RESETTLEMENT *NEWS* 28

July 2013

The World Bank is Bringing Back Big, Bad Dams

A Renewed Focus on Mega-Dams Will make Matters Worse in Africa and Benefit Companies, not People

The big, bad dams of past decades are back in style. In the 1950s and 960s, huge hydropower projects such as Kariba, Akosombo and Inga dams were supposed to modernize poor African countries almost overnight. It didn't work out this way. As the independent World Commission on Dams found, such big complex schemes cost far more but produce less energy than expected. Their primary beneficiaries are mining companies and aluminium smelters, while Africa's poor have been left high and dry.

The Inga 1 and 2 dams on the Congo River are a case in point. After donors have spent billions of dollars on them, 85% of the electricity in the Democratic Republic of Congo is used by high-voltage consumers but less than 10% of the population has access to electricity. The communities displaced by the Inga and Kariba dams continue to fight for their compensation and economic rehabilitation after 50 years. Instead of offering a shortcut to prosperity, such projects have become an albatross on Africa's development. Large dams have also helped turn freshwater into the ecosystem most affected by species extinction.

Under public pressure, the World Bank and other financiers largely withdrew from funding large dams in the mis-1990s. For nearly 20 years the Bank has supported mid-sized dams and rehabilitated existing hydropower projects instead.

Following a trend set new financiers from China and Brazil, the World Bank now wants to return to supporting mega-dams that aim to transform whole regions. In March, it argued that such projects could "catalyse very large-scale benefits to improve access to infrastructure services" and combat climate change at the same time. Its board of directors will discuss the return to mega-dams as part of a new energy strategy on Tuesday.

The World Bank has identified the $12b (pounds 8b) Inga 3 Dam on the Congo River – the most expensive hydropower project ever proposed in Africa – the two other multi-billion dollar schemes on the Zambesi River as illustrative examples of its new approach. All three projects would primarily generate electricity for the mining compnies and middle-lass consumers of Southern Africa.

The World Bank ignores that better solutions are readily available. In the past 10 years, governments and private investors installed more new wind power than hydropower capacity. Last year, even solar power – long decried as a Mickey Mouse technology by the dam industry – caught up with the new hydropower investment. Wind and solar power are not only climate friendly, they are also more effective than big dams in reaching the rural poor in sub-Saharan Africa, most of whom are not connected to the electric grid. The International Energy Agency recommends that more than 60% of the funds required to bring about universal access to electricity be invested in distributed renewable energy projects such as wind, solar and small hydropower plants. Yet, so far, funding for bringing these promising technologies to Africa has been woefully lacking. Like other donors, the World Bank is behind the curve on this. In 2007-12, it spent #\$5.4bn on hydropower, but only $2bn on wind and solar projects combined. A renewed focus on mega-dams will make matters worse.

Is the World Bank blinded by an outdated technology? More likely, its return to mega-dams is driven by institutional self-interest. A strategy paper leaked from the Bank in 2011 recognized that the increase in project size "may seems somewhat at odds with the goal of scaling up activities in areas where many potential projects – such as solar, wind and micro-hydropower – tend to be small". Yet, the paper argued, the "ratio of preparation and supervision costs to total project size" is bigger for small projects than large, centralized schemes, and so Bank managers are "disincentivised" from undertaking small projects.

The World Bank, in other words, still finds it easier to spend billions of dollars on mega-projects than to support the small, decentralized projects that are most effective at expanding energy access in rural areas. It appears to the caught in the development model of past decades. If internal constraints prevent the Bank from doing what is best for the poor, governments should find other vehicles for reducing energy poverty and combating climate change.

Source: **guardian.co.uk** Posted by Peter Busshard, Tuesday 16 July 2013. 1120BST

China's Domestic Dam Plans Cause Concern at Home and Abroad

The Chinese government stunned environmentalists this year by reviving plans to build a series of hydropower dams on the upper reaches of the Nu, the heart of Unesco World Heritage site in the southwestern province of Yunnan than ranks among the world's most ecologically diverse and fragile places.

Critics say the project will force the relocation of tens and thousands of people belonging to ethnic minorities and destroy the sprawling grounds for a score of engendered fish species. Among the biggest losers could be the millions of farmers and fishermen across the border in Myanmar and Thailand who depend on the Salween, as the river is called in Souteast Asia, for their sustenance.

