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Jayanthi Natarajan Minister of Environment and Forests Paryavaran Bhavan CGO Complex Lodhi Road New Delhi 110003 India

20 December 2011

Dear Minister,

## EXPANSION OF ALUMINA REFINERY IN LANJIGARH IN ORISSA

Amnesty International welcomes your Ministry's decision on 1 December 2011 to suspend the fresh terms of reference issued by the Ministry's Environmental Appraisal Committee on 27 August 2011, in relation to UK-based Vedanta Resources' subsidiary, Vedanta Aluminum's (collectively, Vedanta), plans for a six-fold expansion of its existing alumina refinery in Lanjigarh in Orissa. We understand that the Ministry has decided not to consider the application for expansion until an outstanding court issue has been resolved.

Amnesty International understands, from your Ministry's letter dated 1 December 2011, that it had taken the above decision in view of Vedanta's decision to file a petition on 16 November 2011 at the Orissa High Court, seeking review of the earlier court order dated 19 July 2011 which upheld your Ministry's decision to reject plans for expanding the refinery.

Under no circumstances should Vedanta be able to circumvent legal requirements and conditions issued by the Ministry. Amnesty International has consistently highlighted the failure of the existing refinery at Lanjigarh, which has been in operation for the last four years, to meet accepted national and international standards in relation to its environmental, social and human rights impacts. The refinery's operations, polluting land and water, continue to undermine the rights of the residents of 12 nearby villages – consisting of mostly Majhi Kondh *adivasi* (Indigenous) and *dalit* communities, who rely largely on agriculture for their livelihoods.

Amnesty International, therefore, urges you to call for an immediate clean-up of the Lanjigarh refinery site and to monitor the health impacts of the refinery's operations on local communities; this would be consistent with India's obligations under international human rights law. National authorities must take all necessary measures to safeguard persons within their jurisdiction from infringements of their human rights, including by third parties such as companies, an obligation which requires the Indian authorities to enforce laws against pollution and to prevent the pollution of water, air or soil by extractive industries.

We are still awaiting a response to our previous letter dated 24 June 2011<sup>i</sup> which raised concerns relating to the red mud pond owned by Vedanta. When we recently visited the area, we saw that the pond is almost full. It is imperative that your Ministry monitor and carry out an independent audit to ascertain whether or not the Lanjigarh refinery's 28 hectare red mud pond, from which two breaches were reported in April and May 2011, is operating in compliance with India's environmental protection laws and international standards. The audit findings should be shared with the residents of the 12

villages around the refinery who experienced considerable anxiety during the two breaches. They have also long campaigned against the proposed expansion of the refinery, which has created great anxiety for them as they feel any expansion would further pollute their land and water.

Amnesty International's 24 July 2011 report<sup>ii</sup> has also demonstrated the extent to which the Environmental Impact Assessments (EIAs) undertaken by Vedanta for its Lanjigarh refinery and its expansion plans fall short of India's regulatory requirements. In this context, Amnesty International welcomes the decision made by the Ministry to require that the company fulfill specific pre-conditions (67 in this case) before being able to proceed with the refinery's expansion plans.

Furthermore, we urge your Ministry not to approve any expansion of the refinery until the above human rights concerns are effectively addressed and fresh environmental and human rights impact assessments are conducted in an independent and transparent manner in genuine consultation with the affected communities. The Ministry should ensure that these concerns about the existing refinery and mitigation measures form part of such fresh environmental and human rights impact assessments of the refinery's proposed expansion plans.

Yours Sincerely

Seema Joshi Head of Business & Human Rights Amnesty International

cc: Naveen Patnaik Chief Minister, Government of Orissa Naveen Nivas Aerodrome Gate Bhubaneswar 751001 Orissa India

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<sup>&</sup>lt;sup>1</sup> Amnesty International, India: Open letter to Minister of Environment and Forests, ASA 20/032/2011, 24 June 2011, http://www.amnesty.org/en/library/info/ASA20/032/2011/en

ii Amnesty International, India: Generalisations, omissions, assumptions: The failings of Vedanta's Environmental Impact Assessments for its bauxite mine and alumina refinery in India's state of Orissa, ASA 20/036/2011, 24 July 2011, http://www.amnesty.org/en/library/info/ASA20/036/2011/en