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Jakarta, 4 July 2023

**To: ING Chief Compliance Officer
All board members of ING**

CC: Dutch minister of finance, Mrs. Sigrid Kaag
Dutch minister of trade and Aid, Mrs. Liesje Schrijnemacher
Dutch parliament commission on Finance

Dear Theo Korver and Arnaud Cohen Stuart,

Hereby we, the Indonesian civil society organizations (CSOs) cooperating within ResponsiBank, would like to acknowledge the receipt of the response by ING on the 31st of January 2023 to our complaint sent on the 26th of April 2021¹. This complaint related to the corruption involved with and the negative impacts on the environment and human rights in Indonesia resulting from ING Bank's financing of the Cirebon Coal Power Plant Unit 1 and a new coal power plant currently being finalized, Cirebon Coal Power Plant Unit 2.

The ResponsiBank Indonesia coalition is part of Fair Finance International, a global NGO network working on social, environmental, and human rights standards for the financial sector. We believe that the finance industry must go beyond the pursuit of profit and incorporate human and environmental dimensions into their investment decision-making.

Responsibank has translated the response of ING to our complaint and discussed at length with the community whether the community found this response adequate and reflective of their needs for remedy expressed to ING in several letters during the period 2017-2022² and an in-person meeting on the 23rd of June 2022.

Although the community acknowledges the fact that ING has spent time and effort on this process, its reply falls short on many aspects, leaving the community unheard and without an effective remedy.

First, ING aspired to give the community access to its independent investigation report. This was a laudable aspiration; however, this did not happen. The community received a summary of the investigative report containing very limited information and non-verifiable data of which was provided by the company itself which is responsible for the violations under investigation.

¹ [2021-complaint-letter-responsibank-indonesia-to-ing-26-april-2021.pdf \(eerlijkegeldwijzer.nl\)](#)

² [160921-letter-to-ing-on-cirebon-2.pdf \(eerlijkegeldwijzer.nl\)](#)

This summarized report does not show that ING has investigated thoroughly and independently the many human rights and environmental violations that the community has put forward to ING.

Attached you can find an elaborate response by the community on the findings of ING, gathered in April 2023 by Responsibank, showing how these findings by ING do not reflect the daily reality of the community. Also, new testimonies are gathered showing the discrepancy.

For example, the halving of fish catch³ and deterioration of water quality is put aside by ING stating a report by the company that states there are no issues with fish catch or water quality. No other sources are researched. This, while independent reports are available such as a 2021 study by Universitas Pendidikan Indonesia⁴. This study concluded that Cirebon 1 has caused significant “negative effects” on the water quality along Mundu Bay, and inlet connecting Cirebon’s rivers to the Java Sea. Also, the loss of livelihoods of some 3000 salt laborers, fishermen, and farmers in the affected communities has not been investigated by ING⁵. There has been no investigation into what happened to these people; how they were compensated or how they are now making their living. ING only concluded that existing livelihood programs are not known. ING did find that data shows that respiratory problems are amongst the top 3 diseases during 2017 and 2020, however since pollution is all within Indonesian limits no actions to improve the situation are proposed. Threats to human rights defenders who have raised their voices in opposition to the project were not investigated by ING. After finding out that the grievance mechanism of the company was not working, ING did not investigate further why this was the case and how this mechanism could become more effective for the community. Issues such as accessibility, legitimacy, predictability, transparency, etc were not investigated. We have indicated the lacunes in the independent investigation by ING in the annex to this letter more in detail.

Unfortunately, since the investigation by ING has not been done profoundly enough, the solutions proposed, and the way forward do not match the needs of the community. These solutions mostly come down to start monitoring the situation as of now (eg fish catch), while the damage is already done and no reparation for environmental damage is proposed. There is still no proper compensation agreed upon for the 3000 people that lost their livelihood,

³ New testimonies can be found in annex. We did give ING earlier testimonies through eg the Rapel Cirebon’s community letter sent to JBIC on April 30, 2016, available on this page:

http://www.banktrack.org/download/2016apr_cirebon_community_letter_to_jbic_final_docx/2016apr_cirebon_community_letter_to_jbic_final.docx

