

POSCO-India's Open Letter on the Report

'India: Urgent call to halt Odisha Mega-steel Project amid Serious Human Rights Concerns'

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A group of UN Special Rapporteurs and independent experts have alleged that there is a flagrant human right violation in the project site of POSCO in Odisha, India and, therefore, POSCO project must not proceed as planned without ensuring adequate safeguards and guaranteeing that the rights of thousands of people.

With due respect to the hon'ble Rapporteurs and the experts, POSCO squarely refutes the allegation that there is violation of human rights in its project area in Odisha. The allegation of human right violation is completely notional and a part of propaganda perpetrated by some vested interest people conspiring both inside and outside India to malign the reputations of POSCO using reputed international forums like UNHR. It seems that there is very superficial information about the actual site situation. The human right concern is based on certain propagandizing reports and materials.

The local people are the primary stakeholders in POSCO project and POSCO values them highest in return. Therefore, there is no question of violation of human rights of the people. POSCO has always tried to know the aspirations and risks of the local community to plan suitable strategy for the local people. Studies have shown that POSCO project does not pose any threat to the local community.

POSCO agrees to the premise that POSCO does have responsibility to respect human rights even though the government has the primary duty to protect the human rights of the people. As a part of its policy, POSCO does respect the human rights worldwide. However much POSCO can do for the human rights, it does. In Odisha, POSCO's R&R and CSR packages reflect the same spirit. The delay of eight years in project implementation speaks volume about the patience of POSCO. POSCO's appeal to the government to protect the local people from the anti-social elements says a lot about its concern about the local

community. POSCO's people-friendly, consensual, participative and win-win policies state the same spirit. POSCO's zeal for early implementation of the project to provide better livelihoods to the affected people shows its sensitivity towards the local community. The policy of no acquisition of any private land shows that POSCO wants to avoid physical displacement of any person.

POSCO's project area is 4,004 acres and out of which 89% is the land owned by the govt and only 11% is the land privately owned by the villagers. As directed by the Odisha High Court, there cannot be acquisition of the private land. The govt land is encroached upon by the illegal encroachers. The govt has right to clear its own land and, at the same time, the govt has also a duty to provide due compensation even to the encroachers so that their human rights are not violated. The Odisha Govt is doing a fine balancing act. As a result, 2,700 Ac of the land has been cleared so far without any single residential displacement. There is no forced eviction of any individual in the project site.

POSCO project in Odisha originated in a summit between India and Korea in 2004. The MOU was signed between POSCO and the Odisha Govt in 2005. The highest level functionaries (the Indian Prime Minister and the Korean President) have often discussed and reviewed the project. In certain matters, the Supreme Court of India and the National Green Tribunal (NGT) have also reviewed the project. Had there been any human right violation, it would not be possible that these functionaries and authorities would have simply ignored it. The authorities in India are very sensitive to human right issues. They do not need to be educated by or on behalf of certain vested interest people.

We highly appreciate the concerns of the hon'ble Rapporteurs about the human rights. It is, however, extremely sad that the hon'ble Rapporteurs have been misled by the people of vested interest. In 2012, certain people of vested interest made similar allegations to the National Contact Points (NCPs) of the reputed OECD for violation of the *OECD Guidelines for MNEs*. POSCO countered their allegations with actual facts exposing the falsehood of allegations. Finally, the Korean NCP has closed the matter, much to the chagrin and disappointment of those vested interest people.

The Hon'ble Korean Ambassador to India met the Odisha Chief Minister and other senior officials in October 2013 at Bhubaneswar. It was widely reported in the media that he categorically rejected the notion of human right violation in POSCO project area.

POSCO follows business ethics and norms which apply to both its own officials and its vendors or any other entity with which it has a business relationship. It is a normal practice. If there is any adverse impact of any kind in its project site, POSCO shall do its best to mitigate it to the extent permissible.

We ensure the hon'ble Rapporteurs that there is no human right violation POSCO project. There are already adequate safeguards as per the applicable statutes.

In consideration of the above, POSCO earnestly urges the hon'ble Rapporteurs not to be misled by the vested interest people. If they have any grievance against the Odisha project, they are welcome to directly approach us and POSCO will try its best to resolve them.

Thank You.

POSCO-India