

WORLD RIVERS REVIEW

INSIDE

Special Focus on Dam Standards

Commentary

Yes, we can make dams better – and we know how to do it. Page 2

A Lower Standard

The dam industry proposes that dam builders rate their own projects on sustainability issues. Page 6

China

Will China's influence on global dam standards result in a race to the bottom? Page 7

World Commission on Dams

Where in the world can you find the WCD recommendations being put in practice? Page 8

...And reports from Ghana and Uganda on efforts to improve dam planning with the WCD. Page 10

China's Biggest Bank to Support Africa's Most Destructive Dam

by Peter Bosshard

Ethiopia's Gibe 3 Dam is one of the most destructive hydropower projects being built today. If completed, it would destroy fragile ecosystems on which 500,000 poor indigenous people depend for their survival. A worldwide civil society campaign has held international financial institutions at bay for several years.

In mid-May, however, the Industrial and Commercial Bank of China (ICBC) offered to step in with a US\$500 million loan. If the loan goes through, China's biggest bank will become responsible for a massive social and environmental disaster.

The overall project is expected to cost \$1.75 billion. Ethiopia has applied for support from the African Development Bank (AfDB), World Bank and European Investment Bank. The project is being built by Italian firm Salini Costruttori.

The dam, now under construction on the Omo River, threatens the livelihoods of 500,000 indigenous people in Southern Ethiopia and Northern Kenya. By ending the river's natural flood cycle, it would destroy harvests and grazing lands along the river banks, and fisheries in Lake Turkana, the world's largest desert lake. The dam will devastate the unique culture and ecosystems of the Lower Omo Valley and Lake Turkana,



Lake Turkana is threatened by reduced flows from Gibe 3 Dam upstream. Photo: Friends of Lake Turkana

both recognized as UNESCO World Heritage Sites.

The Ethiopian authorities have indicated that they will expand irrigation in the Lower Omo Valley to compensate for the end of the natural floods. This would increase water withdrawals from the Omo River, and the negative impacts on the Lake Turkana region. The lake is dependent on the Omo for 80% of its inflow.

The region is already wracked by a drought-fueled ecological crisis that is causing violent resource conflicts between the peoples of the Lower Omo Valley and the Lake Turkana region. The Gibe 3 Dam would worsen these resource conflicts. Climate change brings yet another added pressure.

Ikal Angelei, the chair of Friends of Lake Turkana in

Kenya, says: "The Gibe 3 Project will destroy the lifeline of the Lower Omo Valley and the Lake Turkana region. It will condemn half a million of the region's most vulnerable people to hunger and conflict. We ask Chinese banks and companies to stay away from this disaster."

According to Ethiopia's electric power utility, ICBC has agreed to extend the loan for a contract under which Dongfang Electric Machinery Corp., a Chinese state-owned company, will provide equipment for the Gibe 3 project. The loan is for slightly more than the cost of the equipment.

A letter from NGOs involved in the Gibe 3 campaign to the ICBC states: "Friends of Lake Turkana and a coalition of international civil society

Continued on page 15

World Rivers Review

Volume 26, Number 2
ISSN Number 0890 6211

Editor

Lori Pottinger

Design and Production

Jeanette Madden

Printing

Inkworks

International Rivers

Executive Director

Patrick McCully

Staff

Monti Aguirre, Karolo Aparicio, Peter Bosshard, Elizabeth Brink, Pianporn Deetes, Ian Elwood, Jamie Greenblatt, Terri Hathaway, Inanna Hazel, Aviva Imhof, Shannon Lawrence, Berklee Lowrey-Evans, Grace Mang, Ikuko Matsumoto, Samir Mehta, Lia Metz, Carl Middleton, Brent Millikan, Payal Parekh, Lori Pottinger, Elizabeth Sabel, Susanne Wong, Katy Yan

Interns & Volunteers

Betsy Davis, Wil Dvorak, Jill Eisenberg, Ruth Gebreyesus, Kate Ross, Chu Sinan, Alexandra Teixeira, Peng Xiaoma

Board of Directors

Marcia McNally (Co-Chair), Deborah Moore (Co-Chair), Martha Belcher, Brent Blackwelder, André Carothers, Robert Hass (Honorary), Leslie Leslie, Carlos Mejia, Sarah Minick, Milan Momirov, Cymie Payne, David N. Pellow

Contact Us

2150 Allston Way, Suite 300
Berkeley, CA 94704-1378 USA
Tel: (510) 848 1155
Fax: (510) 848 1008



Printed on 100% post-consumer recycled waste paper with vegetable-based inks

Commentary

YES WE CAN

When the World Commission on Dams (WCD) issued its groundbreaking report 10 years ago, river-loving people around the world celebrated. We celebrated the findings that corroborated what we had long argued – that while dams may have delivered benefits, these have come with exceedingly high costs, particularly for vulnerable groups and the environment. We honored the millions who lost lands and livelihoods to disastrous dams, and the WCD case studies that bore witness to their struggles. We celebrated the successful conclusion of a grueling but critically important global exercise in multi-stakeholder participation, consultation and documentation. We cheered the WCD's recommendations for a better way to identify, design and implement water and energy projects.

We knew change would not come overnight, but we knew that it would come. We were disappointed – but sadly, not surprised – by the World Bank's failure to adopt the WCD recommendations. At the same time, we were inspired by the efforts of our partners around the world who initiated national dialogues to adapt the WCD framework to their local context. And we applauded the governments and institutions that did incorporate WCD recommendations and principles into their regulations. A number of the WCD's most important principles – from the right of indigenous peoples to give their free, prior and informed consent to dam projects affecting their lands and resources, to the need to preserve downstream ecosystems and livelihoods – have been endorsed by and codified in various policies and legal instruments.

Unfortunately, in the 10 years since the WCD report was released, the dam industry has failed to even try to implement its groundbreaking recommendations. While there are examples of compliance with particular WCD principles in various projects (some highlighted in this issue), we are still waiting for the dam that gets it right.

We know how to do it: the WCD framework provides the road map. What we're lacking are the political will and the long-term vision to make it happen. Do we want to live in a world without any free-flowing rivers? Can we sit by as poor communities are forced from their lands without due compensation? Do we accept that a costly and destructive dam should be built even before other alternatives to meet people's water or energy needs have been assessed? We should not have to.

It sounds a lot like the climate crisis. We know what needs to be done and we've identified ways – some imperfect and with compromises – to get us there. All we need is political leadership and the commitment to change a development model that too often brings short-term gain for some but leads to long-term devastation for many.

Society may not be willing to give up big dams, but most of us are also not willing to give up healthy rivers. We must find a better way. At the very least, we must design, build and operate dams better in the future. The case for sharing dam benefits with affected people; for legally enforceable agreements to be negotiated with affected people; for the problems of existing dams to be addressed before new ones are built; and for reparations to be provided for past harms is even stronger today than it was a decade ago. As renewable energy technologies have advanced, so has the argument for analyzing all energy options before launching into a process to build a big dam.

Hundreds of thousands of farmers and fishers from Ethiopia to China, from Peru to Canada are today facing the impacts of new dams. Will the worst of these projects be scrapped in favor of alternatives that are better economically, socially and environmentally? Will the dams that go forward be better designed so that the impacts of the project are limited to the greatest extent possible? Will agreements be negotiated with affected people so they receive an equitable share of project benefits and fair compensation for what they will lose?

The answer to all of these questions should be yes. We have the tools; it's time to put them to work. The onus is on the dam builders and the funders who back them. Ten years on, our song remains the same: No dams without the WCD!

Shannon Lawrence

MAKING WAVES

In the News

“I have given a few of the logical reasons against the dam, but the most compelling reasons are emotional. We all want our children and future generations to inherit a world that is survivable. To do that we must change the old ways, and make compassionate decisions based on a sustainable vision of ‘progress.’ The indigenous people live with little negative impact to their forest world, and we must learn from their ancient wisdom. We must ask ourselves ‘what kind of ancestors do we want to be?’”