The project is increasing long simmering regional tensions over Beijing's plans to dam or divert a number of rivers that flow from China to other thirsty nations in its quest to bolster economic growth and reduce the country's dependence on coal. So far, China has been largely unresponsive to the concerns of its neigbours, among them India, Kazakhstan, Myanmar, Russia and Vietnam. Since 1997, China has declined to sign a U.N. water-sharing treaty that would govern 13 major transnational rivers on its territory.

According to its latest energy plans, the government aims to begin construction on about three dozen hydroelectric projects across the country, which together will have more than twice the hydropower capacity of the United States.

Among the plans are five contested dams on the Nu. A total of 13 dams on the Nu were first proposed in 2003 by the local government, which hoped to expand the region's rich hydropower potential to export electricity to the booming industrial sectors on the eastern seaboard. Since, then, the 13 dams have been reduced to five. Songta inTibet, and Maji, Yabiluo, Liuku, and Saige in Yunnan. Together, the dams would displace up to 3,0000 people, destroy the Nu River's aquatic ecosystem, and flood the deep scenic gorges for which the Three Parallel Rivers area is known.

While the dams look like a done deal, Chinese officials have emphasized that at this moment, they are just plans. Meanwhile, in response, Chinese and international NGOs are rallying to keep the dams debate in the spotlight. Environmental and resettlement concerns, alternative energy options and transparency will continue to dominate the debate

Source**: *International Herald Tribune*,** Vol 9 Issue 284 May 2013 (pp 1 and 4) and ***World Rivers Review*** Vol 28/No 1 March 2013 (pp 1 and 15)

Land Grab Noise is Aimed at Scaring Off Investment

The Official Ethiopian View

(In response to an article 'How Ethiopians are being pushed off their land' by Ashish Kothari published in *The Hindu* Op-Ed 19 February 2013, Metasebia Tadesse, Minister Counselor at the Embassy of Ethiopia, New Delhi, wrote the following rejoinder 'How Ethiopians benefit from Indian (and other) land investors: Land grab noise is aimed at scaring off Investment from emerging economies' in *The Hindu* 27 February 2013:7).

…The prime focus of the policy of the government of Ethiopia is ensuring food security of its citizens. To this end, the priority area is the enhancement of agricultural productivity… Not only is the government focused on providing the necessary support and leadership to small farmers, but it has a clear policy that no small holding farmer will be dispossessed of his/her land for the purpose of foreign investors intending to engage in commercial farming….

Now that the government has launched an ambitious Growth and Transformation Plan (GTP) to double the nation's GDP in five years, the role of agro-investment becomes all the more decisive. Most of the companies will be involved in the production of highly needed cereals, which will not only earn the nation highly needed foreign currency but also contribute to the ensuring of food security and food self-sufficiency in the country.

It is also the policy of the government that large swathes of hitherto uncultivated land n very remote and inaccessible parts of the country should be made available to foreign investors interested to invest in commercial farming. The government wants to put to use hitherto unused and mostly inaccessible swathes of land for the purpose of augmenting its campaign to ensure food security.

The majority of these lands are to be auctioned in sparsely populated regions of the country, where the risk of displacing local populations for this purpose is too negligible, at worst. The areas being allocated for this purpose are totally inaccessible in terms not only of infrastructure development, but also those which have hardly been inhabited by people. So in all fairness, the talk about people being displaced for the purpose of land lease is unfounded at best and even deliberately contrived at worst…

We don't hear much fuss over similar projects in other parts of the world such as Latin America. It can be surmised that the noise about "land grab" in Africa has everything to do with the paternalism of some of the 'activities' as well as with the identity of the investors who are currently benefiting from the deals.

Quite obviously, the investors are mainly from India, China and Middle East countries – unlike in the case of say Latin America where such projects are mainly owned by western investors…

The noise about lad grab also has another face. It is a clear reminder of the condescending outlook reflected by many western institutions doubting the capacity of African states to sincerely advocate the interest of their citizens.

Hence the report of the so-called seminar was a reflection of the usual effort to daunt investment activities from emerging countries like that of India.

Financial Market Lending

World Bank Knows Very Little About Potential or Social Impacts

By Maria Jose Romero….

.

The International Finance Corporation (IFC), the largest global development institution focuses exclusively on the private sector in developing countries, "knows very little about potential environmental or social impacts of its financial markets lending" and cannot even claim that it meets a "do no harm" requirement. This is an alarming finding just released by the Compliance Advisor/Ombudsman (CAO) – the IFC's arm length watchdog – from an audit into environmental and social (E&S) outcomes of a sample of IFC's financial intermediary (FI) lending between 2006 and 2011. This echoes concerns raised by civil society organizations.

