

INTERNATIONAL ACCOUNTABILITYPROJECT

February 21, 2011

To the Office of the UN Independent Expert on the Right to Water and Sanitation:

The [International Accountability Project](#) is a San Francisco-based human right organization that works to promote social and environmental safeguards in international financing of mega-projects that destroy people's homes and livelihoods, and supports communities who are threatened or have been harmed by such projects.

It is our understanding that the mandate of the IE's current mission to the US includes assessing the role of the US in shaping and supporting international policies and practices regarding the right to water, including its role as a donor and overseer of international financial institutions (IFIs). This being the case, we would like to submit to the IE this summary of a proposed development project, with US involvement - including intervention by the US Ambassador to Bangladesh and ADB preparing the project for Board approval beginning in 2004 - that would reduce access to water for hundreds of thousands of people and contaminate their remaining water supplies.

The proposed Phulbari Coal Mine Project would establish one of the world's largest open-pit coalmines in northwest Bangladesh. According to a 2006 Expert Committee Report commissioned by the Bangladeshi government, dewatering operations at the mine would result in a massive reduction of ground water, reducing access to water for as many as 220,000 people. Project plans call for huge pumps to operate continuously over the 39-year life of the mine, draining water from 1000-foot deep pits, and sucking water from the surrounding villages' wells and irrigation canals.

Experts also warn that there is a great risk of acid mine drainage contaminating a network of rivers extending far beyond the project area, poisoning water resources and soil for centuries to come. Emissions and coal dust generated by a coal-fired power plant will pollute water, air and soil with mercury, lead, and other toxins. Diverting two rivers and dredging a third river to allow for the transport of coal threaten to destroy these river eco-systems.

While there is no IFI currently financing the Phulbari Coal Mine Project, the ADB spent three years preparing the project for ADB Board approval, and was slated to approve a US\$100 million loan and US\$200 million political risk guarantee for the project on June 3, 2008. After coming under heavy pressure from an international coalition of over 100 civil society organizations, including IAP, the ADB announced that it was taking this project out of its funding pipeline in April of 2008. However, the ADB has left the door open to renewing financing for the project if a recently elected administration in Bangladesh approves the project -

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a decision that we expect to be announced by June of 2011.

U.S. backing for this the Phulbari Coal Mine Project is not limited to the ADB. According to cables recently released by WikiLeaks, US ambassador to Bangladesh James Moriarty met with the Prime Minister's energy advisor, Tawfiq-e-Elahi Chowdhury, in July 2009 and put pressure on him to approve plans for an open pit mine at Phulbari, citing 60% US ownership in the project.

Beyond the clear threat this project poses to the UN-protected right to water, the project is associated with numerous rights violations and risks future abuses if pushed forward despite massive and sustained opposition within Bangladesh. These abuses include: the forced eviction of tens of thousands of people and the destruction of their livelihoods; violation of the right of Indigenous Peoples to give their free, prior and informed consent to project; the indiscriminate shooting of local residents opposing the mine; the arrest and torture of local leaders; and environmental risks that threaten the Sundarbans, a protected mangrove forest reserve and UNESCO World Heritage Site. Such abuses violate or risk violating the Universal Declaration on Human Rights (UDHR), the UN Declaration on the Rights of Indigenous Peoples (UNDRIP), and the International Covenant on Economic, Social and Cultural Rights (CESCR). Risks to human rights are delineated in the attached letter to project investors, which is signed by over 100 civil society organizations.

Given the gravity of the threats this project poses to tens of thousands of people-- including their UN-protected right to water -- it is imperative that IFIs and US diplomats immediately and permanently withdraw all financial, technical, and diplomatic support for the project. We respectfully request the assistance of Independent Expert on the Right to Water and Sanitation in bringing human rights violations associated with the Phulbari case to the attention of key decision-makers, and also request that she include it in her report to the United Nations Human Rights Commission and in her discussions with IFI policymakers, the State Department, and USAID.

Sincerely,

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