⁴ (PDF) [The Impact of Cirebon Coal-Fired Power Plants on Water Quality in Mundu Bay, Cirebon Regency](https://www.researchgate.net/publication/351111111) (researchgate.net)

⁵ [Indonesia's Cirebon 1 coal power project highlights gaps in ADB's 'coal-to-clean' ETM scheme | News | Eco-Business | Asia Pacific](https://www.asiapacificbusiness.com/news/indonesia-cirebon-coal-power-project-highlights-gaps-in-ADB-coal-to-clean-etm-scheme)

instead, ING proposes to proceed with a livelihood program that does not match the skills and needs of the community; is underfunded; has not been widely spread amongst the community and has favored those that have not openly opposed the power plant.

On the positive side, ING has agreed with the company that it will conduct regular meetings with the community to assess levels of community satisfaction related to the implementation of livelihood programs going forward. However, given the past experience with the power plant, there is not much trust in this future process. The community would instead like to see real independent research for information on, for example, the livelihood programs to be objective, before proposing solutions that do not deal with the core challenges of the CSR program.

Despite the fact that ING found that there are health and respiratory problems, no solutions are put forward to improve the situation, eg no air pollution prevention technology will be used in Cirebon 2. The only solution put forward is to install an Air Quality Monitoring Station (AQMS). If irregularities are found additional “studies” will be done, but nothing is mentioned about real action that will be taken to actually reduce the health burden on the community. The ineffective grievance mechanism will be solved by making the mechanism more “known”, which will not solve the issue of legitimacy and trust due to the past actions by the company which is the main reason for not using the mechanism in the first place.

Lastly, two of the demands, expressed in the complaint letter, were not answered by ING, to know a response to the corruption case and response to give insights into ING’s due diligence process explaining which exact measures the bank has taken to prevent environmental destruction and human rights violations resulting from Cirebon Coal Power Plant Unit 1 and the new Cirebon Coal Power Plant Unit 2.

The corruption case has been in the news since 2017 and we have asked ING to discuss this issue with the company on several occasions⁶. However, ING decided not to discuss this allegation with the power plant. ING only mentions in its report: ‘A bribery allegation case is under investigation by the Indonesian authorities. However, at this moment we are not aware of any developments to the legal status of such allegation.’ The court process on Sunjaya’s (ex-Cirebon Regent) money laundry case that involved Cirebon 2 will be finished in July. During the hearing, many witnesses said that Cirebon 2 bribed Sunjaya⁷.

The idea of an effective remedy is that those individuals or groups who have suffered adverse impacts to their human rights should be restored to a situation the same as or as close as

⁶ [2021-complaint-letter-responsibank-indonesia-to-ing-26-april-2021.pdf \(eerlijkegeldwijzer.nl\)](#); [Grote zorg over financiering omstreden kolencentrale in Indonesië door ING | Eerlijke Geldwijzer](#)

⁷ <https://www.beritasatu.com/nasional/594771/korupsi-pltu-cirebon-kpk-dalami-peran-direktur-pt-milades>



possible to the position they were in before the impact occurred⁸. None of the above solutions and ways forward that ING proposed to the company going forward will do exactly that.

The community is therefore highly disappointed and wants ING to acknowledge in its annual report and on the website of its complaint mechanism that the solutions proposed by ING on Cirebon 1 and 2 and the way forward are unilaterally taken by ING and the Cirebon power plant and are not in line with the needs of the community as expressed in many letters and meetings and summarized again in this letter and that effective remedy has not been achieved in this case according to the affected community.

Yours sincerely,

Ah Maftuchan
National Coordinator of ResponsiBank

⁸ *UN Guiding Principles on Business and Human Rights and UN Human Rights Council, Human rights and transnational corporations and other business enterprises: note by the Secretary-General, 18 July 2018, A/72/162*

Annex: detailed feedback of the community gathered in April 2023 by Responsibank to the reply by ING on the complaint of 2021

1. Environmental and human rights violations

1.1.local livelihoods: Fish catch decreased by half.

Since Cirebon Unit 1 began operations, there has been discernibly less catch in this area which led to small-scale fishermen quitting. According to testimonies from local communities, fish and shrimp catches decreased by more than half since the beginning of the project in 2007. Shellfish used to be harvested from the mud at the coastal area during ebb tide almost every day before the project, now this is no longer possible⁹.

