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## THE WORLD & THE WORLD BANK NEED NEW LEADERSHIP - PRESIDENT JIM YONG KIM MUST STEP DOWN

July 5, 2016

Under Kim's presidency, begun in July of 2012, the World Bank Group (WBG) has essentially continued the same old project menu of disastrous mega-projects that further jeopardize the life support systems of Planet Earth. Kim has exacerbated climate destabilization, accelerated loss of biodiversity, damaged the health and productivity of oceans, and fueled conflicts leading to human rights atrocities. He does not deserve a second term as Bank President.

Below are four particular examples of project disasters and dismantling of WBG policies that were intended to protect the poor and safeguard life-supporting natural systems. The evidence laid out is just a brief list of reasons for this call.

### I. Mega-Dams Harm Rainforests and Poor and Rural Communities

Despite the performance failures of two completed WBG-supported dams on the Congo River (Inga I and II), Kim has called for new mega-dams in the Democratic Republic of the Congo (DRC), the Himalayas, and the Zambezi Basin. These dams will emit serious levels of methane, a greenhouse gas that is over 25 times more potent and dangerous than carbon dioxide. The dams gradually lose storage capacity due to collecting sediment which undermines their usefulness for power, irrigation and other functions. Coastal Deltas that depend on sediment delivery to maintain themselves then erode away.

After billions were spent on Inga I and II, 85% of the electricity in the DRC is still used by energy intensive industry and urban consumers, but less than 10% of the population, mostly rural, has access to electricity. Additionally, these dams evicted farmers from fertile land mostly cultivated by women, causing them to lose their homes and livelihoods. President Kim now is pushing the \$12 billion Inga III dam. These mega dams dramatically increase the destruction of forests and fisheries and can disrupt one of the world's greatest carbon sinks at the mouth of the Congo River in the South Atlantic Ocean.

Notwithstanding the WBG's stated goal of eliminating poverty, Kim neglected all the evidence from the WBG-supported World Commission on Dams Report (2000) that documented the disastrous fates besetting millions of people displaced by big dams. He also neglected the fact that big hydro-dams serve large polluting mining operations such as aluminum smelting. Because it is too costly to string transmission lines from central power plants to numerous small communities, they are not served with electricity. But through renewable energy, these communities can be served by affordable, local, solar and wind facilities near villages. The WBG under Kim turned a cold shoulder to these superior clean energy options that have the best chance of helping some of the 600 million rural poor in Africa.<sup>1</sup>

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<sup>1</sup> See [www.internationalrivers.org](http://www.internationalrivers.org) for background info on large dams.

## II. Mining Massacre and Human Rights Atrocities

In Kim's first visit to Africa as WBG President (early September 2012), he praised the local staff of the WBG's International Finance Corporation (IFC), but made no mention of the worst massacre of workers since the apartheid era. This occurred at the IFC-supported Marikana platinum mine just three weeks earlier. The police killed 34 as they opened fire on striking workers who were protesting the foul shanties and shacks they were forced to live in. These awful facilities had been the subject of a report by the Benchmarks Foundation which is associated with the South African Council of Churches. Nobel Peace Prize laureate Bishop Desmond Tutu denounced the massacre, calling it a 'nightmare'.

Today the murders of environmental and human rights activists who protest mining, dam and other mega-infrastructure projects are very much in the news with the 2016 assassination of Goldman Environmental Prize winner Berta Caceras of Honduras. The *Washington Post* reported (March 30, 2016) on the murders of dozens of such leaders worldwide. Kim is perpetrating the kinds of displacement and forest destruction projects that cause conflict and unrest, and deprive local residents of their means of survival.

## III. Coal Financing of the World's Dirtiest Power Plants

The WBG is poised to fund a 600 MW coal plant in Kosovo where its emissions will worsen public health. At the very time Kim could have demonstrated leadership in renewable energy, he went with the dirtiest source of electricity today—lignite (brown coal). Kim selected dirty coal despite Kosovo wasting 40% of its electricity. Experts like Daniel Kammen, founder of the Renewable and Appropriate Energy Lab at the University of Berkeley, point out numerous alternatives to this dangerously polluting coal power plant.

