

Written Submission on Asian Development Bank's (ADB) September 2023 Draft Environmental and Social Framework (ESF)

Submission from the Fibre Cement Products Manufacturers
Association

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THE FIBRE CEMENT PRODUCTS MANUFACTURERS' ASSOCIATION

(Regd. Under Indian Societies Act, 1860)

Subject: Concerns regarding ADB prohibited investment activities list in the SPS revision process

New Delhi, 29th January 2024

Dear Sir or Madam,

We are writing on behalf of Fibre Cement Products Manufactures Association.

The Fibre Cement industry plays a vital role in helping India accomplishing its goals, particularly given its strong contribution to India's policy objectives relating to employment, innovation, and commitment to the environment. The sector contributes significantly to the economy, with a local cement and concrete value chain offering numerous benefits.

As one of the important sectors of the Indian economy, the Fibre Cement Industry size is INR. 8,000 crores and provides direct and indirect employment to almost 3 lakh people

We wish to extend our congratulations to the Asian Development Bank (ADB) for the commendable advancement achieved in revising the Safety Policy Statement (SPS). We appreciate the commitment demonstrated in adhering to the true spirit of investment and the inclusion of a regulated approach based on national legal framework in all SPS consultation documents.

While we acknowledge the progress made, we wish to draw your attention to a matter of significant concern in one of the SPS consultation draft. The ADB Prohibited Investment Activities List currently contains restrictions related to asbestos fibre. We believe that in the light of advancement in science and differentiated approach toward asbestos fibre its inclusion in ADB Prohibited Investment Activities List is unempirical. Hence, it is our understanding that it is imperative to intervene and present certain critical issues that merit thorough analysis before any decision is reached, particularly in shaping the SPS into a comprehensive and scientifically sound document.

It is our contention that treating all types of asbestos fibres with the same restrictions lacks a credible basis. Recent scientific research underscores the substantial differences between various amphibole fibres and Chrysotile, whether considering their chemical properties or the actual risk they pose to human health. Notably, the International Labour Organization (ILO) Convention 162 titled "Safety in the Use of Asbestos", published in 1986, calls for the discontinuation of certain asbestos amphibole fibre types while advocating for the safe and controlled use of serpentine, like chrysotile.

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The Director General Factory Advice Service and Labour Industries (DGFASLI), Ministry of Labour and Employment, Government of India carried out a 'National Study on Occupational Safety, Health and Working Environment in Asbestos Cement Product Industries' in 2019 with the objective of assessing the levels of airborne concentration of asbestos fibres in work environment in different Asbestos Cement Product Industries with a view to determine the status of workplace environment with regard to safety and health measures. The finding of the Study concludes that "...the level of air-borne asbestos in various industries indicate that the concentration of airborne asbestos fibres in Asbestos Cement Product Industries where in-built environmental control measures are in place and good work practices followed, are quite low as compared to those units where such measures are unavailable."

If changes were to be introduced as they are in the current draft, they have the potential to result in severe business and livelihood losses for those engaged in the trade of asbestos-containing cement, corrugated sheets, and other products for many years. Moreover, it would deprive thousands of people, many of whom in vulnerable situation, of safe and cheap roofing options and water and sanitation pipelines.

Considering the above, we respectfully urge the ADB to reconsider the current restrictions on asbestos fibre investments and to update the Prohibited Investment Activities List based on the advancements in scientific understanding of chrysotile and its safe use.

To this end we kindly request a meeting to discuss these concerns further and provide you with scientifically proven records supporting our stance.

Thank you for your attention to this matter, and we look forward to constructive dialogue and collaboration in ensuring responsible and informed decisions regarding the use of Chrysotile.

Thanking you

Yours faithfully,

(Piyush Sharma)

Executive Director