Letter from “Avatar” film director James Cameron to Brazilian President Lula, regarding the proposed Belo Monte Dam in the Amazon (<http://tinyurl.com/354veh6>)

Belo Monte Heats Up

In April, a Brazilian consortium led by state electric utility Eletrobras won the rights to build Belo Monte, what would be the world's third-largest dam, sparking a wave of protests in Brazil and abroad. In the Xingu basin, Kayapó chief Megaron Txukar-ramãe led a blockade of a federal highway for 25 days, claiming that Brazil's indigenous people would “die fighting for their rights” unless Belo Monte were canceled.

Brazilian NGO Karindé and Friends of the Earth Amazônia filed three lawsuits to stop the auction, but each was overturned by a regional judge who crumbled under pressure from the government. Legal efforts to annul the auction continue as the winning consortium races to elaborate a plan to meet 40 conditions imposed by environmental agency IBAMA.

International Rivers is working to support activists as they convene over plans to stop Belo Monte. Conflict over Belo Monte may well reach a boiling point in the coming months, as the government debates a law to legalize dams and mining inside indigenous territories and conservation areas.

Celebrating Dam Removals in Washington

The Last Dam Summer Party was held in Washington State's Olympic Peninsula in May, to celebrate the upcoming removal of two dams. The project, which will begin next year, will restore the Elwha River to its natural free-flowing state, allowing all five species of Pacific salmon to again reach more than 70 miles of stream habitat and spawning grounds.

Local fishers hope the dam removal could even herald the return of the legendary giant salmon known as “June Hogs.” These 100-pound chinook salmon were among an estimated 392,000 fish that returned to the Elwha each year to spawn. The dammed river supports fewer than 3,000 fish. Most of the spawning grounds of a river that springs from the snowfields of the Olympic Mountains are blocked by the dams, which were built in the early 1900s.

Welcome, Grace and Brent!



Grace Mang joins International Rivers as the new Coordinator of our China Global Program. An Australian citizen, Grace has a law degree from the University of Sydney. During the past two years, she worked as an environment and water policy adviser in the Department of the Australian Prime Minister. During her studies, she interned with several international NGOs, including International Rivers. Grace helped us initiate our work on Chinese overseas dam builders with competence and quick wit in 2007. We look forward to having her back.



Brent Millikan is our new Amazon Program Director. Brent has lived and worked for many years as a geographer and environmentalist in the Brazilian Amazon, focusing on the impacts of large infrastructure projects, particularly highways and hydroelectric dams. Most recently, Brent has worked with the Brazilian NGO Friends of the Earth – Amazônia Brasileira. Brent will be based in Brasilia and will focus on dams planned for the Brazilian and Peruvian Amazon. We are very excited to have Brent on the team and look forward to the new ideas and energy he will bring. Photo: Gabriela Millika

Interview

Time for a New Dialogue on Dams

John Dore, Dipak Gyawali and Deborah Moore are experts on dams and the environment, and guest editors of a new issue of *Water Alternatives* magazine, which reviews the large dams controversy 10 years after the publication of the WCD report (see www.water-alternatives.org). Our policy director Peter Bosshard discussed the current state of the large dams debate with them.

How has the global dams debate changed since the World Commission on Dams (WCD) published its report 10 years ago?

DG: The WCD process was a unique global policy exercise which brought together many divergent views and succeeded in finding common ground. In the past 10 years we have, however, experienced growing polarization. The different actors view the world in a very different manner, but they cannot wish away their differences. We need to return to the constructive engagement that the WCD stood for.

JD: There has been polarization. But when we talk with the different actors, we still find a lot of commitment to constructive dialogue. Many people continue to look for improved decision-making processes on energy and water projects.

The WCD process was launched out of a sense of deadlock in the global dam sector. Is the dam industry still in crisis, or is it enjoying a second wind?

JD: In the Mekong region, there is no visible crisis for the developers of hydropower dams. Some projects – such as the dam cascade on China's Nu River, the Nam Theun 2 and Theun Hinboun Expansion projects – are contested in the domestic, regional or international space. But most of them are moving forward. As you know, there has also been a resurgent interest to build up to 12 more dams on the Lower Mekong mainstream.

DM: We see a pendulum swinging back and forth. The WCD arose out of a period of intense conflict over dams. Changes outside the water sector have created a more favorable outlook for large dams since then. Global concern over climate change has created opportunities to promote hydropower as supposedly “green” energy. The role of development banks has changed, private investment in infrastructure has grown, and new dam financiers from China and other countries have emerged. Now the pendulum is swinging back, with big conflicts brewing over projects such as Belo Monte (Brazil), Gibe 3 (Ethiopia), and Ilisu (Turkey). And these conflicts are still over the same issues that we grappled with 10 years ago.

DG: We don't see a deadlock as much as polarization and a disinterest in constructive engagement by the hydrocracies. In countries such as China, dams are still built by the state, which means there is some space for civic pressure. In others, including Nepal and India, the main players are private investors, with state entities and civil society unable to stand up to them. But even if civil society voices are muted, the issues don't go away. In Nepal, we just saw local politicians burn down the office of an international hydropower company even after their project was sanctioned by their leaders in the central government.

Look Who's Talking: Our Panelists

John Dore is an advisor to AusAID's Mekong Region Water & Infrastructure Unit in Laos. He previously coordinated IUCN's Water and Nature Initiative in Asia.

Dipak Gyawali is the director of the Nepal Water Conservation Foundation. He is a member of the Nepal Academy of Science and Technology, and was Nepal's minister for water resources.

Deborah Moore was a member of the World Commission on Dams. She is currently the executive director of the Green Schools Initiative in the US, and co-chairs the board of International Rivers.

The WCD process was celebrated as a new way of resolving conflicts through multi-stakeholder dialogues. Since then, governments have asserted their pre-eminent role in decision-making. Is there still a role for multi-stakeholder processes to resolve dam conflicts?

JD: Dams are very complex projects, so multi-stakeholder processes are a good way to address their issues. Multi-stakeholder processes inform decision-making processes, but they do not replace the state. The assumption that they undermine the role of the state is a misunderstanding that has triggered a lot of unnecessary opposition to such processes.

DM: There is definitely still a need for multi-stakeholder dialogues. But the question is at what level are they most effective. We have seen effective processes at the level of the river basin whereby warring parties have been able to negotiate agreements to share resources, for example on the Klamath River in the Western US. The ongoing negotiation over reparations for the communities affected by the Chixoy Dam in Guatemala is an example of a promising multi-stakeholder approach on the national level. At the global level, such processes may be appropriate to generate new ideas and norms, but not to develop regulations to be implemented by governments.

JD: We have also seen creative new multi-stakeholder processes in other sectors. Examples are the Millennium Ecosystem Assessment and the Comprehensive Assessment of Water Management in Agriculture on the international level. At the national level, we have seen initiatives such as the civil-society-led dialogue on river linking schemes in India, the WCD follow-up processes in Nepal and Africa (see page 10), and the consensus-building process on the Everglades in South Florida. We can learn from the successes, difficulties and failures of such processes.

Continued opposite

Canada's Hydro Partnerships No Panacea for First Nations

by Katy Yan

Canada's rivers have been under assault for decades. Rampant dam building since the 1940s has resulted in environmental destruction, the resettlement of thousands of aboriginal ("First Nation") communities and the devastation of their traditional fishing and hunting grounds.

Past negotiations between First Nation communities and dam developers focused on compensation packages rather than on whether these communities wanted the projects built on their lands or not. More recently, a new type of agreement has been developed whereby resettled First Nation communities are project beneficiaries. But do these agreements represent a genuine paradigm shift in the way dams are developed in Canada, or a cynical effort by developers to get access to the First Nations' resources?



An Innu community is suing to stop Hydro-Québec from damming the Romaine River. Photo: Alliance Romaine

The Price of Power

During the 1960s and '70s, government-owned companies like Manitoba Hydro and Hydro-Québec built large dams that supplied power to Canada and the US at rates that remain among the lowest in the world. These rock-bottom prices failed to reflect the environmental and social costs borne by indigenous groups like the Nisichawayasihk Cree Nation, who were forcibly relocated when their lands were flooded by Manitoba Hydro's projects. Many resettled people later migrated to urban centers far from their traditional homes, instead of remaining in the new resettlement areas.

