

## **Comments on ADB's Energy Strategy (version May 2007)**

To: ADB Energy Strategy Development Stakeholder Consultation Workshop  
Organizers

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This draft of energy strategy 2007 has discussed lot about the climate changes issues and other environmental impacts, but has not touched up on social impacts of a project. The issue of public participation in the process of decision making should have been given space in the draft. As far as India is concerned the EIA notification 1994 and 2006 respectively talks about the participation of local people. However these notifications have its own constraints and demerits.

Though the ADB has there own **disclosure policy** but in this draft it has not incorporated any aspect of disclosure of information.

Further, ADB has also policies of conducting the impact assessment of projects by the project proponent. But these assessments are not done by the ADB themselves and they entirely depend up on the information provided by the project proponent. In this context if we look at the past experiences and the present scenario all of the assessments done by the project proponent seem to be based on false data just to get clearance from the ministry. The recent example of this being the case of Lafarge Umiam Cements Project. The EIA report prepared by Environmental Resource Management India gave a false and misleading description of the mining area. Now it is suggested that if ADB is really concerned about the Environment protection then it should conduct its own assessment of any project and not solely rely on the information given by the project proponent, and this aspect should be reflected in their energy strategy for coming days.

Further, the draft is also silent on the public participation part prior to commencement of any project. Though the environment policy of ADB requires the borrower to evaluate the environmental impacts of the project and identify mitigation measures, and also requires that the public be involved in this evaluation process but ADB does not oversee the whole process as a result of which there occur a lot discrepancies. There are lots of examples when in the public hearings conducted by the project proponent are farce and mockery to the whole concept of public hearing. The project proponent seldom takes proper steps to inform about the impacts of the project. And when the EIA prepared by the project proponent gives false and misleading data about the true impact of project, then how one can expect them to disseminate the true impacts to the people.

As far as the other policies of the ADB are concerned, they talk about involvement of project affected persons only after the initiation of the project and the consent of local people is not taken for overall viability of the project.

Draft energy has not discussed loss of energy in transmission process which is a major concern because if we are in a position to tackle this we in a way will not be saving energy but also at the same time economics involved in starting a new project could be cut down to a major extend. In the same breath one should also point out that the report talks about tapping the huge water resources of Asia and converting them into major hydropower projects; this is nothing but a myth as the same will lead to major environmental disasters. Instead we would suggest enhancing or improving the capacity of the existing dams, as the same happens to be a more cost effective and a viable solution.

In spite of this if the experts feel that there is a need for more number of hydroelectric projects then these issues could be addressed by constructing small hydro projects of 10 to 20 MW. Further by this the environmental impacts could also be reduced and the process of transmission of energy becomes easier.

The draft discusses at length the concerns of consumers and stakeholders but the concerns of the project-affected people have not been addressed properly, and the same needs to be looked into with utmost urgency as their fundamental rights are being infringed up on.

Draft should also contain threshold units for the projects. i.e. ADB should be in a position to say no to certain projects which it consider environmentally and socially disastrous..

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