The local community stated that in the vicinity of the PLTU 1 area in the Astanajapura sub-district, the profession of fishermen catching fish, shrimp, and salt cultivation is still the main profession. According to Sapari, a fisherman without a boat, said that there has been a decrease in fishermen's income and is now 10 times lower since the existence of the PLTU:

"In the past, we went to the sea and in 1 day we could get 10 kg of fish. Now it's already difficult to catch 1 kg in 1 day." (Sapari 40 years old, fisherman without a boat Astanajapura, April 2023)

The pollution conditions caused by the PLTU also make fishermen with boats in the PLTU area must look for fish all the way to the middle of the sea. Head of RT 06 Waruduwur Village, Astanajapura said:

"In the past, we fished just by the sea border. Now we can't because the fish and shrimp are dead. We have to go far out in the sea by boats and our income continues to decline." (Mamat 43 years old, Head of RT 06 Waruduwur Village, Astanajapura, April 2023)

Response ING

ING in its response only refers to a report by the power plant itself stating that there is no downward trend in fish catch. ING says because there is no auction, there are no official records of the loss of fish catch. As a solution for the fish catch loss, ING suggested to the power plant to monitor and report on data from the fish auction market as part of CEPRs semi-annual reporting requirements to the Ministry of Environment and Forestry as of now. This will help provide a baseline and analysis of trends once Cirebon 2 power plant is in operation.

Remarks community: independent information not used; no repair of damage done

It is remarkable that ING only uses a report of the company to look into fish catch and water pollution. This is while independent reports are available such as a 2021 study by Universitas Pendidikan

⁹ Those testimonies can be found in the Rapel Cirebon's community letter sent to JBIC on April 30, 2016, available on this page:

http://www.banktrack.org/download/2016apr_cirebon_community_letter_to_jbic_final_docx/2016apr_cirebon_community_letter_to_jbic_final.docx

Indonesia¹⁰. This study concluded that Cirebon 1 has caused significant “negative effects” on the water quality along Mundu Bay, and inlet connecting Cirebon’s rivers to the Java Sea. The coal debris and combustion dust have leached into the body of water through runoffs, affecting the viability of these waters to support marine life. The solution proposed will only monitor the situation as of now and does not remedy the environmental damage already done as testified again in above statements.

1.2. Loss of livelihoods: Salt makers

The power plant makes that salt makers need to use salt pan fields to clean or screen the water and need to wash the products to remove black particles. It takes significantly longer to make salt now and salt makers have been suffering greatly due to the lower quality of the salt produced, which has also led to lost jobs. Community representatives report that some 500 laborers in the affected communities have lost their livelihood. Moreover, salt makers have tended to sell their land, instead of maintaining salt-making business¹¹.

"Before PLTU existed, the results of salt farmers could be converted into capital to build houses in the village within a year. Before, this power plant existed, salt pond yields could reach 30 sacks or approximately 1-2 tons per harvest. However, now, only about three sacks (about 150 kg) of salt are harvested at a time, with a salt price of around IDR 1,100-1,200/kg. Meanwhile, washed salt can be sold for up to IDR 1,500/kg. We face huge losses," Sarjum (43 years old, salt farmer in Astanajapura)

No response by ING; no solution proposed

ING did not investigate this, there are no solutions proposed. There has been no investigation into this loss of jobs; what happened to these people; how they were compensated for the above-testified loss of earnings (10 times less than before PLTU) or how they are now making their living.

1.3. Loss of land and loss of harvest

Around 400 tenants and landowners are unemployed because the landowners have sold their land for the project. The harvest decreased sharply for both rice and other crops. Some heads of rice are simply found empty and cannot be harvested. Some farmlands have had drainage and flooding problems due to the power plant interrupting the natural water flow of the area. Overall; WALHI, or the Indonesian Forum for Environment, has documented that about 3,000 farmers and fisherfolk in the village of

¹⁰ [\(PDF\) The Impact of Cirebon Coal-Fired Power Plants on Water Quality in Mundu Bay, Cirebon Regency \(researchgate.net\)](#)

¹¹ Those testimonies can be found in the Rapel Cirebon’s community letter sent to JBIC on April 30, 2016, available on this page:
http://www.banktrack.org/download/2016apr_cirebon_community_letter_to_jbic_final_docx/2016apr_cirebon_community_letter_to_jbic_final.docx

Kanci and some five neighboring coastal towns have had their livelihoods disrupted by the power station¹².

