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Australian aid watchdog calls on the Australian Aid Program to take responsibility for its negligence on the Cambodia Railways Project

SYDNEY: AID/WATCH has welcomed the Asian Development Bank's (ADB) admission that the Cambodia Railways Project has seriously harmed the lives, livelihoods, incomes and community of people who lived on the Railway Line in Cambodia. The ADB's internal watchdog today released a scathing report of the project that confirms that thousands of displaced people are today, much worse off.

AusAID was a funding partner of this program which planned to repair the disused railroad which forced the relocation of around 3000 people. The Australian aid program committed \$27 million dollars to a program touted as 'not one person being worse off'.

AID/WATCH director, Ms Thulsi Narayanasamy said: "Our hope is that this is taken as a lesson about what happens when aid projects are created without the aims being correlated with the needs identified by those affected."

"We are happy that the ADB is finally admitting what has been evident from day one, however the Australian Government, and the Australian company who benefits from this project, Toll Holdings are seemingly absolved of responsibility which is unacceptable."

"Side-stepping responsibility is appalling. However you look at this, Toll Holdings and the Australian government have a responsibility for the trauma and loss incurred by those who have been evicted and should step forward to acknowledge this and provide decent compensation and a formal apology."

In a statement released by the Australian Government, they support the outcomes of the report, including the compensation scheme which largely requires that the Cambodian Government pay the required compensation.

"This is an extraordinary outcome where the recommendation is that the Government take a loan from the ADB in order to provide compensation which the both the Bank and AusAID had the responsibility to do in the first instance. They are still profiting off this project," she said.

"AusAID has a long history of disavowing responsibility for the negative effects that development have on those they purport to serve. The Department is run with Australia's commercial interests as the primary motivation. There are numerous other current instances of the poor and marginalised being harmed by Australian aid projects because of this focus and they are still not adequately accountable for this."

"The Bank deployed a PR campaign to counter civil society claims that the project was harmful. Why did they do this instead of listening? The culture of defending profits above the needs of the poor needs to change. Internal systems need to effectively hold these institutions to account, not civil society".

"The conclusion that adequate compensation needs to be given is good, however the level of compensation is what is important and needs to be monitored. The ADB and AusAID are guilty of not listening to those they were evicting, and we urge AusAID to come forward and help with the process of fixing their mess."

AID/WATCH is an independent monitor of Australia's foreign aid and trade. www.aidwatch.org.au
More information on the Asian Development Bank admission of guilt can be found [here](#):
AID/WATCH 2012 report 'Off the Rails: AusAID and the Cambodian Railways Project' can be found [here](#).

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