

SCIENTISTS FOR PEOPLE

HYDERABAD

Statement on proposed APP Project

26 January 2019

We understand that Andhra Pradesh government entered into an MoU with Asia Pulp and Paper, a Sinar Mas group company of Indonesia for setting up a 5 million tone paper mill with an investment of \$3.5 billion in two phases at Ramayapatnam, Prakasam district. Foundation stone for this project was laid on 09 January 2019. It is claimed that the project will generate direct employment for 4000 and indirect employment for 12,000 persons. It all appears as though it is all good for the people of Prakasam district and AP. Is it?

We now live in a climate constrained world. As per IPCC report and the climate science research, we hardly have until 2030 to radically depart from the business as usual and build a new world that can prevent climate change. Only yesterday, a 16 year old girl Greta Thunberg of Sweden invited to speak at WEF, Davos annual convention told the delegates **"At places like Davos, people like to tell success stories. But their financial success has come with an unthinkable price tag. And on climate change, we have to acknowledge we have failed. All political movements in their present form have done so, and the media has failed to create broad public awareness... I want you to act as you would in a crisis. I want you to act as if our house is on fire. Because it is."**

We cannot afford to look at development as in the past and have to redefine it to be compatible with a living planet. Let us look at what this projected huge investment has in store for the people of AP. This is too early in the stage of the project to know details, but knowing the past history of the company and the suffering of Indonesian farmers at the hands of the company and the characteristics of paper industry, we can see some major negative impacts that politics is ignoring.

Land: For sustaining the production at 50 lakh tonnes a year, what is extent of land area required to grow Eucalyptus wood to meet the requirements? Considering the growth period of 3 years before cutting and the yield of wood per hectare it is estimated that about 20 lakh hectares of plantation is required to sustain supply to mill. Calculations indicate a minimum of 20 lakh hectares of land to be diverted to eucalyptus plantation. Applying the standards for plantation, the area may further increase substantially. Total area of Prakasam district is 17.256 lakh Ha. The requirement for wood has to be met by other districts in the neighbourhood.

Eucalyptus is a native species for Indonesia but not for India. What are the ecological consequences of spreading the eucalyptus plantation to such large area

need study? What are the consequences of diverting such a large tract of land to commercial agriculture away from food production? That needs study too.

Water: Prakasam district is water deficit area and though Eucalyptus is suited for dry areas and adapts to water stress, the rates of water transpiration are high relative to all other species. Several publications show that Eucalyptus is a thirsty tree and even on a dry day it takes 10 lit of water. We have to consider the total requirement of water for the 20 lakh hectares of plantation. It means drawing groundwater. Also water is required for processing the pulp. In India paper plants are the water guzzlers. According to the technical guidance manual on Pulp and Paper Millis produced by MoEF&CC in 2010, best Indian plant based on wood has a specific water consumption of 105 m³ per Bone Dry Metric Tonne (BDMT) of paper, while the best mill in Europe uses 40 m³/BDMT. Even if the technology used by APP is considered the best in the world, it requires 40 x 5 x 10⁶ m³ per annum. That is 20 x 10⁷ m³. Or 606060 m³/day. Plant requires daily 6 lakh cubic meters of water. Where do we get that water in a world that is facing severe water crisis? The usual interlinking of rivers projected as source of water would be an ecological disaster. Rivers are running dry and the research publications show that rivers in the world studied show a decline in available water flows in this century.

Wastewater: The pulp and paper mill generates plenty of waste water and it will be conveniently dumped in the Bay of Bengal affecting the fisher people. Polluting the bay has its own consequences. Merely pushing the waste out of sight and out of mind does not solve the problem. Second law of ecology says everything has to go somewhere. It will all come back to us in some form.

It is high time craze for ease of doing business be replaced with determination for saving the planet and life on it. A dead planet cannot support the luxuries of the rich. Latest report by Oxfam shows that wealth is not spreading but accumulating with the rich due to the policies in India. Wealth of the Indian billionaires swelled by Rs.2,200 crore a day last year. The country's richest 1% got richer by 39 per cent while the bottom-half of the population just got a 3 percent share of the wealth. Mere attraction of investments does not lift people from poverty and improve their financial position. It is the rules of the game that determine who gets what share.

We appeal to the people to watch out with open eyes and decide what is in the broader interests of the people.

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