"Before PLTU existed, I was able to harvest up to 30 sacks of rice weighing up to 40 kg per sack with the cultivated land is approximately 3000-square meters in size. However, after the power plant was installed, I only got 5 to 7 kg per harvest. The dust from the PLTU flying into the agricultural area degrades the quality of the rice planted and reduces yield." (60-year-old Kasdani, a rice farmer in Astanajapura, April 2023).

Besides pollution, PLTU also causes land degradation. Ponds (77%) and fields (22%), which dominate land use in the PLTU Cirebon area and its surroundings, have changed dramatically between 2006 and 2019.



Source: google earth

Response ING

ING did not investigate the loss of land nor the decrease of harvest. ING did not investigate the accusation that an appropriate impact assessment of the project on livelihoods was lacking. ING did not investigate the mismatch between the request from the community to restore a healthy coastal ecosystem for fishing activities and the response by the company, to know CSR programs that were not in line with the needs of the community. ING did not investigate whether the “livelihood programs and activities’ were in line with the needs of the community. ING only concluded that these programs are not “known” enough to the community. ING has agreed with the company that the company will conduct regular meetings with the communities from impacted villages to cover CEPR’s activities including impacts, and mitigation measures as well as to assess levels of community satisfaction related to the implementation of livelihood programs.

¹² [Indonesia's Cirebon 1 coal power project highlights gaps in ADB's 'coal-to-clean' ETM scheme | News | Eco-Business | Asia Pacific](#)

Remarks community: ING did not listen to the community; there is still no proper compensation for the 3000 people that lost their livelihood.

The community communicated to ING that the CSR activities were not in line with the needs and skills of the community. This was not further investigated by ING. ING also did not investigate the accusation that only those community members who supported the Coal Fired Power Plant were eligible for some assistance. The community responded as well that the limited CSR program for a limited amount of people ended in 2014, with no follow-up activities since then. Also, the company never disclosed how much it was spending on CSR programs. The community is therefore of the opinion that the solution proposed by ING is not in line with the needs of the community and demands real independent research in order for the information on the CSR programs to be objective before proposing solutions that are not dealing with the core challenges of the CSR program.

1.4. Impact on health; air quality

Air pollution directly threatens 1190 households in Waruduwur Village and 1517 households in Kanci Village, or approximately 10,828 people living surrounding the area of Cirebon Coal Power Plant Unit 2. According to the Environmental impact assessment report regarding the Unit 2 project, it was acute upper respiratory tract infection (ISPA) that had the highest prevalence in the local residents of the survey area in the past three years (2012-2014). Air pollution prevention technology was not introduced in Unit 1 and will also not be used in Unit 2 either.

The Responsibank field team went in April 2023 to the two sub-districts closest to PLTU 1 and 2, Astanajapura District Health Center and Mundu District Health Center, to collect data on the top ten diseases associated with respiratory problems.

Top ten diseases from 2019 to 2022

No.	Diseases	Year				Total
		2019	2020	2021	2022	
1.	Acute nasopharyngitis	3665	2875	1942	2216	10698
2.	General medical examination	2912	1864	n.a.	379	5155
3.	Headache	1125	1187	n.a.	1307	3619
4.	myalgia	1083	1076		914	3073
5.	Fever of unknown cause	1267	1036		507	2810
6.	dyspepsia	595	823		391	1809
7.	Primary/essential hypertension	618	496		400	1514
8.	Acute pharyngitis, unspecified	1174		400		1574
9.	Allergic contact dermatitis, unspecified cause	633	472		386	1491
10.	Pulpitis	796	477		354	1627
Total						33370

Source: Data from Primary Health Care, Mundu District

The data shows that the association with respiratory disease is quite consistent. Data for 2021 is not entirely available because people did not access health facilities during Covid-19. The following is data on TBC and Accute Respiratory Disease from 2019 to 2022.