Under Kim's regime the WBG continues to finance the South Africa Eskom Project approved in 2010 that aims to increase power through constructing the largest African coal-fired plant. Harmful environmental and social impacts include increased greenhouse gas emissions and fine particle pollution that has triggered respiratory diseases among workers and residents, loss of land that is diminishing small scale farming done particularly by women, and massive coal plant water consumption that is forcing women to travel farther to collect clean water and/or buy expensive privately supplied water.

## IV. Presiding Over the Destruction of Safeguards

The WBG's environmental and social "Safeguard Policies" date back more than thirty years, influencing other multilateral development banks, the export credit agencies of OECD and BRICS countries, and the project finance of major private international commercial banks. The WBG is revising these safeguards by abandoning requirements for preparation and public disclosure of environmental assessments before loan approval, permitting degradation and destruction of legally protected natural areas and forests, and allowing projects to proceed with inadequate measures to protect forcibly resettled populations and indigenous peoples. The WBG also refuses to finally create a gender safeguard to prevent harmful impacts on women and sexual minorities and enable them to enjoy rights and livelihoods.

President Kim is presiding over the abolition of environmental assessment in terms of any accepted notion of that phrase. In fact, the proposed changes basically eliminate the mandatory completion and circulation of an environmental and social assessment to local affected communities for comment and consideration before project approval and the beginning of project implementation, even for projects with the most severe prospective impacts.

Since its development in the U.S. and other countries in the 1970s, environmental assessment (EA) has as a first operational principle, the requirement that for projects or investments with serious or substantial environmental impacts, the EA has to be initiated and completed before the project is finalized. This includes public access to, discussion of, and comments on the EA, with the goal of influencing and/or

changing project design, including the option of “no project” if the impacts are discovered to be too severe and/or if the goals of the project can be accomplished through other means.

The current WBG corporate-development strategy and dilution of safeguards are all part of a misguided effort to keep the WBG ‘relevant,’ i.e. to ensure it can move money more quickly, in larger amounts, and with fewer procedures to avoid being marginalized by competitors such as China and Brazil and new institutions such as the Asian Infrastructure Investment Bank and the New Development Bank.

Under President Kim WBG management has increasingly characterized project lending as obsolete and rigid—too focused on safeguards and fiduciary requirements, and not suited to borrower needs. This approach is in sharp contrast to the warning made by one of the WBG’s founding Executive Directors over six decades ago: “to avoid the wasteful utilization of foreign loans which had been frequent in the past the Bank was enjoined to lend only for the financing of specific projects and to exercise close supervision of the funds it lent.” With the growth of new forms of corruption and the increasing environmental and social risks of many large investments, this admonition is more urgent today than when it was uttered in 1951. To this day, the WBG International Evaluation Group repeatedly attributes failed investments to insufficient project supervision. The Bank’s current path “is a flight not just from sustainability, but from the lessons of history and ethics,” Bruce Rich writes.<sup>2</sup>

The undersigned organizations call on World Bank President Kim to step down.

