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Mr. Li Ruogu
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20 October 2008

Subject: Social and environmental impacts of the Belinga project - Gabon

Dear President Li Ruogu:

Brainforest is an environmental NGO in Gabon. Our mission is to inform and assist stakeholders in the sustainable and equitable management of natural resources in Gabon. We are writing to express our serious concern about the Bélinga iron project, for which China Exim Bank is the sole financier. We are particularly concerned with construction that has already commenced and the potential impacts on indigenous and local communities.

The Bélinga iron ore deposit in the north-east of Gabon was discovered in 1895 and stands as one of the last untapped iron ore deposits on earth, with an iron content of 64% and reserves estimated at one billion tons...Mining the Bélinga iron deposit will require the construction of mining facilities, power stations, railways and ports; a hydroelectric dam will provide the mine's power supply, two railway branch lines (320 km) linking Bélinga to Booué, and the Ntoum periphery to the future port of Santa Clara, north of Libreville.

Source: Official site of the Gabonese Republic

Construction of the Bélinga project, operated by CMEC (China National Machinery and Equipment Import and Export Corporation) is already in the process of realisation, however we are concerned that the impact studies have not yet been made public.

Your guidelines for the evaluation of social and environmental impacts stipulate that any project financed by China Exim Bank requires in-depth studies of the impacts and measures put in place to reduce them:

Article 6. *Social impact refers to the systematic analysis and assessment of the impact on socio-economic, natural resources and social environment caused by project implementation, and proposes policies and measures to reduce that impact. The scope of evaluation includes labor and terms of employment, social security and health, land acquisition and migrants' protection, and so on.*

"Guidelines for Environmental and Social Impact Assessments of the China Export and Import Bank's (China EXIM Bank) Loan Projects"

We emphasize the importance of a detailed impact assessment, and that the study be made publicly available. We also insist on the importance of meeting with local populations effected by the action. The quality of the study should be proportional to the stakes of the project.

The impact assessment must meet three objectives:

- Helping the project owner, whether public or private, realize projects that respect the environment at each phase;
- Allow relevant project authorities to make informed decisions by supplying them with project information;
- Inform the public and facilitate its participation in decision-making. The project dossier, including impact studies, must be made available to the public so that their observations may be considered by decision makers. This is an approach that must be participatory and implemented from the design phase of the project.

Regarding the infrastructure work carried out by CMEC in the Ivindo National Park for the construction of the dam, we wonder if your policy and guidelines have been met, especially with respect to massive damage caused by deforestation during the creation of a 40 km road in the national park to the Kongou falls and the lack of information provided to local communities about that construction.

We draw your attention to the importance of Kongou falls for local populations. Indeed, these falls are the best fishing area on the Ivindo River for fishing communities of Makokou. Moreover, they have a spiritual and cultural importance for the Kota people of the Ivindo, as they host a protective genie, Assayoko. CMEC should take into account the impact on village communities, compensate them for their losses, or consider a solution to minimise these impacts.

In addition, we should underline that Kongou waterfalls have become the symbol of nature conservation in Gabon. Celebrated by the international media, they are the most spectacular waterfalls in Central Africa.

The mine itself could have serious environmental and social impacts as well. The fishing communities in the area have always depended on the Ivindo and Zadié rivers for their livelihoods. With the inception of the iron mine project, these rivers will be subjected to a high risk of pollution, which in turn places the local populations in danger.

Your guidelines on social and environmental impacts specify compliance with local and indigenous people's right to access resources:

Article 12. *Offshore project assessments should abide by the following principles (...) Respect the local people's rights to land and resources.*

"Guidelines for Environmental and Social Impact Assessments of the China Export and Import Bank's (China EXIM Bank) Loan Projects"

It is therefore essential to take into account the activities of river populations of the Ivindo to better understand the negative impact they may incur from the future iron mine.

In addition, local people express a strong need to be informed and consulted about the project and various infrastructures related thereto:

- Kongou Hydro-electric dam: will populations benefit from electricity? Will CMEC provide employment for local communities? What are the impacts on fisheries and other activities?
- Railway: What is the route of the railway? Is this the same route as that taken by the Foley Brothers agents in 1964? What communities will be affected?
- The iron mine: Will the inhabitants of the region receive priority for work? What are the impacts? What are the benefits to local people?