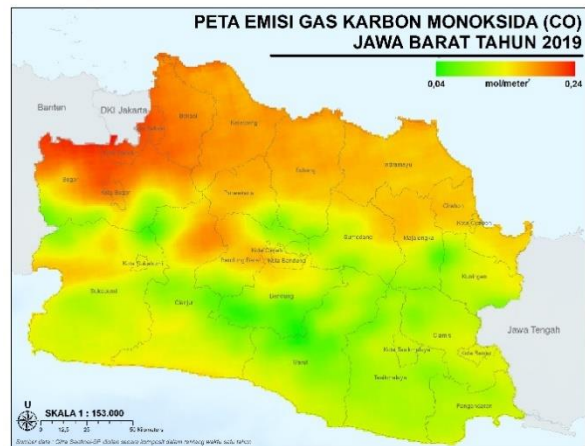
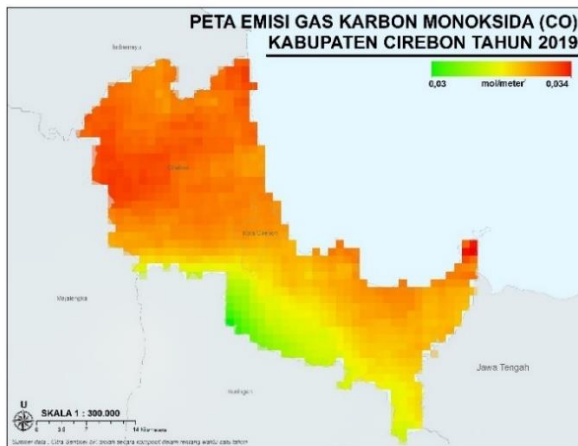
Data of Accute Respiratory Disease and TBC, 2019 - 2022

	2019	2020	2021	2022
ISPA	1599	627	630	706
TBC	31	41	31	38

Source: Data from Primary Health Care, Mundu District

Changes in greenhouse gas emissions are also monitored. Carbon monoxide (CO), sulfur dioxide (SO₂), and nitrogen dioxide (NO₂) gases are used as greenhouse gas indicators. The amount of emission is calculated using Sentinel-5P remote sensing imagery, which specifically records greenhouse gas data.

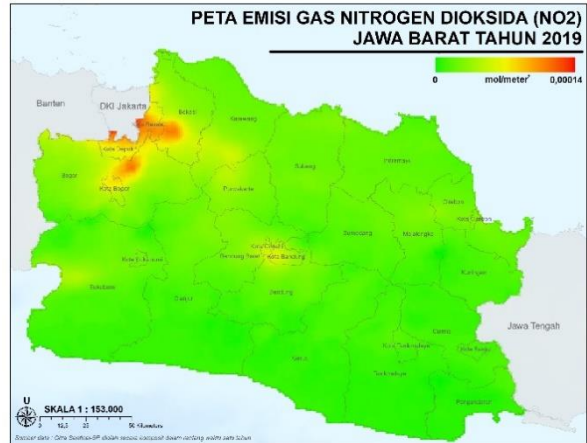
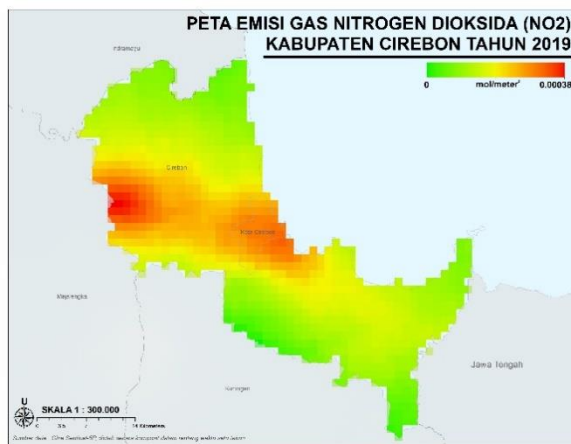
Data of Carbon Monoxide in Cirebon and West Java, 2019



Source: google earth

Carbon monoxide gas emissions are visible in the western sea of West Java. Especially those near DKI Jakarta. However, the northern part of Cirebon Regency (including Cirebon City) has the highest concentration of carbon monoxide gas, with a maximum value of 0.034 mol/sqm.