In 1974, First Nation communities in the hydro-rich provinces of Manitoba and Québec signed treaties with these

dam-building agencies. The treaties allowed several large hydro projects to be developed on their lands, but also defined the rights of many First Nation groups not directly involved in the negotiations, including rights to land ownership and resources management, self-government, economic development, the administration of justice, health and social services and environmental protection.

Despite the economic promises of these agreements, the Assembly of Manitoba Chiefs noted that 30 years later, "The socio-economic conditions of the First Nations remain far below national standards."

A turning point came in 2004 with the court case, *Haida Nation v. British Columbia (Minister of Forests)*, where the Supreme Court of Canada decided that full consent of a First Nation must be given for resource claims by developers

over indigenous lands. This seminal case began to alter the way hydropower companies in Canada negotiated with First Nation communities.

One such example was the 200 MW Wuskwatim Dam on the Burntwood River, which was being developed by Manitoba Hydro for US\$1.24 billion. After nine years of negotiations fraught with community distrust and anger, the company finally agreed to enter into an equity partnership with the Nisichawayasihk, the first case of its kind in Manitoba.

The agreement was signed in a June 2006 referendum. Community leaders were able to significantly change the utility's original

Continued on page 15

Interview continued

What is the legacy of the WCD report 10 years after its publication?

DG: The WCD process has given a voice to marginalized groups and neglected issues. By bringing these issues and voices to the table, it has informed and challenged governments, and democratized the process. But some autocratic governments and their hydrocracies are still in a state of denial regarding the negative impacts of dams. Even if reluctantly, these governments have to start listening to the marginalized voices, or they will be faced with delays, impasse, and intractable political problems. In Nepal, private developers could develop small hydropower projects even while a Maoist insurgency was raging, because they did not ride roughshod over local concerns (see page 9).

DM: The value of the WCD report does not lie simply in its implementation. The report has pushed the envelope of our thinking with new ideas such as the rights-and-risk approach. These ideas for ensuring that dam-affected people do not suffer and rivers remain healthy continue to be relevant, even if we still grapple with how best to translate them into practice.

What is the main challenge for the future?

DG: Governments need to listen to the voices of the private sector and civil society, or there will be no progress. Private investors must give up their triumphalism and stop relegating governments to mere handmaidens in their projects, or they will face devastating long-term consequences to their balance sheets. Activists meanwhile need to turn from confrontation to creative protests, and learn to engage with the sane elements in the state and the markets. All need to engage in a new dialogue with each other, and should be open to modifying their own assumptions in the process. If they do this, we will end up with better projects that can be implemented without time and cost overruns.

DM: One big challenge is certainly how to respond to climate change. The dam industry tries to present hydropower as a source of clean energy, but the WCD report has shown that because of their greenhouse gas emissions and other detrimental environmental impacts, dams are not clean. One area which the WCD report neglected somewhat was the role of alternative sources of energy and water, both in a rural and urban context. I am excited by the potential for low-cost alternatives. This is a rich, fruitful field, which we need to explore further, and which could really shift the debate and the investments. ●

A Scorecard is Not a Standard

The Hydro Industry's Latest Attempt to Greenwash Dams Falls Flat

by Shannon Lawrence

The International Hydropower Association most likely won't be celebrating the World Commission on Dams' tenth anniversary this year, but the dam builders' organization will be hosting its own private party. Dam-affected people and Southern civil society groups are not invited – they might bring an unwelcome dose of reality. The guests of honor at this party will be big funders of big dams: public and private banks, export credit agencies and buyers of carbon credits.

The reason for this self-congratulatory celebration is the forthcoming launch of the Hydropower Sustainability Assessment Protocol, essentially a scorecard for dam developers to rate their projects on environmental and social issues. The Protocol is being developed by the International Hydropower Association (IHA), in a process that may see as a way to circumvent the more stringent, inclusive and far-reaching standards put forth by the World Commission on Dams (WCD). The IHA Protocol does not require dam builders to meet any minimum standards, nor does it provide incentives for them to improve the performance of bad projects. In fact, the Protocol appears to be more smoke and mirrors to win over dam funders than a serious attempt by the industry to improve its product.

A flawed process

The IHA, together with the World Wildlife Fund (WWF) and The Nature Conservancy, launched the Hydropower Sustainability Assessment Forum in 2008. The other hand-picked participants in the 14-member Forum include representatives from governments, funding agencies, and NGOs Oxfam Australia and Transparency International. The Forum's goal was to develop a "broadly endorsed sustainability assessment tool to measure and guide performance in the hydropower sector." Dam-affected people and Southern civil society networks were not given a seat at the negotiating table.

Through a series of closed-door meetings, the Forum members developed a draft Sustainability Assessment Protocol in August 2009. The 229-page draft Protocol amounted to a complex scorecard for rating dam projects, from very poor to excellent, across a long list of criteria.

The draft Protocol missed the forest for the trees. It failed to outline any minimum standards that dam developers must follow or rights that they must respect. For example, even a hydro project that violated national and international law or the rights of local communities could receive a "good practice" score. The Protocol's complicated approach focused on evaluating dam developers' processes and plans instead of the outcomes and results they achieved. The assessment of the project would rely primarily on information provided by the dam builder or its consultants. Verifying facts on the ground – including through discussions with affected people – would not be encouraged or likely even feasible in a meaningful way, given that assessments would be expected to be completed in three to five days.

After the release of the draft Protocol, the Forum launched a limited three-month consultation. According to an internal report on the process, "in practice many events were awareness-raising and not truly consultation, because it takes some time for stakeholders to understand the Protocol sufficiently to provide informed comment and feedback, and in many cases the engagement activities were a first introduction to what the Forum and the Protocol

were about." For example, the main meeting with dam-affected people that took place in Ghana was "more of an awareness raising exercise" due to the participants' "limited prior knowledge of the HSAF process."

Most of the feedback that the Forum received on the draft Protocol was based on general questions (such as "What do you think of the Protocol in terms of its appropriateness, quality and applicability?") and was solicited through an online questionnaire. This hardly constituted a robust consultation exercise that could overcome the deficiencies of the closed Protocol drafting process.

Complex and Confusing

A common response to the draft Protocol from a variety of stakeholders was that it is too complex and difficult to apply. A number of civil society respondents criticized the Protocol as a weakening of existing standards, such as the World Commission on Dams (WCD) framework.

Some of the strongest criticism came from the 60 resettlement specialists from more than 20 countries that make up the International Network on Displacement and Resettlement. Their detailed submission said the draft Protocol is "deficient and incomplete for objectively evaluating the dam projects' social sustainability. Specifically, the IHA draft: totally overlooks the impoverishment risks imposed on the population affected by dam construction; ... proposes a flawed and imbalanced scoring methodology; and does not include important elements already introduced in internationally accepted resettlement policies and mitigation practices or in some countries' national policies."

During the consultation, dam industry respondents expressed concerns that "the Protocol was asking for many things beyond what an industry would normally deal with." A communication sent by the head of the IHA reference group for the Forum to all IHA members asserted that the Protocol's stakeholder support and consultation requirements should be limited to "relevant" aspects – meaning, presumably that local communities would be consulted primarily on resettlement and compensation packages rather than on broader questions regarding whether or not a project should go forward and how.

The industry respondents also argued that an international standard should not "challenge" – or presumably go beyond – national law or regulations. They reiterated concerns expressed by other respondents that the draft Protocol was too long and complex, arguing that "a major condensation and simplification is required, before the protocol will become an acceptable tool for the industry."

Dam industry pushes back

The dam industry was initially just one of the Forum members jointly responsible for drafting and agreeing to the Protocol. But facing a lengthy draft that they felt pushed them too far, the dam industry started flexing its muscles and asserting authority over the Forum process. It now appears that industry is trying to gain veto power over the process. The final draft Protocol is apparently being revised based on what industry is willing to accept, not on what the Forum members are interested in putting forward.

