

## Villagers Challenge World Bank Role in Thermal Power Projects in Singrauli, India

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## **For Further Information, Contact**

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**April 28, 1997** (Washington, DC) - On Friday, April 25, 1997, Madhu Kohli, a social activist working in the region of Singrauli, India, filed a claim to the World Bank Inspection Panel requesting an investigation into the Bank's role in the National Thermal Power Corporation (NTPC) Power Generation Project. The World Bank loaned NTPC \$400 million in 1993. The NTPC is the Bank's largest beneficiary in the world, having received over \$4 billion since 1975. The Request for Inspection, which Ms. Kohli filed own her on behalf and on behalf of numerous anonymous families living in Singrauli, is the tenth claim submitted to the independent Inspection Panel.

According to the claimants, the World Bank has failed to adhere to its policies regarding involuntary resettlement, indigenous peoples, environmental assessment, participation, supervision and monitoring, and consideration of economic alternatives. As a result, the claimants have suffered concrete harm to their economic and social well-being. Many of the families in the region have been uprooted multiple times during one generation in order to make way for development projects. Their agricultural, subsistence lifestyles have been shattered. Their environment, which used to support a diverse array of biodiversity, has been transformed into an industrial wasteland. Among other things, the villagers have alleged that they have not been allowed to participate in decisions which so significantly affect their lives, that they have not received fair or adequate compensation, that they have in some cases been harassed for resisting resettlement, that their food security has been undermined, and that their health is deteriorating.

Ms. Kohli notes that the villagers are essentially seeking fair treatment, fair negotiations, and fair compensation. They have repeatedly tried to raise their fears and concerns to the NTPC and to the World Bank, but have been disappointed and frustrated by the lack of an effective response. Ms. Kohli says that "This claim expresses the sentiments of people who have been suffering the cumulative consequences of displacement. We hope that the Inspection Panel process will be empowering for the people of this area who have been so demoralized and oppressed."

Dana Clark, an attorney with the Center for International Environmental Law who has closely monitored past claims to the Inspection Panel, is impressed with the scope and depth of the issues raised in the claim. "This claim is a telling indictment of the flaws inherent in development-induced displacement. The story of the suffering of the villagers of Singrauli is shocking and should lead to a comprehensive review of whether the World Bank is capable of actually restoring the economic and social base of people whose lives have been destroyed in the name of development." Ms. Clark, who along with Peter Bosshard, traveled to the region in the fall of 1996, is also particularly concerned about allegations of repression and human rights abuses which have been associated with the NTPC project.

Peter Bosshard of the Swiss NGO Berne Declaration has visited the Singrauli region twice,

and recently prepared a detailed trip report summarizing the issues and concerns in the area. Mr. Bosshard notes that "these projects have caused public controversies for more than a decade, and have triggered widespread suffering and environmental degradation. The Request to the Inspection Panel finally offers an opportunity for a comprehensive and independent investigation. We urge Bank Management and the Executive Directors to support the Request."

For the full text of the Singrauli claim <u>click here</u>.