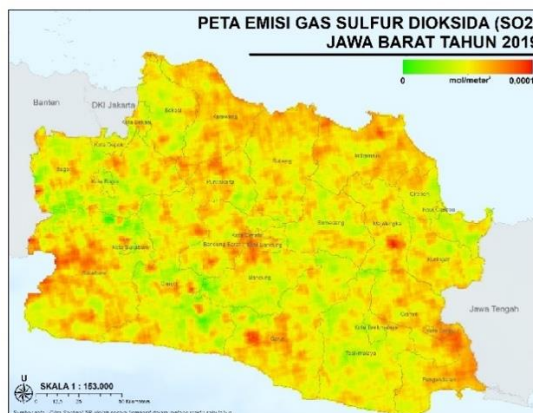
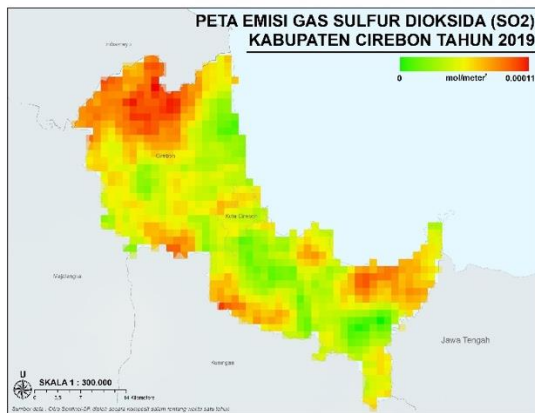
Data of Nitrogen Dioxide in Cirebon and West Java, 2019



Source: google earth

Nitrogen Dioxide emissions, as well as carbon monoxide emissions, are concentrated in areas close to DKI Jakarta. However, the concentration of Nitrogen Dioxide gas emissions within the Cirebon Regency coverage area (including Cirebon City) is on the north coast (near the Cirebon PLTU location).

Data of Sulfur Dioxide in Cirebon dan west java, 2019



Source: processed by researchers from google earth imagery

Sulfur Dioxide emissions, on the other hand, are not only concentrated in areas bordering DKI Jakarta but are also spread evenly throughout West Java. Banjar City, Sukabumi Regency, Karawang Regency, Majalengka Regency, and Bandung City have higher Sulfur Dioxide concentrations than other areas. Meanwhile, Sulfur Dioxide gas emissions in the Regency and City of Cirebon are concentrated in the northern part, close to the City of Cirebon and the Cirebon PLTU.



Response ING

ING says that, as reported in an independent report in 2020, there has been dust fall monitoring. All of this was within Indonesian norms and also Cirebon 2 will be in compliance with the daily Indonesian Standards. ING did not respond/investigate why air pollution prevention technology was not used and does not propose any solutions to improve the air quality. No prevention measures will be taken. ING will only start monitoring the situation as of now. An Air Quality Monitoring Station (AQMS) will be installed close to where the highest ground-level concentrations were predicted in the Environmental and Social Impact Assessment (ESIA). The AQMS will continually monitor ground-level concentrations of those pollutants during the operation of Cirebon 2.

Data for 2017 to 2020 shows respiratory problems from the two healthcare facilities being mostly among the top 3 diseases during 2017 and 2020. ING agreed with the company for this baseline date to be referred to and analysed against new data during the operation of Cirebon 2. ING agreed with the company to continue monitoring Cirebon 1 emissions. If any non-compliance is identified, additional studies will be undertaken.

Response community: no response to why air pollution prevention technology was not used and no proposal to improve the air quality.

ING has not looked at how the pollution was before Cirebon 1 started, so real baseline data are missing. This is the only place in the report where ING refers to an independent report of 2020, however without reference it is unclear what report ING is referring to. The company will continue monitoring these data, but it is unclear from the reply how they will do this; how independent this will be; how ING will keep track of this and how the community will be involved and informed. There is quite some mistrust amongst the community related to the monitoring of data by the company. Staff from the Public Health Centre received threats after the initial identification of an increased trend of acute respiratory infections in the sub-districts of Mundu, Ascapan, and Pangenan.