The IFC claims to be the global leader in "sustainable banking and in other areas such as E&S standard-setting for the private sector." The IFC Performance Standards form the basis of Equator Principles, which are independently managed financial industry benchmarks for assessing and managing E&S risks in project finance.

During the CAO audit, the team in charge "identified a tension between trying to increase investment and imposing the appropriate E&S provisions." More generally, the CAO found that the "IFC's E&S processes and results do not fully correspond to [the] IFC's overall corporate message." In fact, as the CAO report highlights, the IFC addresses E&S impacts in three ways, but "none of these approaches systematically tracks or measures E&S impact at the sub-client level", and the IFC conducts "no assessment of whether the E&S requirements are successful in achieving 'do no harm'." Due to the lack of these systematic measurement tools, the CAO says, damningly, that the "IFC knows very little about potential environmental or social impacts of its FM [financial market] lending."

The CAO report finds that 10 per cent of the sample was not compliant with the IFC's environmental and social requirements, and that a further 25 per cent was only partially compliant or that there was uncertainty. The CAO was “surprised” to find cases where failure to comply with the requirements included in legal agreements between the IFC and the FI, “did not cause the IFC to refuse additional IFC financing” to the client.

The CAO emphasizes how the requirements focus on the client’s developing a social and environmental management system (SEMS), rather than actual social and environmental outcomes. This requirement creates the risk of a reporting and compliance orientation on part of the client. The SEMS “can become merely an end in itself (a box-ticking exercise), rather than a means of enhancing environmental and social performance outcomes on the ground.”

As the IFC usually co-invests with some other development finance institutions (DFIs), the CAO panel also discusses the issue of alignment of development finance institutions’ (DFI) E&S requirements. In this regard, the CAO report concludes that there is currently no harmonized approach amongst the DFIs in terms of measuring development impact.

As the CAO report clearly mentions, “disclosure of investment information is a central tenet of the accountability of publicly funded multilateral finance institutions.” The IFC’s Policy on Disclosure of Information states that “there is a presumption in favor of disclosure”, but the “IFC does not disclose to the public, financial business, proprietary or other nonpublic information” with the argument that “to do so would be contrary to the legitimate expectations of its clients.”

Source:http://eurodad.org/1544619/

FORTHCOMING INTERNATIONAL CONFERENCE

Conference on Environment, Dislocation and Cultural Space Auckland, 22-24 November 2013

On 22-24 November 2013.the New Zealand Asian Studies Society is hosting their 20th Biennial International Conference in Auckland, with the theme "Environment, Dislocation and Cultural Space." Susanna Price and Jane Singer are putting up on this occasion a Panel ‘Concepts, Processes, and Case Studies of Development Forced Displacement and Resettlement (DFDR) and Climate Change-induced Displacement and Resettlement in Asia’. Those who wish to join the Panel may contact the Panel Organizers: Susanna K Price susanna.price@anu.edu.au and Jane Singer singer.jane.6e@kyoto-u.ac.jp

NEW PUBLICATIONS

Rethinking Displacement: Asia Pacific Perspectives Edited by Ruchira Ganguly-Scrase and Kuntala Lahri-Dutt. London: Ashgate Publishing Limited 2013

This book responds to the need to explore the multitude of interconnected factors causing displacements that compel people to move within their homelands or traverse various borders in the contemporary world that is characterized by extensive and rapid movements of people. It addresses this need by bringing together historical and contemporary accounts and critical examinations of the displaced, by articulating the commonalities in their lived experiences. It accomplishes he task of charting a new path in displacement studies by offering a number of studies from interdisciplinary and diverse methodological approaches comprising ethnographic and qualitative research and literary interpretations to emphasize that although the forms and conditions of mobility are highly divergent, individual experiences of displacement and placelessness offer a critical challenge to the artificial categorization of people's movements. Each chapter adds insights into the different configurations of displacement and placement and offers fresh interpretations of migration and dislocation in today's rapidly changing world. The contributors critically examine a variety of displacement processes and experiences in the context of war, tourism, neoliberal policies of development, and the impact of various agro-forestry policies. They focus on a range of countries, enabling a thorough comparative analysis in terms of scope and range of examples and methods of analysis. This book makes an original contribution to the growing body of literature on displacement, and will appeal to a wide readership including advanced undergraduates, and graduate students and professors in disciplines such as human geography, development studies, sociology and anthropology, regional studies and comparative impact assessment.