This power grab has led to an official change in the objective of the Forum and the Protocol. As the Forum enters its final meet-

Continued opposite

China's Influence on Global Dam Standards: A Race to the Bottom?

by Peter Bosshard

In 1999, a Sudanese government delegation traveled around the world to raise funds for the planned Merowe Dam on the Nile. It returned home empty-handed. Export credit agencies from France, Canada and other countries turned the project down because of serious concerns over its human rights impacts. Their caution was a sign of the times. Throughout the 1990s, funding for large dams dwindled over environmental and human rights concerns.

A rude awakening soon followed. Chinese companies gained the know-how to build large hydropower projects and started exporting their expertise to the rest of the world. China Exim Bank, the government's export credit agency, offered a large loan to build the Merowe Dam in 2003. Within a few years, Chinese dam builders dominated the global hydropower market. We are currently aware of at least 240 international projects with Chinese involvement, and China Exim has become the world's most important dam financier.

Western companies and international financial institutions soon started complaining that they lost out to Chinese competitors because of unequal social and environmental standards. When environmental organizations urged the World Bank and other actors not to get involved in destructive projects, the activists were frequently warned that if Western companies withdrew, Chinese competitors with lower standards would snap up the projects.

"The competition of the Chinese banks is clear," Philippe Maystadt, the President of the European Investment Bank, explained in 2006. "They don't bother about social or human rights conditions." Maystadt claimed that Chinese banks had snatched projects from under his bank's nose by undercutting its conditions on labor

standards and the environment. He argued that international financial institutions needed to avoid "excessive" conditions in response to the new competition. The emergence of the Chinese dam builders thus threatened to unleash a race to the bottom in the world of environmental standards.

In recent years, China has woken up to the environmental and social costs of its rapid industrialization and infrastructure construction at home. The Chinese government prepared comprehensive new laws and regulations to protect ecosystems and affected people. In some cases, they are stricter than the regulations in any other country. For instance, the government has said that all 18 million people who have been displaced by dams in China will receive reparation payments for 20 years to compensate for past damages.

With a certain time lag, some China's dam builders and financiers also started paying attention to environmental protection overseas. China Exim Bank adopted an environmental policy in 2004 and published it in 2007. Its recommendations are still quite vague. They mostly rely on host country standards, but refer to "our country's standards or international practices" if local standards are not sufficient. China Exim Bank commits to monitoring environmental impacts throughout project construction and operation. It asks international environmental experts to assess its projects in order to avoid controversy.

Sinohydro, the world's biggest hydropower company, has engaged in a dialogue with International Rivers since the summer of 2009. The company is currently preparing an environmental policy. It has asked us to make recommendations, and has agreed

Continued on page 15

Hydro Industry Protocol *continued*

ings, it has identified a new aim: "to develop an enhanced sustainability assessment tool to measure and guide performance in the hydropower sector, based on the *hydropower sustainability guidelines and assessment protocol as developed by the IHA, that the Forum would recommend for adoption by IHA and endorsement by HSAF members*" (emphasis added). Gone are the goals of a "broadly endorsed" tool. What industry seems to want is something that reflects what the IHA already agreed to in its notoriously weak sustainability guidelines and assessment protocol (see for example *WRR*, Oct. 2006, available on our website).

Due to these late-in-the-game changes and other drafting delays, the Forum process missed its original deadline, and it is not clear when the final Protocol will be released. However, based on some industry comments available on the Forum website, it seems likely that the revised Protocol will be weaker than the August 2009 draft.

For example, the dam industry is trying to limit as much as possible what would be expected of them to achieve a "best practice" score – hardly the mark of dam developers interested in improving social and environmental performance and encouraging progress from other IHA members.

Furthermore, they are suggesting changes to the Protocol that would create more loopholes for dam builders, such as replacing "minimize the area flooded per unit of energy (GWh) produced"

– a standard that at least would encourage dams with smaller reservoirs – with "avoid exceptional greenhouse gas emissions," which is so vague as to mean almost nothing. Industry also proposes to assess critical project aspects themselves rather than through independent experts.

This was not the process that the Forum members signed up for and agreed to. The real question now is: what will they do in response to industry's attempts to weaken the Protocol?

As the IHA process comes to a close, the World Commission on Dams framework remains the clearest and most legitimate global benchmark for protecting rights, allocating risks and evaluating the environmental and social impacts of dam projects. While the draft IHA Protocol may reference some of the same issues, all indications are that its final incarnation will fail to define clear minimum standards with which dam developers must comply or rights that they must respect.

Measuring respect for rights is not the same as respecting rights. This is a key difference between the WCD and the draft IHA Protocol. An assessment tool that fails to put human rights concerns front and center cannot truly evaluate the environmental and social sustainability of a dam project. Given the clear intentions of industry to avoid increased accountability and stronger standards in the Forum process, the IHA Protocol is likely to be just another propaganda tool for big dam builders. ●

Doing Dams Right: The W

In the 10 year
Development” report
and most dam b
some projects that
prin

Addressing Existing Dams

Klamath River, US: In January 2010, a diverse group of stakeholders in the region agreed to a plan to remove four dams on the Klamath River. The final decision must be approved by California voters, but if it passes, Klamath could become the biggest dam removal in the US and possibly

the world. In 2001, the Klamath River was known as one of the most contentious river basins in the country, with commercial fishermen and Native Americans on one side and ranchers and farmers on the other. The Federal Energy Regulatory Commission

ruled in January 2007 that PacifiCorp, the utility that owns the dams, would have to install fish ladders and screens on the dams as a condition of renewing its license. As a result, PacifiCorp was forced to consider removal since ladders and screens would cost as much as \$150 million more than dam removal. This recent case not only represents a positive example of stakeholder participation (and reconciliation), but also where addressing existing dams can lead to dam decommissioning.

Managing Downstream Impacts

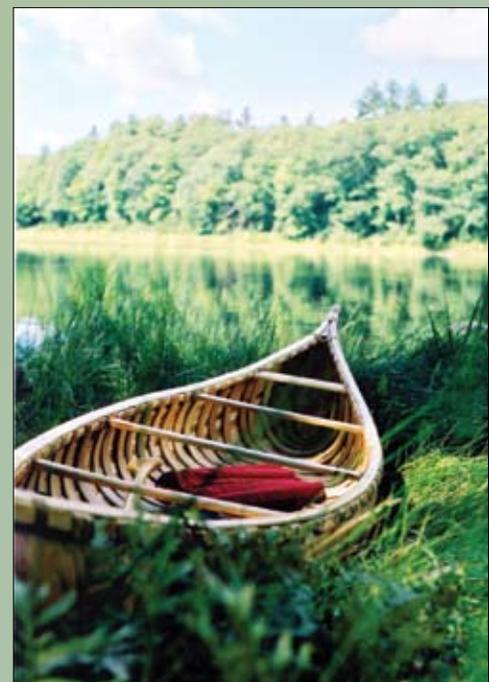
Penobscot River Dams, US: The Federal Power Act requires the Federal Energy Regulatory Commission to consider not only the power generation potential of a river, but also to give equal consideration to other values such as energy conservation, protection of fish and wildlife, recre-

ational opportunities, and preservation of general environmental quality when deciding whether to issue a dam license. In 2005, a diverse group of stakeholders participating in a dam re-licensing process came to a far-reaching agreement with the dams’ owner to help restore Maine’s Penobscot River and its fisheries. This innovative agreement resulted in the formation of the Penobscot River Restoration Trust, which was granted the option to purchase three Penobscot dams and remove the two lower ones. The company also agreed to decommission another dam and install improved fish passages. These measures will restore 1,000 miles of historic habitat for native sea-run fish, renewing opportunities for the Penobscot Indian Nation to exercise their sustenance fishing rights, and create new tourism opportunities for nearby communities. In turn, the company was permitted to increase generation at six other dams, which maintains existing power production levels.

