



NDB Promoting 'Sustainable infrastructure' without even defining it

New Delhi, March 30, 2017. Before the start of the Second Annual Meeting of the Board of Governors of the New Development Bank in New Delhi, the *Peoples' Forum on BRICS* conducted a day-long convention in New Delhi to look at the various trends in development finance, mechanisms to monitor trade and finance in BRICS countries, and various stakes involved with the emergence of New Development Bank.

The convention titled *New Development Bank – Peoples Perspectives* was addressed by academicians, economists, environmentalists, journalists and indigenous communities from the BRICS countries. They in unison raised the issues related to the lack of: transparency, accountability, benchmarks about the environmental and social, grievance redressal mechanisms, and spaces of engagement for the civil society organizations and peoples' movements in *New Development Bank*.

Ciao Borges, a lawyer representing *Conectas*, a not-for-profit organization with the consultative status from UN-ECOSOC from Brazil, said “the NDB given its wide implications ought to have an accountability and transparency structure.”

He further said that so far the Shanghai based Bank, which claims to focus on ‘sustainable infrastructure’, has approved seven investment projects in all member countries for a total of over USD 1.5 billion, with 75% investments on renewable energy. Despite this, the Bank has not felt the need to define the concept of Sustainable infrastructure. This leaves the door open for investments which are profit oriented and not completely sustainable in nature. Moreover with lack of transparency and redressal mechanism, the affected communities would have no recourse to file their complaints and concerns.

Soumya Dutta, convener, Climate & Energy Group of *Beyond Copenhagen Collective*, and one of the founders of *India Climate Justice Platform*, points out that none of the investment made was related to health, education etc

and all has gone to construction of roads, solar and hydropower plants. This leaves one wondering if all money has gone to the needs of the industry where corporates can come into play. Another concern raised by Dutta is that of 'Climate proofing of infrastructure' which protects investments from the climate change not the people who are at the receiving ends. All this achieves considerable significance in the wake of recent statement of Bank's president KV Kamath, who announced that the Bank would double its lending every year over the next 2-3 years to leverage its USD 10 billion capital in first 6-7 years.

"We are not against renewable energy but it has to be decentralized. The current funding is for the large scale projects, which leads to the large scale displacements. For any project to be sustainable and inclusive the benefits have to be equally distributed," said Madhuresh Kumar, convener of the *National Alliance of Peoples Movement*, who has worked on displacement issues in the Narmada Valley. Susana Barria, Project Coordinator, Public Service International, gives example of the promotion of the rooftop solar panels as a strategy to reduce displacement. She further says that since AIIB and NDB will only facilitate the norms of the dominant global financial systems, we can not expect much from them to work in peoples favor.

The convention was addressed by the subject experts like Nagesh Prabhu, Prof. Biswajit Dhar, Leo Saldhana, Susana Barria, Atul Bhardwaj, Caio Borges, Soumya Dutta, Ram Wangkheirakpam, Himanshu Damle, Benny Kuruvilla, Joe Athialy, Madhuresh Kumar among others. This will be followed by a press conference by Madhuresh Kumar, Soumya Dutta, Caio Borges and Susana Barria. The convention was attended by the civil society organizations from all the BRICS countries and states as far as Manipur, Kerala, MP in India.

The upcoming Second Annual Meeting of the Board of Governors of the *New Development Bank* will discuss the strategy plans over three days in Delhi during March 31-April 2, 2017. It was decided during the convention that the *Peoples Forum on BRICS* will bring out a declaration as a response to the outcomes of Second Annual Meeting.

For further details, you may either logon to our webpage: <https://peoplesbrics.org/> or contact:

- Maju Varghese | 9867348307
- Himanshu Damle | 70423818