

## **PRESS RELEASE**

### **Victory for public health and the environment! The International Finance Corporation (IFC), of the World Bank, decides against investing in the proposed funding of USD 40 million for waste incineration plants in India.**

February 19, 2025 – In a major victory for communities, environmental groups, and civil society organizations who have been fighting against the proposed toxic and polluting Waste-to-Energy (WTE) incineration projects in Gujarat, India, the International Finance Corporation (IFC), the private lending arm of the World Bank has decided against investing in it. The IFC was considering a loan of USD 40 million to help Abellon Clean Energy Limited (ACEL) to build four WTEs in Rajkot, Vadodara, Ahmedabad, and Jamnagar which would cumulatively burn 3,750 tons of unsegregated Municipal Solid Waste (MSW) every day. IFC's disclosure about the proposed investment in ACEL alarmed the communities and raised the fear of further aggravation of their problems because of the companies. Hence, the communities affected by the project, wrote a letter to the World Bank's Executive Directors on [June 26, 2024](#) raising objections to the proposed funding, they also raised complaints with IFC's Stakeholder Grievance Response Team and met the US Treasury and presented the impacts of the project in July 2024. Furthermore, the community spearheaded an international campaign in which [174 networks, civil society organisations, activists, and communities](#) from across the globe strongly urged the World Bank's Board of Directors to reject the loan for Abellon because of the project's negative effects on communities, such as air and water pollution, health problems, climate impacts, and undermining sustainable waste management practices. They demanded that the project be scrapped because it violated IFC's own performance standards in addition to breaking Indian laws.

Due to tremendous on-ground resistance against the WTE projects, multiple follow-up letters and CSO engagement with the board, the IFC board's decision on the Abellon project was delayed twice in July 2024 and again in September 2024. On inquiring with the IFC the status of the project, through an access to information request, we received a confirmation from IFC that it is not investing in the project.

*"We were initially informed that all garbage would be transformed into power, but after operations began, we observed that the plant emitted many pollutants. We filed complaints with the Gujarat Pollution Control Board, the Municipal Commissioner, and the District Collector, yet the communities continue to suffer. The IFC's withdrawal from the project is an important victory for the locals harmed by the plant. Still, nothing short of a complete shutdown of the plant will bring relief to the affected communities."* shared Ker Jayendrasinh, who has been supporting the local communities in Jamnagar. Asmita Chavda, who was slapped with several FIRs for protesting against the WTE plants in Ahmedabad shared, *"I am extremely delighted by the announcement from IFC and it is the first success we have seen in the last 10-12 years. However, Abellon is still doing some construction work. We want other financial institutions to*

*take a cue from the IFC and stop the funding of all the WTEs in the country as they are highly polluting and a danger to public health.”*

Besides the community impacts and environmental and social concerns, the poor financial performance of WTE incineration plants in India also casts a shadow over the viability of ACEL's projects and their potential economic burden on local governments. Motivated by the announcement of IFC, Jay Vyas, an activist in Vadodara who has been campaigning against WTEs said, *“It is good that IFC has decided to back out from this project owing to the environmental, social, and health impacts of the projects. We must now turn our attention to investing in systemic transformations in the waste management sector which are less expensive yet more effective than WTE incineration, including restricting the production of single-use plastics, lower consumption, source segregation, and decentralized waste processing.”*

Reacting to the decision of the IFC to not fund the project, Shailendrasinh R Jadeja, a Rajkot-based environmental activist who has been fighting against open dumping of garbage and landfill leachate for decades said, *“We are very happy that the IFC has recognised the harmful impacts of the WTE incinerators and decided to not fund these projects in Gujarat, but steps need to be taken by the Power Finance Corporation (PFC) and the Indian Renewable Energy Development Agency (IREDA) to recover the loan amount of 195 crores and 133 crores respectively from the company and not fund new WTE incinerators in the future.”*

The financial analysis of ACEL reveals piled up losses and debts with just one operational WTE incineration plant in Jamnagar, Gujarat. The company's net profit plummeted from approximately Rs 11.1 crore in 2021, to a loss of Rs 19 crore in 2023. Earnings Before Interest, Taxes, and Amortization (EBITDA) has fallen from Rs 3 crore to a negative of Rs 16 crore. The company is also unable to repay its loan interest payments. In 2022, the shortfall was 1.5 times the amount needed to pay interest, which by 2023, grew 14.11 times the interest amount.

With PFC and IREDA funding ACEL, it is using public money to ruin the environment and climate putting at risk the health of thousands of citizens of Gujarat. While we celebrate the victory of IFC's decision, we also ask that no public funds be spent on a company whose financials are flailing and where there is a threat of it becoming yet another stranded asset. Further, this is an opportunity for the municipal corporations to rethink their waste management strategies and move away from such toxic fixes.

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વેસ્ટ ટુ એનર્જી પ્લાન્ટ સામે લોકો નો વિજય : વર્લ્ડ બેંક દ્વારા વેસ્ટ ટુ એનર્જી પ્લાન્ટ ને ફંડિંગ/લોન આપવાની મનાઈ ફરમાવેલ.

શહેરી વેસ્ટ કચરા માંથી પાવર ઉત્પાદન કરતા પ્લાન્ટ માટે વર્લ્ડ બેંક ( IFC ) પાસે થી લોન ની માંગણી કરવામાં આવેલ, આખી વિગત જોએતો જામનગર ખાતે પહેલેથી જ પ્લાન્ટ હતો જેના પ્રદૂષણ, આરોગ્ય પરની અસર તથા વિવિધ મુદ્દાઓ ને લઈ અસરગ્રસ્ત લોકો દ્વારા પ્લાન્ટ વિરૂદ્ધ સતત વિરોધ અને ફરિયાદી કરવામાં આવતી હતી જેની વચ્ચે જામનગર પ્લાન્ટને વધારવા તથા રાજકોટ, અમદાવાદ અને બરોડા માં નવા પ્લાન્ટ બનાવવા માટે વર્લ્ડ બેંક ( IFC ) પાસેથી 40 મિલિયન ડોલરની લોન માંગવામાં આવેલ આ લોન વિરૂદ્ધ કચરા ભટ્ટી મુક્ત ગુજરાત ( ગઠબંધન / સંગઠન) દ્વારા વેસ્ટ ટુ એનર્જી પ્લાન્ટ આવવાથી થતા નુકશાનને લઈ 26 જુન, 2024 ના રોજ વર્લ્ડ બેંક ( IFC ) ને સબમિશન કરવામાં આવેલ તથા સતત લડત નાં કારણે વર્લ્ડ બેંક ( IFC ) ને યોગ્ય રજૂઆત લાગતા તા. 18/02/2025 નાં રોજ માહિતી આપતા જણાવેલ કે વેસ્ટ ટુ એનર્જી પ્લાન્ટ ગુજરાત ને ઇનવેસ્ટ/લોન નહિ આપીએ.

આ લડત ની અંદર લોકોના પ્રતિનિધિ તરીકે જામનગરથી જયેન્દ્રસિંહ કેર (9601726560), રાજકોટ થી શૈલેન્દ્રસિંહ જાડેજા (9825197973), અમદાવાદ થી અસ્મિતા ચાવતા ( 9173849919) તથા વડોદરા થી જય વ્યાસ ( 9979856498) તથા લોકો ને મદદ કરી લોકો વતી વૈષ્ણવી (9686769504)અને ચૈતન્યન (9600329935) દ્વારા વર્લ્ડ બેંક ને રજૂઆત કરેલ