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ADB's USD300 million road in Kalimantan under scrutiny

JAKARTA: *Conservation groups are calling on the Asian Development Bank (ADB) to tighten its scrutiny of a road project it plans to fund in Indonesian Borneo that may pose risks to Indigenous communities and the environment.*

According to a Mongabay report of Oct 20, the project for which ADB could offer up to USD\$300 million loan, aims to rehabilitate and upgrade 280 kilometres (170 miles) of roads in the provinces of North and East Kalimantan.

(Both provinces have major bearings on Sabah. North Kalimantan shares a border with Sabah while East Kalimantan will soon be home to Indonesia's new national capital, a move that will

have much implications on Sabah, to its north.)

The Indonesian government touts the project as an effort to boost economic growth in this border region with Malaysia and further the integration of the two countries' palm oil industries.

But the plan faces mounting criticism from environmentalists from around the world, aa independent research and Mongabay's own reporting have highlighted the potential for environmental damage and social disruption to the Indigenous communities in the region.

"There are thousands of hectares of unrealized [oil palm] concessions straddling the proposed roads," Angus MacInnes, project officer at the nonprofit

Forest Peoples Programme, said in a statement published Oct. 15.

Indonesian Borneo is the third most populated region in Indonesia, after the islands of Java and Sumatra (both of which are notably smaller in size), and the government estimates the current population of about 16 million will increase by nearly a third to 20 million by 2035. The region is home to indigenous communities whose lives revolve around intact forests, as well as to critically endangered species such as Bornean orangutans (*Pongo pygmaeus*).

"ADB has overlooked the impact this will have on impacted indigenous peoples and ignored the likely devastating environmental impact these plantations will have," MacInnes added.

Experts anticipate the planned road project will directly impact the districts of Nunukan and Malinau in North Kalimantan and Mahakam Ulu in East Kalimantan. All three districts have a low population density but are home to significant populations of Indigenous Dayak peoples.

“In North and East Kalimantan, rights-recognition has been especially slow and, where roads have been pushed through, they have led to the dispossession of vast swathes of indigenous lands for large-scale industrial plantations,” FPP said in the release.

Despite the potential risks posed by the road project, the ADB has classified it as “Category B,” meaning a lower risk of adverse effects, on the aspects of involuntary resettlement of communities and impact on Indigenous peoples. ADB officials have recently suggested the project could be reviewed in line with the Paris climate agreement’s efforts to limit global warming to 1.5° Celsius (2.7° Fahrenheit) above pre-industrial levels.

“We are screening everything we do to see whether it is Paris aligned,” Bruno Carrasco, ADB’s director-general, said Oct. 13 at the bank’s North American office in Washington, D.C., as quoted in FPP’s release.

“This will eliminate a lot of projects, including perhaps the Kalimantan Roads Projects and others which look fuzzy,” Carrasco added.

Environmental activists have called on the ADB to turn down the loan offer altogether or at least escalate the project’s risk assessment to “Category A,” meaning high risk of

adverse impacts, unless it can be carried out in compliance with the bank’s safeguard policies.

“These roads are going to destroy ecosystems and take away our customary lands,” Darwis, a project officer at indigenous-led NGO Green of Borneo, said. “The government says it’s for us, but it’s really for the palm oil industry and their plantations.”