Lesotho Highlands Water Project: The Lesotho Highlands Water Project (LHWP) is one of the world’s largest water-transfer projects. In addition to resettling over 20,000 people, the project has affected some 150,000 people downstream. The first two dams in the scheme are complete, but critical social and environmental problems troubling reservoir-affected villagers are still unresolved. One improvement for downstream communities is an



Tribal fishermen have fought for dam removal on the Klamath for years.



The Penobscot River. Photo: Lia Morris

WCD in Practice

by Katy Yan

Years since the World Commission on Dams (WCD) released its landmark “Dams and Development: A New Framework for Decision-Making”, no single dam project has exemplified the full scope of its cutting-edge approach, and many nations have failed to implement the WCD framework. But there have been many examples that demonstrate WCD principles in action, as well as laws and policies that reflect the principles espoused by the WCD. Here we highlight a few of these positive examples.

environmental flow requirement established in 2003.

As the first dam, Katse, neared completion in 1997, international pressure forced an assessment of the project's impacts to downstream ecosystems and communities. The LHWP environmental flows study analyzed how changes to the way water was released from the dams could reduce the impact on both downstream river ecosystems and on the livelihoods of people living alongside them. The resulting Instream Flow Requirement Policy specified operating rules for the dams and a program to monitor compliance with the agreed releases. In 2006-07, the rivers downstream of the dams had either met or improved upon their target ecological condition. The costs of the environmental flows program, including compensation, were only 0.5% of project costs.

Assessing Needs and Options

Small hydro, Nepal: In the 1990s, frustrated by the high costs – including financial, social and environmental – of big, foreign-led hydro projects like the proposed Arun III, Nepali engineers, economists and civil society started looking for cheaper alternatives. Although their efforts were initially met with skepticism, it became clear that primarily locally financed, locally built and locally managed smaller projects could help meet Nepal's electricity needs in a more affordable way. Today, many smaller hydro projects have been built throughout the country, increasing generation capacity by 294 MW. These alternatives, which took less time to develop and could be locally designed and built, provide electricity at about half the cost of the original Arun III proposal.

Sharing Benefits

Maguga Dam, Swaziland: Ensuring that adversely affected people share in project benefits is a key WCD tenet, and one that goes beyond merely compensating people for their losses. The Maguga project truly took this principle to heart. Located on the Komati River, the dam was built in 2001, almost simultaneously with the WCD process taking place in South Africa. The project was

intended to support commercial forestry and sugar cane plantations in South Africa and Swaziland, and provide irrigation for about 1,000 of Swaziland's small farmers. South Africa helped pay for the dam and is guaranteed 60% of the project's water, with the rest going to Swaziland. Some 90 households were resettled, and another 125 suffered some impacts. Ultimately, the project's resettlement was successful because it incorporated WCD principles.

Affected communities received water, electricity, and jobs from the project, assistance with setting up farming

cooperatives, and health and sports facilities. An independent dispute resolution process was established that could order the Komati Basin Water Authority to pay significant amounts to affected people. The Maguga communities were able to decide how they wanted their new houses to be built. They



Resettlers from Maguga are happy with their new lives. Photo: Liane Greeff

could also decide to use part of the money they received for housing to develop businesses or purchase communal equipment. The project took steps to mitigate environmental impacts as well, by minimizing the size of the reservoir. Today, most people say they are better off than they were before the dam – an extremely rare situation in the history of dam-induced resettlement. The success of this project is in part because project authorities in Swaziland and South Africa were determined not to repeat the mistakes of other water projects in the region, and also because the affected people were organized and had strong leadership.

Taking the WCD to Heart in Uganda

by Frank Muramuzi

In Uganda, we began working to popularize the recommendations of the World Commission on Dams immediately after its report was launched in 2000. We formed a multi-stakeholder forum, called the Uganda Dams Dialogue, which brought all the major stakeholders together. We had participation from the Ministry of Energy, Ministry of Water and Environment, the National Environment Management Authority, the Prime Minister's office, representatives of NGOs, dam-affected people, dam developers, the media and the cultural institutions. The Secretariat was hosted by NGOs represented by my organization, NAPE. The process lasted five years.

One important thing the Forum did was to simplify the WCD and translate the basic recommendations into local languages so that all stakeholders would have a basic understanding of key principles. Today, what we see happening is that local people (especially those affected by the Bujagali Dam, now under construction on the Nile) are using the materials and the information whenever they are advocating for their rights – for example, regarding compensation and resettlement packages. Government is also applying many of the WCD principles.

The Forum also commissioned a study to establish new information regarding the dams development process in Uganda and the issues as they related to Uganda's context. This study was disseminated to many stakeholders, and is being used as new projects come up.

On our most controversial dam project – Bujagali Dam – a multi-stakeholder committee was established to create a platform for decision-making as problems arose, to make sure all stakeholders had a say. The committee meetings also give stakeholders access to all the information concerning the dam, and it has definitely increased the flow of information in both directions.

For Bujagali, there have been some instances where the Uganda Dams Dialogue is guiding the development process – for example, in revising the compensation packages for the dam-affected people, the improved livelihoods at the dam-affected resettlement areas, and better incorporation of the peoples' views in project implementation. There is also a mitigation effort to set aside an area

to compensate for the loss of Bujagali Falls that has been much improved by WCD principles. This process, called the Kalagala Offset Management Plan, promotes almost all the principles of the WCD.

The government is also applying the WCD principles in their discussions regarding the proposed Karuma Dam. Government has said that this time, it wants to be very careful, because they had a bad experience with the Bujagali Dam where the WCD principles were not followed. The government is not fast-tracking the project as they did with Bujagali. They say they want to concentrate on more consultation and participation of the stakeholders including NGOs and dam-affected people.

Our work on the WCD has also enlightened people about other safeguard policies and national laws that apply to these projects. There is more awareness now about the need to hold project developers, government and financiers accountable for making sure projects follow the rules.

Lessons Learned

As a result of the WCD processes, government has recognized that involving people in decision-making processes regarding the development of big dams is necessary. It does not delay the process of building dams, but actually saves government and developers time and resources.

The research done by the Forum is being incorporated into projects and studied at local educational institutions.

Importantly, a number of multi-stakeholder dialogues have been formed to deal with issues of developing other potentially disruptive projects, such as oil and gas, and mining in Queen Elizabeth National Park.

In oil and other extractive industries in Uganda, the WCD is being used in principle. They are using the concept of multi-stakeholder dialogues, following the model from our dams dialogue. We hope it will make a difference for people living where the oil is being extracted. ●

The author is the Executive Director of National Association of Professional Environmentalists (NAPE) in Uganda.

Better Options Assessment in Kenya

The Government of Kenya learned about the unreliability of hydropower the hard way. In recent years, drought crippled its hydropower-dependent energy system many times (about two-thirds of the nation's electricity currently comes from dams). But unlike many other drought-prone African nations, Kenya has taken steps to analyze its energy options and work to diversify its supply.

After two months of power rationing in 2009, Kenyan Prime Minister Raila Odinga said: "The country can no longer continue to rely on hydroelectric power supply." The government wants to add 500MW of geothermal power and 800MW of wind energy to the grid within five years. There are no new dams on the drawing boards.

In early 2010, a consortium of Dutch and Kenyan investors began construction on a 300-megawatt wind project

near Lake Turkana in northern Kenya. When completed in 2012, the wind farm is expected to boost the nation's power supply by almost 30% – one of the highest proportions of wind energy to be fed in a national grid anywhere in the world. Kenya is already Africa's top producer of geothermal power, and with the Turkana windfarm will be the continent's biggest wind producer as well.

Kenya's national energy policy is helping the nation move away from big dams, by prioritizing renewable energy development, rural electrification and electrification of slums, and by easing the way for communities to develop their own off-grid energy systems such as micro-hydro plants. The government also offers financial incentives, with feed-in tariffs for wind, solar, small hydro, geothermal and biogas projects.

Ghana Dams Dialogue: Focus on Affected People

by Richard Twum

Hydropower plays a major role in Ghana's energy supply. Demand for energy is rising and despite strategies to diversify the energy supply (for example, through a new gas pipeline), hydro schemes remain high in the government's National Strategic Energy Plan. Ghana now has two major dams: the Akosombo and Kpong dams, whose considerable social and environmental problems still linger today, decades after they were built. Another large dam, Bui, is being built by a Chinese company.