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|---|---|
| 1. Brent Blackwelder  | President Emeritus, Friends of the Earth  |
| 2. Randy Hayes  | Executive Director, Foundation Earth  |
| 3. Elaine Zuckerman   | President, Gender Action  |
| 4. Herman E. Daly   | Professor Emeritus School of Public Policy University of Maryland   |
| 5. Peter Bosshard   | Interim Executive Director of International Rivers  |
| 6. David Suzuki   | Emeritus Professor, University of British Columbia  |
| 7. Ms Emem J. Okon  | Kebetkache – Women Develop’t & Resource Centre and Women Initiative on Climate  |
| 8. Roberto Bissio   | Executive Director Instituto del Tercero Munco; Third World Institute, Montevideo, Uruguay                            |
| 9. Kjell Kühne  | Founder, Leave it in the Ground Initiative (LINGO)  |
| 10. Hunter Lovins   | President, Natural Capitalism Solutions   |
| 11. Nnimmo Bassey   | Earth Rights International (Nigeria); Health of Mother Earth Foundation   |
| 12. Dr. Hans R. Herren  | President and CEO Millennium Institute  |
| 13. Maurice Ouma Odhiambo   | Jamaa Resource initiatives Kenya  |
| 14. John C. Marlin  | Retired Executive Director, Coalition on American Rivers  |
| 15. Kevin Danaher   | Co-Founder and Board Member, Global Exchange  |
| 16. Betty Abah  | Founder, CEE-HOPE Nigeria   |
| 17. Andy Kimbrell   | Executive Director, Center for Food Safety  |
| 18. Ranil Senanayake  | Chairman, Rainforest Rescue International – Sri Lanka   |
| 19. Dave Foreman  | Director of The Rewilding Institute   |
| 20. Graciela Chichilnisky   | Professor of Economics and of Statistics; Director Columbia Consortium for Risk Management (CCRM) Columbia University |
| 21. Tantoo Cardinal   | First Nations Actress   |
| 22. Paul Hawken   | Author & Executive Director, Project Drawdown   |
| 23. Jackson Shaa  | Narasha Community Development Group – Maasai  |
| 24. Bonnie Raitt  | Musician/Activist   |
| 25. Martha Torres Marcos-Ibáñez, Derecho, Ambiente y Recursos Naturales (DAR, Perú) |   |
| 26. Judy Wicks  | President, Beautiful Business   |
| 27. Tracy Worcester   | Director of Farms not Factories   |

<sup>2</sup> See Bruce Rich, *Foreclosing the Future: The World Bank and the Politics of Environmental Destruction*, Island Press, 2013

28. John Seed Founder, Rainforest Information Centre
29. Catherine Caufield Writer
30. John Robbins Founder, EarthSave International
31. Richard B. Norgaard Professor Emeritus of Energy and Resources University of California, Berkeley
32. Susan Griffin Author, *Woman and Nature, the Roaring Inside Her*
33. Brian Staszewski CEO, Global Resource Efficiency Services
34. Rex Weyler Co-founder, Greenpeace International; author, [Deep Green](#) blog
35. Theodore S. Cochrane Senior Academic Curator Emeritus Wisconsin State Herbarium University of Wisconsin-Madison
36. Ben Cohen Businessman
37. Rabbi Michael Lerner Editor, Tikkun Magazine; Chair, The Network of Spiritual Progressives
38. Jigar Shah Businessman
39. Jennifer Krill Executive, Director, Earthworks.
40. Georgia Kelly Director Praxis Peace Institute
41. Jerry Mander Chair, International Forum on Globalization
42. Topher White CEO, Rainforest Connection
43. Randy Compton President, Restorative Solutions, Inc.
44. John Powers President, Prentice Foundation & Alliance for Sustainable Colorado
45. Jodie Evans Co-founder CODEPINK
46. Richard Heinberg Senior Fellow, Post Carbon Institute
47. Rhea Landig Executive Director, Species Alliance
48. Thomas Van Dyck Chair & Founder, As You Sow Foundation
49. Erik Wohlgemuth Chief Operating Officer, Future 500
50. Dan Imhoff Executive Director, Watershed Media
51. John Perkins Author & Chairman, Dream Change
52. Huey D. Johnson Chair of the Board, The Resource Renewal Institute
53. Joshua Farley, PhD Professor, Gund Institute for Ecological Economics University of Vermont
54. Beto Borges, Director Communities Initiative, Forest Trends
55. David Weiss Executive Director, Rainforest International
56. Lisa Mead Earth Law Alliance
57. Helen Eriksen BEYOND – Denmark
58. Geetha Lakmini Fernando We Women Lanka
59. Friends of the Earth US President, Erich Pica
60. Peter G. Brown Project Director, Economics for the Anthropocene  
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