

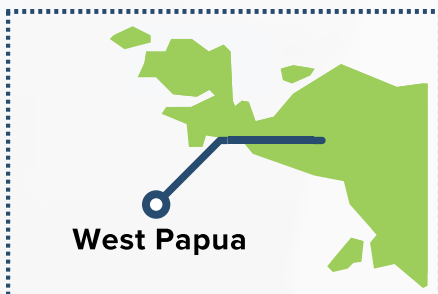
PAST AND CURRENT ADB & AIIB COMPLICITY IN FOSSIL GAS BUILD-OUT IN INDONESIA (2009-2022)

The Asian Infrastructure Investment Bank (AIIB) has not financed any gas projects in Indonesia. Meanwhile, the Asian Development Bank (ADB) has provided both private and public sector loans to fossil gas power projects and LNG-related infrastructure, as well as technical assistance.



Tangguh LNG Expansion Project

LOCATION



West Papua



LOAN AMOUNT

Loan of USD 400 million approved in 2016 by ADB to HSBC to finance the expansion of BP's Tangguh LNG terminal for the extraction, processing and conversion of gas into LNG (onshore and offshore facilities).

STATUS

Construction ongoing (drilling 13 new production wells, two new offshore production platforms, new subsea pipelines, as well as infrastructure for loading incoming ship tankers).

PROJECT SPONSORS



IMPACT OF THE PROJECT



Construction ongoing (drilling 13 new production wells, two new offshore production platforms, new subsea pipelines, as well as infrastructure for loading incoming ship tankers).



Forcibly dispossessed Simuri Peoples' communities through the acquisition of land (approx. 3,300 hectares of ancestral territories) without seeking or obtaining their prior, informed consent.



Severe impacts on local marine ecosystems already to date.



Surrounding communities have lost access to fishing areas relied upon for subsistence and income generation (due to restrictions around the LNG plant, subsea pipelines, and offshore platforms).



International and local social movements have raised concerns about the human rights violations associated with the Tangguh project and expansion for over twenty years.

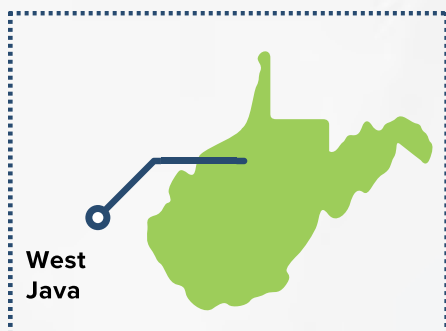


Despite the disputed territorial status of West Papua and the ongoing struggles by the Papuan Peoples for self-determination, ADB does not currently consider this area as a conflict-affected area, proceeding without any heightened due diligence or sensitivity.



Jawa 1 LNG to Power Project

LOCATION



West
Java



LOAN AMOUNT

A loan of USD 305 million was approved by ADB in 2018 to PT Jawa Satu Power (Marubeni, PT Pertamina and Sojitz Corporation) for the construction and operation of a 1,760 MW Cycle Gas Turbine (CCGT) Power Plant, a Liquefied Natural Gas (LNG) Floating Storage and Regasification Unit (FSRU) and a 500kV power transmission line and substation.

STATUS Operating

IMPACT OF THE PROJECT



Hundreds of households that own and/or use land for paddy cultivation, residential purposes, livestock grazing, and fish farming and that rely upon the coastal areas have been officially identified as directly affected by the development of the facilities.



No estimation of the impacts on surrounding areas has been taken into account in the project documents.



No clear steps to prepare for incidents of effluent leaks, spills, or explosions if they occur in the future.

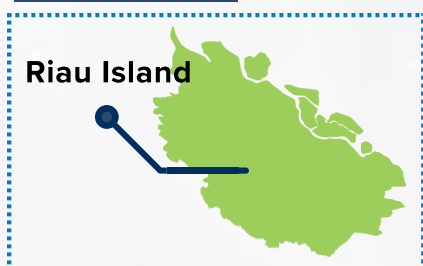


Little information is available on how/if alternative power options were explored, let alone whether local community inputs were sought at such initial planning stages.



Riau Natural Gas Power Project

LOCATION



Riau Island



LOAN AMOUNT

Loan of USD 222 million approved by the ADB for a subsidiary of Thailand's Ratch Group to support the construction, operation & maintenance of the 275 combined gas turbine power project & associated 40 km gas pipeline, transmission lines as well as other facilities.

STATUS Operating

IMPACT OF THE PROJECT



50 households directly affected.



No independent cumulative environmental or social impacts appear to have been undertaken despite the location in the midst of an industrial zone, near other power projects.

Through assistance grants, including Project 48282-001 ([Promoting Carbon Capture and Storage in the People's Republic of China and Indonesia](#)) and Project 47119-001 ([Planning a Pilot Carbon Capture and Storage Activity](#)), the ADB has supported plans for piloting, knowledge development and regulatory frameworks related to carbon capture technologies with the stated intention to make the technology commercially viable "as a promising option for addressing greenhouse gas issues from increasing use of fossil fuels" (see [Project 48282-001](#)).