Ghana's Dams Dialogue, inspired by the World Commission on Dams, began in 2006, and includes representatives from government, dam operators, dam-affected communities and NGOs. The main focus has been mostly on the social aspects of big dams, with a strong emphasis on bringing dam-affected people to the table to share their concerns and lessons learned.

As a national dialogue, the process has been unique in taking on a range of interests and opinions previously held to be irreconcilable. The process has examined evidence produced and opinions expressed by a wide range of stakeholders. The dialogue has added a new body of knowledge to existing information on dams in Ghana.

The main goal is to build capacities and provide tools for improved decision-making on dam-related issues that would lead to equitable, transparent, participatory and sustainable development of dams in Ghana. Objectives are:

- To provide recommendations and practical guidelines for the Bui Development Authority for managing impacts on dam-affected communities (upstream and downstream of Bui), particularly those related to agricultural livelihoods and food security, through targeted studies.
- To share information, increase awareness and build capacity about resettlement and dam-related issues affecting local communities, and to bring on board relevant stakeholders who hitherto have not been actively involved in the dialogue process.
- To bring together representatives of all dam-affected communities to deliberate on problems of resettlement, and to come up with a common agenda for action to redress the negative impacts of dams on the affected communities.
- To understand decision-making and governance processes in Ghana related to the development and management of water resource projects, and to evaluate the contributions of a multi-stakeholder dialogue towards influencing these decisions.

In the Beginning...

The first Ghana dam forum, which took place in September 2007, was attended by 84 participants. In addition to deciding broad themes to focus on, it was realized during this first forum that the Environmental and Social Impact Assessment of the ongoing Bui Dam (for which the final designs were being prepared) should be reviewed to identify potential impact indicators which could be taken up for further study.

At the first forum, participants signed a declaration, calling for clear direction on improving public participation on dam developments. It stated that affected people should be better off after a

dam is built, that planning processes should be more transparent, and that comprehensive options assessments should be undertaken for future water resources developments.

A clearly felt limitation was the lack of scientific information on the potential impact of global climate changes on the Bui Dam. A study was commissioned to analyze this issue. The project modelled future discharge scenarios that take climate change into account, and predicts "a significant negative impact of global climate change on the water resources of the Volta River basin," which is expected to have a major impact on Bui Dam. The study notes that "It is a serious oversight that the impact of global climate change was not taken into account" in the Bui project design.

Members of the national coordinating committee carried out a field visit to the Bui Hydropower Project area. The visit was also used to brief affected communities on the activities of the Dialogue and to get feedback. A very positive outcome of the field visit was that the communities now feel that some interest is being accorded to them and that a two-way information exchange is taking place.

The Secretariat has also been working to analyze and document the governance processes that take place around large dams. The results of that study will be published later this year.

The dialogue process has led to national progress on the issue of dams by:

- creating a 60-member Forum and 15-member National Coordinating Committee, which will act as advisory groups for the process of planning water infrastructure projects.
- by bringing together a wider network of interested parties to discuss what have been contentious issues. These provided platforms for all voices to be heard, and strengthen the input of stakeholders who have historically been disempowered.
- by initiating independent in-depth studies related to dam issues in Ghana. The case studies were conducted in a transparent and participatory manner, drawing inputs from stakeholders through an extensive consultative process.
- By mediating conflicts between dam-affected communities, dam operators and government.
- By raising awareness of problems and paving the way for solving these problems.

Although there is palpable momentum behind the Ghana Dams Dialogue and stakeholders are showing greater commitment toward the Dialogue and trust in its effectiveness, the platform lacks a mandate to implement some of the recommendations. To this end, there is a need to properly institutionalize the process without greater government intervention, as that will kill the spirit. Also, the process should take on board some of the issues raised in the core values and strategic priorities in the WCD, especially comprehensive option assessment and recognizing entitlements and sharing benefits. It is hoped that if the right advocacy tools like lobbying are employed, it will help influence national policies and plans in Ghana. ●



Bui Dam resettlement site. Photo: Clement Otu-Tei

The author participated in the Ghana Dams Dialogue as an NGO representative. He is the director of Volta Basin Development Foundation.

News Briefs

by Jill Eisenberg



Chinook salmon once abounded in the San Joaquin.

Healing the San Joaquin River

This is a watershed year for the restoration of California's San Joaquin River: 2010 was the first time in more than 50 years that this major river has flowed continuously over its entire course into San Francisco Bay. Ever since it was completed in the 1940s, the Friant Dam has caused a 64-mile dry stretch that devastated salmon populations that swam up river to spawn.

The court-ordered water release from the dam resulted from a lawsuit filed in 1988 by the Natural Resources Defense Council, the Bay Institute and other conservation groups against the US Bureau of Reclamation, which administers the dam. In March 2009, President Obama signed the settlement to restore California's second longest river and historic salmon runs.

Before construction of Friant, the Chinook salmon population was estimated at around 56,000. A year after the dam's completion, the salmon population was recorded at zero because the fish could not bypass the dry stretch created by the dam.

The restoration initiative will reroute 18% of the water supply currently allotted for irrigation. The Friant Dam was built for flood management and water diversion into the Central Valley, a major agricultural center. The San Joaquin supplies water for one million acres of farmland, which yields \$2 billion in crops every year.

However, several solutions are under consideration to minimize the consequences of water loss for farmers, including water trades with other districts.

Plans for the salmon's reintroduction are set for Dec. 31, 2012. When full implementation of the restoration is achieved by 2016, the 153-mile length of the San Joaquin River will have year-round, fish-sustaining flows for the first time in 60 years. Cost estimates for restoration range between \$250 million and \$800 million, which will come from state and federal funds and increased fees on farmers who use the dam's water.

Burma villages no match for India and China

The Irrawaddy river system, the lifeblood of Burma, has become the latest battleground between China and India. The two Asian powerhouses are vying to build dams on their smaller neighbor's waterways to generate electricity to feed their nations' growing energy appetites and increase their presence in Burma.

Using threats of arrest and imprisonment, the junta has forced many villages along the river and its tributaries to sign their consent to relocate.

Community leaders stress that current and projected dam construction could threaten the nation's agricultural and commercial sectors, which heavily rely on the river.

China and India's attempts to cozy up to the junta in order to strengthen economic and diplomatic influence in Burma could also have severe consequences for the environment, including loss of habitat for many fish species and endangered river dolphins.

Burma's Electric Power Ministry recently granted China Power Investment (CPI) a contract for the Myitsone Hydro-power Plant project, the largest in Burma. CPI will construct a total of seven dams on the two Himalayan-originating tributaries, the May Kha and May Likha. The Myitsone project will displace over 60 villages in Kachin State.

Not to be eclipsed by China, India also is finalizing agreements with the junta to resume plans for a hydroelectric power plant in Tmanthi and a project on the Chindwin river, the largest tributary of the Irrawaddy.

China funds clean energy

A new study announced that China now leads the world in clean energy investments and finance, leaving the United States in second place. This is

the first time since 2005 that the US lost the top spot in clean energy investment. The US still holds the principal position in technology innovation.

China's contribution of \$34.6 billion compared to the US's \$18.6 billion in 2009 illustrates China's enthusiasm for the budding green technology field. China has proposed some of the world's most aggressive goals for renewable energy.

But where there is yang, there is also yin: China also recently surpassed the US as the world's biggest emitter of carbon dioxide.

The Pew study also reports that globally, clean energy investments have increased 230% since 2005.

Wind power keeps growing

The wind industry, which largely escaped the global economic slowdown, experienced another record year in 2009 for new installed capacity. At least 70 countries currently employ wind for electricity and have collectively increased their wind power capacity to 158,000 megawatts, up from 120,550 MW in 2008.

According to the Earth Policy Institute, global wind power leaders in 2009 were the US in top place, followed by Germany and China. However, China installed the most wind projects for the year, doubling its overall wind capacity. Thanks to its ambitious "Wind Base" program, China has doubled its wind capacity every year for the past five years.

