

Instances of inadequate environmental review by IFC in India

(Please cut and paste the entire weblink on your browser)

Sl. No.	Name of project/location, date of IFC award and value	Sector and IFC Category of Environmental Impact*	IFC's assessment report during award of project (THEN)	Description of situation (NOW)	Source of information and latest status
1	<p>Tata Ultra Mega Power Project-Tundawand Village, Taluka Mundra, District Kutch, Gujarat, India</p> <p>Date of Award: 27th Nov 2007</p> <p>IFC Contribution value : USD 450 Million loan and USD 50 Million Equity</p> <p>Date of Investment: 4th Dec 2008</p>	<p>Coal based thermal power generation</p> <p>Category A: High Impact</p>	<p>27th November 2007: IFC's involvement will improve the environmental and social outcomes of the project</p> <p>1. The project will comply with the environmental and social requirements and the IFC Performance Standards and the World Bank Group environmental, health and safety guidelines, as applicable.</p> <p>2. IFC press statement in June 2011 "The greenhouse gas emissions per kilowatt hour of energy generated by the plant were estimated at 0.75 tonnes of carbon dioxide per mw hour 0.75 kg per kWh"</p>	<p>5th August 2011: Protests held by villagers</p> <p>1) The complaints include forced displacement of fishermen, deterioration of water quality and fish populations, blocked access to fishing and drying sites, community health impacts due to air emissions, and destruction of natural habitats, particularly mangroves, irreparable damage to their fragile marine resources and agriculture.</p> <p>2) 21st September 2011 With Indonesia hiking coal export duty, changes in coal composition could imply even the specific GHG emissions target of 0.75 kg CO₂/ kWh is not met.</p>	<p>http://www.downtoearth.org.in/content/world-bank-hears-mundra-fishers</p> <p>The complaint was deemed eligible for reassessment by IFC's Compliance Advisor Ombudsman (decision pending)</p> <p>http://www.bicusa.org/en/Article.12463.aspx</p> <p>2) http://articles.economictimes.indiatimes.com/2011-09-21/news/30184645_1_mundra-umpp-coal-mines-tata-power</p>
2	<p>SN Power (Norway) Allain Duhangan - Prini, Kullu district, Himachal Pradesh</p> <p>Date of award: 7th Dec 2007</p> <p>IFC Contribution value : USD 46 Million Debt + USD 7 Million Equity</p> <p>Date of Investment: 29th September 2009</p>	<p>192 MW run of the river hydro - renewable energy</p> <p>Category A: High Impact</p>	<p>7th Dec 2007: IFC stated:</p> <p>"EHSS performance of the project is, for the most part, sound"</p> <p>"Families from whom the project has acquired land have been compensated at rates significantly greater than prevailing market rates."</p>	<p>20th March 2010</p> <p>1. Locals protested the placing of illegal power lines over their houses and across fields without their consent, fearing environmental degradation.</p> <p>2. They also objected to the fact that their compensation as agreed by the company has not been paid. The local area development fund has not been fair in distributing compensation, thus creating inequalities.</p>	<p>http://www.sify.com/news/kullu-locals-protest-against-hydropower-project-for-illegal-placement-of-power-wires-news-national-kdus4edfabg.html</p>
3	<p>Cairn India II, Salaya, Gujarat, India</p>	<p>Oil and gas production</p>	<p>31st March 2008</p> <p>IFC in its report stated</p>	<p>1) Date: 18th May 2011</p> <p>Farmers protest destruction of green cover</p>	<p>1) http://www.dnaindication.com/dn/article/DNJA116</p>

