

February 20, 2004

Patrick Kron
Chairman and CEO
ALSTOM
25 avenue Kleber
75795 Paris cedex 16

Re: Merowe Dam, Sudan

Dear M. Kron:

We are writing to express our serious concerns about the Merowe dam project (also known as Hamadab) in Sudan, and to urge Alstom to withdraw from the project.

This hugely problematic project epitomizes how not to plan and build a dam in the post-World Commission on Dams era. It will displace more than 50,000 people (mainly small farmers living along the Nile), have far-reaching environmental consequences, and inundate a historically rich area. Project planning has been non-transparent, and people who will be directly affected by it have not had their voices heard. Dissent against controversial dam projects in Sudan has been met with harsh government repression.

For years, Sudanese civil society groups and individuals have been campaigning to get this project postponed until peace is achieved, human rights and democracy are restored, and the project's historical, social and environmental impacts have been fully evaluated. Such critical scientific evaluation and assessment cannot be undertaken under the current authoritarian government. Now, with the assistance of companies such as Alstom, the project is moving forward, despite the lack of information about project impacts, and in the face of harsh treatment of dam-affected people. We would like to bring to your attention some of the major problems with the project:

Social Impacts

Implementation of this huge and controversial project will lead to more social unrest in this already war-ravaged country. The Sudanese state's authoritarian nature is sure to result in a resettlement process marred by a disregard for human rights, a lack of transparency, and an impoverished future for those forced to move. Indeed, local protests about this dam have already resulted in the wholesale violation of project-affected people's human rights. We have reports of Sudanese citizens being arrested for their stance against the dam; some have been tortured, and others have been forced to flee the country and seek asylum elsewhere.

The project will uproot and render homeless a tribal community which is not represented in the government. Research on the affected people reveals that there has been no

increase in their numbers over the past 50 years due to absolute poverty and marginalization; therefore, the upheaval of resettlement could lead to their complete disappearance.

The resettlement component of this project is already proving to be disastrous. It is expected that most of the affected small farmers, whose communities are now on the river banks, will be resettled on desert lands, where they will be unable to re-establish their livelihoods or feed their families. Even if some dam-affected people were resettled to the banks of the river, this is likely to create more confrontations and problems for resettlers as the narrow, cultivable strips of land on the river banks in northern Sudan are already heavily populated and cannot support the large number of people who were promised river-bank compensation land. The existing riverine tribal communities would understandably object to a large population being moved into their area to share their limited land and resources. To those who will be displaced to the desert, the government has made promises that it will supply them with water; but such promises are almost assured to be broken. The government has already failed to provide water supply to large parts of the capital city of Khartoum. And the Nubian experience with dam-resettlement has shown that most people who are moved away from the river banks end up with inadequate water supply.

In a recent article in "Power Engineering Magazine", Alstom's Philippe Soulié was quoted as saying "Winning this [Merowe] contract represents a major success for us." Alstom's success comes on the backs of the 50,000 affected people who are paying the true costs of this poorly planned project.

Historical Resources

The 174-km-long reservoir will inundate an area rich in history and antiquities dating back 5,000 years, from the time of the ancient Nubian cultures. Ancient Nubia had an advanced civilization that preceded Pharonic Egypt. Only in the past few decades have archaeologists begun to discover the historical treasures of the region. Archeologists from the British Museum have stated of the Merowe site, "Very little archaeological work has ever been undertaken in this region but what has indicates the richness and diversity of human settlement from the Palaeolithic period onwards." While emergency salvage operations may help save some of the moveable cultural treasures (although not the archeologically vital physical context in which they are found), it will no doubt be "too little, too late," and the dam's reservoir will drown ancient sites without them being thoroughly studied and documented.

In conclusion, we believe this project violates international standards on human rights, resettlement, environmental assessment and cultural protection, including those of the UN, World Bank and others. It is also not in compliance with the strategic priorities and core values of the World Commission on Dams, which Alstom has endorsed in its participation in the UNEP Dams and Development Project, the follow-up initiative to the WCD. The social problems are especially troubling. Therefore, this project should not move forward until the dam-affected people have given their free, prior-informed consent to the project, and are allowed to share in its supposed benefits.

We anticipate that Alstom has no interest in being involved in a project with such severe social consequences, and one that could set off tribal conflict in the north of the country. The serious nature of these and other problems with the Merowe dam project means that any company which gets involved in it is taking on major reputational risks. Given these circumstances, we believe Alstom has no recourse but to withdraw from the project until it can be shown that these major problems have been resolved.

Thank you for your attention to this matter. We look forward to your reply.

Sincerely,

Ali Askouri, President,
Leadership Office of Hamadab Affected
People (London)

Tonje Folkestad
FIVAS (Norway)

Lori Pottinger
International Rivers Network (US)

Heffa Schuecking
Urgewald (Germany)

Sebastien Godinot
Les Amis de la Terre/Friends of the
Earth (France)

African Rivers Network (Coalition of
African NGOs)

Roberto Epple
European Rivers Network (France)

Siaf Elyazal Abayazid
Champaign, IL (US)

André Pellissier
SOS Loire Vivante (France)

Nada Fadul
Champaign, IL (US)

Nick Hildyard
The Cornerhouse (UK)

Hussain Awad Abd Elwahab
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Magda Stoczkiewicz
CEE Bankwatch Network (Netherlands)

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Christine Eberlein
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