



WORLD COMMISSION ON DAMS

5th Floor, Hycastle House
58 Loop Street
PO Box 16002
Vlaeberg, Cape Town
8018, SOUTH AFRICA
Telephone: +27 21 426 4000
Fax: +27 21 426 0036
Email: info@dams.org
<http://www.dams.org>

July 12, 2002

Mr. James D. Wolfensohn, President
The World Bank
1818 H Street
Washington, DC 20433
USA

Dear Mr. Wolfensohn:

It is now eighteen months since we shared the stage together in London for the launch of the World Commission on Dams' report, "Dams and Development: A New Framework for Decision-Making." A lot has happened during these 18 months: the WCD has decommissioned itself, as mandated; a follow-up process has been established under the United Nations Environment Program, where the World Bank participates on the Steering Committee; multi-stakeholder dialogues about dams and development are underway in many countries; and the report's seven strategic principles and recommendations are being used as benchmarks by many development agencies.

We, the former Commissioners of the WCD, are writing to you now to reaffirm the findings, conclusions, principles, and priorities that we presented in the WCD report and to emphasize their relevance to the Bank's ongoing and future investments in the water and energy sectors. You recall that the World Bank has stated publicly – in meetings with Executive Directors, in its written response to the WCD report, and elsewhere – that the Water Resources Sector Strategy (WRSS) would be the Bank's primary mechanism for integrating the WCD's principles, priorities, and recommendations into its own policies and practices.

Furthermore, in its official response to the WCD report approved by its Board of Directors in December 2001, the World Bank clearly states that it "shares the WCD core values and concurs with the need to promote the seven strategic priorities." We are pleased to see that two aspects of these priorities, related to improving existing projects and sharing benefits on transboundary watercourses, have been given some prominence in the current draft of the WRSS (March 25, 2002). However, a clear and unambiguous statement of support for the seven strategic priorities in the WRSS would be appropriate given the explicit support for them in the Bank's response to the WCD report.

In addition, the Bank had also stated previously that other relevant policies – such as the newly-formatted Resettlement Policy and the Indigenous Peoples Policy – would not address the WCD report because the Water Resources Sector Strategy would. The Bank also has stated that its forthcoming sourcebook describing good practice for resettlement will include a chapter on reservoir resettlement drawing on the knowledge base compiled by the WCD. Yet, this sourcebook has not been produced and, to our knowledge, there is no public timeframe for publishing it.

Given that a major thrust of the WRSS is to recommend that the Bank actively re-engage in financing large-scale dams (referred to in the WRSS as high-reward/high risk hydraulic infrastructure), we think that it is unwise to dismiss without justification or explanation the recommendations of the first-ever

global review of dams reached through consensus and developed through an extensive participatory process with support from the World Bank.

We remain committed to the strategic priorities, principles, and criteria and guidelines and believe that the WCD report's recommendations will improve the performance and development outcomes for the full range of water and energy development and management options, especially for large dams.

We urge you to ensure that the World Bank's Water Resources Sector Strategy accurately depicts the past experience with dams and that the WCD's recommendations, especially around the "rights and risks approach," are better integrated into the Bank's business model for options assessment, working with partners, assessing risks, promoting transparency and participation, and management of major water infrastructure projects.

Despite our critique of the past experiences with large dams, we remain optimistic that reforms to the planning, decision-making, and implementation processes can greatly improve the development benefits and services of water and energy projects, including dams. The "Strategic Options and Possible Business Implications" section presented in the WRSS (starting on page 34) is a good starting point and contains many positive changes for improving water management, increasing benefits from existing water infrastructure, and extending services to those most in need. Many of the WCD's recommendations on improving the options assessment process and promoting early and meaningful participation of all stakeholders with risks and rights are relevant to this proposed business model, particularly with regards to the proposed risk assessment process. Yet, this section contains no information on how the WCD's recommendations are or are not relevant and how they could (or could not) be incorporated into the World Bank's new business model. The proposed risk assessment focuses primarily on the risks to the World Bank from supporting large dams, rather than the economic and financial risks, the environmental risks, or the risks to affected peoples from dams.

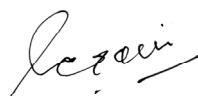
We hope that you will ensure that the World Bank's Water Resources Sector Strategy more clearly analyzes and better integrates the World Commission on Dams' priorities, principles and recommendations, as the Bank has stated that the WRSS is the most appropriate internal policy mechanism for this purpose. In addition, we hope that explanations or justifications be added where appropriate for why the Bank is not including the World Commission on Dams' recommendations into its new business model (if it continues to exclude them), especially in the sections related to the Bank's involvement with "high-reward/high risk hydraulic infrastructure" projects.

We hope that you will seize the opportunities for positive changes for the Bank's water portfolio and that the WCD process and report continue to offer fruitful ideas that will support the reforms necessary to achieve the Bank's mission of poverty alleviation and sustainable human development. We would welcome an opportunity to discuss the Water Resources Sector Strategy with you.

Yours sincerely,



Prof. Kader Asmal
Former Chair, World Commission on Dams
Minister of Education, Government of South Africa



Mr. Lakshmi Jain
Former Vice-Chair, World Commission on Dams
Chairman, Industrial Development Services, India



Mr. Achim Steiner
Former Secretary-General, World Commission on Dams
Director-General, The World Conservation Union/IUCN, Switzerland



Mr. Don Blackmore
Former Commissioner, World Commission on Dams
Chief Executive, Murray Darling Basin Commission, Australia



Ms. Joji Cariño
Former Commissioner, World Commission on Dams
Tebtebba Foundation, The Philippines



Prof. José Goldemberg
Former Commissioner, World Commission on Dams
State Secretary for the Environment, State of São Paulo, Brazil



Dr. Judy Henderson
Former Commissioner, World Commission on Dams
Chair, The Global Reporting Initiative, Australia



Mr. Göran Lindahl
Former Commissioner, World Commission on Dams
Retired CEO, Asea Brown Boveri (ABB)
Chair, Alliance for Global Sustainability and Special Advisor to UN Secretary-General Kofi Annan on the Global Compact, United Kingdom



Ms. Deborah Moore
Former Commissioner, World Commission on Dams
Public Interest Consulting Services and Conservation Strategy Fund, United States



Ms. Medha Patkar
Former Commissioner, World Commission on Dams
Founder, Narmada Bachao Andolan, India



Prof. Thayer Scudder
Former Commissioner, World Commission on Dams
Professor of Anthropology, Emeritus, California Institute of Technology, United States



Dr. Jan Veltrop
Former Commissioner, World Commission on Dams
Retired Senior Vice President, Harza Engineering
Past President of International Commission on Large Dams (ICOLD), United States

cc: World Bank Executive Directors