

# mission report

business

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# **REPORT OF THE IUCN SCOPING MISSION TO THE DHAMRA PORT PROJECT, ORISSA, INDIA**

## **1. Introduction**

In July 2006, Aban Marker Kabraji, IUCN Regional Director for Asia met Mr. Ratan Tata, Chairman of the TATA Sons in Mumbai to discuss various aspects of environment and corporate

the exchange of information and perspectives between the IUCN Mission and the representatives of DPCL. Sections 4, 5 and 6 summarize these perspectives. A detailed itinerary listing names of the persons with whom the mission met is provided in Annex 1.

#### 4. The Dhamra Port Project

The project ([www.dhamraport.com](http://www.dhamraport.com)) is located at Dhamra, Orissa State, on the east coast of India (see the image below). The proposed port site lies 7 km from the river mouth along the landward coast of the northern of the two discharge channels, and not at the mouth of the river proper. The existing port (fishing jetty) is located a few kilometers upstream on the Dhamra River itself.

The Port is a joint venture between L&T and TATA Steel. The main construction work has not started yet but a project facility to accommodate project staff has been secured through a loan / lease agreement with a State Government agency. The development of an access road to the port site is in progress, and port construction is likely to be implemented at full scale soon after the financial closure with potential lenders, which is expected by early 2007.



The project has three main components: port construction, dredging of an access channel, and construction of a 62 km access road and railway link to Bhadrak to the north, and on the Howrah-Chennai main line. Land acquisition for the road – rail link is in progress, with most land already acquired for the access road and railway. The majority of the Port land has also been acquired.

The project entails extending or further developing the existing port facility at Dhamra established in 1930, although the two are not adjacent. In actuality the proposed development is around 7 km north of mouth of river Dhamra and around a major river bend from the current port facility (a small fishing jetty at the end of Dhamra River), and significantly dwarfs the old port in terms of size and potential environmental impacts.

According to DPCL officials, Dhamra is the preferred location for a deep sea port given the

westward inclination of the continental shelf. At

having already started the development work (land acquisition). Various people in the NGO community felt that the project should have been abandoned or moved to an alternate location, had the company been sincere in its commitment to protect the environment. However, from the initial intelligence that the Mission was able to gather, the company lacked a scientific basis for decision making and the NGOs did not provide practical advice or assist when invited by the company to undertake necessary scientific assessments, thus representing a missed opportunity to have an impact at the earlier stages of the development.

DPCL officials contend that, when the BNHS withdrew its involvement, except for some land acquisition processes, no construction had started, and that they were still committed to abandoning the project if the proposed development scientifically proved to be unmanageably inconsistent with turtle conservation

At this belated stage however, and considering the lack of a timely and credible advice to the contrary, DPCL does not see abandoning the project as a realistic option. Short of that though, as clarified during the Mission's meeting with the CEO, the company has reaffirmed its commitment to undertake any and all mitigation measures that would be necessary to protect the turtles and their nesting habitats.

As has become clear, the proposed project has had a long and often controversial history, particularly as it relates to marine turtles, and numerous issues have been raised in defense of both the turtles and the port proposal. The manner in which the EIA was obtained, for instance, has been a source of contention among opponents to the project, as the Ministry of Surface Transport (MOST) approved the development permit after reviewing the EIA on the basis of a delegated authority from the Ministry of Environment & Forests, Government of India. This delegation of authority was possible as, technically, the project was an extension of an existing port and not the development of a new port. However, in our view the port is really not an expansion of an old port, the two are not even adjacent, and hence this procedural loophole apparently preempted the possibility of a thorough review of the environmental impact assessment by the relevant State government departments such as that of Wildlife and Forests, and concerned NGOs.

