone to cyclones and storm surges. Air pollutants could easily reach the World Heritage site, located 40 miles from the planned coal plant.
- If the government proceeds with the plant, UNESCO's World Heritage Committee should consider including the Sundarbans on the World Heritage in Danger list in 2017.

We sincerely hope that, even if the Bangladeshi authorities – and Indian authorities and involved institutions such as India Exim – appear to be struggling to grasp the severity of the threats posed by Rampal to the Sundarbans, your institutions will be alive to these objective findings and recommendations.

In this unfolding situation, to facilitate the raising of funding for India Exim would be to play a significant role in providing the bank with capital which would be destined for the Rampal project, should India Exim finally decide to proceed with Rampal financing. If your institution decides to take on any such enabling role, we would then consider it to be complicit in the financing of the Rampal power project itself.

In addition to these concerns, supporting the issuance of India Exim bonds could associate your institutions with a violation of international law. As a party to the World Heritage Convention, India has committed "not to take any deliberate measures which might damage directly or indirectly [World Heritage sites] situated on the territory of other States Parties to this Convention."

We conclude, therefore, by reiterating our call to you and your institutions: with the world now closely watching the fate of the Sundarbans, and following the recent UNESCO-IUCN recommendation to cancel Rampal, **do not assist India Exim in its potential bankrolling of a major ecological and societal tragedy in Bangladesh.**

We would welcome a response from you to this letter at your earliest convenience, to the address below.

Yours sincerely,



Johan Frijns, Director, BankTrack, [Johan@banktrack.org](mailto:Johan@banktrack.org)

And also:

**350 Hong Kong**, Hong Kong - Michael Lai, Honorary Secretary

**350 Indonesia**, Indonesia - Irfan Toni H, Digital Campaigner

**350.org**, Switzerland - Payal Parekh, Programme Director

**Amigos de la Tierra (FoE Spain)**, Spain - Hector de Prado, Head of climate and energy unit



**ARA**, Germany - Monika Nolle, Projects for Environmental and Social Justice

**Avaaz**, Spain - Luis Morago, Campaign director

**Biofuelwatch**, UK - Almuth Ernsting, Codirector

**Center for Environment / FoE BiH**, Bosnia and Herzegovina - Igor Kalaba, Energy and Climate Change Coordinator

**CESTA - Friends of the Earth**, El Salvador - Ricardo Navarro, President

**CHANGE**, Vietnam - Nhi Thoi, Program Director

**Change Partnership**, Belgium - Sanjeev Kumar, Founder

**Chlorine Free Products Association**, USA - Archie Beaton, Executive Director

**Coal Action Network (UK)**, UK - Anne Harris, campaigner

**CoalSwarm**, USA - Ted Nace, Director

**Earthjustice**, USA - J. Martin Wagner, Managing Attorney

**Earthrights International**, United States - Daniel King, Mekong-Myanmar Programs Director

**Environment Support Group**, India - Leo Saldanha, Coordinator

**Environmental Investigation Agency**, UK - Debbie Banks, Campaign Leader (Tigers & Wildlife Crime)

**Finance & Trade Watch**, Austria - Magdalena Heuwieser, Climate Campaigner

**Friends of the Earth International**, Croatia - Jagoda Munic, Chairperson

**Friends of the Earth Scotland**, Scotland, UK - Dr Richard Dixon, Director

**Friends of the Earth U.S.**, United States - Jenny Bock, Economic justice campaigner

**Fundacja "Rozwój TAK - Odkrywki NIE"**, Poland - Kuba Gogolewski, Deputy Director and Project Coordinator

**GAIA**, USA - Antonia Bruno, Communications Coordinator

**GegenStromung - CounterCurrent**, Germany - Heike Drillisch, Board member

**Green Innovation and Development Centre**, Vietnam - Nguy Thi Khanh, Director

**Greenpeace India**, India - Nandikesh Sivalingam, Senior campaigner

**GroundWork**, South Africa - Sven Peek, Director

**Head of International Relations**, Indonesia (HQ) - ASEAN Youth Organization, Head of International Relations

**India Climate Justice platform**, India - Soumya Dutta, Founder-member

**India People's Science Campaign**, India - Professor S.P. Verma, Vice-president

**International Climate Development Institution**, Taiwan - Liangyi Chang, International Engagement Director

**International Marine Mammal Project of Earth Island Institute**, USA - David Phillips, Executive Director

**International Rivers**, India - Samir Mehta, South Asia Program Director

**JA!Justica Ambiental/FOEmozambique**, Mozambique - anabela lemos, Board Director

**Leave it in the Ground Initiative (LINGO)**, Germany - Kjell Kühne, Founder

**Les Amis de la Terre France**, France - Lucie Pinson, Private finance campaigner

**Market Forces**, Australia - Julien Vincent, Executive Director

**National Committee to Protect Oil Gas and Mineral Resources in Bangladesh**, UK Branch, UK - Akhter Khan, Member Secretary

**Pan African Climate Justice Alliance**, Kenya - Mithika Mwenda, Secretary General

**Protect the Planet in all ways!**, USA - Randy Hayes, Executive Director

**Public Affairs & Secretariat**, Indonesia - Meiki W Paendong, WALHI West Java

**Public Eye**, Switzerland - Andreas Missbach, Joint Manging Director

**Rainforest Action Network**, USA - Jason Opeña Disterhoft, Senior Campaigner



**Rainforest Foundation UK**, UK - Simon Counsell, Executive Director

**Rainforest Relief**, United States - Tim Keating, Director

**Re:Common**, Italy - Antonio Tricarico, Program Director

**Rettet den Regenwald**, Germany - Reinhard Behrend, Chairman

**Stop funding for coal for the sake of environment, human rights and our future generation**,  
Vietnam - Nguyen Thi Hang, Management Assistant

**Sustainable Energy & Economy Network**, USA - Daphne Wysham, Director

**urgewald**, Germany - Heffa Schuecking, Director

**Waterkeeper Alliance**, Donna Lisenby, Clean Safe Energy Campaign Manager