Europe, China and the US have the most established wind infrastructure, but countries in Latin America, South Asia and Africa are also recognizing the market potential for wind power and accelerating the development of this inexhaustible, clean energy supply.

South Africa nets the fog

South Africa is an arid country, with serious challenges in meeting the basic water needs of its citizens. A new fog-catching system is proving to be a creative, low-tech, and low-cost way for some communities to harvest water.

Professor Jana Olivier, a climatologist and fog specialist at the University of South Africa, has devised a simple system to trap fog that can produce hundreds of liters of water a day. The system works best in areas with at least 40 days of fog a year; it has proved especially productive in the mountainous region of the Eastern Cape.

The fog is caught on fine netting called “shade cloth”; the trapped water drips into a gutter and is stored in tanks. The system can be built locally from readily available materials, and requires little maintenance. “The water is incredibly pure, because it comes from the clouds,” said Olivier.

The University has launched fog-catching systems in half a dozen rural areas around the country so far. For many of these communities, the system is the first reliable water supply they’ve ever had.

While catching the fog isn’t new (and is being utilized in other mountainous and foggy regions around the world), this is perhaps the most concerted effort to catch the fog on a national scale.

Snake power

Wave power has huge potential, as we wrote in last issue’s cover story, but so far widespread commercial is still years off. But a United Kingdom company is putting the final touches on a wave-power device it hopes will revolutionize the sector, and provide “the world’s most cost effective wave energy device.” Checkmate Seaenergy is in the final stages of testing its long, rubber tube device, named the Anaconda, which undulates under the sea to generate electricity.

In contrast to some other wave-power devices, the Anaconda has minimal maintenance needs, is low-cost and uses natural materials. A rubber tube floats right below the ocean’s surface, secured to the ocean floor. The pressure that builds within the tube with each passing wave provides the power to drive a turbine generator at the tube’s end. The device’s inventors stress its survivability under harsh marine conditions – something that has plagued other wave-power devices. “If worst comes to the worst it’ll only be washed up on the beach, and you can patch it up and put it back out there,” Rod Rainey, an engineer who worked on the Anaconda, told *The Guardian*.

The company hopes the first devices could be producing green power off the coast of Britain as early as 2014.

Micro-hydro center opens in Nepal

A new training center focusing on micro-hydropower has been set up in Nepal, with help from the US government. It is the first center for promoting micro-hydro in South Asia. The center will provide training and exchange of ideas and experiences in micro-hydro on a national and even international level. (Micro-hydro refers to hydro plants with less than 1,000-kilowatt capacity.) Nepal already has some 600 operating projects with an installed capacity of 7.2 MW in remote areas, according to Dr. Narayan Chaulagain of the Alternative Energy Promotion Centre, which was a partner in the development of the new micro-hydro center.

Peru and Brazil gang up on Amazon

The governments of Peru and Brazil are close to signing an energy cooperation agreement that includes the construction of six hydropower plants in the Peruvian Amazon. The projects include Inambari (2,000

MW), Paquizapango (2,000 MW), Sunaberi (1,074MW), Urubamba (940 MW), Vizcatán (750 MW) and Cuquipampa (800 MW), and a transmission line to Brazil. The total cost is an estimated \$16 billion. Brazil’s energy utility Eletrobrás will develop the first two projects, with financing from Brazilian national bank BNDES. Still being discussed is how much energy is to be exported to Brazil and how much would supply national demand.

Construction of the Inambari project could begin at year-end if required authorizations are secured. Inambari would impact Bahuaja Sonene National Park, called a national treasure by the National Geographic Society and home to thousands of unique species. Roads for the project would provide access of colonizers to this protected area.

The Paquizapango dam on the Ene River would affect 17 communities of the Ashaninka indigenous group, six of which would be flooded. A few kilometers from the Ene River are the Ashaninka Communal Reserve and Otishi National Park, which the Ashaninka fear would be impacted by the penetration of colonization as new roads are built.

Want salmon? Just add water

More than 500 fishers, environmental leaders, and policymakers came together for a “Salmon Summit” on April 1 in San Francisco to discuss the state of fisheries in the Sacramento River and Bay-Delta of Northern California.

The meeting aimed to raise public awareness and educate political leaders about how California water management policies have affected salmon and coastal communities.

According to Salmon Water Now!, an organizer of the Summit, sport and commercial salmon fishers and advocates were “demanding action to rebuild the west coast’s iconic salmon industry dependent on the Sacramento Bay-Delta.”

Water for irrigation in the Central Valley has for decades taken precedence over the water needed to sustain a healthy salmon population and fishing industry. A fishing ban has been in place for the past two years due to depleted salmon populations, which has cost California \$2.8 billion in revenue and at least 23,000 jobs.

Victory Parade!

Dedicated defenders of the Mary River enjoy the fourth annual Save the Mary Flotilla, marking four years since the Australian state of Queensland proposed a big dam on the Mary. This



year’s flotilla was decidedly more upbeat: it celebrated the cancellation of the dam last year, after an inspiring local campaign successfully elevated key concerns to the national level.

Once the boating was done, the group planted 1,000 native trees – not only a significant act of riverbank rehabilitation, but a long term tribute to the fight to save the Mary River.

Photo: Arkin Mackay / www.stoppres.com.au

Defenders of Rivers and Rights Make a Big Splash on March 14

by Martina Plaza

We've always known that river activists are a dedicated lot, but even we were surprised by one group's actions on the International Day of Action for Rivers this year. Chile's devastating earthquake hit the nation's main dam-building area at the end of February, leaving the region in chaos. But that didn't stop local activists from speaking out for healthy rivers. Though they planned to hold their action on the designated day, March 14, the rattled advocates just postponed their actions a bit, allowing them to wrap up some ongoing work to support communities affected by the earthquake. Their perseverance in creating awareness about dam-affected people and threatened ecosystems added poignancy to this year's inspiring crop of global actions celebrating the annual Day of Action.

This year we learned of at least 136 actions in more than 27 countries, exceeding previous records. Even more inspiring were the individual actions behind the numbers. One of the most amazing was a 13-day march by some 25,000 people in Pakistan. The Pakistan Fisherfolk Forum, a key organizer of the march, said the journey's aim was to support the rehabilitation and restoration of the Indus River, which has been severely compromised by dams and diversions.

Several groups made tangible connections with their rivers to commemorate the day. The No Tillegra Dam Group in the Hunter Valley of Australia arranged a "Walk for the Williams



Kayak activists in Spain, part of COAGRET's weekend of actions.

River." Participants carried a vessel of water from their starting point on the Williams River to its mouth at Nobby's Head Beach, and released the water into the ocean, illustrating the connectivity of life between rivers, oceans and people. So too, the Trust for Conservation of Coastal Resources (TCCR) in Pakistan "paid a fresh water tribute to the sea." Participants transported two dozen clay pots filled with fresh water and poured them into the sea as a token of respect for the water that sustains them.

Our own efforts here at International Rivers included the creation of a Wild River Dance



On the banks of the Salween River at the Thai-Burma border, 600 villagers gathered to bless the river's fertility, and announce their opposition to large dams. Photo: Pianporn Deetes.



Pakistan Fisherfolk Forum held a very successful 2-day rally that drew 25,000 people to call for decommissioning of dams on the Indus River.

video, which is intended to incite others to make their own "dance for the rivers" video and post them on YouTube. We also had a public screening of a film here at our Berkeley headquarters. Our guests watched the informative and touching movie *Amazonia: Voices of the Rainforest*, and had a chance to talk with International Rivers staff members about our different campaign areas. The event's backdrop was a wall of photos of past Day of Action events from all over the world.

Though we can still feel the excitement from this year's March 14 actions, we also are beginning to look forward to next year's events. For us, the collective effort to bring public attention to healthy rivers and the rights of communities who depend on them is an annual highlight of our work, and a day in which we feel an even stronger connection to the world's river defenders. Thank you all for participating! ●

Gibe Dam *continued from page 1*

organizations have filed complaints with the AfDB regarding a series of violations of the Bank's safeguard policies. The international financial institutions have commissioned further studies on the project, and have so far not committed any funding. Approving a large loan while the international financiers are still investigating the problems of the Gibe 3 Project would reflect badly on the environmental, social and financial due diligence of ICBC."