We believe it is essential to initiate a broad information awareness and dialogue campaign with people affected by the project throughout the province of the Ogooue-Ivindo in order to understand their expectations and concerns. To this effect, Gabonese law requires that CMEC and the administration implement an information campaign:

The developer or his representative must submit the draft to the people by means of simple, practical and accessible communication and to hold public consultations which the notification should be made by means of posters or any other audiovisual means.

According to Decree No. 000539 regulating Impact studies on the Environment on July 15, 2005.

In addition, the law of the People's Republic of China stresses the importance and obligation to make environmental impact studies public, including details of the content:

Article 7. Public notice of EIA document information.

Construction units, compilation agencies and entrusted units should notify the public of EIA document information after the EIA documents have been finalized but before the documents are submitted for examination and approval, and solicit public suggestions and opinions about the EIA documents.

Public notice of EIA documents should include the following major content :

- *Summary of construction projects or special plans;*
- *Outline of possible environmental impact of construction projects or special plans;*
- *Main points of responses and measures to prevent or alleviate adverse environmental impact;*
- *Main points of EIA findings raised in the EIA documents;*
- *Methods and places for the general public to consult the abridged version of EIA documents;*
- *Scope and major issues of concern related to soliciting public opinions;*
- *Specific forms and time for soliciting public opinions.*

Measures of the State Environmental Protection Administration on Public Participation in Environmental Impact Assessment, Law on Environmental Impact Assessment of the People's Republic of China, 2006

Chinese laws also require policy makers to examine and verify in detail comments and points of dispute made by the local population as a means of taking into account public opinion before any decision is made.

For this work of dialogue and awareness, we propose the support of Gabonese civil society who have experience and knowledge of local communities, provided that real intentions are expressed by all parties in regards to the development of alternatives and compensation for the people.

We would be happy to discuss with you, either by correspondence or meeting. We hope to assist the Belinga project achieve the best results for all stakeholders concerned.

We look forward to your reply.

Best regards,

Marc Ona Essangui
President of Brainforest

Endorsed by:



International Rivers is a U.S.-based civil society organization that works globally to protect rivers and to promote better solutions for meeting water, energy, and flood management needs.



Friends of the Earth (foe.org) is the U.S. voice of the world's largest grassroots environmental network, with member groups in 70 countries. Since 1969, Friends of the Earth has been at the forefront of high-profile efforts to create a more healthy, just world.



BankTrack activities and our expectations of the financial sector are guided by the Collevocchio Declaration. These commitments reflect civil society's expectations of the role and responsibilities of the financial services sector in fostering sustainability.



The Rainforest Foundation UK (RFUK) is working to ensure the long-term protection of rainforests by securing the rights of indigenous communities to land, life and livelihoods.

Fondation Internationale Gabon
EcoTourisme "Guiseppe Vassalo"
(FIGET)

FIGET was created in 2000 upon request of the Gabonese Government, to protect the primary forest in the Ipassa-Migouli-Ivindo. In February 2001 the FIGET was entrusted with 120 square kilometres of forest, the "Mingouli Protected Area" with the Kongou waterfalls. This is now part of the Ivindo National Park, which was created in 2002.

cc:

Mr. Zhang Xuesong, General Manager, International Business Department, China Exim Bank

Mr. Xie Biao, President, CMEC

Mr. Jean-Firmin Koumazock, President, COMIBEL (Belinga Mineral Company)

S.E. Xue Jin Wei, Ambassador, Chinese Embassy, Gabon

Minister of Mines, Oil, Hydrocarbon, Energy, Hydraulic Resources and New Energy Promotion, Gabon

Minister of Environment, Sustainable Development, and Nature Protection, Gabon

Minister of Foreign Affairs, Cooperation, French Language, and Regional Integration

Minister of Economy, Finances, Budget and Privatization

Ambassador, Gabonese Embassy, China

President, Senate, Gabon

President, National Assembly, Gabon