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

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Mr. Shinichi Kitaoka President Japan International Cooperation Agency (JICA)

## [PETITION] Re: Data Collection Survey for the Tanintharyi Region Development Plan

Kenji Fukuda Representative Director Mekong Watch

On 4 July 2015, the Governments of Myanmar, Thailand, and Japan signed the "Memorandum of Intent on the Cooperation for the Development of Dawei SEZ Project" and confirmed the intent of the three countries to cooperate to develop the Dawei Special Economic Zone (DSEZ). Based on the MOI, the Japan International Cooperation Agency (JICA) released a report in December 2016 entitled, "Data Collection Survey for the Southern Economic Corridor in Myanmar: Final Report (September 2016)" (hereinafter referred to as 'the Report').

The survey lists the following three objectives:

- 1. Collection and analysis of the existing information on Tanintharyi Region of Myanmar in which the Southern Economic Corridor passes,
- 2. Study on how the Japanese cooperation should be in the future toward development as an international corridor, and
- 3. Provision of the information for use when the Myanmar Government considers implementation of the project.

The Myanmar portion of the Southern Economic Corridor is a road of about 140km that connects Dawei, in southern Myanmar's Tanintharyi Region, with Thi Khi on the Thai-Myanmar border. In the future, the project proponents hope that this road will connect the DSEZ with Thailand, Cambodia and Vietnam.

The Report explains that foreign enterprises see Myanmar as a favorable place to invest, since it has a cheap and abundant labor market, and the Government of Myanmar is accelerating construction of SEZs in order to encourage more direct foreign investment. This project began with Italian Thai Development (ITD), a major Thai construction company, solely planning the development of a 20,000 hectare SEZ and access road from Thailand. ITD, however, failed to procure funding and lost concession rights. The project proponents are now the three government signatories to the MOI. At present, ITD is proceeding with construction of the Initial Phase, which includes an industrial estate, a small port, and a 2-lane road link. Details, however, have not been disclosed.

Since obtaining concession rights in 2008, ITD has proceeded with development on its own. Land confiscation and resettlement have already been carried out in some parts of the project area, and environmental destruction due to development is already occurring.

NGOs and civil society groups in Myanmar and Thailand filed a complaint regarding these problems with

the National Human Rights Commission of Thailand (NHRC), an independent organization established by the Thai Constitution. In response to the complaint, the NHRC investigated the case and submitted a report to the Thai cabinet in 2015. The report was entitled, "Community Rights: The Case of Dawei Deep Seaport and Special Economic Zone Project in Myanmar (which Thailand signed the MoU to co-develop) and Human Rights Violations of Dawei People." The report is dated 23 November 2015. In this report, the NHRC recommends that ITD takes responsibility for the damages and impacts suffered by affected villagers.

Mekong Watch received information from Thai and Myanmar NGOs, and contacted JICA on 1 April 2016 to confirm JICA's position on the NHRC's report. JICA responded that they were not aware of the NHRC's recommendations<sup>1</sup>. According to the Report that JICA released, they conducted 3 field visits, and during that period, no explanations about the plan were provided to villagers, and no interviews were held with villagers to ask for their comments.

Since 2012, Mekong Watch has visited the project area several times and met with villagers affected by ITD's construction of unpaved access roads. Our findings are almost the same as those reported by the NHRC, and include the points below.

- Construction work for access roads started suddenly and without prior notice. Many people are finding the compensation for land acquisition to be insufficient.
- It became difficult for villagers to access their farms and betel nuts orchards due to road construction destroying their pathways.
- Where steep mountain sides were cleared, landslides made some fields unusable. Also, soil has run into rivers and streams, making it difficult for villagers to obtain clean water for their daily life. ITD constructed wells as mitigation measures, but the quality of many wells is so poor that they cannot be used.

