

June 9, 2023

U.S. International Development Finance Corporation
1100 New York Ave NW
Washington, DC 20527

To whom it may concern:

Thank you for the opportunity to comment on the U.S. International Development Finance Corporation's (DFC) consideration of support for the Colombo West Terminal in Sri Lanka. Friends of the Earth United States and Friends of the Earth Sri Lanka/Center for Environmental Justice would like to raise the following two issues related to the project and the environmental and social impact assessment (ESIA):

Impact of sand and rock mining

The main impacts of the project are sand mining and rock mining. According to the reports the total requirement of sand volume is estimated to be 15 million m³, which is significant. This sand will be sourced from SLPA sand borrow area at Kerawalapitiya. Fishermen in this area have been opposing this mining as much of the sand in this area has already been mined for the Colombo port city. This was a project that Center for Environmental Justice opposed, but we lost the case against this development. It remains unclear whether such amount of sand is now available at this site.

The project will also require substantial mining for rock material. The ESIA states: "The estimated requirement of rock/boulder is 2.5 million ton which will be sourced from two operational quarries located at Thebuwana and Mirigama area which is inland areas." This rock mining will create a public nuisance.

Age of the Assessments

The documents that the current assessment is based on are almost twenty years old and fail to provide a comprehensive assessment of the impacts. According to the [Non-Technical Summary](#) for West Container Terminal – 1 (WCT-1) Project, Colombo, Sri Lanka Final 4 April 2023:

The original EIA report for the Colombo Port Expansion Project (CPEP), of which WCT -1 terminal is a part has been prepared in 2005 as per ADB's old environment safeguard guidelines. The IFC Performance standards (PS) were not considered for preparation of the said EIA report. In January 2022, Initial Environment Examination (IEE) Report for Offshore Sand Extraction, for reclamation activities for West Container Terminal-1 (WCT-1) was prepared. It had included comprehensive information on impacts and mitigation measures for sand extraction activity requirements for WCT-1 project. The IEE Report also captured the impact associated with dredging due to East Container Terminal (ECT) being developed by SLPA themselves. This current Environmental and



Social Impact Assessment (ESIA) document is prepared only for WCT 1 to ensure that it is compliant with IFC and DFC standards.

According to the above paragraph, the current documents are relying on the assessment done for the Asia Development Bank-funded project where only an IEE was produced. According to the EIA law amendment in 2001, IEEs are public documents but are not put forward for public comment. Therefore, DFC should ensure that information that was from the original EIA done more than 18 years ago should be updated and made available for public comment.

Recommendations

We recommend that DFC take the following actions:

- Work with local fisherfolk to minimize the impacts on their livelihoods and to better understand their concerns;
- Engage local communities near the quarries being used for the construction of the port to reduce the negative impacts; and
- Ensure that all environmental and social impacts are based on the most up-to-date information and made readily available for public comment in Sri Lanka.

We appreciate you taking the time to review these issues and look forward to discussing them further.

Sincerely,

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