The agreement made between ING and the company to use this data as a baseline does not make much sense since the number of cases has been assessed across the years of operation of Cirebon-1 and numbers have already increased due to the impacts of air pollution from coal in the area. The danger of air pollution is also that its impacts are felt over continuous exposure to air pollution over time. It's clearly already happening/impacting the community and will only be made worse by adding Cirebon 2.

ING uses a simplified table to show emission standards in its reply. In its table, ING shows the Indonesian emission standard for operating plants. Cirebon-2 however must follow the stricter emission standards for newer plants: NOx and SO2 limits down from 550 mg/m3 to 200 mg/m3, PM standards at 50 mg/m3. The quality and consistency of the CEMS data collected from Cirebon-1 as shown in the table is also showing some inconsistent data. The SO2 emissions in Table 1 & 2 seem implausibly low. There is also a major drop in emissions from 2015 onwards that can't be accounted for in the plant's activities.

1.5. Threats to human rights defenders

Human rights violations have been a concern for the local residents who have raised their voices in opposition to the project, especially for plaintiffs in lawsuits. The original six plaintiffs related to the environmental permit got threatened by the company and received visits from the company, and thereby gave up filing a lawsuit as plaintiffs again. There have also been reports of threats and surveillance by the police against local residents who were opposing the project¹³. Human Rights Defenders who oppose the PLTU's establishment and demand that the PLTU be held accountable for the people's socioeconomic conditions face threats.

"I was sought by the PLTU people several times, but I avoided meeting directly with them. Because I know it will threaten my life. Mr. Aan, my coordinator in Rakyat Penyelamat Lingkungan has received death threats from a stranger," said Sarjum, in April 2023.

Another informant stated that she had received cash from the company to stop the lawsuit:

"At that time, I was offered 3 million rupiahs by the power plant person. Due to the pressure of the household economy and the loss of my income, I finally accepted the money as extra cash for the family." (Housewife of a former complainant of PLTU 1 Cirebon, April 2023)

ING's response

ING did not investigate this issue.

1.6. grievance mechanisms, mitigation, and redress

During the meeting between ING and the community in June 2022, ING asked why the community has not made use of the grievance mechanism of the company. The community explained that the company never wanted to talk to the community and there was a general distrust because of the ongoing intimidation.

The community has been looking for a dialogue with ING since 2016 on the impacts of Cirebon 1 and 2 and tried to stop ING from financing Cirebon 2. The community has had 1 request to ING since 2016: stop financing Cirebon 2. ING has never responded to this plea.

The community asked to at least ensure that there will be an independent monitoring mechanism installed that will regularly review the social and environmental impact of the Cirebon 2 on the community on a regular basis and which is fully transparent including accessibility of data for the community.

¹³ [Grote zorg over financiering omstreden kolencentrale in Indonesië door ING - full video - YouTube](#)

The chairman of neighborhood 6, Waruduwur village, close to the PLTU 1 area, stated that the PLTU had provided no assistance since the start of construction and operation. In addition, according to Sarjum, the CSR programme from the company was limited training in sewing, welding, and batik and it only occurred once.

"My younger brother participated in welding training, but there was no follow-up that would actually lead to employment. The training did not provide a solution to the local community since the duration of the training was so short, only one month, and it did not lead to actual work." (Sarjum, a plaintiff from People for the Preservation of the Environment, April 2023).

ING's response

According to ING the grievance mechanism was just not "known", so ING agreed with the company that the company would re-socialize the grievance mechanism to the community and that the company would better record any grievances submitted either formally or informally.

ING has an agreement with the company to disclose environmental and social performance of the project to local communities including results of monitoring, changes to the project design, CSR programs and how local community concerns have been addressed. ING agreed with the company that annual socioeconomic surveys will be conducted. The results of these surveys will be made available to the affected people committees.

Community response

ING only found out in the meeting with the community in June 2022 that the grievance mechanism of the company was not working. However, ING did not investigate why this grievance mechanism was not working and how this mechanism can become more effective for the community. Underlying issues which make a mechanism effective or not, such as accessibility, trust etc were not looked into by ING. The UNGPs identify 8 effectiveness criteria for non-judicial grievance mechanisms. These mechanisms should be legitimate, accessible, predictable, equitable, transparent, rights-compatible, source of continuous learning, and based on dialogue. None of these issues have been investigated by ING.

