



Dawei Development Association - DDA

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Mr. Fumio KISHIDA, Minister of Foreign Affairs
Mr. Akihiko TANAKA, President of Japan International Cooperation Agency
Mr. Hiroshi Watanabe, Governor of Japan Bank for International Cooperation

CC:

Mr. Shinzo ABE, Prime Minister of Japan
Mr. Taro ASO, Minister of Finance
Mr. Yoichi Miyazawa, Minister of Economy, Trade and Industry
Mr. Hiroyuki Ishige, Chairman of Japan External Trade Organization

August 4, 2015

Re: Call attention to local groups' concerns on Japan's Involvement in the Problematic Dawei Special Economic Zone Project and Related Projects in Myanmar

We, the Dawei Development Association (DDA) are writing to call attention to our letter¹ submitted to you on April 27, 2015 as we are deeply concerned about recent Japanese confirmation of its involvement in Dawei Special Economic Zone (SEZ) project in Tanintharyi Region, Myanmar, by signing the Memorandum of Intent (MoI) with Myanmar and Thai governments. As we mentioned in the previous letter, the development of these projects in Dawei have already led to serious social and environmental impacts and human rights violations on nearby communities. We have raised concerns on these challenges and have demanded that JICA and all potential Japanese stakeholders not take part in such problematic projects at this moment and halt Japanese involvement until the existing issues and problems have been adequately solved and plans are in place to avoid or mitigate any further negative impacts on local communities.

We would like to reiterate that DDA has conducted extensive research in the Dawei area and expects that people in 20 to 36 villages will be directly affected by the Dawei SEZ and related projects.² Based on the results of our quantitative and qualitative research in 20 villages directly affected by the Dawei SEZ projects, we found that the communities have lost farmlands and natural resources that are vital to their livelihoods, without receiving any prior information. There was no meaningful consultation with the affected villagers, and 74% of affected villagers surveyed responded that government did not

¹See Annex 1

²For more information on the impacts to local communities by the Dawei SEZ and related projects, please see "Voices From the Ground: Concerns Over the Dawei Special Economic Zone and Related Projects," available at <http://www.ddamyanmar.com/?p=811>.



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take their consent to develop the DSEZ before starting the project.³ There was also deeply flawed compensation process: Our research found that 63%⁴ of the interviewee responded that government and company officials did not disclose accessible information about compensation and 59% did not receive documentation of the compensation payment.⁵

Furthermore, the Dawei SEZ developers to date have not adhered to relevant international, regional, and domestic legal obligations, standards, and other responsibilities in relation to forced evictions, rights to adequate food and housing, and indigenous peoples' rights. If Japan is involved in the any project related to the Dawei SEZ, Japan must ensure first that these gaps are fully addressed.

In our previous letters, we have raised our concerns regarding Dawei SEZ and related projects to Japanese government and relevant stakeholders with the hope that you respect the local communities, and have also warned you on the political and economic risks of its involvement in the Dawei SEZ and related projects.

But we have found in the MoI signed on July 4, 2015, that Japanese government has already decided its involvement in Dawei SEZ and related projects mainly in the three ways: Making an equity investment in the Special Purpose Vehicle (SPV) through Japan Bank for International Cooperation (JBIC) or Japan International Cooperation Agency (JICA), cooperating in the elaboration of the existing Master Plan within 3 years by dispatching JICA experts to provide technical assistance, and conducting pre-feasibility study to explore ways of construction of the full-phase new highway road.

Thus, we would like to remind you that you must be accountable now for any existing environmental and social impacts and human rights violations caused by the projects, which Myanmar and Thai governments and companies have failed to address, as well as any further impacts to be caused by the projects in the future.

In addition, we would like you to ensure the meaningful consultations with the affected communities in the early stage of the project, or that the views and opinions of affected communities will be heard well and be incorporated into the decision-making process in the early stage of the projects. In this regard, we request that Japanese government or any relevant agency disclose or provide the following information, so that the communities can know more about the Japanese role and the project plan itself, and can participate in the decision-making process by providing their opinions;

- A) The organizational structure of the SPV (How will Japanese agencies get involved in the committee and each sub-committees?);
- B) The existing Master Plan;

³*Id.at page 38*

⁴*Id.at page 44*

⁵*Id.at page 47*



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- C) The draft of the Terms of Reference (TOR) of pre-feasibility study about the full-phase new highway road (We assume that the project will be classified as Category A under the JICA Guidelines for Environmental and Social Considerations, and are aware that the Guidelines require that “Prior to the implementation of preparatory surveys, JICA conducts field surveys and collects opinions and information from stakeholders for Category A projects, and incorporates the results into a TOR of the surveys.).

We appreciate your consideration of these matters and look forward to your response.

Yours respectfully,

- Dawei Development Association

- Takapaw

- Dawei Research Association