Canada's Hydro Partnerships *continued from page 5*

plan and reduce the dam's impacts, including alterations to its design, construction and operation. Wuskwatim Dam was originally designed to flood 140 square kilometers of land, but as a result of these negotiations, it would now flood less than half a square kilometer. The Nisichawayasihk also rejected two access road routes that were too close to spiritual sites or caribou habitat.

As part of this equity partnership, the Nisichawayasihk would own 33% of the Wuskwatim generating station. The Burntwood/Nelson River Agreement also promised employment to local Nisichawayasihk workers.

Falling Short

While on paper, the Wuskwatim planning process follows some key recommendations of the World Commission on Dams – such as gaining public acceptance of a project, acquiring community consent, and developing a plan to share benefits – in practice, its performance has been found lacking. On August 14, 2009, several members of the Nisichawayasihk blocked access to the project. The protesters said that Manitoba Hydro had not lived up to its agreement to provide jobs to their members, as called for by the Burntwood/Nelson River Agreement. Manitoba Hydro spokesman Glenn Schneider says that the Wuskwatim Dam currently employs 230 aboriginal people out of 800, but only 44 workers are Nisichawayasihk.

There has also been debate within the community about the value of the equity partnership. The community is not entitled to any profits unless the project makes a profit, which is unlikely for a number of years due to the high construction costs and upfront debt repayments typical of large hydropower projects. During the debates, Carol Koblinski of the Nisichawayasihk went door-to-door urging members to demand a better deal. According to Koblinski,

China Dam Standards *continued from page 7*

to share a draft with us before adopting it. We have urged the company to adopt an environmental policy which reflects highest international standards, such as those proposed by the World Commission on Dams. In a separate development, Sinohydro agreed to work together with the Global Environmental Institute, a Chinese NGO, in an effort to address the social and environmental impacts of the Nam Ngum 5 Dam, a \$200 million hydro-power project in Laos.

Progress and backsliding

There is often a big gap between policy improvements and the projects on the ground. Paper is patient, as we say in Switzerland, and the proof of the pudding is in the eating. We see a mixture of progress and backsliding in China's real-life projects. China Exim Bank suspended support for a hydropower project in Gabon after a local NGO documented that the dam would violate the bank's environmental policy. The Chinese government has so far also ignored Turkey's invitation to fund the Ilisu Dam, a highly controversial project on the Tigris River.

Johan Frijns, the coordinator of the global BankTrack network, says: "China has made impressive progress in reforming its banking sector through its green credit policy. Funding an environmental disaster like the Gibe 3 Dam would make a mockery of the environmental reform efforts in China's banking sector." ●

Sign a petition to stop the dam: <http://www.stopgibe3.org/>

while the Québec Cree signed the "Peace of the Braves" agreement with Hydro-Québec – which gave the Cree a \$2.85 billion settlement over 50 years in exchange for clearing the way for hydropower – "here, we have to pay \$62 million from our own band's funds, just to be a partner in our own resource area."

In contrast to Manitoba Hydro's partnership model, the 9.9 MW Minashuk project developed by Hydro-Québec with the Innu people allowed the Innu to become the majority shareholder with a 51% stake in the project. Hydro-Innu, a general partner of the limited partnership responsible for designing the station, is entirely Innu-owned. Hydro-Québec also committed to buy all of the electricity generated by the project under a 20-year contract, which provided the necessary conditions for the local community to invest. The Innu were able to design and develop the project to best meet their needs, as well as receive a share of the profits that they plan to invest in employment initiatives. Some scholars have called the Minashuk partnership "groundbreaking."

Not all projects are going smoothly for Hydro-Québec, however. An Innu community has launched a legal bid to block construction of the Romaine hydroelectric project on the Romaine River in Quebec. Hydro-Québec plans four large dams on now-free-flowing river. The case will be heard in July. The Innu community also wants to broaden its fight against Hydro-Québec to seek redress for lands lost in the 1960s to the Upper Churchill hydro project, according to the *Montreal Gazette*.

Given the desperate economic conditions faced by many First Nation communities, such deals to develop their lands and rivers are likely to continue. But the jury is still out on whether these various agreements will provide them with equitable long-term benefits and full stewardship rights over their cultural and natural resources. ●

On the other hand, a Chinese company just agreed to supply equipment for the Gibe 3 Dam, a destructive project in Southern Ethiopia, with support from ICBC, China's biggest commercial bank (see page 1). And a variety of Chinese companies and financiers are building dams in Burma under often horrific conditions.

How can we explain these differences? Sinohydro and China Exim Bank, the leading Chinese actors in this field, don't want to become rogue actors on the international market, but are eager to be seen as good global citizens. In contrast, smaller companies often don't care about their reputation. And new actors in the global hydropower market, such as ICBC, may not be fully aware of the problems that projects like Gibe 3 will create, and the public opposition that they will soon face.

In cooperation with our local partners, International Rivers will try to ensure that the process of reforms begun by China's leading dam builders and financiers translates into progress on the ground, and that the worst performers no longer get away with their substandard projects. We will also start putting pressure on other actors in China to adopt environmental reforms. ●



Jill Eisenberg

Volunteer of the Month

Navigating the online world of blogs, social media, and breaking news can be daunting to some, but not to Jill Eisenberg, International Rivers' communications intern. Jill has taken on a long list of key tasks in her time with us, including writing News Briefs for *WRR* (see p. 12). Jill has been with us since January. According to Jill, "International Rivers has enabled me to study the history of the global and community-based environmental justice movements more deeply than in school, and to participate in the day-to-day operations of an activist NGO." Next, she's heading to Taiwan on a Fulbright Scholarship.

German Company Faces Charges on Sudan Dam Abuses

by Peter Bosshard

The Merowe Dam on the Nile in Sudan is one of the most destructive hydropower projects in recent years. In early May, a German NGO and an affected person filed a criminal complaint against a German company over abuses on the project. The complaint opens a new avenue for holding dam builders accountable for human rights violations on their projects.

The Merowe Dam affected up to 70,000 people, displacing many of them from the fertile Nile Valley to arid desert locations. Thousands of families refused to leave their homes, and asked to be resettled at sites of their own choosing along the future reservoir. Yet while the affected people held out in their villages, the project authorities and Lahmeyer International – the construction supervisor – continued building the dam. Lahmeyer is a German engineering company that has played a leading role in many destructive dam projects.

In December 2005, the Nile's mainstem was closed behind the dam, and in April 2008, the dam's last spill gates were closed. As a result, 34 villages were submerged without warning as water levels suddenly rose during the rainy seasons of 2006 and 2008. Here is how an affected farmer described the manmade disaster:

"On the evening of 6 November 2008 water flooded our house without prior warning by the officials. The walls collapsed on all sides of the building while family members were sleeping in the

house. This forced us to flee into the open while we tried to rescue the old and the children. We lost all our belongings, our cattle and the entire furnishings of our home."

Approximately 4,700 families were flushed out of their villages by the rising waters. Ali Askouri, a representative of the affected communities, estimates that 150,000 sheep and goats perished in the floods. At least one million fruit trees, grain harvests, and all the houses, mosques and schools in the affected villages were destroyed.

On May 3, 2010, Askouri and the European Center for Constitutional and Human Rights (ECCHR) filed a criminal complaint against two executives of Lahmeyer International in Germany. They state that Lahmeyer was "responsible for the planning, the entire construction supervision and the commissioning of the Merowe Dam Project," and assert that the defendants "had knowledge of the specific risks of continuing the dam construction project without a timely resettlement."

"Lahmeyer enforced the inhumane actions of the Sudanese government," the program director of ECCHR explained as the group filed its complaint. "The joint responsibility of a German company in such blatant violation of human rights to adequate housing and food must not go unpunished." It is now up to the public prosecutor in Germany to investigate the complaint. ●