Sl. No.	Name of project/location, date of IFC award and value	Sector and IFC Category of Environmental Impact*	IFC's assessment report during award of project (THEN)	Description of situation (NOW)	Source of information and latest status
	<p>Date of Award: - 31st March 2008</p> <p>IFC Contribution value : USD 250 Million loan</p> <p>Date of Investment: 30th October 2009</p>	Category A: High Impact	that "Upon implementation of the mitigation measures and the intended Action Plan, the project will comply with the laws and regulations of India, IFC's Performance Standards on Social and Environmental Sustainability and applicable IFC environment, health, and safety guidelines."	2) 5th Dec 2011: Vedanta Resources Plc. takes over Cairn stake	<p>067</p> <p>2) http://www.reuters.com/finance/stocks/VED.L/key-developments/article/2445810</p>
4	<p>Orchid Pharmaceuticals Limited, Alathur, Irungatukottai and Sholinganallur, near Chennai in Tamil Nadu, India</p> <p>Date of Award: 22nd Jan 2001</p> <p>IFC Contribution value: USD 30 Million equity</p> <p>Date of Investment: 22nd May 2001</p>	<p>Pharmaceuticals and Medicine</p> <p>Category B: Limited Impact, Reversible</p>	<p>22nd Jan 2001</p> <p>IFC concluded "the project will be designed to meet requirements of World Bank Group (WBG) policies and environment, health and safety guidelines."</p>	<p>1) 11th July 2011: Tamil Nadu Pollution Control Board issued a closure notice against the plant due to poor solid waste disposal practices.</p> <p>2) 4th Nov 2005: A fire broke out in a solvent recovery block killing two on site employees in its Alathur Plant.</p>	<p>1) http://in.news.yahoo.com/orchid-chemicals-plant-shut-pollution-concerns-120620065.html</p> <p>2) http://www.moneycontrol.com/news/business/fire-at-solvent-recovery-blockorchid%E2%80%99s-alathur-api_188019.html</p>
5	<p>Paradeep Phosphates Limited, Jagatsinghpur District, Orissa, India</p> <p>Date of Award: 3rd May 2011</p> <p>IFC Contribution value : USD 50 Million loan</p>	<p>Phosphatic Fertilizers</p> <p>Category B: Limited Impact, Reversible</p>	<p>3rd May 2011:</p> <p>IFC statement "The air emissions from production processes meet both local regulatory requirements and WBG EHS guideline limits. All the treated wastewater is reused in the phosphoric acid plant, except 50 m3/d of demineralization device blow-down, which is discharged to the sea."</p>	9 th Dec 2008: The Orissa Pollution Control Board issued a closure notice against the company along with 51 other companies for being potential air and water polluting sources.	http://www.business-standard.com/india/news/21-polluting-factories-get-closure-notice/342648/

Sl. No.	Name of project/location, date of IFC award and value	Sector and IFC Category of Environmental Impact*	IFC's assessment report during award of project (THEN)	Description of situation (NOW)	Source of information and latest status
6	<p>United Phosphorous Limited - Vapi and Ankleshwar, Gujarat</p> <p>Date of Award: 6th September 2001</p> <p>IFC Contribution value : USD 17.5 Million loan</p> <p>Date of Investment: 6th Feb 2004</p>	<p>Other Agricultural Chemicals</p> <p>Category B: Limited Impact, Reversible</p>	<p>6th September 2001</p> <p>“All UPL facilities already comply fully with both local limits and World Bank guidelines for active substances in the effluents”</p> <p>IFC concluded that "the proposed project will meet the applicable World Bank/IFC environmental and social policies and the environmental, health and safety guidelines upon successful implementation of the agreed mitigation measures."</p>	<p>1) 15th April 2000: Villagers protested against the pollution of the Amlakhadi river by the effluents discharged from common effluent treatment plant including UPL unit. Despite an interim order by the High Court to stop dumping, the units have continued dumping.</p> <p>2) 12 July 2005: Gujarat Pollution control board has issued a notice</p> <p>In 2010, both the Vapi and Ankleshwar were declared critically polluted by the Indian Environment Ministry.</p> <p>3) 19 June 2011: Two labourers were killed when a reactor exploded in the Ankleshwar unit</p>	<p>IFC rather went ahead invested another USD 50 to USD 75 Million in October 2008.</p> <p>1) http://www.downtoearth.org.in/node/17956</p> <p>2) http://www.business-standard.com/india/news/gpcb-slaps-notices200-units/217341/</p> <p>3) http://articles.timesofindia.indiatimes.com/2011-06-19/ahmedabad/29676452_1_accident-blast-fire-fighters</p>
7.	<p>Granules India Limited, Bonthapally, Andhra Pradesh</p> <p>Date of Award: 4th June 2007</p> <p>IFC Contribution value: USD 15 Million loan</p> <p>Date of Investment: 14th June 2007</p>	<p>Pharmaceuticals and Medicine</p> <p>Category B: Limited Impact, Reversible</p>	<p>4th June 2007</p> <p>IFC statement “ensures compliance with the environmental and social requirements, host country laws/regulations and regulations and the World Bank/IFC environment and social policies and the environmental, health and safety guidelines.”</p>	<p>31st October 2006</p> <p>The Andhra Pradesh Pollution Control Board issued a closure notice to 7 units including Granules India for not complying with the Board directions and letting out effluents into drains.</p>	<p>http://www.hindu.com/2006/10/31/stories/2006103108790300.htm</p> <p>IFC rather went ahead invested another USD 10 Million in the company in Decemberr 2011</p>
8.	<p>Niko Resources Limited (Canada), Hazira, Surat, Gujarat</p> <p>Date of Award: 12th August 2003</p> <p>IFC Contribution value: USD 40 Million loan</p>	<p>Oil and gas</p> <p>Category B: Limited Impact, Reversible</p>	<p>IFC concludes that the "proposed project will meet the host country laws/regulations and applicable World Bank/IFC environmental and social policies and the environmental, health and safety guidelines upon successful implementation of the agreed mitigation</p>	<p>11th July 2011: Improper use of gas wells owned by the company as well as ONGC have resulted in increase in the underground gas pressure in the area , causing ground water to rise and flow through the cracks and bore wells, contaminating all drinking water and turning it saline. The residents have been forced to evacuate as water</p>	<p>http://www.downtoearth.org.in/content/report-blames-aquaculture-activities-olpad-incident</p>

