AMNESTY INTERNATIONAL PRESS RELEASE

AI Index: PRE01/029/2012

20 January 2012

India urged to clean up Vedanta refinery after plant expansion rejected

Indian authorities should order the immediate clean-up of Vedanta's alumina refinery in the state of Orissa, Amnesty International said today after a court dismissed the mining company's plea for a six-fold expansion of the plant.

The High Court of Orissa on Thursday dismissed a plea from Vedanta Aluminium, a fully owned subsidiary of UK-based Vedanta Resources, to review a similar court order from July 2011. Vedanta has promised to challenge the decision in India's Supreme Court.

The July 2011 order had upheld the Indian government's August 2010 decision to reject Vedanta Aluminium's plans for the expansion of the Lanjigarh refinery after finding that the project violated the country's environmental laws.

Research by Amnesty International and other local and international groups documents the serious and continuing pollution caused by the refinery's operations. Despite the string of decisions against Vedanta, the company has failed to remedy the pollution.

"This decision vindicates the ongoing peaceful protests by the local communities near Lanjigarh to prevent this expansion from going ahead as it would further pollute their lands and water sources," said Amnesty International's India researcher Ramesh Gopalakrishnan.

"The Indian authorities have remained silent on the issues of cleaning up the refinery and monitoring the health status of the local communities. They must act on this now," he added.

The refinery and its red mud pond, which have been in operation for four years, does not meet national or international standards in relation to its environmental, social and human rights impact.

The red mud pond, which collects toxic waste by-products from the refinery, covers an area of approximately 38 hectares. The pond is full to the brim and suffered serious leaks during last year's monsoons.

The latest high court verdict means that Vedanta cannot circumvent conditions issued by India's Ministry of Environment and Forests (MoEF), stipulating that plans for expansion of the refinery should go through a fresh environmental and social impact assessment and a public hearing process.

Residents of 12 villages who live in the shadow of the massive refinery – mostly Majhi Kondh Adivasi (Indigenous) and Dalit communities who rely on agriculture for their livelihoods – have long campaigned against the expansion.

Residents of Rengopalli, one of the 12 villages, have been campaigning against the Orissa state authorities' decision to take over one of their two access roads to complete the construction of a second red mud pond for the refinery.

"The state authorities must immediately consult with the affected communities about the potential impact of constructing a second red mud pond," Ramesh Gopalakrishnan said.

India's MoEF had also rejected rejected plans by Sterlite India, another Vedanta Resources' subsidiary, and the state-owned Orissa Mining Corporation, to mine bauxite at Niyamgiri Hills near Lanjigarh.

The MoEF found that the proposed bauxite mining would violate forest and environmental laws and the rights of the Dongria Kondh Adivasi communities.

Sterlite India and the Orissa Mining Corporation are challenging the MoEF's decision in India's National Green Tribunal and Supreme Court respectively.