The community has low trust in the proposed "monitoring" and socio-economic surveys. It looks like these will be done under the supervision of the power plant, which makes these by default not independent. The community needs first and foremost solutions for its lost livelihoods.

2. Corruption and violations in acquiring environmental permits.

2.1. Environmental permit and lack of participation by the community

The district court decided in April 2017, the environmental permit was void for violating the Cirebon spatial plan. After that, the project company continued the construction of Unit 2 based on the new

environmental permit issued in July 2017. The banks also made an initial loan disbursement in November 2017, despite knowing that another lawsuit on the new permit would be filed¹⁴.

There was no prior consultation with the residents on the EIA Addendum developed in July 2017 and on the new environmental permit issued on July 17, 2017. Also, for the first environmental permit only selected people were invited to the consultations. Knowing about the consultations, small-scale fishermen, who hadn't been invited, participated in the consultations, and expressed their concerns and opposition to the Unit 2 project; however, their voices were not incorporated into the EIA. In 2018, Bandung Regional Court in West Java ordered to revoke of the environmental permit of the Cirebon Coal Power Plant Unit 2 since the project violated local spatial planning¹⁵.

ING's response

ING did not investigate the process of the permits. ING's inquiry into this stops at: "As the spatial plans were revised, a new environmental permit was issued in July 2017 to reflect the revised spatial plans." ING did not investigate the lack of participation of the community related to these permits. ING did not investigate its internal processes and how it responded to this situation of annulment and/or why these lawsuits did not trigger any alarm bells at the ING's level related to the lack of consent of the community to this project.

2.2. Corruption case

In May 2019, Bandung Regional Court issued a verdict which stated, among others, that a certain amount of money given by the Cirebon Energy Prasarana (a company representing Cirebon Coal Power Plant Unit 2 that applied for the environment and construction permit) to the Cirebon Regent to smoothen the permit issuance. In turn, the Cirebon Regent handed over the money to the local parliament's Chairman to change the spatial plan regulation. In May 2019, Hyundai Engineering & Construction admitted that it had given bribes of between Rp 6.5 billion and Rp 9.5 billion to Cirebon Regent Sunjaya Purwadisastra to appease residents who were opposed to the construction of coal power plant Cirebon Unit 2. In October 2019, Indonesia's Corruption Eradication Commission (KPK) banned three additional suspects in the case related to the construction of Cirebon Coal Power Plant Unit 2 from leaving the country for three years. On the 6th of December 2022 the Corruption Eradication Commission (KPK) of Indonesia announced that a former broker of Hyundai Engineering & Construction, Herry Jung, will be arrested on charges of bribing a local politician in connection with the Cirebon Coal-Fired Power Plant. Hyundai E&C is suspected of bribing a high-ranking local official in the process of winning the thermal power plant project in 2019¹⁶. In January 2023 several witnesses have been summoned by the KPK to answer the KPK investigation on the money laundry case. On the 14th of March, the former Cirebon regent has been prosecuted by the Indonesian Corruption

¹⁴ [Court orders government to revoke Cirebon coal power plant permit - JBIC should respect Indonesian law and drop financing plans | WALHI](#)

¹⁵ [2021-complaint-letter-responsibank-indonesia-to-ing-26-april-2021.pdf \(eerlijkegeldwijzer.nl\)](#)

¹⁶ [Indonesian Authorities to Arrest Hyundai E&C Broker over Bribery Scandal - Businesskorea](#)



Eradication Commission (KPK) (March 14, 2023) for receiving bribes in relation to the Cirebon Coal-Fired Power Plant Project Unit 2¹⁷.

ING's response

ING did not investigate this. ING only stated in its reply to the community and ResponsiBank: "A bribery allegation case is under investigation by the Indonesian authorities. However, at this moment we are not aware of any developments to the legal status of such allegation."

¹⁷ [Former Cirebon Regent Sunjaya Accused Of Receiving Gratification-Bribery IDR 64 Billion \(voi.id\)](#)