However, JICA's Report does not clearly touch upon the human rights violations and impoverishment of people affected by ITD's work. In addition, parts of the project site include areas still under the dual control of the Government of Myanmar and the Karen National Union (KNU.) Although the Report does mention refugees and internally displaced people caused by conflicts between the government and KNU, there is no mention of any particular considerations to be made, in spite of the confusion that can be expected to occur around land appropriation and other issues once repatriation begins. The Report also says, "[i]n Myanmar, the legal framework for improvement and settling of issues related to land acquisition and resettlement is not well established." (p.5-16) It is clear, however, that no interviews were conducted with villagers for this survey, and there were no references made to materials released by civil society groups in 2014 that reported on the impacts of ITD's work.<sup>2</sup>

At present, consultants can now bid to conduct JICA's "Data Collection Survey for the Tanintharyi Region Development Plan," which includes the DSEZ. We are very much concerned that this survey will be conducted in the same way as done previously, ignoring affected residents and local civil society groups.

The JICA Guidelines for Environmental and Social Considerations (hereinafter referred as 'the Guidelines') state that "democratic decision-making is indispensable for environmental and social considerations. It is important to ensure stakeholder participation, information transparency, accountability, and efficiency, in addition to respect for human rights, in order to conduct an appropriate decision-making process."

<sup>&</sup>lt;sup>1</sup> Mekong Watch held a dialogue on 28 March 2016 with the Japan Bank for International Cooperation (JBIC), which has a co-share in the Special Purpose Vehicle promoting the project. JBIC was also unaware of the investigation by NHRC. Prior to this on 15 March 2016, Mekong Watch attended the 61st Periodical Consultations between NGOs and the Japanese Ministry of Finance. During this consultation, Mekong Watch raised questions to the Ministry regarding solutions for human rights violations related to the DSEZ and another project by submitting and discussing an agenda item entitled, "Recommendations by Human Rights Commissions regarding JBIC-supported Projects, and Confirmation of JBIC's Human Rights Considerations."

<sup>&</sup>lt;sup>2</sup> Dawei Development Association (DDA). "Voice from the Ground: Concerns Over the Dawei Special Economic Zone and Related Projects". 2014. http://www.burmalibrary.org/docs19/Voices from the ground-en-red.pdf

We do understand that it is the Government of Myanmar that must take primary responsibility for matters such as compensation. If JICA were aware, however, that Myanmar's legal framework is not prepared to take responsibility, and if JICA truly wanted to ensure compliance with its own safeguard policies, it should have investigated the situation of local residents living in politically complex and difficult conditions at a much earlier stage. The Guidelines have actually already been violated, considering that affected people were not even notified about the surveys being done for a project that will probably involve resettlement, acquisition of farm land, and other impacts that could lead to the loss of their means of livelihood.

The upcoming Data Collection Survey is an important one, as the Government of Myanmar will refer to it when planning development of Dawei as a whole. Based on the issues we have raised in this letter, we make the following demands.

## **DEMANDS:**

- JICA is currently holding a bidding process to conduct the "Data Collection Survey for the Tanintharyi Region Development Plan." In order to ensure that this Data Collection Survey complies with the spirit of the Guidelines, first disclose information to the residents and local civil society groups, and listen to their opinions about the project. In the bidding announcement for this survey, one of the stipulations is, "based on regional development of the Tanintharyi Region, collect and analyze basic information towards regional development that values the perspective of benefiting local residents." To do this, it is essential to understand what kind of development local communities think is necessary and hope to see. In addition, there are already cases of opposition from residents in the Tanintharyi Region towards development plans such as those related to the DSEZ, mining, and coal-fired power plants. To make future development plans for this region, it is necessary to be fully aware of this situation.
- In the case of the Southern Economic Corridor, a project that aims to construct a highway that will connect large cities to an SEZ with port facilities, it is likely that people living in the mountainous rural villages will feel more negative impacts to their livelihoods than positive ones. Construction of access roads by ITD has already led to human rights violations and environmental problems. JICA should do what is necessary to understand the existing problems and make proposals that include recommendations to resolve these problems.
- JICA must become accountable to local residents and local civil society groups for the Report, "Data Collection Survey for the Southern Economic Corridor in Myanmar: Final Report." In order to collect a wider range of opinions, it is important to translate the Report into Burmese and Karen, and disclose them in forms accessible to local residents.
- JICA should listen to the opinions of the National Human Rights Commission of Thailand and stakeholders including civil society groups such as NGOs in Myanmar and Thailand.

We demand that JICA adheres to its Guidelines and takes the necessary steps to ensure that the Data Collection Survey fully comprehends the social context and takes special care to reflect the opinions of local people who will be affected by development in the region.

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