



Mangrove Action Project

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"Partnering with mangrove forest communities, grassroots NGOs, researchers and local governments to conserve and restore mangrove forests and related coastal ecosystems, while promoting community-based, sustainable management of coastal resources."

GCM Resources

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March 19, 2011

To Whom It May Concern at GCM,

I just finished reading your rather disturbing 'Power for the people' propaganda sheet on how lucrative an investment would be right now in the Phulbari Coal Mine Disaster. I realize that you are trying hard to win the hearts and minds of your investors to buy into this latest, but cannot personally ignore the irony of your heading of your letter soliciting investor support. I am frankly astonished that you can so glibly write about "Power for the people" when your very intent and actions so obviously subvert People Power and further foster violent oppression of the People of the Phulbari region who stand opposed to this development! And, it is for good reason they stand opposed, as they must face forced relocation as their lands, livelihoods and basic rights are removed along with the coal you plan to extract from Phulbari.

I am the executive director of Mangrove Action Project (MAP), which is a global network including over 450 NGOs and 350 scientists concerned about the fate of the mangroves. Since MAP's founding in 1992, MAP

has been addressing the serious threats to our planet's beleaguered mangrove forests. Over half the earth's mangroves have already been lost to unsustainable development, and this ongoing loss is having very grave repercussions for our marine ecosystems and all of our lives.

Mangroves are the roots of the sea, providing nurseries for fish, shoreline protection from tsunamis and cyclones, and sequestering massive amounts of carbon, thus countering climate change. We need the mangroves now more than ever before, yet we are losing them at the rate of around 150,000 ha a year. And sadly Bangladesh is no exception in experiencing this rapid decline in mangroves in the Sundarbans. Your proposed coal mining project has come to our attention, and we at MAP are quite concerned, thus the reason for this letter.

MAP is carefully monitoring plans to construct one of the world's largest open pit coalmines in Phulbari. We are also deeply concerned about the impacts on the tens of thousands of people whose homes, lands, livelihood, and communities are threatened by this project, including at least 2,200 indigenous people. **The fact that most of the people who would be forced off their lands are from farming households that depend on their land for their livelihoods and subsistence is of great concern** - particularly because project plans clearly state that their lands will not be replaced.

Because the proposed mine would destroy an important agricultural region that produces three crops a year, this poses a threat to Bangladesh's progress toward achieving food security.

The impact on access to water is a further concern, with as many as 220,000 people expected to suffer reduced access to water for household and agricultural use as a result of dewatering operations at the mine, that are expected to lower the water table by as much as 15-

25 meters in an area extending far beyond the mine itself.

Furthermore the resulting reduction in fresh water hydrology will have a deleterious effect on both the mangrove vegetation and the wildlife of the Sundarbans, as both depend on an already reduced volume of fresh water, whereby further reduction of fresh water will result in a dangerous increase in salinity within the Sundarbans. This can cause massive mangrove die-offs and undue stress on affected wildlife and nearby local communities. Because MAP has recently launched a Save the Sundarbans Campaign, we view your mining proposal as an open attack on this very timely and important international effort.

Additional environmental risks posed by this project are numerous and grave. Bangladesh's Sundarbans Reserve Forest is the largest remaining mangrove forest in the world. This UNESCO-protected ecosystem supports many critically threatened species, including the Royal Bengal tiger, and provides a life-saving natural buffer against the devastating impacts of floods, tropical storms, and cyclones, to which Bangladesh is so vulnerable.

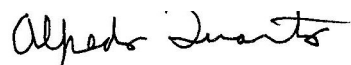
As such, the Sundarbans Reserve Forest deserves and needs to be protected as a national resource and treasure. Yet the Environmental and Social Impact Assessment for the proposed Phulbari mine clearly states that **plans to transport coal by a fleet of barges and offload it to ships at Akram Point pose extremely high risks to the Sundarbans.** Experts also warn that the risk of acid contamination of soil and water is extremely high in this project.

MAP is also aware that the opposition to the proposed Phulbari mine within Bangladesh has been strong and sustained - despite the use of lethal force in August of 2006, when thousands of people who gathered to protest the mine were fired upon and three people were killed, including a 14-year-old boy.

As well, the World Organization Against Torture has expressed concern regarding the **potential for further violence and bloodshed in this project if it is pushed forward without the consent of those most directly affected.**

In light of the magnitude and gravity of the risks posed by this project, I highly recommend that your firm-GCM - withdraw your plans for open pit mining at Phulbari and ensure that this project does not move forward.

For the Sundarbans and the Local and Indigenous Communities of Phulbari,



Alfredo Quarto,

Executive Director

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