

**WE REFUSE TO ATTEND THE SAFEGUARD POLICY CONSULTATION IN
HANOI ON MARCH 5-6, 2008
ON THE BASIS OF AN UNACCEPTABLE AND WEAK CONSULTATION DRAFT**

25 February 2008

Mr. Nessim Ahmad, Director, Environment and Social Safeguards
Ms. Xiaoying Ma, Senior Environment Specialist / SPU Team Leader
Asian Development Bank
6 ADB Avenue, Mandaluyong City 1550
Metro Manila, Philippines

Cc: Board of Executive Directors of the Asian Development Bank

Dear Mr. Nessim Ahmad and Ms. Xiaoying Ma,

Thank you very much for your invitation dated February 2, 2008 for the **Mekong Consultation for ADB's Safeguard Policy Update (SPU)** to be held at Hilton Opera Hotel, Hanoi, **from 5-6 March 2008.**

We welcome the opportunity to provide comments on the substance and processes of the SPU.

Our comment is based on a perspective that takes into account our solidarity with the poor and marginalised people, our understanding on the implementation of ADB's Safeguard Policies in its projects in Vietnam, our neighboring countries in Mekong and in the Asia region as well as the robust analysis and recent actions undertaken by the NGO Forum on ADB network. **We are now conveying our refusal of attending the subject Consultation in Hanoi on March 5-6, 2008.**

It is with deep concern that despite the growing and informed call from civil society organizations from the Asia-Pacific region for the suspension of remaining public consultations on the ADB's October 2007 draft of the Safeguard Policy Statement (SPS), the Bank remains bent on continuing its Mekong SPU Consultation in Hanoi as scheduled on March 5-6, 2008.

We are troubled seeing that the draft Safeguard Policy Statement (SPS) contains a number of provisions that are more concerned about keeping its business afloat than to safeguarding the poor and marginalised communities. The current SPS yields to the demands of the big borrowing and lending member countries to lower its Safeguard standards. Once these are in place, the poor and marginalised communities will suffer much more and stand to lose from the ADB's development projects that are ill-conceived and managed without due compliance to its Safeguard standards.

The risks are high, which include (but are not limited to) the following:

- the adoption of country safeguard systems (CSS) and the use of multi-tranche financing facility (MFF) where the accountability and oversight of the ADB in the project management can be significantly reduced, if not lost;
- lack of reference to international law, norms and standards, including the UN Declaration on the Rights of Indigenous People;

- severe lack of information disclosure for projects implemented by private banks and corporations; significant lack of requirement for, or reference to, consent for any project-affected people, including no mention of free, prior and informed consent; and
- the fundamental dilution of the Involuntary Resettlement Policy; among others.

This is regressive and damaging to the lives of the poor people, who should be of the most favourable support by the Bank's decisions on investment and aid for development.

The Consultation Draft's deeply flawed provisions and its significant removal of ADB's detailed and currently mandatory safeguards, replacing them with one page each of vaguely worded "policy principles" for environmental, indigenous peoples' and involuntary resettlement safeguards, make us worried that the ADB is dramatically weakening its existing standards despite the Bank's guarantee of "no weakening".

We believe the draft Safeguard Policy Statement (SPS) released in October 2007 does not present the Bank's intention as it does not take side with the poor people. We expect it as a neglectful version and therefore it is unacceptable and unsuitable for public review and consultation.

Moreover, the past experience shows us that a lot of comments from NGOs and civil society, raised openly in the past consultations, have constantly failed to assure that critiques provided were seriously being taken and that we could be informed why and/or why not the comments are incorporated. We would like to call your attention to this critical issue. By failing to seriously integrate civil society comments and proposals in the previous SPU consultations, we see the Hanoi meeting to be a token public display. We do not want to be used by ADB to give legitimacy to its deeply flawed SPS document.

Most importantly, in all of the consultations held to date in Vietnam, the Bank has failed to organize an open and democratic space for discussion where related stakeholders, including the Government, civil society organizations and the affected communities to equally involve in and earn the respect for their concerns.

With this letter, we would like to express our decision not to attend the March 5-6, Hanoi Consultation on the SPU. We urge the ADB to issue a second draft (not a Working Paper) that should attend to the above concerns if you seek a more meaningful and inclusive series of public consultations.

Thank you for your attention and we look forward to hearing from you.

Sincerely,

1. **Dang Ngoc Quang** – Director, Rural Development Services Center (RDSC)
2. **Trinh Le Nguyen** – Director, Pan Nature
3. **Pham Kim Ngoc** – Executive Director, Research Center for Gender, Family and Environment in Development (CGFED)
4. **Phan Van Ngoc** – Country Director, ActionAid Vietnam
5. **Hoang Phuong Thao** - Asia Regional Coordinator - Just and Democratic Governance, ActionAid International

Endorsed by:

cc. ADB Board of Directors
ADB President Haruhiko Kuroda
ADB VP Ursula Schaefer-Preuss