Compounding this, there is a recurring difference of opinion about if and how the proposed development has affected the boundaries and viability of the Gahirmatha Turtle Sanctuary, Bhitarkanika National park, and other protected areas in the vicinity. Some people argue the port predates establishment of the protected area(s), while others say sizable chunks were exci



major direct barrier, island or other structures, in the line of site between the port site and Gahirmatha turtles nesting area that, as some earlier comments suggested, may have partially mitigated any lighting impact. As such, the glow from lights used to illuminate general port activities is expected to be seen clearly at the Gahirmatha. Turtle hatchlings

During this mission, the CEO, DPCL asked if IUCN would be prepared to assist in the process, possibly through preparation of a sound Environmental Management Plan, further demonstrating a will to see things done in a manner which reflects the Company's environmental concerns. The CEO indicated a strong desire to continue to work with IUCN, not necessarily 'green-stamping' the project, but assisting with development of an environmental management plan, and onward further for a long-term relationship, possibly in an advisory role on environmental matters. Given this, the Mission believes, a valuable opportunity exists for IUCN to engage in the process and assist where appropriate. That said, below we list some issues which will need to be addressed for any IUCN engagement to be productive.

- 8.1. IUCN believes in longstanding positive impacts, and this project, through an IUCN and DPCL partnership, has the potential to significantly contribute to environmental standards for mega development projects. Thought will need to be placed into what long-term legacy can be left by the partnership between DPCL and the environment with IUCN mediation? Could an alliance of the project, fishing industry, other businesses, conservation organizations, and local communities be created to address the broader conservation issues in the area? Turtles face other threats such as from fishing fleets even if the port was not to be developed.
- 8.2. The possibility of a long term management plan for Gahirmatha sanctuary, funded through a Trust of some kind, is also a consideration.
- 8.3. The location of the port in proximity of defense facilities imposes a constraint in terms of access to the site, especially by foreign experts, and will need to be taken account of in mitigation planning and implementation, should IUCN be invited to participate in these activities.
- 8.4. There will be a need at a later stage to evaluate the impact of the port through strandings or other such counts, but these will need distinguishing from the current dead turtles which strand on the river banks, as a result of drowning in trawlers. Turtle Excluder Devices could assist in mitigating this impact.
- 8.5. The secondary industrial and urban expansions associated with the port- development are of grave concern. What expansion will be allowed in the future after heavy infrastructure development? It would be short-sighted to think that the investment of billions of dollars would not be taken advantage of by secondary industries, particularly if the port becomes a net importer rather than exporter of raw materials – industries will want to be as close to the port as possible. Moreover, while the port itself might be committed to environmental action, the secondary industries may not be so. This will have broader and area wide environmental impacts.
- 8.6. Related to the above issue, there will be a need for long-term Government commitment to eliminate additional coastal development, and regulate secondary development in a way that complies with the same EIA directives as th



for lighting was proposed whereby port ac

2007. This activity would not only address an imminent need without losing further time and opportunity but would also serve as trust and relationship building exercise between IUCN and DPCL.

Meanwhile, and in parallel, IUCN and DPCL could develop the details of an independent scientific review panel that IUCN would convene to advise DPCL on the various issues listed in section (8) above and other matters arising, in particular a much-needed review of the original EIA that would greatly benefit from an update of the data and reinforcement of its analysis and recommendation.. This panel would not take decisions on behalf of DPCL nor make prescriptive recommendations which would put the DPCL management in an awkward situation of having to decide one way or another. Rather, it would provi

Mr. Anjani Kant, Assistant Manager (Business Development) Mr. Mihir Ranjan Mishra and Executive Assistant, Mr. Mayukh Sinha. In addition, we would like to express our gratitude to the office and guest house(s) staff, who made us feel welcome and provided us with a superb working atmosphere during our visit.

The Mission also wishes to thank profoundly the officers and staff of the departments of forests and wildlife, IUCN member institutions, and members of the public who took the time to speak to the Mission and generously shared their thoughts.

**Annex 1: Itinerary of IUCN Scoping Mission**

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| Nov 27, 2006 | Arrival in Delhi; initial discussion of the mission objectives and program between Mr. Rafiq and Dr. Pilcher   |
| Nov 28,2006  | Full Mission assembles in Delhi, continues preparatory discussions, and departs for Bhubaneshwar.  |
| Nov 28, 2006 | Meeting at DPCL Office, Bhubaneshwar. Participants: Mr. Anjani Kant Deputy General Manager, Mr. M. R. Mishra, Asst. Manager and Mr. Mayukh Sinha, Executive Assistant. |
| Nov 29, 2006 | Ø Travel from Bhubaneshwar to Dhamra via Bhadrak   |
|              | Ø Meeting with Divisional Forest Officer Wildlife, responsible for Gahirmatha Sanctuary. Mr. P K Mishra at Bhadrak   |