Sl. No.	Name of project/location, date of IFC award and value	Sector and IFC Category of Environmental Impact*	IFC's assessment report during award of project (THEN)	Description of situation (NOW)	Source of information and latest status
	Date of Investment: 12 th Aug 2003		measures."	has seeped into their houses.	
9.	<p>Tata Iron and Steel Limited Company (TISCO), Jamshedpur, Jharkhand, India</p> <p>Date of Award: 24th January 2007</p> <p>IFC Contribution value : USD 200 Million</p> <p>Date of Investment: 24th Jan 2007</p>	<p>Iron and steel</p> <p>Category B: Limited Impact, Reversible</p>	<p>For the expansion project to 7.4 million tonnes crude steel per year, IFC concluded that the proposed project will "meet the host country laws/regulations and applicable World Bank/IFC environment and social policies and the environmental, health and safety guidelines upon successful implementation of the agreed mitigation measures."</p>	<p>1) 9th September 2009 Jharkhand Pollution Control Board issued a 'Show cause' Notice stating that ad hoc slag dumping was taking place along banks of river Subarnarekha.</p> <p>2) 30th July 2009 Central Pollution Control Board has asked plant to submit a closure schedule of one of its batteries, as it was continuously exceeding the emission level. 2011- The plant states the issue is now addressed.</p> <p>3) 30th December 2008: A gas leak took place in the blast furnace unit of Tata Iron and Steel, killing one and injuring two others.</p>	<p>1) Jharkhand State Pollution control Board</p> <p>2) http://www.business-standard.com/india/news/tata-steel-asked-to-submit-closure-plancoke-plant-govt/69409/on</p> <p>3) http://www.thaindian.com/newsportal/uncategorized/gas-leaks-in-tata-steel-unit-one-dead_100136471.html</p>
10.	<p>Ballarpur Industries Limited, Koraput District, Orissa</p> <p>Date of Award: August 29th 2003</p> <p>IFC Contribution Value: USD 15 Million</p> <p>Date of Investment: 18th Nov 2003</p>	<p>Pulp and Paper</p> <p>Category B: Limited Impact, Reversible</p>	<p>29th August 2003</p> <p>IFC concluded that "The proposed project will meet the applicable World Bank/IFC environmental and social policies and the environmental, health and safety guidelines upon successful implementation of the agreed mitigation measures."</p>	<p>19th December 2010</p> <p>The Orissa Pollution Control Board served 'Show-Cause' notice to the plant, along with 10 other industries, for violation of environmental pollution norms.</p>	<p>http://www.orissadiary.com/ShowBusinessNews.asp?id=23222</p>

Source: CSE Analysis from publicly available information, 2012