Dams, Displacement and the Delusion of Development: Cahora Bassa and its Legacies in Mozambique, 1965-2007 By Allen F Issacman and Barbara S Issacman. Athens, Ohio: Ohio University Press 2013

Cohara Bassa Dam on the Zambezi River, built in the early 1970s during the final years of Portuguese rule, was the last major infrastructure project constructed in Africa during the turbulent era of decolonization. Engineers and hydrologists praised the dam for its technical complexity and the skills required to construct what was then the world's fifth largest mega dam. Portuguese colonial officials cited benefits they expected from the dam – from expansion of irrigated farming and European settlement, to improved transportation throughout the Zambesi River Valley, to reduced flooding in the area of unpredictable rainfall. The project, however, actually resulted in cascading layers of human displacement, violence, and environmental destruction. Its electricity benefited few Mozambicans, even after the former guerrillas of FRELIMO (Frente de Libertacao de Mocambique) came to power; instead it fed industrialization in apartheid South Africa.

This in-depth study of the region examines the dominant developmentalist narrative that has surrounded the dam, chronicles the continual violence that has accompanied its existence, and gives voice to previously unheard narratives of forced labour, displacement, and historical and contemporary life in the dam's shadow.

The Great African Land Grab: Agricultural Investments and Global Food Risk by **Lorenzo Cotula** London: Zed 2013

Over the past few years, large-scale land acquisitions in Africa have stoked controversy, making headlines in media reports across the world. Land that only a short time ago seemed of little outside interest is now a commodity in high demand. Private-sector expectations of higher world food prices and government concerns about longer-term national food and energy security have both made land a more attractive asset.

Dubbed 'land grabs' in the media, large-scale land acquisitions have become one of the most talked about and contentious topics amongst those studying, working in or writing about Africa. Some commentators have welcomed this trend as a bearer of new livelihood opportunities. Others have countered by pointing to negative social impacts, including loss of local land rights, threats to local food security and the risk that large-scale investments may marginalize family farming.

Lorenzo Cotula's book aims to debunk many of the myths surrounding land acquisitions in Africa and analyse their internal implications for African stakeholders Displacement and Resettlement in India:

Accountability in Africa's Land Rush: What Role for Legal Empowerment by Emily Polack, Lorenzo Cotula, Muriel Cote London: IIED .2013.

In recent years, there has been a renewed interest in acquiring farmland for agricultural investments in lower-income countries. Whilst such investments can create jobs, improve access to markets and support infrastructure, many large land deals have been associated with negative impacts for local populations, including the dispossession of land and other resources and increased conflict over economic benefits. There is growing evidence of the scale, geography and impacts of large deals. But less is known about how the legal framework regulating this land rush shape opportunities and constraints in formal pathways to accountability; and how people who feel wronged by land deals are responding to seek justice, and to what ends. This report assesses the state of evidence on pathways to accountability in the global land rush, with a focus on Africa. It also identifies areas for a new research agenda that places accountability at its center.

New Internationalist *Magazine*: Special Issue on Land Grabs May 2013 Issue (NI 462)

It has been labeled 'the Earth's final round-up'. Investors are seeking to annex forests, and farmlands, anticipating food shortages, dwindling oil stocks and poor financial returns elsewhere.

We are four years into the phenomenon. And while the pace has slowed, the global rush for land in the developing world is still on. In next month's issue we travel to Mozambique – one of Africa's fastest growing economies, where the drive to investment is intense. We meet rural communities dispossessed by powerful companies, speak to subsistence farmers at odds with Scandinavian foresters, Indian rice giants, and biofuel projects. But, as well as the woes, we will hear about growing South-South resistance to unbalanced deals.

Land grabs lie at the heart of development debates today. Will Majority World nations take the easy option, outsourcing agriculture and buying into the quick-fix private sector promise to end poverty? Or will they tackle hunger direct, by supporting long-neglected smallholder farmers? Do 'win-win' deals even exist? The path that governments choose will determine whether the peasants of today hold on to community land rights or become landless labourers of the future.

RESETTLEMENT *News,* published twice a year in January and July, reports on current operational, research and capacity building work in resettlement from around the world. The aim is to disseminate practical experience, information and ideas among those working for resettlement agencies, development research centres, and management training institutes. It is published by the **Resettlement *News*** Network - an informal network of individuals with a concern for the fate of people who are forced to relocate due to development projects. The submission of material relating to any aspect of development-induced resettlement is welcomed, and should be addressed to the

Editor:
Hari Mohan Mathur
Resettlement *News* Network
C95 Jagan Path, Sardar Patel Marg
Jaipur 302001, India
E-mail: HariMohanMathur@gmail.com