



(This is a translation - The original statement was written in Japanese.)

April 25, 2014

Mekong Watch

JICA continues to ignore people affected by Thilawa Special Economic Zone (SEZ) in Burma (Myanmar); Mekong Watch appalled by JICA decision to provide Investment Financing for SEZ and calls for improved relocation and compensation measures to prevent deterioration of villagers' living conditions

On April 23rd, the Japan International Cooperation Agency (JICA) formally decided to provide private sector investment financing¹ for the Burma (Myanmar) Thilawa Special Economic Zone (SEZ) Class A Project. This is the first 400 hectares of the entire SEZ, which is planned to cover a total of 2,400 hectares.

Mekong Watch objects strongly to JICA's decision, which ignores the voices of project affected people who have repeatedly tried to contact JICA with concerns. The decision also violates JICA's Guidelines for Environmental and Social Considerations (hereafter, the Guidelines) due to the following reasons.

1. The living conditions of people resettled for this project have not been improved, nor have any guarantees been made to indicate that their conditions will be improved in the future. This is in spite of the fact that Mekong Watch has raised many concerns with Japan's Ministry of Foreign Affairs and JICA related to impacts of the Thilawa SEZ on local people. We have held meetings and submitted information and recommendations in writing. We have been concerned about the deteriorating quality of life faced by relocated villagers and human rights violations in the compensation process. We have notified JICA of violations of its Guidelines, and have been calling on JICA to take responsibility to resolve these issues. In spite of this, there has been insufficient improvement in resettlement and compensation measures.
2. Local people have repeatedly sent letters to JICA to notify JICA of their deteriorating living conditions, and have requested meetings with JICA to discuss how to resolve the issues. Questions regarding JICA's Guidelines were also raised. Most recently, a villagers' group requested to meet JICA sometime between April 23-25. JICA again failed to respond to villagers². On April 23, before giving any response to villagers, JICA made the decision to provide investment for this project. This is a clear violation of JICA's Guidelines, which state, "JICA incorporates stakeholder opinions into decision-making processes regarding environmental and social considerations by ensuring the meaningful participation of stakeholders in order to have consideration for environmental and social factors and to reach a consensus accordingly. JICA replies to stakeholders' questions."
3. At present, some villagers living in the relocation site for 68 households (approximately 300 people) moved for Phase 1 of the project are facing great difficulties. There have not been provided with any

¹ Private sector investment financing includes investment and loans as part of JICA's Official Development Assistance (ODA) for private companies.

² Local village leaders telephoned JICA's Yangon office after failing to receive a response from JICA. They were only told "we will confirm and get back to you." They have heard nothing from JICA since.

farmland, they have lost their jobs, and alternative means of livelihood have not been secured. Some have already had to use all the compensation they received and are now in debt. There are already cases of families selling their new homes and leaving the relocation site. It is impossible to agree that relocation has been carried out “in line with international standards” as JICA and the local government promised.

This project is being promoted as a Japanese flagship project of public private partnership. If this project continues as planned, an additional 1,000 families (approximately 4,500 people) living in the remaining 2,000 hectares will also face relocation. How the current relocation and compensation issues are addressed will show what can be expected for the next 1,000 families. The Japanese government and JICA must take steps to ensure that there is no further deterioration in the standard of living of affected people, and urgent measures are needed to understand and address the villagers’ living conditions and concerns.

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