

Addendum Complaint Letter as of 20 Feb

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Dated 20th February 2018

Movement Group for the relocation of Myanmar Awba Agricultural Inputs Factory has lodged a complaint letter on 11th October 2017 is a complaint about Myanmar Awba wrong actions and the lack of response of International Finance Corporation (IFC) based on the Environmental and Social Impact Assessment (ESIA) of England-based ERM Company.

This Addendum Complaint Letter is providing additional information to the complaint after learning of local communities about policy 1 to policy 8 of IFC, the local communities want to add the damages they have suffered, they are suffering and the potential situations and contexts where they will suffer damages.

Myanmar Awba Group is implementing Hmawbi Agricultural Inputs Complex (HAIC) with the loan from International Finance Corporation. Nearby, there are Wa Net Chaung village tract, Let Pa Dan village tract and Bo Daw Na Gon village tract and a total of 8 villages. In terms of households, there are 3,651 households and population is 17,238 persons including monks.

Performance Standard 1

This complex did not carry out the EIA process systematically and they are operating at night to produce chemicals.

Based on the ESIA of England-based ERM, the underground water sources and streams within 1-mile radius are in danger at red level.

Due to the use of water resources for the factory, according to the estimates, there are potential dangers of toxicity of underground water and scarcity of water resources.

While carrying out the ESIA, the entire village tract of Bo Daw Na Gon was omitted. This village tract is situated at one-mile distance from HAIC (omission of Myanmar Awba Group from village list). The Group has also accelerated the construction of the complex without informing the communities, started operating the factory and had completely blacked out the information.

Performance Standard 2

There are labour rights violations such as lack of employment contract for the workers who are working at the factory, failure to comply with labour law, recruiting local workers only as temporary daily wage workers, lack of health check for the workers, lack of occupational safety and health.

These facts prove with certainty lack of strong guarantee for the workers and making only three-month contract is not in line with the labour law.

Performance Standard 3

Currently, the underground water is at red level due to the fact that the Complex is discharging toxic wastewater into the stream and it has an impact on the communities who are using water from the streams and wells.

Moreover, the impacts of the location of the factory complex in a densely populated area, high use of natural water resources and total ignorance of the prevention of pollution lead to damaging the underground water as well as food processing based on water. In particular, it can damage Phoo Gyi reservoir that is distributing potable water to Yangon City.

Performance Standard 4

Myanma Awba Group has not carried out any measures for the health and safety of the local peoples, thus they are suffering from the side effects of lack of security and safety, education, health and economy.

Waste are burned yet there is no good waste management so it results in air pollution and due to the geographic situation, the factory complex is on a hill so all the villages downstream are suffering from the negative impacts and dangers of the discharge water of the factory. It is damaging the environment in terms of water, air and ground.

We, the local communities, are exposed without any protection to the spills during the transport of chemicals, odours from the operation of the factory and smell of the waste burning.

Performance Standard 5

There is also the issue of blocking the roads that we use for cars, equipment and transport of products and the village connection roads that local communities use. The Company has taken Ye Ta Shay – Bo Daw Na Gon – Nyaung Gon road so only people can use it. Therefore, it disturbs the agricultural activity and flow of products of agricultural farms.

Performance Standard 6

There is a high potential of extinction of flora species. Since the operation of the government factory in 2001, crickets, butterflies, many bird species, fish species and lemon farms have gone extinct and hardwood trees like gum-kino (*Pterocarpus macrocarpus*), cashew (*Anacardium occidentale*) and mango do not grow on these lands anymore.

This shows clearly that the factory complex has no ecosystem conservation and environmental sustainability management plan. In addition, the systematic disposal of discharge water from the factory has led to flooding in our lots and we suffer from the bad odours coming from the factory.

Due to the discharge waters, the fish from small to large have died in Sapagyi stream and many fish and water resources as well as bird species have disappeared.

Water resources are too polluted for the fauna to drink.

Performance Standard 7

The key livelihoods of ethnic nationals who are indigenous communities such as farming lemon (Citrus lemon) and lime fruits have gone into extinction. Zaw Ti Shan and Shan Gyi ethnic groups that have different traditions and ways of life from other Shan ethnic peoples had been farming citrus fruit trees like lime, pomelo and lemon in fruit tree gardens over 100 years have lost all their crops in 1995 due to the smoke and fumes when the factory started to operate in 1986.

This kind of impact on the livelihoods of indigenous people is not described in the assessment and the existence and location of indigenous ethnic nationalities are not expressed as well.

Until today, they cannot grow any lime, pomelo nor lemon trees anymore so the minority Shan ethnic nationalities are facing difficulties for employment and survival.

Performance Standard 8

There are a total of 11 pagodas, missionaries, Buddhist monasteries that are under construction/built next to the factory complex.

The village-to-village connection road of Wa Net Chaung village tract, Nyaung Gon village and Bo Daw Na Gon village tract that has been in use for many decades has been fenced off and taken over so we have no longer access to the pagodas, missionaries and religious buildings – part of the heritage of Buddhist community as they are behind the factory. Monks cannot come on their quest for alms anymore.

Air pollution and odours cause us to breathe in chemical fumes while we practice meditation. The roads to monasteries and pagodas have been fenced off so our local communities are facing the loss of cultural heritage.

In conclusion, we demand the current factory to shut down and relocate to a place far from the township, village and ward residents as the geography of the factory complex is on high grounds, right in the middle of a densely populated area with village tracts and security forces and the town of Hmawbi is situated on lower grounds than the factory so downstream water flows are extremely dangerous.

Local community group against Myanmar Awba Group Chemical Factory

Attached: signatures of the complainants